
ARNOLD & PORTER LLP

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September 17, 2010

VIA FEDERAL EXPRESS AND E-MAILMr. Todd Weaver
ivi, Inc.
3213 W. Wheeler St. Suite 191
Seattle, WA 98199Re: **Notice of Copyright Infringement and Violation of Other Rights**

Dear Mr. Weaver:

This letter is written on behalf of our clients American Broadcasting Companies, Inc., CBS Broadcasting Inc., The CW Television Stations Inc., Disney Enterprises, Inc., Fox Television Stations, Inc., Major League Baseball, Twentieth Century Fox Film Corporation, the WGBH Educational Foundation, and WNET.ORG (collectively, the "Clients").

Our Clients own (1) broadcast television stations serving the New York, New York and Seattle, Washington markets ("Stations"); and/or (2) copyrighted programming exhibited on one or more of these Stations and on other stations serving New York, Seattle and other U.S. markets.

Our Clients understand that ivi, Inc. ("ivi") is and has been offering a for-profit commercial service that provides paying subscribers who log onto the Website <http://www.ivi.tv/> with the signals of several of the Stations, the signals of several Seattle and other broadcast television stations, and the copyrighted television programming broadcast by all the above referenced stations (including programming in which our Clients own copyrights).

None of our Clients has authorized ivi to retransmit the signals of any of the Stations it owns; nor has any of our Clients authorized ivi to retransmit any of the copyrighted programming broadcast by these Stations or any other broadcast television station. ivi's unauthorized retransmissions willfully infringe the exclusive rights of our Clients and others under Section 106 of the Copyright Act. Pursuant to Section 504(c)(2) of the Copyright Act, a court may increase an award of statutory damages for willful copyright infringement up to \$150,000 per work infringed.

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We have read trade reports in which ivi claims that its unauthorized service is permissible due to what ivi itself terms "copyright technicalities," *i.e.*, ivi claims it may rely upon Section 111 of the Copyright Act. If indeed that is ivi's view, ivi has misread Section 111 and the thirty years of jurisprudence underlying that provision. Section 111 affords "cable systems" (not online retransmission services such as ivi) a compulsory license under certain conditions; ivi does not qualify for the Section 111 compulsory license. ivi's own theory of "copyright technicalities" also puts it in violation of Section 325 of the Communications Act, which requires cable systems to obtain the consent of broadcasting stations before retransmitting their signals. Moreover, ivi's unauthorized retransmission of the Stations and the copyrighted programming on those Stations and other stations constitutes unfair competition with our Clients, among other violations of federal and state law.

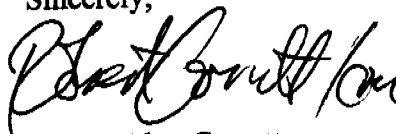
Our Clients hereby demand that, no later than September 22, 2010, ivi cease and desist from distributing via the website <http://www.ivi.tv/>, or otherwise, the broadcasts of the following Stations:

KSTW (Seattle, Washington)
WABC (New York, New York)
WCBS (New York, New York)
WNET (New York, New York)
WNYW (New York, New York)
WWOR (New York, New York)

Our Clients also demand that, no later than September 22, 2010, ivi cease and desist from distributing via the website <http://www.ivi.tv/>, or otherwise, all of the programming (a) in which our Clients own the copyright and (b) that is broadcast by the Stations and by all other broadcast television stations.

Nothing in this letter should be construed as a waiver, relinquishment, or election of rights or remedies by our Clients, who expressly reserve all rights and remedies under all applicable federal and state laws.

Sincerely,



Robert Alan Garrett