EXHIBIT A

July 15, 2009

DIGIMARC

Michael P. Skarzynski
President, Chief Executive Officer, & Director
Arbitron Inc.
9705 Patuxent Woods Drive
Columbia, MD 21046-1565

Dear Mr. Skarzynski:

Digimarc Corporation is a public company (Nasdaq: DMRC) and an established and respected innovator, with a long history of research and development in signal processing and content identification. We are best known for digital watermarking, which has been deployed across a wide range of commercial and government applications providing novel benefits associated with billions of media objects. From its inception in the early 90s, Digimarc has been building on its vision of persistent content identification for of all kinds of media, including both analog and digital forms. We have executed on that vision by developing a range of content identification technologies and applications, directly delivering solutions in some markets, and actively licensing our extensive patent portfolio and providing technical and marketing support to suppliers in other markets.

We have a large patent portfolio with more than 500 U.S. and foreign patents issued, and more than 400 patents pending, in digital watermarking, media identification and management, and related technologies. We have a mature licensing program with many licensees. Notable among our larger licensees are a consortium of the world's leading Central Banks and The Nielsen Company. We are actively engaged with most of our licensees in developing their businesses, giving them the benefit of our technological and industry expertise, and other resources. As an example, I have attached a recent press release announcing a license and joint venture agreement with The Nielsen Company. The license with Nielsen covers the use of fingerprinting (e.g., audio or video signature matching) and watermarking across a range of applications in their business, including audience measurement.

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Our technology is being used under license for a wide range of applications in government and commercial sectors. Commercial uses include television audience measurement and broadcast monitoring; post-production security for movies, television, and music; copyright protection and licensing of stock photography; brand protection; prevention of piracy of digital cinema theatrical releases; and copy protection and play control for Blue Ray DVD. Recently, the RIAA published a multi-level specification to guide the encoding of digital watermarking by its members, setting the stage for broader application of the technology in the music industry. It has come to our attention that certain improvements to Arbitron's Critical Band Encoding Technology (CBET) used in CBET encoders and decoders (also referred to as Personal People Meters or PPMs) that have enabled its successful commercialization may require a license from Digimarc.

As the attached documents concerning our relationship with The Nielsen Company indicate, we have formed a creative and mutually rewarding relationship with them that includes a license to our patents and the creation of joint ventures to expand their business in profitable new ways based on shared investment in the combined uses of our companies' key technology and information assets. I would like to meet with you to discuss similarly creative ways in which we could provide a license to our patents and technology and find ways to build value together.

The quality of our patents is widely acknowledged. For instance, our portfolio recently was ranked among the world's most influential patent portfolios, according to the "Patent Prowess" survey published in the December issue of IEEE Spectrum magazine. Ranked 3rd in the computer software category, Digimarc placed among such esteemed companies as Microsoft, SAP, Symantec, and Oracle. Our score in this survey placed us among the leaders in several other categories, including Computer Systems, Computer Peripherals and Storage, and Electronics. Our patent portfolio was also ranked among the top portfolios among companies in the Information Technology industry in the Patent Scorecard provided by the Patent Board in the Wall Street Journal, July 13, 2009.

Although we successfully litigated a number of infringement actions years ago, we have not had to resort to forceful measures since then; instead, we have entered into numerous business relationships for the benefit of commercial and government customers. We pride ourselves on being good business partners who bring not only the original innovation embodied in the patents to the benefit of business partners, but also a regime of ongoing support of various kinds.

Our view that Arbitron's CBET is covered by our patents is based upon careful evaluation of publicly-available information. We would welcome an opportunity to meet with you to discuss our views and explore how we might construct a mutually beneficial relationship that would encompass a license to our patents in a way that properly rewards Digimarc for its innovation while creating additional value for Arbitron. We have numerous creative suggestions as to how such a business relationship might be structured. This is our preferred approach. Alternatively, we could negotiate a simple license to our patents. As you are aware, a least efficient path for both companies would be for Digimarc to have to enforce our patents via litigation.

Please consider an initial business meeting to discuss ways to work together as a prelude to the inevitable legal analysis and discussion of value of our IP to your business. I think such a meeting would reduce the risk of unnecessary contention and legal fees. We are quite serious and reasonable people who are interested in encouraging broad deployment of digital watermarking and related technologies through partnerships.

The remainder of this letter contains a brief description of the relevance of a sample of Digimarc's patents to Arbitron's CBET:

The attached claim charts describe in detail how certain U.S. Patents held by Digimarc are relevant to Arbitron's CBET. Based on the analysis summarized below, we believe that our patents cover techniques used in this technology, including necessary improvements that Arbitron made to its technology, without which the PPM would not be viable for automated audience measurement.

It is our understanding that Arbitron has recently made a significant deployment of this technology in CBET encoders and decoders in the United States. In particular, based on statements in Arbitron's Q4-2008 conference call, we understand that by the end of 2008, "Arbitron had lit up a total of 14 PPM markets." Further, it was noted in this call that: "Radio ad revenue for these 14 markets represents nearly 50% of all the radio ad revenue in the top markets where we plan to commercialize the PPM service." We understand that Arbitron has made a commitment to deploying the PPM technology in the remaining major markets throughout the U.S. in the next few years.

