



**CONTACT:**

Deborah Wei – SmartASIC 408-2835098x201  
[dwei@smartasic.com](mailto:dwei@smartasic.com)

Paula Jones – New Ideas 650-967-3711  
[paula@newiic.com](mailto:paula@newiic.com)

## **SmartASIC Declares Genesis Lawsuit Without Merit, Will Fight It**

SAN JOSE, Calif. – March 18, 2002 – SmartASIC, Inc., the second-largest supplier of TFT LCD (thin-film-transistor liquid crystal display) monitor controllers, today responded to the recent press release from Genesis Microchip (Nasdaq: GNSS) alleging patent infringement. SmartASIC believes this claim is totally without merit and intends to fight this claim.

Genesis Microchip issued a press release on March 15, 2002, announcing it filed a patent infringement lawsuit against SmartASIC and two other companies. The complaint involves integrated-circuit (IC) technology in U.S. Patent No. 5,739,867, issued April 14, 1998, entitled, “Method and Apparatus for Upscaling an Image in Both Horizontal and Vertical Directions.” This technology is used in TFT LCD monitors.

“We have not yet received Genesis’ formal complaint and we believe that they issued this press release to distract customers from the superior price and performance capabilities of SmartASIC’ s products,” stated CC Kau, SmartASIC President and CEO. “We recently introduced the new SD2000 family of TFT LCD controllers that is posing a strong threat to Genesis’ market leadership, and we believe they decided to use a frivolous lawsuit to create uncertainty among our customers.”

SmartASIC has been selling TFT LCD controllers since 1998, and Kau believes that the timing of this action is a direct result of the competitive pressure that Genesis is facing. “We will indemnify our customers for any harm arising out of this action. We will not let the Genesis action interfere with our customers’ ability to select the best technology at the best price for their upcoming monitor designs.”

All TFT LCD monitors must be able to scale incoming images to the exact dimensions of the display screen. SmartASIC’ s image scaling technology was developed both by the company’ s team of highly skilled, dedicated engineers and through technology licensed from other companies.

“Based on the information we have so far, this lawsuit appears to be completely without merit and we will fight it,” CC Kau explained. “Of course, as soon as we get their official legal complaints, we will investigate it closely. However, upon review of the patent, we are confident we used other techniques to get superior image scaling results. Therefore, we reserve the right to sue Genesis for engaging in this thinly masked attempt to interfere with our customer relationships.”

SmartASIC, Inc., a fabless semiconductor company based in San Jose, California, developing TFT LCD controller ICs and video processors for video display products. SmartASIC's display processors are used in LCD monitors, LCD PCs, LCD TVs and video boxes made by Advantech, Amtran, KDS, Princeton Graphics, Sampo, Sharp, and ViewSonic. For more information, go to [www.smartasic.com](http://www.smartasic.com).

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