

Myatt, Ruth

From: Connors, Michele
Sent: Monday, July 13, 2015 3:53 PM
To: aharkness@mpegla.com
Cc: DSkandalis@mpegla.com
Subject: Dell's response to MPEG LA DisplayPort Patent Portfolio License Request

Dear Mr. Harkness:

Thank you for the opportunity to review the proposed MPEG LA DisplayPort Patent Portfolio License [hereinafter "License Agreement"]. Dell has completed its review of the License Agreement and has decided against executing it.

Upon investigation, we learned that Dell's principal supplier of DisplayPort technology already is licensed under almost all of the patents in the MPEG LA DisplayPort Patent Pool. Under settled principles of patent exhaustion, Dell is a beneficiary of its supplier's license and does not need to take another license from MPEG LA.

Furthermore, our review of the patents in the MPEG LA DisplayPort Portfolio revealed additional reasons why Dell should decline your proposed licensing agreement. Some of the MPEG LA DisplayPort Portfolio patents are not essential to the DisplayPort standard. Combining standard essential and non-essential patents in the same patent pool raises antitrust concerns.

Moreover, some patents in the pool appear to be invalid based on prior art that we discovered.

Dell also is concerned that MPEG LA's proposed royalty is inconsistent with the RAND obligations owed by Silicon Image (one of the patent owners) to VESA and its members (such as Dell).

For these reasons, Dell respectfully declines your offer.

Very truly yours,

Michele K. Connors

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Senior Counsel

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