Our understanding of CBET is informed by Arbitron's published documentation and patent literature. A 2004 technical paper, entitled, "Critical Band Encoding Technology Audio Encoding System from Arbitron," provides a description of CBET and the history of its development. See Critical Band Encoding Technology, Audio Encoding System From Arbitron, Technical Overview (Revision D, January 2004). This paper notes that Arbitron performed some tests of initial encoding technologies with input from Lockheed Martin (formerly Martin Marietta) in 1992 and 1993 and discovered drawbacks of these technologies that required it to try other approaches. The paper goes on to note that further development resulted in the adoption and patenting of the current CBET approach that modulates a form of multiple frequency coding using masking rules consistent with the psychoacoustic principles established for human hearing. The paper chronicles further tests and enhancements that Arbitron made to CBET, including the following statement: "1999 and 2000 saw the enhancement to the decoding algorithms to improve detection of codes in harsh environments." These and other statements outline the history of development of CBET, including notable improvements made to CBET to make it viable for audience measurement applications.

This paper's description of CBET enabled us to identify further details of CBET and improvements to it from corresponding Arbitron patents. These patents include U.S. Patents 5,450,490, filed March 31, 1994; 5,764,763 filed March 24, 1995; 6,871,180, filed in May 1999; and 6,862,355, filed September 7, 2001. These patents describe an

approach of multiple frequency coding using masking rules that appears to directly correspond to the CBET approach described in the above mentioned technical paper. In addition, the '490 and '763 patents include a contributor, Graybill, who appears to have provided input from Martin Marietta as stated in the technical paper. We understand that Arbitron has earlier patents, and we have considered their relevance in our analysis. We further note that Arbitron lists patents that apply to the PPM on its web site, and we have considered them as well in vetting our understanding and analysis of CBET.

Arbitron has stated publicly that it is deploying an audio watermark in its PPM. It is our understanding that this watermark employs sets of frequency tones that represent message symbols and synchronization symbols and that these symbols are embedded (or not) using masking calculations that measure the ability of the host audio to hide the frequency tones. They are detected by converting the received signal to the frequency domain and accumulating signal energy in bins corresponding to the frequency tones. Various Arbitron patent filings describe improvements regarding means to shift frequency tones representing a particular message symbol over time to improve robustness and allowing for embedding two or more layers of watermarks at different points of a particular piece of content.

Arbitron has stated that it has been developing its PPM technology since 1992. It has also stated that it sought the help of Lockheed Martin to improve the detector. Specifically, Arbitron has noted the following: "This decoding system was developed by Arbitron with the assistance of Lockheed Martin, a major U.S. defense contractor having extensive experience in antisubmarine warfare systems. The decoder uses a computerized DSP (digital signal processor) to search out and identify the specific numeric code—and thus the signal source—of audio programs encoded using the Arbitron encoder." As indicated in Arbitron's writings, though, Arbitron discovered drawbacks of these technologies that required it to try other approaches in later years. Arbitron's comments about PPM's development history and related patent teachings inform our observations and assertions. We note that Arbitron struggled for many years to develop a commercially viable PPM. Arbitron's improvement patents filed in 1999 and 2001

describe various refinements that we believe were made to improve detection. We believe that Digimarc patents cover various important measures that were implemented to make the PPM work effectively.

CBET technology is further described in additional Arbitron publications, including, for example: The Portable People Meter ™ System described on Arbitron's Website, the PPM Fact Sheet for Engineers (2004), the PPM ™ Encoding Handbook for Radio (December 2008) and U.S. Patents corresponding to CBET technology and identified by Arbitron as relating to the PPM System on Arbitron's web site. CBET encoding technology uses "multiple frequency coding with masking rules." There are sets of synchronization and message code signals, each represented by corresponding sets of frequency components. Local masking is employed to control the scaling of the frequency components based on neighboring signal content. The decoder uses a synchronization pattern of synchronization code signals to synchronize detection of the CBET information in received audio signals. As noted below, various techniques are used to increase robustness, to establish detection criteria (e.g., establishing thresholds for detection of frequency components in selected bins) and to improve Signal to Noise Ratio of the embedded information. As indicated in Arbitron literature, a number of these improvements were made after initial testing of the CBET technology did not work effectively in certain conditions.

Well-known strengths of our patented innovations include means to enhance robustness and detection of digital watermarks. Teachings in our patents on calibration and redundant signaling in combination with detection methods that leverage these features enable a more robust watermark and a more effective detector for environments where the watermarked signal faces significant degradation. For instance, some of our earliest filings teach methods for varying embedded code signals that represented the same message along with detector enhancements to improve Signal to Noise ratio. We believe that Arbitron adopted these techniques in making improvements that eventually resulted in development of a commercially viable PPM. The claim charts set forth in the

Appendix to this letter describe our views of how numerous U.S. Patents held by Digimarc are relevant to Arbitron's CBET and PPMs.

Please appreciate that our understanding of Arbitron's CBET is based primarily on Arbitron's published documentation and patent literature. As we learn more about Arbitron's technology and more Digimarc patents issue, we reserve the right to update and revise the claims analysis. We do anticipate additional relevant U.S. Patents will issue to Digimarc in the future. The appended claims analysis includes a U.S. Patent number followed by corresponding claim charts showing how various aspects of Arbitron CBET encoders and decoders may correspond to sample claims from each patent.

We note that Arbitron's revenues have grown steadily and significantly over the years, from $190M in 1999 to over $360M in 2008. The radio audience measurement business of Arbitron represents at least 80% of Arbitron's revenue, and with the recent deployments of the PPM, this revenue is now increasingly dependent on CBET technology. Arbitron's public statements indicate that Arbitron has recently deployed this technology in the United States. In addition, we understand that Arbitron licenses its PPM technology to a number of international media information services companies for use in the measurement of both radio and television audiences.

