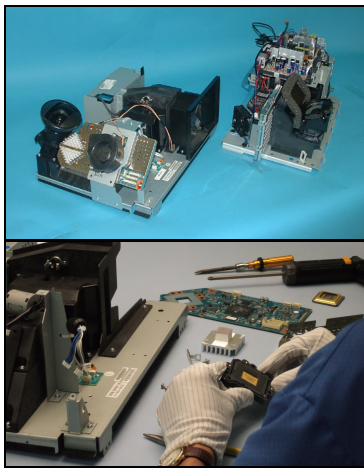


Digital Light Engine (DLE) Repair and Recycling

A N N O U N C E M E N T



Digital Light Engine (DLE) Repair and Recycling Expanded Product Support



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In response to increasing demand for digital light engine (DLE) repair and recycling services, Hong Video Technology (HVT) announces the expansion of its DLE repair and recycling operations to accommodate all major DLE front-projection and rear-projection products.¹

DLE repair and recycling offers manufacturers, dealers and service vendors an alternative source of field-replaceable DLEs. Service departments and service vendors receive production-quality replacement DLEs at dramatically less cost and in significantly less time than it takes to maintain parts inventory with new replacement DLEs.

DLE recycling also alleviates the need for vendors to execute huge final buys, and complies with environmental guidelines for electronics recycling and disposal.

Repairable DLE defects include:

- Defective DMD chips/sockets
- Defective color wheel
- Geometry-related defects
- Defective electronic components, such as ballasts and lamp circuits
- No video (dead)
- Optical defects, such as lens and light path

By expanding its services to a broader market, more customers can realize the cost savings and service benefits that HVT delivers.

¹Digital light processing (DLP) represents the newest technology in consumer product displays. Digital light engines are the primary light source component in DLP displays, including most of the newer rear-projection high definition (HD) televisions.

Highlights

OEMs, product manufacturers, distributors, dealers and third party administrators (TPAs) of DLE consumer electronics products typically receive the greatest benefit from DLE repair and recycling. Key benefits of DLE recycling are:

- Cost savings (average 50%-70%)
- Fast turnaround and improved parts availability
- Environmental compliance

Dedicated solely to the servicing of display products, HVT delivers high-quality DLE recycling services. Key benefits of working with HVT are:

- Engineering innovation and precision repair
- Flexible service programs to meet customer requirements
- Workmanship warranty
- Easy to get started

Cost Savings

Typically, service departments can realize an average of 50% to 70% cost savings by recycling defective or intermittent DLEs, compared to using new light engines for replacement and not recycling.

Cost savings result primarily from the competitive cost of recycling light engines compared to the cost of new light engines, less markups. Dealers and TPAs will generally receive higher cost savings.

Fast Turnaround and Improved Parts Availability

HVT's delivery of recycled DLEs in days or weeks, compared to the weeks or months it takes to receive new light engines (if available), ultimately leads to reduced costs.



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Because fast turnaround of recycled light engines replenishes parts inventory faster than purchase of new light engines, parts departments can retain a smaller inventory when using recycled engines. A smaller inventory reduces product carrying costs, parts warehouse space, and scrap of non-moving parts.

In addition, when parts inventory is restocked with recycled (not new) replacement engines, new units that were previously allotted for service departments are available for sale.

Recycling improves parts availability, helping manufacturers and retailers to minimize or eliminate product returns when no parts are available. Further, recycling provides a source of long-term parts availability that helps service parts departments meet product life cycle legal requirements. In particular, recycling DLEs reduces the risk and expense of final buys by providing an ongoing, cost-effective source of replacement DLEs for seven years (the term of parts availability required in some states) and beyond.

Environmental Compliance

By recycling defective light engines, companies achieve compliance with various US and global technology recycling and disposal directives being imposed by the EPA and other governmental organizations.

Engineering Innovation and Precision Repair

At HVT, technical expertise and a focus on quality combine to improve efficiency and provide innovative solutions to new problems. While originally servicing a limited number of early-model DLEs, HVT engineered tools and processes that resulted in significant cost savings and quality improvements.

Now expanding service to new DLE models, HVT engineers can quickly analyze and manufacture the custom fixtures that both enable and expedite the consistent, superior quality of DLE repair. Of particular note is

the HVT engineering lab and robotic tooling facility, which enables HVT to quickly produce the innovative and custom devices, such as jigs and geometry tooling, required to deliver superior product repair and quality picture enhancements.

For example, HVT uses a proprietary system to build a custom jig for each DLE model. The jig provides exceptional control and precision for testing and alignment of DLP convergence, assuring that HVT consistently delivers recycled DLEs that meet or exceed manufacturer specifications.

Also unique to HVT is its proprietary tracking and reporting system, which enables HVT to detect DLE defects quicker and make repairs faster. Customers receive accurate reports detailing testing, defects and repair. Such reporting can help to identify recurring defects, for example, which manufacturers may then correct prior to future production runs.

HVT operates in a state-of-the-art facility with 10K ppm clean room, darkroom and 100 ppm workstations. Highly trained and certified technicians handle every aspect of DLE repair, contributing to the consistent delivery of high-quality repair. HVT technicians are adept at handling DLEs to avoid contamination or damage, including use of Class 100 workstations and ESD grounding while all susceptible components are exposed.

Flexible Service Programs to Meet Customer Requirements

To satisfy the unique needs of its customers, including manufacturers, OEMs, dealers and other service providers, HVT invests in customizing a service program that delivers exactly what each customer requires. HVT offers a full range of service options, with the ability to cover in-warranty, out-of-warranty, and end-of-life cycle repair needs. As a service partner, HVT can link to service call centers for seamless integration to existing IT service departments, if desired.

Workmanship Warranty

All repaired DLE units receive a six (6) month workmanship warranty on HVT repair services.

Easy to Get Started

There is no start-up cost to the customer. However, to ensure HVT can deliver the expected cost savings and turn times, HVT performs a feasibility study of each DLE model prior to accepting the model for repair and recycling. For DLE models that have not had prior analysis, customers must provide to HVT:

- Limited consignment of a virgin light engine that meets all manufacturing design specifications
- Five defective light engines
- OEM technical information (parts availability, specialized engine technology data, and on site technician training) as necessary from the OEM or manufacturer.

For more information about DLE Repair and Recycling or other display product services, please contact Chris Fabian at cfabian@hvt.net or phone 770-495-4881.



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