

EQUIPMENT SALES

Decibel Trading buys three DBS Discbox Slider lines from Stora Enso

Italian disc replicator Decibel Trading Service recently purchased three DBS Discbox Slider packaging lines from Finland-based Stora Enso Media Solutions.

Decibel Trading Service has acquired two DBS Pac Master machines for DBS CD production, and one DBS FF-80 packaging line for DBS DVD production. "Two machines are in use and the third machine line will be installed in June," said Osmo Jahkola, director of Stora Enso. "The state-of-the-art machines offer production capacity and efficiency for high volumes by ensuring cost-effective, easy and trouble-free production at competitive speed."

Decibel Trading Service will use the new machines to manufacture board-based DBS Discbox Slider cases in both CD and DVD sizes,

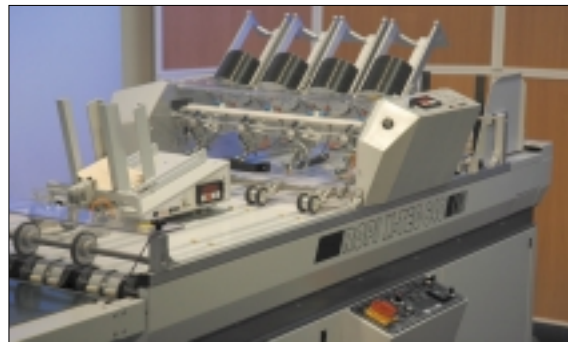
mainly to serve publishers who bundle discs with magazines and newspapers.

"Our customers have been seeking a board-based packaging solution to replace plastic cases," says

Francesco Lorini, managing director of Decibel Trading Service. "In the past, there was no such solution that was both price-competitive and available in DVD size. Now we can offer our customers DBS cases made from paperboard, which can be manufactured efficiently and filled by automated packaging machines. The trend is definitely toward products that are made from renewable raw materials."

The DBS Discbox Slider product family comprises three distinct case types. The DBS CD case can hold one or two discs and a booklet. The DBS DVD case can hold from one to three discs and a 5 mm thick booklet, while its DVD Slim version can contain one disc plus a booklet. The DBS case provides advantages in terms of economy, ecology, printability and security.

www.storaenso.com



The X-TEC 640

Otari shows X-TEC in Barcelona

Otari, a long-time provider of machines for the media manufacturing industry, showed its X-TEC 640 series for Digipak automation at the recent MEDIA-TECH Showcase in Barcelona.

The X-TEC 640 TRAY glues up to four trays in parallel to Digipak cartons. The X-TEC 640 DISC places up to four discs side-by-side. Both use the patented X-TEC 640 Base. The open out-feed conveyor allows product spacing and convenient handling of finished products in stacks.

Otari has already installed X-TEC 640 systems at nine European duplicators, replicators and printers, including CSO, GZ Digital Media and MPO.

A single X-TEC 640 TRAY system with one magazine for tray gluing is priced at €49,500; and with four magazines at €60,000. A single X-TEC 640 DISC system with one magazine for placing four discs in parallel side-by-side is priced at €67,500.

www.otari.de

Smaller DVD package size is better, says *USA Today*

Hollywood studios are focusing on decreasing package size because consumers are running out of room for movie and TV collections on DVD, according to a story in *USA Today* that ran in early April. *USA Today* is one of the leading national newspapers in the US, reaching 5.2 million readers daily.

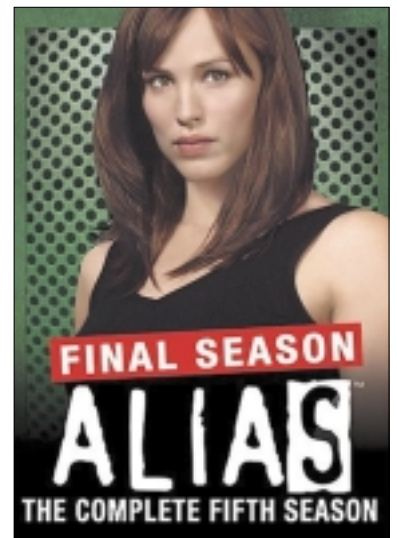
But as DVD libraries have grown over the last few years, consumers are running out of space to store their DVDs, and are looking for slimmer packaging where available.

www.usatoday.com

Among the examples cited by the *USA Today* article included:

- The latest *Rocky* set from MGM comes in a box just 1 1/2 inches thick, as opposed to 3 inches for the previous *Rocky* set.
- Season 5 of hit television show *Alias* is packaged in a box just 3/4-inch thick, compared with Season 2, which measured in at 2 inches.

