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Card Scanning Solutions to Expand Digimarc Digital Watermarking-Based Authentication of Driver's Licenses

Los Angeles, CA (January 24, 2007)— Card Scanning Solutions announced today an agreement with Digimarc Corporation (NASDAQ: DMRC) to license its market-leading Digimarc® IDMarc™ to be used as a powerful new means of authenticating U.S. driver's licenses.

Card Scanning Solutions will incorporate digital watermarking inspection capabilities into its portfolio of ID reading and verification solutions including the upcoming highly anticipated Snapshell FDA camera scanner to help customers such as security integrators, retailers, insurers and auto dealerships fight identity theft and fraud by reliably authenticating driver's licenses presented as proof of identity and age.

“The driver's license has become the de facto citizen ID in the U.S. today, and the need for reliable machine authentication is essential to combating identity theft and fraud,” said Scott Carr, executive vice president of Digimarc. “Twenty U.S. states have adopted IDMarc digital watermarking to secure the licenses they issue, and this feature can be found in more than 50 million circulating U.S. driver's licenses. Card Scanning Solutions' fraud detection & authentication scanning systems will enable a wider range of businesses that rely on driver's licenses to take advantage of digital watermarking to verify age and authenticate driver's licenses in markets ranging from retail operations, nightclubs and auto dealerships, to any security arena requiring the collection and authentication of identification.”

“Retailers, banks, auto dealers and a range of other commercial users are demanding secure, reliable means of easily verifying the authenticity of driver's licenses to reduce fraud. Digimarc's IDMarc digital watermarking provides the cross-jurisdictional authentication they demand, in a cost-effective form that is easy to deploy and use,” said Iuval Hatzav, vice president of Card Scanning Solutions. “As a leading developer of identification card scanning solutions, we are delighted to be working with Digimarc to offer IDMarc digital watermark inspection capabilities to our VAR and developer network, and ultimately to the ID inspection markets that they serve.”

With more than 240 valid driver's license designs for the millions of licenses circulating in the U.S., visual inspection alone is not adequate to determine the authenticity of these IDs. Digital watermarking takes the guesswork out of inspection and provides reliable authentication of driver's licenses and IDs using an intuitive and easy-to-use red-light-green-light indicator of authenticity. Digimarc anticipates that 1 in 2 U.S. driver's licenses issued in 2007 will be secured with digital watermarks.

Card Scanning Solutions supports VARS and application developers that build industry-specific solutions using its hardware and software platform. Card Scanning products include software- and hardware-scanning solutions for driver's licenses, checks, medical cards, and business cards, as well as biometric signature pads and document scanners. For more information about IDMarc inspection solutions offered by Card Scanning Solutions, please contact (310) 691-8920.

About Card Scanning Solutions

Card Scanning Solutions is the leading developer of identification products. Its product line, including the IdScan, ScanShell.net, and SigniShell Biometric Signature Solution, is used by top security and government agencies, credit unions, casinos, hotels and automotive dealers around the world. Recognized for its cutting edge technology, it assimilates high product accuracy, cost efficiency and the ability to improve customer service applications while reducing losses due to fraud. Card Scanning Solutions is the go-to choice of the major industries for enhanced identification and scanning services in the post 9/11 era.