



TELESTREAM

NEWS RELEASE
For immediate release

DMGI Selects Telestream Episode for High-Volume Media Encoding

Episode Engine chosen for high-quality, high-volume output and to meet DMGI's need to distribute video to iTunes, Joost, YouTube, Amazon and more

Nevada City, Calif., August 2, 2007 – Telestream, the leading provider of media workflow solutions, today announced that its Episode Series encoding applications were chosen by digital media aggregator and distributor, DMGI, to process thousands of hours of video footage for distribution to digital video retailers. DMGI (Digital Music Group, Inc.) helps independently-owned television, film, video and music content owners around the world access the exploding digital media market by processing, encoding, delivering, and marketing digital media to the online music and video marketplace.

DMGI was founded in 2005 to help consumers experience more music in more ways. Their 2006 expansion to add video content created a media processing challenge due to the high volume and wide variety of video and audio formats required by DMGI's video retailers. DMGI licenses or purchases video from content owners and encodes it to a variety of formats for distribution to digital video and mobile retailers, including iTunes, Joost, YouTube, Walmart, Amazon, Veoh, Netflix, Helio, mSpot, and more.

"After researching several software solutions, we selected Telestream's Episode Engine for its superior performance and automation features. It addressed our video quality and throughput objectives perfectly," said Barth Ballard, Vice President of Operations and Marketing at DMGI. "We started with Telestream's Episode Pro desktop application, and liked it so much that we added Episode Engine server-based applications to handle our higher volume needs."

DMGI's business volume has grown to more than 4,000 hours of videos, which includes both current and classic television series, movies, music videos and other video programs. For every 30-minute or 1-hour segment, DMGI processes up to 20 output formats and up to 6 files per format. This required a fully scalable solution.

"Episode Engine is a perfect addition to DMGI's high-volume Final Cut Pro workflow. It underscores the value of Episode's scalability to start with a desktop application, easily expand to a server-based solution and continue to grow to a clustered server environment to meet DMGI's rapidly growing business needs," said David Heppe, President/COO at Telestream.

Featuring a wide range of standard definition and high definition video and audio file formats, optimized codecs, multi-thread processing, hundreds of filters and fine-tuning compression capabilities, Telestream's Mac-based Episode Series provides superior picture quality and exceptionally fast conversion speeds.

"We're pleased with our Episode Engine purchase. It works well and we've received the timely support we needed to really make it work for us," adds Ballard. Episode Pro integrates with DMGI's Final Cut Studio 2 editing workflow. It is used as the media encoding settings editor and for automatic job submission to multiple Episode Engines which handle the heavy processing on Apple quad-core Mac Pro workstations.

Episode Pro (\$895) is available for online purchase at www.flip4mac.com or from Telestream's worldwide direct sales and resale channel. Episode Engine (\$3,450) is available for sale from Telestream's worldwide sales channels. A Cleaner trade-in program at www.flip4mac.com offers savings off Episode and Episode Pro desktop applications ordered now until August 31. More information about Episode Series is available at www.telestream.net and www.flip4mac.com.

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About Telestream (www.telestream.net & www.flip4mac.com)

Telestream products have set the standard with the world's leading media and entertainment companies, corporations, and government institutions for the encoding, organizing, and delivery of digital media. From plug-in components to desktop craft encoding applications to scalable enterprise-class transcoding systems, Telestream's workflow solutions save users time, effort and money while increasing revenues. The company's Workgroup & Enterprise solutions and Flip4Mac digital media tools for the Mac streamline media workflows for content owners, creators, and distributors in any industry segment. Telestream and its team of video experts are located in Nevada City, California, USA and in Stockholm, Sweden. The company is privately held.

Press contact for Telestream

Janet Swift

ph: +1 530.470.1328

janet_swift@telestream.net