



German Court's Preliminary Opinion Finds Broadcom Patent Valid; Netflix Found to Infringe

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SAN JOSE, Calif., Nov. 03, 2023 (GLOBE NEWSWIRE) -- Broadcom Inc. (NASDAQ: AVGO) announced today that the German Federal Patent Court issued a preliminary opinion finding that a Broadcom patent related to HEVC/H.265 video coding is valid. This opinion follows a September 19, 2023 judgment by the District Court of Munich that Netflix infringes this patent. The Munich Court also issued an injunction requiring Netflix to cease and desist all further infringement in Germany.

The European patent at issue, EP 2 575 366 ("366 Patent"), covers key features of digital video processing often used in HEVC video coding. The Munich District Court ruled that Netflix infringes the `366 Patent through its transmission of HEVC video, which Netflix uses to provide Ultra HD content to its users.

Broadcom has filed a motion with the Munich Court seeking penalties for Netflix's lack of compliance with the injunction. Under section 890 of the German Civil Procedure Code, penalties for violating the injunction include: (1) government fines of up to €250,000 for each act of infringement, such as each time Netflix sends an infringing video stream to a German subscriber; and/or (2) up to six month's imprisonment for members of the infringer's board of directors.

"Broadcom is pleased that the German courts continue to recognize its patented contributions to the video technology used by successful streaming services like Netflix," said Mark Terrano, vice president and general manager of Broadcom's Intellectual Property and Licensing Division.

Since 2018, Netflix and Broadcom have been engaged in a wide-ranging patent dispute in which Broadcom has accused Netflix of infringing numerous U.S., German, and Dutch patents through its provision of its video streaming service. The German Federal Patent Court will make its final decision on Netflix's invalidity lawsuit after the oral hearing, scheduled for July 18, 2024.

About Broadcom

Broadcom Inc. (NASDAQ: AVGO), a Delaware corporation headquartered in San Jose, CA, is a global technology leader that designs, develops and supplies a broad range of semiconductor and infrastructure software solutions. Broadcom's category-leading product portfolio serves critical markets including data center, networking, enterprise software, broadband, wireless, storage and industrial. Our solutions include data center networking and storage, enterprise, mainframe and cybersecurity software focused on automation, monitoring and security, smartphone components, telecoms and factory automation. For more information, go to <https://www.broadcom.com>.

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