



Media Release

Digimarc Orders Cognitec's Face Recognition Software for Massachusetts Driver License Issuance

Herndon, VA, October 25, 2005 – Cognitec Systems, the leading provider of face recognition technology and systems, announced an important purchase order from Digimarc Corporation. The Massachusetts Registry of Motor Vehicles (RMV) has awarded Digimarc a new contract designed to strengthen the security of the RMV's driver license issuance process. Digimarc is using Cognitec's face recognition technology combined with sophisticated identity document authentication, to reduce fraud in the process of applying for driver licenses, a key area of concern in the recently passed REAL ID federal legislation in the United States.

The Digimarc solution provides multi-factor authentication of applicants, examining both facial biometrics and the source documents that the applicant provides as proof of identity. This will enable Massachusetts RMV offices to scan, authenticate and archive images of documents presented to establish an applicant's identity. Massachusetts RMV investigators will use the facial recognition aspects to compare the facial characteristics in a new photo of an applicant against similar facial images in the RMV's database of approximately 10 million portraits from previous applications. This will allow the RMV to detect applicants who are trying to obtain a duplicate driver license or someone trying to obtain a license using a stolen identity. This "one-to-many" facial matching solution from Digimarc employs Cognitec's algorithms.

"The Massachusetts RMV is leading the way in enhancing the safety of its citizens by buttressing two critical points in the issuance process with an aim to reduce fraud and identity theft, and enhance national security consistent with recently passed federal legislation," said J. Scott Carr, executive vice president, Digimarc Corporation.

Alfredo Herrera, Managing Director of Cognitec Systems, said "We are proud to provide our latest face recognition technology to Digimarc for this important project in Massachusetts. Digimarc is widely recognized as the market leader in the US driver license business, and we are happy to cooperate and to be able to deliver our high-performance face recognition algorithms as part of Digimarc's biometric verification solution for another State in this important market segment."



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About Digimarc

Digimarc Corporation (Nasdaq:DMRC), based in Beaverton, Oregon, is a leading supplier of secure identity and media management solutions. Digimarc provides products and services that enable the production of more than 60 million personal identification documents, including two-thirds of U.S. driver licenses and IDs for more than 20 countries. Digimarc's digital watermarking technology provides a persistent digital identity for various media content and is used to enhance the security of financial documents, identity documents and digital images, and support other media rights management applications.

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Please go to www.digimarc.com for more company information.

About Cognitec

Cognitec Systems, with headquarters in Dresden, Germany, and offices in Herndon, VA; Miami, FL; and Rio de Janeiro, Brazil, develops and markets the well-established and world-leading FaceVACS[®] face recognition software. Cognitec's software experts have been developing face recognition technology since 1995. In various independent evaluation tests including the Face Recognition Vendor Test 2002, FaceVACS[®] has proven to be the leading technology available on the market. With its products,

- FaceVACS-Entry for access and border control,
- FaceVACS-DBScan for database search,
- FaceVACS-Acquisition for ID photo capturing,
- FaceVACS-Alert for video surveillance, and
- FaceVACS-SDK as a software developer's kit for integrators,

Cognitec has deployed numerous systems for customers from government and industry all over the world.

For more information, please contact:

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