

## **Hillcrest Labs to Bring Interactive, Motion-Sensing Capabilities to CE Devices**

*2006 CES Innovations Award Winner Extends Freespace™ Pointing Beyond TV Remotes*

November 7, 2006 – Rockville, MD – Hillcrest Labs announced today that it will now license its patented Freespace™ motion control technology for use across a wide range of consumer electronics products, expanding its application beyond television remote controls. The company also announced that it has formed a new business unit, the Freespace Systems Division, which will be led by Dr. Chris Roller as General Manager and Senior Vice President. The mission of the Freespace Systems Division is to serve the growing market for embedded motion-sensing applications and devices.

With Freespace motion control technology embedded in handheld devices, consumers can operate CE equipment and use natural movements to navigate and select content on-screen with point-and-click interactivity. Hillcrest's first Freespace-enabled product, The Loop™, is a radically new bracelet-shaped television remote control with just two buttons and a scroll wheel. Users hold The Loop in one hand, and it translates their motions into on-screen cursor movements. Using the scroll wheel and the two buttons, users can browse through TV channels or change the volume.

Hillcrest Labs will now offer Freespace motion control technology to companies that produce PC peripherals, home entertainment consoles, game controllers, TV remote controls, and other CE devices. The company has already signed deals with major CE manufacturers that intend to announce commercially available Freespace-enabled products early next year.

“While Hillcrest Labs offers a complete, pointer-based interactive media system for television, we recognize that components of our system, such as Freespace, have valuable commercial viability on their own,” said Dan Simpkins, CEO of Hillcrest Labs. “By making Freespace motion control technology available independently, we’re able to serve a wider audience of customers and partners, enabling them to deliver uniquely interactive experiences with a wide range of CE devices.”

“The video game industry has been the first to widely utilize motion-sensing technology in home entertainment devices, such as Nintendo’s highly-anticipated Wii controller,” said Danny Briere, senior analyst and CEO of TeleChoice. “Recently, we’ve seen companies from Nike to Nokia take steps in this direction too. In today’s interconnected world, consumers seek out interactive and immersive experiences, and Freespace pointing could be a significant differentiator for companies

looking to bring this capability to their product lines -- from PC peripherals to devices offered by broadband service providers.”

Freespace utilizes patented digital signal processing that uses gravity and other inertial forces to detect its position in the air. The software translates motion instantaneously, and automatically adjusts for natural hand tremors. Unlike older technologies that are based merely on gyroscopes, Freespace pointing devices work regardless of directional orientation. Since users do not need to aim the device towards a screen, they are free to hold the device in whatever position feels most comfortable to them. As part of Hillcrest's complete product portfolio, Freespace won a 2006 International CES Innovations Design and Engineering Award, presented by the Consumer Electronics Association.

In addition to Hillcrest Labs' portfolio of patents, the company has also acquired a broad set of intellectual property rights related to interactive, motion-sensing capabilities for CE devices. Hillcrest's complete interactive media system includes Freespace motion control technology and HoME™, a new “zoomable” graphical user interface (GUI) for televisions, and a robust back-end metadata and content-recommendation platform. For more information about Hillcrest Labs, visit [www.hillcrestlabs.com](http://www.hillcrestlabs.com).

Hillcrest Labs' CEO, Dan Simpkins, will be on-hand to demonstrate Freespace and HoME at the upcoming “CES Unveiled” press and analyst event on Wednesday, November 8<sup>th</sup>, at the Metropolitan Pavilion in New York, from 3:30-8:00 p.m. ET. To register, visit [www.cesweb.org/press/events/](http://www.cesweb.org/press/events/). To view a brief video of Freespace's application on The Loop TV remote control, visit [www.hillcrestlabs.com/press](http://www.hillcrestlabs.com/press).

About Hillcrest Laboratories:

Hillcrest Laboratories (a.k.a. Hillcrest Labs) has created the first pointer-based, interactive media system for TV. Hillcrest Labs enables CE manufacturers, service providers and Internet content companies to deliver the most visually engaging and intuitive way to browse, discover, and interact with digital media throughout the home. Components of Hillcrest Lab's interactive media system can be embedded across a wide range of in-home entertainment devices including PCs, DVRs, media adapters, and more. The company won a 2006 International CES Innovations Design and Engineering Award, presented by the Consumer Electronics Association. Based in Rockville, Maryland, Hillcrest Labs was founded in 2001 by Dan Simpkins. The company is funded by NEA, Columbia Capital and Grotech Capital. For additional information, visit [www.hillcrestlabs.com](http://www.hillcrestlabs.com).

*Hillcrest Labs, Freespace, and the Loop are trademarks of Hillcrest Laboratories, Inc.*

###

Press Contact: Jeremy Pemble with JLM Partners for Hillcrest, [jeremy@jlmpartners.com](mailto:jeremy@jlmpartners.com), (206) 381-3600