The 2004 technical paper, entitled, "Critical Band Encoding Technology Audio Encoding System from Arbitron states that CBET is the "cornerstone technology" of the PPM system:

"The Arbitron Critical Band Encoding Technology (CBET) system is the enabling technology for embedding identification information within the content in the audio spectrum. This applies to music and broadcast signals alike, and does not affect the audio quality as perceived by the human ear. The CBET system is able to recover that information after transmission through common technologies and in the presence of normal acoustic noise. The CBET system provides a resilient, transparent, and indelible identity code that can be embedded into an audio program and captured either directly or acoustically. CBET is the cornerstone technology of Arbitron's Portable People Meter (PPM) system. Additional details on the PPM can be found on our website, www.arbitron.com."

A New York Times article noted the planned criticality of PPM to Arbitron and of encoding content to the industry in general, stating that:

"… encoding is as much a matter of logic as economics. In [Arbitron CEO] Morris's view, code is now the only plausible way to follow a piece of content to see if -- and how -- it reaches an individual. "Media is following you not just when you consciously turn on your satellite radio in your car, or when you consciously flip open your cell phone and get some cable channel delivered to it," Morris told me. "It's also coming at you when you walk through Grand Central station. It's on the floor and on the walls. It's coming at you at the malls, where the L.E.D. screens are all around you along with the piped-in music. Advertising is becoming incredibly ubiquitous, so you need measurement that is equally ubiquitous." Can everything with sound be coded, I asked? "Yes," Morris said. Will everything with sound be coded? "Yes," he said." NYT, April 10, 2005.

As we have demonstrated with Nielsen and others, Digimarc can be a good partner in developing creative means to provide reasonable compensation for our intellectual property in a fair and mutually supportive relationship. I will contact you shortly to ask that we find a convenient time and place to meet so that I can more fully explain our views and we can determine the best course of action. I look forward to discussing this matter with you at your earliest convenience.

Sincerely,



Bruce Davis

Chairman and Chief Executive Officer

Appendix

The summary below includes a U.S. Patent number followed by corresponding claim charts showing how Arbitron encoders and decoders may correspond to sample claims from that patent.

Claim Charts:

U.S. Patent No. 7,536,555 (priority to 11/18/93)

1. A method of decoding auxiliary data that has been embedded in an audio signal through modifications to the audio signal that are substantially imperceptible, the auxiliary data comprises bits of digital data and the bits being carried in a plurality of embedded code signals embedded in the audio signal, each of the plurality of embedded code signals corresponding to one or more bits in the auxiliary data, the method comprising:	Arbitron's CBET decoders decode auxiliary data that has been embedded in an audio signal through modifications to the audio signal that are substantially imperceptible. The auxiliary data includes bits of digital data and the bits being carried in a plurality of embedded code signals embedded in the audio signal, each of the plurality of embedded code signals corresponding to one or more bits in the auxiliary data.
utilizing a multi-purpose processor programmed as an auxiliary data decoder, extracting auxiliary data from a series of blocks of the audio signal, the blocks conveying the same auxiliary data, yet the blocks represent the auxiliary data differently as the embedded code signals conveying the same auxiliary data change over the blocks,	Arbitron's PPMs include multi-purpose processors (e.g., DSPs). Such processors are programmed as decoders for extracting auxiliary data from a series of blocks of the audio signal, the blocks conveying the same auxiliary data, yet the blocks represent the auxiliary data differently as the embedded code signals conveying the same auxiliary data change over the blocks. For example, the CBET encoder, e.g., varies sets of frequencies that represent auxiliary data over time, and this is how CBET encoded content appears to the PPM.

and in which the extracting includes utilizing the multi-purpose processor programmed as the auxiliary data decoder to evaluate features of the blocks, the features being modulated to carry the auxiliary data;	Arbitron's processors evaluate features of blocks, the features being modulated to carry the auxiliary data.
using the auxiliary data from the series of blocks to increase statistical confidence of accurate recovery of the auxiliary data, the auxiliary data being separately decoded from the blocks and combined to increase the statistical confidence of recovery of the auxiliary data.	Arbitron's decoders use auxiliary data from the series of blocks to increase statistical confidence of accurate recovery of the auxiliary data, the auxiliary data being separately decoded from the blocks and combined to increase the statistical confidence of recovery of the auxiliary data. For example, detection is validated by storing tentative detection results, and then comparing the tentative results from repeated instances of the message.
34. An apparatus comprising: a microphone for capturing an audio signal carried by sound waves;	Arbitron's PPMs include microphones for capturing an audio signal carried by sound waves.
electronic memory for buffering a digital audio signal representing at least a portion of the audio signal captured by said microphone; and	The PPMs include electronic memory for buffering a digital audio signal representing at least a portion of the audio signal captured by said microphone.
a multi-purpose processor configured to:	The PPMs include a multi-purpose processor (e.g., DSPs).
decode auxiliary data from the digital audio signal, the auxiliary data having been embedded in the audio signal through modifications to the audio signal that are substantially imperceptible, the auxiliary data comprises bits of digital data and the bits being carried in a plurality of embedded code signals embedded in the audio signal, each of the plurality of embedded code signals corresponding to one or more bits in the auxiliary data;	Arbitron's CBET decoders (e.g., such as the CBET decoder in a PPM) decode auxiliary data from the digital audio signal, the auxiliary data having been embedded in the audio signal through modifications to the audio signal that are substantially imperceptible, the auxiliary data comprises bits of digital data and the bits being carried in a plurality of embedded code signals embedded in the audio signal, each of the plurality of embedded code signals corresponding to one or more bits in the auxiliary data.

