



FOR RELEASE

July 21, 2004

CONTACTS:

Acacia  
Rob Stewart  
Investor Relations  
949-480-8300  
info@acaciares.com

LodgeNet  
Ann Parker, Director  
Corporate Communications  
605-988-1000  
ann.parker@lodgenet.com

**ACACIA TECHNOLOGIES ACQUIRES REDIRECTION  
PATENT FROM LODGENET ENTERTAINMENT**

Newport Beach, CA and Sioux Falls, SD – (BUSINESS WIRE) July 21, 2004 – Acacia Research Corporation (Nasdaq: ACTG; CBMX) announced today that its Acacia Technologies Group has acquired U.S. Patent No. 6,226,677 from LodgeNet Entertainment Corporation (Nasdaq: LNET).

The newly acquired patent has several potential licensing opportunities, including DSL registrations, wireless “hotspots”, and hotel high-speed Internet access (HSIA). The patent covers technology and methods for redirecting users to a login page when accessing the Internet.

Acacia expects to launch a licensing and enforcement program for the redirection patent in the third quarter, and will continue to separately license its Digital Media Transmission (DMT®) patent portfolio.

The Patent Purchase Agreement with LodgeNet includes terms by which the companies will divide future revenue received by Acacia from licensing the patent. If certain revenue benchmarks are not reached over the next several years, LodgeNet retains the right to repurchase the patent. Under the Agreement, LodgeNet and its customers are also fully licensed under the patent to conduct LodgeNet’s Internet-related businesses.

“We previously announced our intent to acquire additional patented technologies,” said Acacia Chairman and CEO, Paul Ryan. “Our goal is to expand revenue generating opportunities by leveraging the expertise of our in-house engineering and licensing teams.”

“Our technology development group has created significant intellectual property over the years,” said Scott C. Petersen, President and Chief Executive Officer of LodgeNet. “We believe this relationship with Acacia will allow our company to financially benefit from that technology beyond the scope of our core business.”

The acquisition of this patent adds to the Acacia patent portfolio, which includes pioneering patents relating to its DMT® technology for transmitting and receiving digital audio and video content via various means, including the Internet, cable television, satellite television, fiber-optic, and wireless systems. Acacia has entered into 156 license agreements for its DMT® technology for cable TV services, corporate websites, e-learning, hotel on-demand TV services, and online entertainment, movies, music, news, and sports.

## **ABOUT ACACIA RESEARCH CORPORATION**

Acacia Research Corporation comprises two operating groups, Acacia Technologies Group and CombiMatrix Group.

The Acacia Technologies Group develops, acquires, and licenses patented technologies. Acacia's DMT® technology, which is supported by 5 U.S. and 31 foreign patents, relates to audio and audio/video transmission and receiving systems commonly known as audio-on-demand, video-on-demand, and audio/video streaming, and is used for distributing digital content via several means including Internet, cable, satellite and wireless systems.

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 including DNA synthesis/diagnostics, drug discovery, and immunochemical detection. CombiMatrix's Express Track<sup>sm</sup> drug discovery program is a systems biology approach, using its technology, to target common viral diseases with siRNA compounds.

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.

Information about the Acacia Technologies group and the CombiMatrix group is available at [www.acaciaresearch.com](http://www.acaciaresearch.com).

## **ABOUT LODGENET**

LodgeNet Entertainment Corporation ([www.lodgenet.com](http://www.lodgenet.com)) is one of the world's largest providers of interactive television systems and broadband services to hotels, including resort and casino hotels, throughout the United States and Canada, as well as select international markets. These services include on-demand movies, music and music videos, Nintendo® video games, Internet on television, and other interactive television services, as well as high-speed Internet access, all designed to serve the needs of the lodging industry and the traveling public. LodgeNet provides service to more than one million rooms, including 967,000 interactive guest pay rooms, in more than 5,800 hotel properties worldwide. LodgeNet estimates that during 2003 more than 260 million travelers had access to LodgeNet's interactive television systems. LodgeNet is listed on NASDAQ and trades under the symbol LNET.

### ***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.*

###