

## **USPTO Issues Office Action for Forgent's '672 Patent**

## **Majority of Patent Claims Are Upheld**

AUSTIN, TX, May 26, 2006 (MARKET WIRE via COMTEX News Network) -- Forgent<sup>™</sup> Networks (NASDAQ: FORG) announced today that on May 25, 2006, the United States Patent and Trademark Office issued its first office action, a non-final action, confirming a majority of the claims in United States Patent 4,698,672. The action upholds 27 of the 46 claims of Forgent's patent. Forgent will vigorously defend the remaining claims that were not initially upheld in this first office action.

"We understand this is an extended process and we are pleased with the progress of the patent reexamination," said Richard Snyder, CEO and Chairman of Forgent Networks. "We believe the remaining claims are also valid, and we will work directly with the Patent and Trademark Office to clarify and defend our position."

Forgent is currently in litigation regarding the '672 patent with approximately 30 companies. The current parties include: Acer America Corporation, Agfa Corporation, Apple Computer, Incorporated (NASDAQ: AAPL), BancTec, Inc., Canon, USA, Concord Camera Corporation (NASDAQ: LENS), Creative Labs, Incorporated, Creo, Inc. (CREO), Creo Americas, Inc., Dell Incorporated (NASDAQ: DELL), Eastman Kodak Company (NYSE: EK), Fuji Photo Film Co U.S.A, Fujitsu Computer Products of America, Gateway, Inc. (NYSE: GTW), Hewlett-Packard Company (NYSE: HPQ), International Business Machines Corp. (NYSE: IBM), JVC Americas Corporation, Kyocera Wireless Corporation, Matsushita Electric Corporation of America, Microsoft Corporation (NASDAQ: MSFT), Mitsubishi Digital Electronics America, Incorporated, PalmOne, Inc. (PLMO), Panasonic Communications Corporation of America, Panasonic Mobile Communications Development Corporation of USA, Ricoh Corporation, Savin Corporation, Sun Microsystems Inc. (NASDAQ: SUNW), Thomson S.A. (NYSE: TMS), TiVo Inc. (NASDAQ: TIVO), Toshiba Corporation and Veo Inc. Since the filing of the litigation, more than a dozen companies that were defendants have entered into license agreements.

Since its inception over three years ago, Forgent's intellectual property program has generated more than \$105 million in revenues primarily from licensing the '672 Patent to companies in Asia, Europe and the United States. The '672 Patent relates to digital image compression used in digital image devices that compress, store, manipulate, print or transmit digital images such as digital cameras, personal digital assistants, cellular telephones, printers, scanners, and certain software applications. The company's patent portfolio includes the combined inventions of Compression Labs, Inc., VTEL Corporation, and Forgent Networks, Inc.

## About Forgent

Forgent<sup>™</sup> Networks (NASDAQ: FORG) develops and licenses intellectual property and provides scheduling software to a wide variety of customers. Forgent's intellectual property licensing program is related to communication technologies developed from a diverse and growing patent portfolio. Forgent's software division, NetSimplicity, provides a spectrum of scheduling software that enables all sizes of organizations to streamline the scheduling of people, places and things. For additional information please visit www.forgent.com.

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SOURCE: Forgent Networks