

Universal Electronics Inc. Licenses Hillcrest Labs' Freespace Pointing and Motion Control Technology

ROCKVILLE, Md., March 11 /PRNewswire/ -- Hillcrest Labs and Universal Electronics Inc. (UEI), (Nasdaq: UEIC) today announced a recently signed license agreement for Hillcrest Labs' patented Freespace(TM) pointing and motion-control technology. Under the agreement, UEI will be exploring potential product concepts to offer pointing and motion-control technology to its customers around the world.

Freespace technology was pioneered by Hillcrest Labs for use in advanced television remote controls such as Hillcrest Labs' iconic concept called the Loop(TM). Freespace technology enables subscription TV service providers and consumer electronics manufacturers to embed advanced motion control and pointing capabilities into a wide range of devices and form factors. These devices can enable advanced digital media applications and services to drive new revenue for service providers and manufacturers.

"As consumer demand for television entertainment and control continues to evolve, we are always seeking new ways to differentiate," said Paul Arling, Chairman and CEO of UEI. "We're pleased to partner with Hillcrest to license Freespace technology and explore innovative ways to help users to more easily interact with their entertainment devices and content."

"As a global leader in the design and manufacture of remote controls, UEI is consistently at the forefront of innovation," said Dan Simpkins, CEO of Hillcrest Labs. "We are very proud that UEI has licensed Freespace technology and is investigating ways to incorporate pointing and motion control in the next generation of remote control technologies. Coupled with our HoME(TM) software platform, Freespace technology enables consumers to browse, discover and interact with digital content on TV in entirely new ways."

Freespace-enabled pointing devices utilize patented digital signal processing algorithms that rely on gravity and other inertial inputs to determine their position in the air. The algorithms translate motion instantaneously, and automatically adjust for natural hand tremors. Unlike older technologies that are based solely on gyroscopes, Freespace-enabled pointing devices work regardless of directional orientation. Also, unlike alternative optical pointing solutions, users do not need to aim the device toward a screen and are, therefore, free to hold the device in whatever position feels most comfortable to them.

For more information about Hillcrest Labs, visit <http://www.hillcrestlabs.com>. For more information about UEI, visit <http://www.uei.com>.

About Universal Electronics

Founded in 1986, Universal Electronics Inc. (UEI) is the global leader in wireless control technology for the connected home. UEI designs, develops, and delivers innovative solutions that enable consumers to control entertainment devices, digital media, and home systems. The company's broad portfolio of patented technologies and database of infrared control software have been adopted by many Fortune 500 companies in the consumer electronics, subscription broadcast, and computing industries. UEI sells and licenses wireless control products through distributors and retailers under the One For All(R) brand name. UEI also delivers complete home control solutions in the professional custom installation market under the brand name Nevo(R), as well as software solutions for digital media control and enjoyment in the consumer and OEM markets under the brand SimpleCenter(TM).

About Hillcrest Labs

Hillcrest Laboratories (a.k.a. Hillcrest Labs) sells an application creation platform called HoME, which enables consumer electronics manufacturers and service providers to create unique interactive digital media products for TV and other digital media devices. Applications made with HoME are controlled by pointing and provide consumers an intuitive way to browse, discover, and interact with large volumes of digital media. Hillcrest Labs' pointing technology, called Freespace(TM), can be used in a wide range of consumer devices including remote controls, PC mice, and game controllers. The company's iconic reference device is the Loop(TM) – a pointer-based TV remote that uses just two buttons and a scroll wheel. HoME and Freespace have received numerous awards including the CES Innovations Award and Popular Mechanics' Editors Choice. Based in Rockville, Maryland, Hillcrest Labs was founded in 2001 by Dan Simpkins. The company is funded by NEA, AllianceBernstein, Columbia Capital and Grotech Capital. For additional information, visit <http://www.hillcrestlabs.com>.

Hillcrest Labs, Freespace, and the Loop are trademarks of Hillcrest Laboratories, Inc. All other trademarks are the property of their respective owners.

This press release contains forward-looking statements that are made pursuant to the Safe-Harbor provisions of the Private Securities Litigation Reform Act of 1995. Words and expressions reflecting something other than historical fact are intended to identify forward-looking statements. These forward-looking statements involve a number of risks and uncertainties, including the timely development, ordering, delivery and market acceptance of products and technologies identified in this release; the Company's continued ability to design products in a fashion that results in its technology being accepted by the companies customers and the end users; the continued importance of the Company's database of codes and other technologies; the continued growth in the markets identified in this release to occur as anticipated by management; and other factors described in the Company's filings with the Securities and Exchange Commission. The actual results that the Company achieves may differ materially from any forward looking statement due to such risks and uncertainties. The Company undertakes no obligations to revise or update any forward-looking statements in order to reflect events or circumstances that may arise after the date of this release.