

February 21, 2005

Like most things that are spread by rumor, the facts about me, UltraCade Technologies, and the M.A.M.E. emulation system are quite distorted. I will try and educate anyone who cares to listen about the reality of our marketplace and what we are doing and what we are not. Simply put, we are making an effort to stamp out the commercial sales of M.A.M.E. based systems that advertise the ability to play thousands of games while relying on the customer to obtain the ROMs which can not legally be obtained. What we are not doing is trying to claim ownership of the M.A.M.E. open source emulator or sue its authors. We are concerned about the commercial marketplace, and not the readers of the many M.A.M.E. user groups and forums.

I have been working on emulation technology since the mid 80's when I did work on an emulation project in college. In 1994, while working on games for companies like Sega and Williams, we developed an emulation of the arcade games Joust, Defender and Robotron that ran on a Sega Genesis. In 1996, we started the Lucky 8 project which turned into the UltraCade project. In 1998 we were one of the first companies to acquire the rights to classic arcade games from various publishers. We have licensed games from several manufacturers including Capcom, Jaleco, Taito, Stern, Incredible Technologies, Midway, Atari and more. We have started several projects and built prototypes for companies like Sega, based on technology that was licensed from authors from the emulation community. We have licensed technology from many of the community's programmers, paying them to use their code in our products and demonstrations. We have been the leader of the retro arcade movement, and have invested millions of dollars creating a market for retro games. UltraCade was the first successful multi-game arcade machine combining many of the old classics. We further enhanced the market by creating Arcade Legends, our consumer version of the UltraCade product. We have also paid hundreds of thousands of dollars in licensing fees to have the right to sell our games.

In the past couple of years, there has been a huge wave of resellers competing with our UltraCade and Arcade Legends products. They build a similar style cabinet, install a PC in the machine, load M.A.M.E., and sell it for a very low price. Lower than we could ever offer our machines for sale. How? Quite Simple. They profit by stealing others work. If you look at the web sites, and read the eBay ads they offer machines that "Play over 4,000 Classic Arcade Games" They then try and skirt the law by pretending that they are not promoting piracy of these same 4,000 games with statements like "we don't load the ROMs" but of course, almost all of them do. The others that don't, they provide you with an instruction sheet with a link to several web sites where you can illegally download the ROMs, or provide you with the contact information for a CD/DVD duplication house that will sell you a set of ROMs for all 4,000 games for less than \$200. Would anyone really buy this arcade machine if they knew that there was no legal way for them to run over 99% of the games that they were promised, I don't think so, and if you really look at this without emotion, I'm sure you would agree. These companies are simply selling the promise of thousands of games on a machine that can not possibly run them legally. I sometimes hear the argument, "well, I could go on eBay and buy up all of these games and then run it", and while plausible, it certainly would not be anywhere near cost effective, and again, if the customer knew that to legally operate these games, they have to spend thousands of dollars buying legal ROMs I seriously doubt that they would consider purchasing a M.A.M.E. machine. Anyone reading this email thread is an intelligent person, and if they put emotions aside, they will realize that what we are saying about selling M.A.M.E. machines and the promise of getting 4,000 games for the average consumer can't possibly happen. Unlike most of you reading this, the average consumer looking to buy a machine for their game room has no idea how emulation works, or what is legal and illegal to do. To them, they read an advertisement on a website or on eBay and compare our product with 50 games or an ad for a machine that promises thousands of games, with the promise of instructions about how to obtain those games. Of course, in this skewed environment the average consumer would gravitate towards the thousands of games machine, not realizing that the software and the games are unlicensed and illegal to play. Most consumers who are pointed at a web site selling a 7 DVD set of ROMs have no idea that this is an act of piracy, they were simply instructed to do this by the person selling them their arcade cabinet, and told this is how you get the games.

Now that we have attempted to take legal recourse to prevent illegal competition, the same people, who steal the work of the M.A.M.E. authors, and then profit by selling machines that have no value without the pirated games being made available, turn around and cry foul when we call them on their ways. They run to the M.A.M.E. discussion forums and spread rumors about UltraCade suing the authors of M.A.M.E. or stealing the M.A.M.E. engine. I'm amazed at the response of the community, a community that is being whipped into action by the same people who are stealing and profiting from them and they're efforts. Many people have reacted with hate mail

without even considering to look at the facts of the situation, or to realize who is spreading the rumors. They are being spread by those who wish to profit by selling unlicensed games.

The simple fact is that we are attempting to stop the tide of illegal arcade machines, and the promotion of unlicensed games. The M.A.M.E. platform, while a technical marvel, consists of many violations of copyrights and trademarks. The authors have always stated in the documentation that it was not put into the public domain to steal from the game authors or publishers, and they have always been hands off about how to obtain the ROMs. They have also clearly stated that it is not to be used for commercial gains. A majority of the publishers who own the copyrighted material have not paid much attention to this marketplace, as until recently it has not had a huge commercial impact. But now, there are websites and eBay sellers selling machines that directly compete with legitimate publishers like us who publish games from Capcom, Taito, Midway, Atari and others, or publishers like Namco that publish Ms. Pac-Man/Galaga or the Donkey Kong/Mario Bros. machines.

Of the many thousands of games that M.A.M.E. supports, only a minute fraction of them can legally be played on a M.A.M.E. equipped machine, and many can not. There are many fallacies about the legality of owning ROMs and how you can play the game. Many people claim that they have a board set and therefore they can download as many ROMs as they like. The law is very strict. You can transfer the image from the actual original ROM chips, which you legally own, to another piece of hardware, provided that you actually transfer the code from the chips. Just having a board sitting around, and saying I have the right to play it is not the case. Many people point to StarROMs and say that they can then sell the games with the ROMs installed. This is not the case either. StarROMs license prohibits the resale of the game licenses, and only the end user can purchase these ROM images, resellers can not. Our market is further plagued by the rash of 4 in 1, 9 in 1, 24 in 1 39 in 1 and the new 300 in 1 "multicade" boards. These boards come from Taiwan and Hong Kong and contain illegal copies of the ROMs of several games.

This is a complex case amongst companies that are trying to make it about UltraCade stealing something from the M.A.M.E. team. That is not what this is about. This is simply UltraCade Technologies and other publishers doing whatever it takes to protect our commercial interests and prevent other companies from stealing our market by capitalizing on unlicensed games and selling products that only have value when coupled with illegally obtained games. Our application towards a trademark is to simply prevent anyone from commercially marketing an illegal product, nothing more. There have been no lawsuits filed against any of the M.A.M.E. authors, and there have been no claims towards the open source engine, nor will there be. We are simply protecting our commercial market, and nothing more. We have no interest in the hobby community. We have no interest in the open source project. Our goal is to simply stop the rampant piracy in our marketplace, and we will use every means at our disposal to do so.

I welcome open discussions about this situation, and will respond to legitimate communications or questions.

-David R. Foley

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