extract auxiliary data from a series of blocks of the digital audio signal, the blocks conveying the same auxiliary data, yet the blocks represent the auxiliary data change over the blocks, and in which the function to extract includes evaluating features of the blocks, the features being modulated to carry the auxiliary data	Arbitron's decoding extracts auxiliary data from a series of blocks of the digital audio signal, the blocks conveying the same auxiliary data, yet the blocks represent the auxiliary data change over the blocks, and in which the function to extract includes evaluating features of the blocks, the features being modulated to carry the auxiliary data.
and utilize the auxiliary data from the series of blocks to increase statistical confidence of accurate recovery of the auxiliary data, the auxiliary data being separately decoded from the blocks and combined to increase the statistical confidence of recovery of the auxiliary data.	The decoding utilizes the auxiliary data from the series of blocks to increase statistical confidence of accurate recovery of the auxiliary data, the auxiliary data being separately decoded from the blocks and combined to increase the statistical confidence of recovery of the auxiliary data. For example, detection is validated by storing tentative detection results, and then comparing the tentative results from repeated instances of the message.

U.S. Patent No. 6,983,051 (priority to 11/18/93)

15. A method of decoding an encoded audio signal to extract a multi-bit auxiliary data signal therefrom, the multi-bit auxiliary data signal being generally imperceptible to human listeners of the encoded audio signal,	Arbitron's decoders decode multi-bit auxiliary data that is generally imperceptible to human listeners of encoded audio signals.
the encoded audio signal comprising plural sequential series of audio data, each series comprising a plurality of samples, each sample having a value associated therewith, the multi-bit auxiliary data signal being steganographically encoded in each of several of the series,	Encoded audio received in a PPM device is represented as sequential series of audio data, with each series including a plurality of samples, and with each sample having a value associated therewith. Arbitron's CBET encoders encode the auxiliary data in each of several of the series. "Each encoder puts out a unique code, assigned only to that encoder, so that by installing an encoder in your station's or cable system's transmission path, your signal will be uniquely tagged with your assigned code at repeated intervals."
encoding comprising slight changes to portions of said audio signal to thereby represent said multi-bit auxiliary data signal, the method further including processing an encoded audio signal corresponding to a plurality of series to extract said multi-bit auxiliary data signal therefrom,	Arbitron's encoders introduce slight changes to portions of the audio signal to represent the multi-bit auxiliary data, e.g., through adding signal energy at a set of frequency components. An Arbitron decoder acts to process the encoded audio signal corresponding to a plurality of series to extract the multi-bit auxiliary data signal from these series.
wherein greater or lesser confidence in the extracted multi-bit auxiliary data signal can be obtained by processing more or less series of the encoded audio signal, respectively.	The Arbitron decoders operate such that greater or lesser confidence in the extracted multi-bit auxiliary data signal can be obtained by processing more or less series of the encoded audio signal, respectively. For example, code components are accumulated over time and compared to a threshold to improve statistical confidence, and detection is validated by storing tentative detection results, and then

	comparing the tentative results from repeated instances of the message.

U.S. Patent No. 6,778,682 (priority to 10/94)

7. An information embedding method comprising:	Arbitron's encoder is embedding inaudible acoustic codes in audio signals. "These acoustic signals, or codes, are inaudible to the human ear, although they fall within the 20 Hz to 20 kHz frequency band and do register on a specially designed decoder. This is accomplished through the use of an advanced, Arbitron patented psychoacoustic masking methodology called Critical Band Encoding Technology (CBET)." PPM Fact Sheet for Engineers. © 2004 Arbitron
providing plural bit auxiliary information;	Arbitron's encoder embeds plural bit auxiliary information.
embedding the plural bit auxiliary information in a source signal according to an embedding form;	Arbitron's encoder embeds the plural bit auxiliary information in an audio signal according to an embedding form through, e.g., selection of sets of frequencies that convey message symbols and alteration of data associated with those frequencies.
altering the embedding form of the plural bit information, wherein the altered form continues to represent the plural bit auxiliary information, and wherein the altered embedding form comprises a pattern; and	Arbitron's encoder alters an embedding form of the plural bit information through, e.g., varying the sets of frequencies that represent message symbols over time. The altered form continues to represent the plural bit information. The altered embedding form is implemented as a pattern of shifts in the frequencies that represent message symbols.
embedding the altered embedding form of the plural bit auxiliary information in the source signal.	The altered embedding form is embedded in the audio signal.

U.S. Patent No. 6,542,620 (priority to 11/18/93)

35. In a method of detecting plural bit digital data that is steganographically encoded in audio or image data,	The Arbitron decoders detect plural bit digital data steganographically encoded in audio signals.
an improvement wherein the plural bit digital data is detected without reference to an unencoded version of the audio or image data,	The decoders detect synchronization and message data without reference to an unencoded version of the audio.
and detection of certain said bits are used to derive data used to convert characteristics of the audio or video to bit values for other of said bits.	Arbitron decoders detect the synchronization code symbols, and use the detection of the corresponding code signals to derive thresholds for detecting a sync pattern. The sync pattern, in turn, provides reference frequencies, which are further used to determine the frequency offsets for sets of frequency components representing message symbols. This approach enables the decoders to ascertain meaning of frequency component data as the sets of frequencies representing a particular message change over time.
36. A computer readable medium having instructions stored thereon for performing the method of claim 35.	The PPM includes memory with instructions for performing the method of claim 35.

