

FOR RELEASE May 13, 2003 Contacts: Rob Stewart Investor Relations Tel (949) 480-8300 Fax (949) 480-8301

## Acacia Technologies Licenses Digital Media Transmission Technology To LodgeNet, Industry-Leader for Hotel Video-On-Demand

NEWPORT BEACH, Calif. – (BUSINESS WIRE) – May 13, 2003 – Acacia Research Corporation (Nasdaq: ACTG; CBMX) announced today that its Acacia Technologies Group, has licensed its Digital Media Transmission ("DMT") technology to LodgeNet Entertainment Corporation (Nasdaq: LNET), the industry-leader for hotel video-on-demand. LodgeNet provides on-demand movies and other services to 5,700 hotel properties with 960,000 rooms serving 260 million guests annually.

Acacia will receive recurring quarterly licensing fees from LodgeNet, commencing in the third quarter and ending upon the expiration of the DMT patents, for each of its digital rooms. LodgeNet has deployed digital services in 300,000 of its rooms and plans to have digital services installed in over 40% of its 960,000 rooms by the end of 2003.

The LodgeNet agreement is the 24th licensing agreement for Acacia's DMT technology. The DMT Technology is supported by pioneering patents covering the transmission and receipt of digital audio and digital video content, commonly known as audio-on-demand, video-on-demand, and audio/video streaming.

## **ABOUT ACACIA RESEARCH CORPORATION**

Acacia Research Corporation comprises two operating groups, Acacia Technologies Group and CombiMatrix Group. The Acacia Technologies group licenses its DMT and V-Chip technologies to media and electronics companies. The DMT technology covers the transmission and receipt of digital audio and digital video content, commonly known as audio on-demand, video on-demand, and audio/video streaming, and is supported by 5 U.S. and 17 international patents.

The CombiMatrix group is developing a platform technology to rapidly produce customizable active biochips, which are semiconductor-based tools for use in identifying and determining the roles of genes, gene mutations and proteins. CombiMatrix's technology has a wide range of applications, from DNA synthesis/diagnostics to immunochemical detection. Information about Acacia Research Corporation and the Acacia Technologies group is available at <a href="https://www.acaciaresearch.com">www.acaciaresearch.com</a>. Information about the CombiMatrix group is available at <a href="https://www.combimatrix.com">www.combimatrix.com</a>.

Acacia Research-Acacia Technologies (Nasdaq: ACTG) and Acacia Research-CombiMatrix (Nasdaq:CBMX) are both classes of common stock issued by Acacia Research Corporation and are intended to reflect the performance of the respective operating groups and are not issued by the operating groups.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

This news release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. Our actual results may differ materially and adversely from those expressed in any forward-looking statements as a result of various factors and uncertainties, including the recent economic slowdown affecting technology companies, our ability to successfully develop products, rapid technological change in our markets, changes in demand for our future products, legislative, regulatory and competitive developments and general economic conditions. Our Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Forms 8-K and 8-K/A, and other SEC filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.