The article notes that in the early days of DVD, larger packaging size was emphasised because studios were trying to emphasise value to consumers.



Thinner is better for *Alias* Season 5

Cinram sales slip to \$1.9 billion in 2006 despite strong 4Q

Cinram, the world's largest provider of pre-recorded multimedia products and related logistics services, reported consolidated revenue for the year ended December 31, 2006, of \$1.9



billion, down from \$2.1 billion in 2005. The company, which owns media packaging supplier Ivy Hill Corporation, cited a decline in home video sales for one of its' largest customers in 2006 as having a significant impact on the company's full-year results.

"The fourth quarter of 2006 was the best fourth quarter on record for Cinram across a number of measures, including DVD unit volume," said Cinram chief executive officer, Dave Rubenstein, in a press release. "The surge in DVD volume experienced in the fourth quarter demonstrates the further compres-

sion we are seeing in the seasonality of the business. This year, we hope to benefit from a more robust release schedule coupled with increased production capacity to service peak demand requirements; however, the positive effect of increased volume and capacity will likely be offset by price declines."

Financials for specific Cinram segments included:

- Cinram recorded fourth quarter and full-year high-definition disc revenue of \$2.8 million and \$5.6 million, respectively, following the June retail launch of both formats. The company has replicated 180

HD DVD and Blu-ray titles for its customers in North America since the launch.

- CD revenue was down 36% in the fourth quarter to \$63.5 million from \$98.4 million in 2005, and

decreased 19% for the full year relative to 2005, on weaker market conditions for CDs and the cessation of the company's CD manufacturing operations in Louviers (France) in early 2006.

- Printing revenue for the fourth quarter was up one percent to \$67.4 million from \$66.5 million in 2005. For the full year, printing revenue was down nine percent to \$212.9 million from \$234.0 million, principally as a result of lower DVD and CD volumes for customers for whom Cinram also provides related printing products.

www.cinram.com

Deutsche Post certifies Expericard

Deutsche Post recently granted Expericard AB certification for its Expericard mailer to be sent as Infopost. Expericard is a new packaging solution for discs, credit cards and SIM cards. Owned by Bonnier Group, Expericard AB was founded in 2002 by Peter Gustafsson and Johan Pihl, and is based in Stockholm, Sweden. Expericards are manufactured in both Europe, as well as the US through a partnership with AGI Media.

Expericard was granted Deutsche Post certification because it can be sorted and read in the automatic sorting lines within the Deutsche Post system, which enables the lowest possible postage and the best turn-around times.

Expericard AB's fully automated production lines are capable of high-speed postal sorting and bundling requirements, as well as refined individual printing of addresses and personal greetings.

www.expericard.com

PACKAGE OFFERINGS

US replicators announce media packaging offerings

Two US replicators, Action Duplication and Disc Makers, recently announced media packaging offerings.

Disc Makers, based in Pennsauken, New Jersey and known for their distinctive marketing campaigns targeting independent music and video producers as well as corporate clients, announced it lowered its DVDigipak pricing in March.

Disc Makers promoted a price of \$1,590 for 1,000 3-colour DVD-5s in a 4-panel, full-colour DVDigipak, down from \$1,690. DiscMakers offers either high-gloss UV coating



The disc blends in with Action Duplication's Splash Mailer

or matte UV coating at no additional charge. It also dropped the price of 1,000 DVD-5s in 6-panel

DVDigipaks to \$1,690, from \$1,790.

Disc Makers is one of a handful of companies licensed by

AGI to make Digipaks and DVDigipaks.

Action Duplication, located in West Conshohocken, Pennsylvania, is publicising a disc mailer it has designed and is promoting to its customers.