U.S. Patent No. 6,647,129 (priority to 11/18/93)

8. A method of embedding multi-bit auxiliary data into an input audio content signal that is thereafter compressed to yield a compressed signal, and thereafter discerning the multi-bit auxiliary data from a non-identical counterpart to a signal obtained by decompressing the compressed signal, the method comprising:	An Arbitron encoded signal is reported to be robust to compression, where encoded information can be determined from a decompressed version of a compressed signal. For example, Arbitron's encoded audio signal has been tested through AC-3 and MPEG-2 compression and the embedded codes survive intact.
providing an input content signal comprising a plurality of samples, each sample having a value associated therewith;	An Arbitron encoder provides an audio input signal including a plurality of samples, each having a value associated therewith.
for each of a plurality of samples, transforming the value thereof in accordance with at least some of said multi-bit auxiliary data, wherein an encoded content signal is produced having the auxiliary data embedded therein;	An Arbitron encoder transforms values, e.g., via adding frequency components, in accordance with at least some of the multi-bit auxiliary data. An encoded content signal is produced having the auxiliary data embedded therein.
wherein the encoded content signal can undergo lossy compression/decompression, and the auxiliary data can still be discerned therefrom, notwithstanding said losses.	An Arbitron encoder encodes signals so that they can undergo lossy compression/decompression, with the auxiliary data still being able to be discerned therefrom, notwithstanding the losses.

U.S Patent No. 6,122,392 C1 (priority to 11/18/93)

33. In an audio processing method that includes steganographically encoding an input signal to embed a multi-bit message code therein, the input signal including a plurality of audio data, the method including processing said input signal in accordance with said multi-bit message code to produce an output signal having the	Arbitron encoders steganographically encode an input audio signal to embed a multi-bit message code therein. The audio signal is processed in accordance with the multi-bit message code to produce an output audio signal having the message code steganographically encoded therein.

message code steganographically encoded therein, an improvement including:	
encoding the message code throughout the output signal so that the message code can be recovered from first and second non-overlapping excerpts of the output signal, said encoding including changing a plurality of said audio data in accordance with said multi-bit message code,	The Arbitron encoder encodes a message code throughout the audio signal so that the message code can be recovered from first and second non-overlapping excerpts of the encoded audio signal. Arbitron's encoding includes changing a plurality of audio data of the audio signal in accordance with the multi-bit message through, e.g., selection of frequency components at a particular offset, with the offset changing over time according to a pattern of frequency offsets associated with the message coding scheme.
and also in accordance with local scaling data to control the amplitude of the multi-bit message code at different locations in the audio data, said local scaling data being computed from said audio data using a non-linear function;	This encoding is in accordance with local scaling data to control the amplitude of the multi-bit message code at different locations in the audio data. Local scaling data is computed from audio data in a non-linear manner.
wherein the multi-bit message comprises a plurality of symbols processed by a steganographic embedding operation to distribute the symbols throughout the output signal, the symbols being represented differently at different locations in the output signal as a function of data separate from the audio data.	A multi-bit message includes a plurality of symbols processed by a steganographic embedding operation to distribute the symbols throughout the audio signal. Symbols are represented differently at different locations in an output audio signal through, e.g., shifting frequencies over time according to a function of data separate from the audio signal, such as the frequency offset.
37. A tangible storage medium having audio processed in accordance with the method of claim 33 and computer executable instructions for performing the method of claim 33 stored thereon.	PPM decoders have memory for storing audio with CBET encoded information and instructions for processing this information according to the method of claim 33.
52. A tangible storage medium having audio processed in accordance with the method of claim 33 stored thereon, and wherein the message code is	PPM encoders and decoders have memory storing processed audio according to claim 33.

encoded throughout the output signal so that the message code can be recovered from first and second non-overlapping excerpts of the output signal, a plurality of said audio data is changed in accordance with said multi-bit message code, and also in accordance with local scaling data to control the amplitude of the multi-bit message code at different locations in the audio data, said local scaling data being a non-linear function of said audio data; and wherein the multi-bit message comprises a plurality of symbols processed by a steganographic embedding operation to distribute the symbols throughout the output signal, the symbols being represented differently at different locations in the output signal as a function of data separate from the audio data.	
57. A tangible storage medium having audio processed in accordance with the method of claim 33 stored thereon.	PPM encoders and decoders have memory storing processed audio according to claim 33.

U.S. Patent No. 7,113,614 (priority to 11/18/93)

1. A watermark embedded in an electronic or physical media,	The Arbitron watermark is embedded in electronic or physical media.
the watermark carrying a machine readable variable message that is embedded in the media by modifying an electronic media signal to hide the machine readable variable message in the electronic media signal before storing the modified electronic media signal on the media,	The Arbitron watermark carries a machine-readable variable message (e.g., that varies with time). The electronic media signal (e.g., representing an audio signal) is modified before storing on media (e.g., buffer, disk or other storage).
the watermark comprising two or more components,	The Arbitron watermark includes two or more components.
at least one of the components being encoded more redundantly than another component.	The Arbitron watermark includes at least one component that is encoded more redundantly than another component.

24. A method of watermark embedding in an electronic or physical media,	An Arbitron watermark is embedded in electronic or physical media.
the watermark carrying a machine readable variable message that is embedded in the media by modifying an electronic media signal to hide the machine readable variable message in the electronic media signal before storing the modified electronic media signal on the media, the method comprising:	The Arbitron watermark carries a machine-readable variable message (e.g., that varies with time). The electronic media signal (e.g., representing an audio signal) is modified before storing on media (e.g., buffer, disk or other storage).
providing two or more signal components of the watermark; and	The Arbitron watermark is provided with two or more signal components.
encoding the signal components into the media such that each component has a different signal strength.	Arbitron audio watermarking encodes the signal components into the media such that each component has a different signal strength.

