



NEWS RELEASE

## Rovi Provides an Update on Ongoing Litigation

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Company Committed to Enforcing its Intellectual Property Against Netflix

SANTA CLARA, Calif.--(BUSINESS WIRE)-- Rovi Corporation (NASDAQ: ROVI) today provided an update on ongoing litigation against Netflix, Inc. ("Netflix").

Rovi has been engaged in litigation against Netflix with respect to five patents related to various features and functionality provided by the over-the-top (OTT) video service.

On July 15, 2015, Judge Phyllis J. Hamilton issued a ruling granting Netflix's motion for summary judgment on the five patents at issue in the current litigation, finding the patents invalid on the grounds that they are not directed to patentable subject matter based upon the Supreme Court's 2014 ruling in *Alice Corp. Pty. Ltd. v. CLS Bank International*. As a result, the Court has entered judgment in favor of Netflix in the case.

Samir Armaly, Rovi's executive vice president of intellectual property and licensing, said, "While we are pleased that the Court sided with Rovi on the key claim construction issues, we are disappointed in, and strongly disagree with, the Court's decision finding the five patents invalid and plan to appeal that decision."

"Additionally," Mr. Armaly added, "it is important to remember that this litigation, initiated by Netflix, was filed in 2011, more than two years before the Supreme Court issued the *Alice* ruling on patentable subject matter. It is also important to remember that only five patents from our portfolio were at issue in this case, and Rovi's US patent portfolio includes more than 1,500 issued patents and pending applications. We are committed to enforcing our intellectual property against Netflix until the necessary licenses are in place. As we do so, we will be selecting patents from our diverse patent portfolio with the benefit of having the *Alice* decision and its reasoning factored

into that patent selection.”

As part of the decision, Judge Hamilton also issued a claim construction ruling in the case in which the Court construed the nine disputed claim terms in the case. The Court ruled in Rovi’s favor on nearly all of the disputed claim terms, only adopting Netflix’s proposed construction of a single term. Importantly, the Court rejected attempts by Netflix to limit the scope of the patents to the area of “broadcast television,” noting that the claims contain no such limitations and the patents refer to other types of media. Furthermore, the Court rejected attempts by Netflix to limit the scope of the patents to set-top box implementations.

Mr. Armaly continued, “Other leading OTT providers, including Apple, Google and Hulu, have previously taken a license under the Rovi patent portfolio, and we remain confident that Netflix requires a similar license. While our litigation continues against Netflix, we intend to continue to grow our leading entertainment discovery patent licensing program, including with upcoming renewals in the US Pay-TV market. Although litigation is always an inherent part of any licensing program, Rovi’s licensing program has been built over the past decade without having to rely on courtroom victories for success. We expect that to continue in the future with the vast majority of our agreements resulting from normal commercial negotiations. Our recent renewal with Charter, covering both set-top-box and second screen video platforms, is an example of one such agreement.”

## About Rovi Corporation

Rovi is leading the way to a more personalized entertainment experience. The company’s pioneering guides, metadata and recommendations continue to drive program search and navigation on millions of devices across the globe. With a new generation of cloud-based discovery capabilities and emerging solutions for interactive advertising and audience analytics, Rovi is enabling premier brands worldwide to increase their reach, drive consumer satisfaction and create a better entertainment experience across multiple screens. Rovi holds over 5,000 issued or pending patents worldwide and is headquartered in Santa Clara, California. Discover more about Rovi at [Rovicorp.com](http://Rovicorp.com).

## Forward-Looking Statements

All statements contained herein that are not statements of historical fact, including statements that use the words “will” or “is expected to,” or similar words that describe the Company’s or its management’s future plans, objectives or goals, are “forward-looking statements” and are made pursuant to the Safe-Harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results and/or from any future results or outcomes expressed or implied by such forward-looking statements. Such factors are further addressed in the Company’s most recent report on Form 10-Q for the period

ended March 31, 2015, and such other documents as are filed with the Securities and Exchange Commission from time to time (available at [www.sec.gov](http://www.sec.gov)). The Company assumes no obligation to update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release, except as required by law.

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Source: Rovi Corporation