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## PRESS RELEASE

# Effnet Licenses Robust Header Compression Technology to Agere Systems

### **Capability helps extend Internet into wireless telephone networks**

**Effnet Inc.** announced that Agere Systems (NYSE:AGR.A) (the former Microelectronics Group of Lucent Technologies), has licensed Effnet's Robust Header Compression (ROHC) technology, which can improve the efficiency of transmitting Internet Protocol (IP) traffic over wireless telephone networks.

"By applying Effnet's ROHC technology in our network infrastructure products, we can give cellular equipment manufacturers the ability to provide more capacity for Internet applications such as IP telephony over wireless networks," said Paul D'Arcy, senior manager in the Systems and Architecture Group for the Networks and Communications business of Agere Systems. "Working with Effnet helps us reduce our time to market for this capability."

**Designed for embedding into the designs of wireless base stations and handsets, Effnet ROHC technology implements the standards being proposed by the Internet Engineering Task Force (IETF), an organization whose working groups are involved in the evolution of new Internet standard specifications. ROHC is a proposed new standard that significantly improves the performance of IP packet transmission over links that have inherently low speeds and long delays, and which operate in high noise environments.**

**Effnet's ROHC technology allows, among other benefits, more IP traffic to be carried using less bandwidth. Valuable link capacity is then freed for other uses, allowing wireless network operators to expand and differentiate their services.**

Header compression reduces the size of an IP packet header by removing or shrinking header fields. When IP packet headers are compressed, more of the packet's payload, or user data, is transferred in the same amount of time. Header compression means faster, more reliable and lower cost services for wireless Internet operators and customers.

**Of particular importance to wireless network operators is the spectral efficiency of header compression. The Internet protocols introduce heavy overhead for some common types of network traffic. Driven by the rising need for wireless devices and technology, and by the limited availability of wireless frequency spectrum, mobile operators are making stringent demands on cellular product manufacturers to ease the bandwidth requirements for their networks.**

The ROHC technology addresses many of these issues with features that allow the safe and effective compression of headers even on typically noisy wireless links, resulting in a reduction of packet loss. Thus, the benefits of header compression are not lost because of dropouts or other interruptions of cellular or wireless calls.

“Making all-IP networks a reality requires a spectrum-efficient way to run IP over the wireless link,” said Mikael Degermark, Effnet co-founder and co-chair of the IETF working group for ROHC. “For many applications, the size of Internet protocol headers poses a significant problem. Earlier standards for header compression do not work well on links that exhibit both non-trivial round trip times and significant loss. Recent work in the IETF on robust header compression for RTP traffic has resulted in a standard that can compress IP/UDP/RTP headers to just over one byte, even in the presence of severe channel impairments.”

“Agere’s choice of Effnet makes us confident in our decision to remain on the cutting edge of developments in Internet standards,” said Tony Svensson, CEO. “We are very pleased that Agere has selected Effnet as a Robust Header Compression provider. This licensing agreement is another step toward expanding the utility of wireless networks worldwide.”

Effnet estimates its revenues from this licensing agreement at US\$1 million over a three-year period.

#### **About Effnet**

Effnet innovates and licenses award-winning key technologies that resolve data speed, efficiency and security challenges in Internet Protocol (IP) networking and IT security. Effnet’s modular IP packet processing technology -- the EffnetEdge™ Toolkit -- as well as its complete firewall and router technology for hardware manufacturers, enable optimized performance. The wholly owned subsidiary, Wkit Security, offers data encryption and copy protection technologies, and security audit services for public and private sector companies. With more than 75 employees, the company operates in Stockholm, Luleå and Håverud, Sweden, and in Silicon Valley, California. Effnet Group AB shares are traded on Sweden’s Nya Marknaden (symbol: EFFN). Read more about Effnet at [www.effnet.com](http://www.effnet.com). Read about Wkit at [www.wkit.com](http://www.wkit.com).

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