U.S. Patent No. 7,181,022 (priority to 11/18/93)

21. A method of embedding auxiliary information in audio data, the method comprising:	Arbitron embeds auxiliary information in audio data.
modifying audio data, including, for a sequence of bits of auxiliary information, generating changes to the audio data based on a carrier signal and corresponding to the sequence of bits, and using the changes to adjust a group of corresponding audio samples in the audio data,	The Arbitron watermark modifies audio data, including for a sequence of bits of auxiliary information, generating changes to the audio data based on a carrier signal and corresponding to the sequence of bits, and using the changes to adjust a group of corresponding audio samples in the audio data.
the sequence including a fixed sequence distributed over the group of audio samples for registration of the auxiliary information; and	The Arbitron watermark sequence includes a fixed sequence distributed over the group of audio sample for registration of the auxiliary information.
repeating the modifying of the audio data using changes corresponding to bits in the auxiliary information.	The Arbitron watermark repeats the modifying of the audio data using changes corresponding to bits in the auxiliary

	information.
25. A computer readable medium comprising instructions, the instructions including instructions to perform the method of claim 21.	PPM encoders include a memory with instructions that execute the method of claim 21 as outlined above.

26. A method of embedding auxiliary information in audio data, the method comprising:	Arbitron embeds auxiliary information in audio data.
modifying audio data, including, for a sequence of bits of auxiliary information making adjustments corresponding to the sequence of bits to at least some audio samples in the audio data,	The Arbitron watermark modifies audio data, including, for a sequence of bits of auxiliary information, making adjustments corresponding to the sequence of bits to at least some audio samples in the audio data.
the sequence including at least a fixed sequence for registration of the auxiliary information; and	The sequence includes at least a fixed sequence for registration of the auxiliary information.
repeating the modifying of the audio data using adjustments associated with at least some of the auxiliary information, wherein representation of at least a portion of the auxiliary information is varied in the audio data over time according to a pattern or sequence that is independent of the audio data and independent of the auxiliary information,	The Arbitron watermark repeats the modifying of the audio data using adjustments associated with at least some of the auxiliary information. The representation of at least a portion of the auxiliary information is varied in the audio data over time according to a pattern or sequence that is independent of the audio data and independent of the auxiliary information, namely based on a predetermined offset.
the fixed sequence being distributed over the audio data according to at least the pattern or sequence.	The Arbitron watermark includes the fixed sequence distributed over the audio data according to at least the pattern or sequence.

35. A method of decoding auxiliary information embedded in audio data comprising:	Arbitron decodes auxiliary information in audio data.
obtaining embedded audio data, the audio	Arbitron obtains embedded audio data

data having been embedded by modifying the audio data,	(e.g., by a PPM), the audio data having been embedded by modifying the audio data (e.g., embedded by a CBET Encoder).
including, for a sequence of bits of auxiliary information, generating changes to the audio data based on a carrier signal and corresponding to the sequence of bits, and using the changes to adjust a group of corresponding audio samples in the audio data,	The Arbitron watermark modifies audio data, including for a sequence of bits of auxiliary information, generating changes to the audio data based on a carrier signal and corresponding to the sequence of bits, and using the changes to adjust a group of corresponding audio samples in the audio data.
the sequence including a fixed sequence distributed over the group of audio samples for registration of the auxiliary information,	The Arbitron watermark sequence includes a fixed sequence distributed over the group of audio sample for registration of the auxiliary information.
and repeating the modifying of the audio data using changes corresponding to bits in the auxiliary information;	The Arbitron watermark repeats the modifying of the audio data using changes corresponding to bits in the auxiliary information.
registering at least some of the auxiliary information with reference to at least one instance of the fixed sequence; and	The Arbitron decoding process registers at least some of the auxiliary information with reference to at least one instance of the fixed sequence.
decoding the auxiliary information.	And then the Arbitron decoding process decodes the auxiliary information.
39. A computer readable medium comprising instructions, the instructions including instructions to perform the method of claim 35.	Arbitron decoders include memory comprising instructions executed by a computer to perform the method of claim 35.

U.S. Patent No. 5,636,292 C1 (priority to 11/18/1993)

26. A method of steganographic decoding characterized by: processing an encoded input signal to recover an information signal embedded therein, the encoded input signal	Arbitron's decoders operate on encoded audio signals to recover an information signal embedded therein.

corresponding to an audio signal or a visual image whose representation by said input signal has been altered in slight respects to encode the information signal therein,	
a calibration signal being present within the encoded input signal, said calibration signal within the encoded input signal being substantially imperceptible to a human listener of the encoded audio signal or viewer of the encoded visual image, said calibration signal having one or more known properties facilitating identification thereof during decoding of the encoded input signal,	Arbitron's encoded signal includes calibration signals having known properties facilitating identification thereof during decoding of the encoded audio signal.
the method including identifying the calibration signal within said encoded input signal, and using data obtained thereby to aid in steganographically recovering the information signal from the encoded input signal,	An Arbitron decoder identifies the calibration signals encoded in the audio signal and uses data obtained thereby to aid in recovering the information signal from the encoded input signal.
wherein the encoded input signal has been corrupted since being encoded, said corruption including a process selected from the group consisting of: misregistration of the encoded input signal, and scaling of the encoded input signal,	An Arbitron encoded signal encounters corruption through, e.g., broadcast or ambient air transmission. This corruption includes at least misregistration or scaling of the encoded audio signal.
the method further including using said data to compensate for said corruption, wherein the information signal can nonetheless be recovered from the encoded input signal notwithstanding said corruption,	Arbitron decoders use calibration signals to help compensate for misregistration or scaling, so as to help recover the encoded data.
wherein the calibration signal comprises a set of symbols steganographically embedded into the encoded input signal and distributed repeatedly throughout the encoded input signal to enable detection of the information signal in excerpts of the encoded input signal.	An Arbitron encoded audio signal includes calibration signals distributed repeatedly throughout the encoded audio signal, this enables detection of the encoded data or information in excerpts of the encoded input audio signal.

