



For Immediate Release
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Cubist Media Group Launches HD DVD and Blu-ray Disc Services, Acquires Sonic Next Generation DVD Authoring Systems

Philadelphia, PA – January 2, 2007 – Cubist Media Group starts the new year by launching its newest service, HD DVD and Blu-ray Disc development, following the acquisition of Sonic Solutions' next generation DVD authoring systems. The system includes Sonic Scenarist Advanced Content Authoring for HD DVD; Sonic Scenarist HDMV Authoring for Blu-ray Disc, and Sonic CineVision AVC encoder. Cubist has also licensed Microsoft's PEP VC1 Encoder.

Since the launch in October 2006 of Cubist's next generation DVD development lab, the Interactive unit's development team has been evaluating systems from Sonic, Sony, and Microsoft, and determined that the Sonic suite of products offered Cubist the best tool set in this rapidly developing technology. "Our lab included both HD DVD and Blu-ray Disc set-top players, allowing us to demonstrate both versions to our clients. Most had seen one or the other, but had never been able to compare the two," says Phil Erney, Technical Operations Manager, who directs the lab's efforts.

"We, and other industry leaders, firmly believe that there will be two versions of high-definition DVD," says Cubist CEO John Ballentyne. "It's not a Betamax vs. VHS situation this time. Just as there are PCs and Macs, and iPods and MP3 players, there will be HD DVD and Blu-ray Discs."

In the December 2006 "2007 Outlook" issue of "Post Magazine," Ballentyne cited next generation DVD as the future of DVD because "both HD DVD and Blu-ray Disc offer superior-quality HD images and new levels of interactivity, like pop-up menu interfaces and network connectivity. A challenge for most post houses is the high cost of encoding and professional authoring tools." However, he adds, "we knew we needed to make the commitment now if we were to maintain our leadership role in adopting new technologies. We were first in the Philadelphia area to use Scenarist and we continue to be leaders in its use. The Sonic authoring and development tools are at the heart of a professional's toolkit."

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The new tools give Cubist's authors the ability to develop both HD DVDs and Blu-ray Discs, making Cubist the first independent next generation DVD development studio on the East Coast. As of December 2006, there were fewer than 20 companies in the US with next generation DVD development capabilities, and those were, for the most part, West Coast-based.

The first wave of HD DVD and Blu-ray has focused on getting Hollywood movies to market. Because of the cost and time involved in creating and distributing in two formats, there has been a limit to the number of commercial DVDs with advanced features. The core market for many of these new features such as advanced interactive menus, picture-in-picture and network connectivity, says Ballentyne, will be in corporate communication, advertising, and museums. "Content owners that have invested in high definition video finally have a way to distribute their programming.

"Our clients—advertising agencies who produce trade show exhibits and marketing point-of-sale tools, museum directors developing interactive kiosks, film and music DVD developers, and corporate communicators who need to reach their internal and external audiences with visual impact—will be clamoring for the new features and higher quality of HD DVD and Blu-ray," Ballentyne says. "Distributing in both HD DVD and Blu-ray will be right for some projects, but others can choose the format that works best to reach their distribution channel. Our project management team will educate clients on the nuances of the two formats so they can make an informed decision.

"The public in general is becoming more familiar with high definition and will insist on it. More than half the homes in the US are expected to have an HD-ready display by 2008. In the end consumers will see that high definition will give them crisper colors, text that is easier to read and audio that supercharges the viewing experience. At Cubist, we have a history of exploiting emerging technologies for the benefit of our clients and the move to next generation DVD is a natural evolution in our growth."

About Cubist Media Group

Cubist Media Group is the region's pre-eminent force in delivering creative and technical solutions for communications, education, advertising and entertainment. Organized into four service units – Creative, Productions, Post & Effects, and Interactive – Cubist Media Group offers a multi-disciplinary creative approach along with the latest digital technologies. For more information, visit www.cubistmediagroup.com.