

Philips DAB patent expiry on 18th January 2013 means lower costs for manufacturers

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After much anticipation today finally sees the expiry of the patents related to the DAB family of standards - generally referred to as the Philips patent pool. For manufacturers this is important news as the patents expire in some of the largest potential target markets for the DAB family of standards - France, Germany, Italy, Sweden, Switzerland and the UK.

For manufacturers and potentially consumers, this means lower priced receivers on the market. The actual saving will depend on the total number of devices shipped by each manufacturer, with the normal cost saving range spreading from €2.50 for low-volume manufacturers, down to €1.50 for larger manufacturers such as Pure.

From today, any shipments into countries where the patents have expired are no longer liable for the royalty payment. With standard retail multipliers, that could mean that the price of entry-level devices will reduce by approximately €5. Furthermore, this means that the price barrier to integrating the DAB family of standards into devices as default is lower as, similar to FM in the past, DAB becomes a free-to-integrate technology.

The patents are the intellectual property of various companies within a pool which is administered by Philips. The last "original" DAB patent will expire at different times in different countries. For example by mid-August 2012 the original patent had already expired in Australia, Denmark, The Netherlands and a few other countries.

The DAB+ royalty that is specifically for HE-AACv2 (paid to VIA Licensing) needs to be paid only once, so if a manufacturer has an internet radio product that needs HE-AAC to handle IP streams, then that will also cover DAB+.

ENDS

About WorldDMB

WorldDMB is the global industry forum for digital radio promoting DAB, DAB+ and DMB - the digital radio broadcasting standards of choice in Europe and much of Asia Pacific. Its global membership includes public and commercial broadcasters, network providers, receiver manufacturers, chip manufacturers, and car manufacturers. Members collaborate to deliver advice and tailored solutions on all aspects of the switch from analogue to digital radio including regulation, licensing, technology trials, network build out, marketing and production of new digital radio content. Broadcast radio professionals have access to this body of expertise which is delivered through leading-edge industry events, car manufacturers' workshops, tailored workshops and seminars and the WorldDMB website via the members-only information portal that includes an extensive online ETI library. More than 500 million people worldwide are within range of a DAB/DAB+/DMB Digital Radio transmitter, there are well over 1,000 services on air and several hundred varieties of receivers are available to market.

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