27. A method of steganographic decoding characterized by: processing an encoded input signal to	Arbitron's decoders operate on encoded audio signals to recover an information signal embedded therein.

recover an information signal embedded therein, the encoded input signal corresponding to an audio signal or a visual image whose representation by said input signal has been altered in slight respects to encode the information signal therein,	For example, sets of frequency components are altered slightly.
a calibration signal being present within the encoded input signal, said calibration signal within the encoded input signal being substantially imperceptible to a human listener of the encoded audio signal or viewer of the encoded visual image, said calibration signal having one or more known properties facilitating identification thereof during decoding of the encoded input signal,	Arbitron's encoded signal includes calibration signals having known properties facilitating identification thereof during decoding of the encoded audio signal.
the method including identifying the calibration signal within said encoded input signal, and using data obtained thereby to aid in steganographically recovering the information signal from the encoded input signal,	An Arbitron decoder identifies the calibration signals encoded in the audio signal and uses data obtained thereby to aid in recovering the information signal from the encoded input signal.
wherein the encoded input signal has been corrupted since being encoded, said corruption including a process selected from the group consisting of: misregistration of the encoded input signal, and scaling of the encoded input signal,	An Arbitron encoded signal encounters corruption through, e.g., broadcast or ambient air transmission, and therefore, it has been corrupted when received in a PPM. This corruption includes at least misregistration or scaling of the encoded audio signal.
the method further including using said data to compensate for said corruption, wherein the information signal can nonetheless be recovered from the encoded input signal notwithstanding said corruption,	Arbitron decoders use calibration signals to help compensate for misregistration or scaling, so as to help recover the encoded data.
including transforming the encoded input signal into another domain, and analyzing the transformed signal to aid in recovering the information.	Arbitron's decoders utilize a Fourier Transform (e.g., a Fast Fourier Transform) to aid in recovering encoded information.

29. A method of steganographic decoding characterized by: processing an encoded input signal to	Arbitron's decoders operate on encoded audio signals to recover an information signal embedded therein.

recover an information signal embedded therein, the encoded input signal corresponding to an audio signal or a visual image whose representation by said input signal has been altered in slight respects to encode the information signal therein,	
A calibration signal being present within the encoded input signal, said calibration signal within the encoded input signal being substantially imperceptible to a human listener of the encoded audio signal or viewer of the encoded visual image, said calibration signal having one or more known properties facilitating identification thereof during decoding of the encoded input signal,	An Arbitron encoded signal includes calibration signals having known properties facilitating identification thereof during decoding of the encoded audio signal.
the method including identifying the calibration signal within said encoded input signal, and using data obtained thereby to aid in steganographically recovering the information signal from the encoded input signal,	Arbitron decoder identifies the calibration signals encoded in the audio signal and uses data obtained thereby to aid in recovering the information signal from the encoded input signal.
wherein the encoded input signal has been corrupted since being encoded, said corruption including a process selected from the group consisting of: misregistration of the encoded input signal, and scaling of the encoded input signal,	An Arbitron encoded signal encounters corruption through, e.g., broadcast or ambient air transmission. This corruption includes at least misregistration or scaling of the encoded audio signal.
the method further including using said data to compensate for said corruption, wherein the information signal can nonetheless be recovered from the encoded input signal notwithstanding said corruption,	Arbitron decoders use calibration signals to help compensate for misregistration or scaling, so as to help recover the encoded data.
including using said data obtained thereby to establish threshold levels used in decoding the information signal from the encoded input signal.	Arbitron decoders detect code signals, and use these to help establish threshold levels for detection of additional code signals, from which locations of reference frequencies are determined. These reference frequencies are further used to help establish offsets for the sets of frequencies corresponding to message symbols.

67. The method of claim 26 wherein the calibration and information signals comprise steganographically encoded symbols and statistical confidence of accurately detecting the steganographically encoded symbols increases with increasing numbers of symbols identified in the encoded input signal.	Arbitron decoders operate to allow for increased statistical confidence of accurately detecting the steganographically encoded symbols with increasing numbers of symbols identified in the encoded input signal through use, e.g., validation by comparing tentative results from different instances of an embedded message.
69. A method of steganographic decoding characterized by: processing an encoded input signal to recover an information signal embedded therein, the encoded input signal corresponding to an audio signal or a visual image whose representation by said input signal has been altered in slight respects to encode the information signal therein,	Arbitron's decoders operate on encoded audio signals to recover an information signal embedded therein.
a calibration signal being present within the encoded input signal, said calibration signal within the encoded input signal being substantially imperceptible to a human listener of the encoded audio signal or viewer of the encoded visual image, said calibration signal having one or more known properties facilitating identification thereof during decoding of the encoded input signal,	Arbitron's encoded signal includes calibration signals having known properties facilitating identification thereof during decoding of the encoded audio signal.
the method including identifying the calibration signal within said encoded input signal, and using data obtained thereby to aid in steganographically recovering the information signal from the encoded input signal,	An Arbitron decoder identifies the calibration signals encoded in the audio signal and uses data obtained thereby to aid in recovering the information signal from the encoded input signal.
wherein the encoded input signal has been corrupted since being encoded, said corruption including a process selected from the group consisting of: misregistration of the encoded input signal, and scaling of the encoded input signal,	An Arbitron encoded signal encounters corruption through, e.g., broadcast or ambient air transmission. This corruption includes at least misregistration or scaling of the encoded audio signal.
the method further including using said data to compensate for said corruption, wherein the information signal can	Arbitron decoders use calibration signals to help compensate for misregistration or scaling, so as to help recover the encoded

