



**COMPRESSION
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COMPRESSION LABS, INC. STATEMENT TO CCITT
June 7, 1989

**Subject: CLI Statement On Patents On The p X 64 kbit/s Video
Coding For Audiovisual Services.**

Upon adoption of the Recommendation by CCITT and provided that all other participating organizations similarly agree to grant licenses under their Patents, CLI will grant licenses under CLI Patents on a non-exclusive basis and on non-discriminatory, fair and reasonable terms to all users solely for their use in complying with the Recommendation, but on condition that any such user grant to CLI, for CLI and CLI's subsidiaries, similar licenses under such user's Patents, if any, for use in complying with the Recommendation.

The grant by CLI will be for licenses to make, use, sell, lease and import any equipment complying with the Recommendation.

As used herein:

"Patents" means patents for inventions made prior to the adoption of the Recommendation which patents are owned or controlled by the grantor (CLI or the user) or its Subsidiaries; provided, however, that in no event shall "Patents" include any patent the use of which is not essential to meeting the Recommendation or which can be avoided by those skilled in the art through the exercise of their best efforts.

"Recommendation" means a recommendation by the CCITT for a preferred algorithm for the p x 64 kbit/s video coding for audiovisual services.

"Subsidiary" means any corporation, company or other entity more than fifty percent of whose voting shares or outstanding capital stock is owned or controlled directly or indirectly by CLI or by the user, as the case may be.