Action Duplication's Splash Mailer^(tm) is a larger, four-panel self mailer that, along with a CD or DVD inside it, offers a unique presentation. The mailer's dimensions are 5 1/2-inch x 8-inch, allowing room for graphics and text. The piece is off-set printed in four-colour process with a slit on the inside right panel to hold the CD or DVD. The graphics printed on the disc can closely match the mailer design.

The Splash Mailer^(tm) is part of a virtual sample packaging kit of various media packaging options offered by Action Duplication on its website.

www.actionduplication.com
www.discmakers.com

Universal's eco-friendly *Smokin' Aces*

Universal Studios is touting its *Smokin' Aces* DVD and HD DVD home video packaging as environmentally friendly due to the fact that it contains all-recycled material. *Smokin' Aces*, released to home video in the US in mid-April, is one of Universal's first media packages to feature all-recycled materials.

The movie stars Jeremy Piven, Ben Affleck, Alicia Keys and Ray Liotta. *Smokin' Aces* centres around a comedian-turned informant named Buddy "Aces" Israel (played by Piven), who decides



The *Smokin' Aces* recycled package

to turn state's evidence against the mob.

www.smokinaces.com

Wal-Mart gets green

Retail giant Wal-Mart recently announced it will measure its 60,000 worldwide suppliers – including music labels and Hollywood studios – on their ability to develop packaging that helps conserve natural resources. The initiative will begin in 2008, with a goal of reducing overall product packaging by 5%.

Wal-Mart, which operates 3,900 stores in the US and another 2,700 in other countries combined, will measure and recognise the entire worldwide supply base for using less packaging, utilising more effective materials in packaging, and sourcing these materials more efficiently through a packaging scorecard.

"Packaging is where consumers and suppliers come together and can have a real impact both on business efficiency and environmental stewardship," said Wal-Mart president and CEO Lee Scott. "Even small changes to packaging have a significant ripple effect. Improved packaging means less waste, fewer materials used, and savings on transportation, manufacturing, shipping and storage."

Wal-Mart is reportedly the largest seller of DVDs in the US, and was expected to have accounted for approximately 40% of US DVD sales in 2006.

www.walmart.com

Dering, Americ Disc unite

Dering Corporation, which manufactures both CShells and discs, announced a joint venture with replicator Americ Disc. The companies have created Americ-Dering, which will provide optical media manufacturing, packaging and distribution services in Pennsylvania, New Jersey, Delaware, Maryland and Washington DC.

"We are thrilled about the opportunity to offer our customers access

to an expanded network of facilities, services and products," said David Dering, president of the Dering Corporation. "This joint venture will allow us to retain our local presence but operate on an international scale through the support of Americ Disc, one of North America's largest independent replicators."

www.dering.com
www.americdisc.net

Indie label G7 booting packaged media

Independent Canadian label G7 Welcoming Committee, which has produced about 50 titles for its collection of punk bands, recently celebrated its 10th anniversary by announcing that it had begun phasing packaged media out of its distribution model in favour of downloading.

It expects to completely move to online distribution by April, 2008. G7 cited environmental concerns as a key reason behind the switch.

G7 plans to continue to offer artwork for its albums free via downloads from its web site.

www.g7welcomingcommittee.com

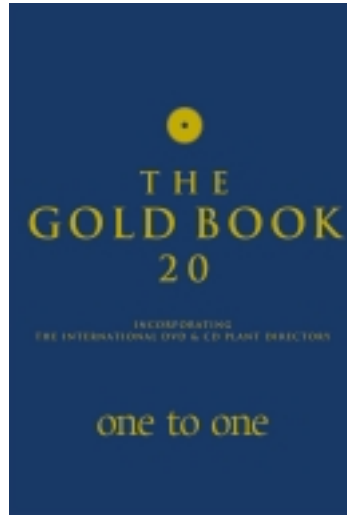
Gold Book now half price

The One to One Group, publisher of *MediaPack*, has announced a special offer for *The Gold Book 20* directory. For a limited time, it is available at half price – £57 (€105/\$115) instead of the regular price of £115 (€210/\$230).