nonetheless be recovered from the encoded input signal notwithstanding said corruption;	data.
wherein the calibration signal is encoded into the encoded input signal by adding a scaled signal to samples of the audio signal or visual image, and wherein the calibration signal is decoded by measuring a statistical characteristic of a group of samples, and using the statistical characteristic to detect the calibration signal.	The calibration signal (e.g., synchronization code signals) is encoded by adding a scaled signal. They are decoded by measuring a statistical characteristic of a group of samples, which is then used to detect the synchronization code signals.
70. A computer storage medium having instructions stored therein for programming a computer to perform the method of claim 69.	Arbitron decoders include memory comprising instructions executed by a computer to perform the method of claim 69.

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FOR IMMEDIATE RELEASE

Digimarc and The Nielsen Company Expand Relationship; Form Joint Ventures

New JVs to deliver solutions leveraging key assets from both companies

Beaverton, OR and New York, NY – June 15, 2009 – Digimarc Corporation (NASDAQ: DMRC) announced it has entered into an agreement with The Nielsen Company to jointly launch two new companies that will leverage the intellectual property assets of Digimarc and the wealth of consumer and business data amassed by Nielsen. Through the creation of these joint ventures, Digimarc and Nielsen will expand and extend their existing relationship to enhance television viewing, facilitate mobile commerce, and create valuable other new opportunities for television networks and consumer brands to more deeply engage with audiences.

"These joint ventures with Digimarc will provide tremendous opportunities for us to deliver innovative transaction-based solutions for new media businesses, including mobile," said Itzhak Fisher, head of Nielsen's global product leadership organization. "By combining Nielsen's first-class market intelligence – particularly our analysis of video consumption across TV, Internet and mobile – with Digimarc's rich patent portfolio, we are uniquely positioned to drive exciting new ways to engage consumers through digital entertainment and transactions."

The two joint venture agreements and a revised license agreement expand and replace the previous Digimarc/Nielsen license and services agreement that has been in operation since late 2007. Under the new agreement, Digimarc and Nielsen will work together to develop new products and services, including the expansion and deployment of those that have been under development in connection with the prior agreement.

Each company will own roughly one-half of each joint venture. Digimarc is expected to account for the operations of the joint ventures under the equity method of accounting and will report its portion of the net results of the entities based on its ownership share. It is expected that both Nielsen and Digimarc will provide shared general overhead services to the joint ventures.

"This is a great moment for our Company. Our nearly two years of successful and mutually rewarding collaboration position us well to succeed in these ventures. With Nielsen's unparalleled data and other technical and marketing assets available to the joint ventures, we have an unprecedented opportunity to advance our strategic vision for the future and build shareholder value," commented Bruce Davis, Digimarc CEO.

About The Nielsen Company

The Nielsen Company is a global information and media company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and business publications (Billboard, The Hollywood Reporter, Adweek). The privately held company is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, www.nielsen.com.

About Digimarc

Digimarc Corporation (NASDAQ:DMRC), based in Beaverton, Oregon, is a leading innovator and technology provider, enabling businesses and governments worldwide to enrich everyday living by giving persistent digital identities to all forms of media and many other objects. The company's technology enables a wide range of solutions for deterring fraud, counterfeiting and piracy, enhancing national security, and enabling new digital media distribution and monetization models that provide consumers with more choice and access to content when, where and how they want it. Digimarc has an extensive intellectual property portfolio, with more than 525 U.S. and foreign patents, and more than 420 patents pending in digital watermarking, media identification and management, and related technologies. Digimarc develops solutions, licenses its intellectual property,

and provides development services to business partners across a range of industries. Please go to www.digimarc.com for more company information.

Forward-Looking Statements

With the exception of historical information contained in this release, the matters described in this release contain various "forward-looking statements." These forward-looking statements include statements about anticipated revenues from the license agreement, amounts to be paid to Digimarc for services provided to one or both of the joint ventures, the goals of the new joint ventures and their ability to advance Digimarc's strategy and build shareholder value, and other statements identified by terminology such as "may," "will," "should," "expects," "intends," "plans," "projects," "anticipates," "believes," "estimates," "predicts," "potential," "illustrate," "example" and "continue" or other derivations of these or other comparable terms. These forward-looking statements are statements of management's opinion and are subject to various assumptions, risks, uncertainties and changes in circumstances. Actual results may vary materially from those expressed or implied from the statements in this release as a result of changes in economic, business and/or regulatory factors. More detailed information about risk factors that may affect actual results is set forth in the company's Form 10-K for the year ended December 31, 2008 in Part I, Item 1A thereof ("Risk Factors"), Part II, Item 7 thereof ("Management's Discussion and Analysis of Financial Condition and Results of Operations") under the captions "Liquidity and Capital Resources" and "Forward Looking Statements" and in Part II, Item 9A(T) thereof ("Controls and Procedures"), and in subsequent periodic reports filed with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date of this release. Except as required by law, Digimarc undertakes no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this release.

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