Established for two decades, *The Gold Book* is the media manufacturing industry's most detailed reference source. Suppliers of equipment, materials and services are listed in 44 sections and alphabetically by company name. For instance, the following chapters are likely to be of interest to readers of *MediaPack*:

- Printing/Packaging & Fulfillment Services
- Pressing/Duplication Brokers
- Printing & Labelling Equipment
- Packaging & Wrapping Equipment
- Printing Inks
- Packaging Supplies
- Labelling & Wrapping Materials

In addition, the directory also includes *The International DVD & CD Plant Directory*, which supplies



contact information for replication plants in 66 countries around the world – in alphabetical order and listed by country.

The half-price offer runs until July 31, or until stocks last – so don't miss out. You can download an order form at www.goldbook.oto-online.com, or request one from Lianne Davey (lkdavey@cmpi.biz).

MPS awarded forest stewardship certification

Multi Packaging Solutions (MPS) received Forest Stewardship Council (FSC) Chain-of-Custody Certification for its two facilities in Holland, Michigan in April.

Chain-of-Custody Certification is a promise to customers that FSC-labelled products produced by MPS come from sustainably managed forests. It provides a guarantee that the manufacturing process has the necessary controls to

maintain the integrity of the FSC label from purchasing raw materials, through manufacturing and delivery to its customers. Chain-of-Custody Certification verifies that products from certified forests are not mixed with products from uncertified forests at any point in the supply chain and that certified products are identified, segregated and accompanied by appropriate

documentation throughout all stages of the manufacturing process.

"Multi Packaging Solutions has a reputation for leadership in the area of responsible manufacturing practices," commented Dennis Kaltman, MPS executive vice president of operations. "Our

FSC certification further demonstrates Multi Packaging Solutions' commitment to international standards for environmental stewardship."

MPS, whose customers include Electronic Arts, General Electric and Sony/BMG, is a leading print and packaging company offering an array of options for the healthcare, horticultural, media and value-added consumer markets. MPS has 10 production facilities throughout the US. Certification for the remaining MPS facilities is scheduled for later this year.

www.multipkg.com



US music sales: CDs down, downloads up

The number of music CDs shipped to US retailers was down 12.8% in 2006, while digital downloads of individual songs were up 60%, and downloads of complete albums were up 103%, according to data recently released by the Recording Industry Association of America.

The overall retail value of the US record industry was \$11.5 billion in 2006, a 6.2% decline compared to 2005. It was the second straight year physical music sales fell after a 4.1% gain in 2004. Physical media – including albums, singles and music videos on DVD – represents nearly \$9.1 billion, but fell 13.6% in 2006.

But downloading revenue – which includes single songs, albums and ring tones – is quickly rising. Sales of digital singles grew to \$580.6 million in 2006, while downloaded album sales more than doubled to \$275.9 million.

“The appetite for music is as strong as ever and a digital marketplace now worth nearly \$2 billion has emerged virtually overnight,” commented Mitch Bainwol, Chairman and CEO of the RIAA.

www.riaa.org



Roth moves to Ivy Hill from AGI

Media packaging veteran Richard Roth recently joined Ivy Hill as executive vice president of sales. He will be based in the company's New York office.

Roth most recently served as executive vice president of sales for AGI Media, where he spent more than six years. The 30-year veteran spent the bulk of his career working for Queens Group. Roth has served on the International Recording Media Association's board of directors.

www.ivyhill-cinram.com

Shape CD suing clothing manufacturer over hangtag

New York City-based Shape CD, which manufactures promotional CDs and DVDs for brand marketers, recently announced it had filed a federal patent infringement lawsuit against clothing manufacturer Quiksilver and other unnamed defendants, according to a story in *PROMO Magazine*. The *PROMO Magazine* story was

written by former *MediaPack* editor Larry Jaffee.

The lawsuit alleges that Quiksilver used hangtags on clothing that infringed on Shape CD's Hangtagz, a version of a hangtag that digitally provides product or marketing information to the consumer. Shape CD holds US Patent 7,010,876 for the 'Apparatus and Method for the

Distribution of Consumer Product Information,' according to the company's web site.

Quiksilver, based in Huntington Beach, California, designs, produces and distributes clothing, accessories and related products for young-minded people, and develops brands that represent a casual lifestyle-driven from a board-riding heritage. Quiksilver's products are sold throughout the world, primarily in surf shops, skate shops and other specialty stores.

www.shapecd.com