



News Release

FOR IMMEDIATE RELEASE

PLAYNETWORK ACQUIRES CHANNEL M TO EXPAND TOTAL MEDIA EXPERIENCE

*Newly Combined Entity Redefines Business Media Marketplace and
Establishes Most Extensive Service Offering in the Market*

Redmond, WA and Los Angeles – (October 20, 2009) — [PlayNetwork](#), a global leader in providing integrated media experiences for businesses, today announced its intent to acquire [Channel M](#), the industry leading producer of customized in-store TV networks. The newly combined entity will be branded PlayNetwork focused on selling the industry's most comprehensive brand package of Music, Messaging, Video Media, Systems Integration, and Advertising and Entertainment related services.

The combination of PlayNetwork and Channel M will bring together two leading companies in the music, video media and advertising industries to deliver a comprehensive list of services including music, messaging, video, systems integration, advertising and entertainment designed to deliver the total brand experience in-store and beyond. Resulting from the integration of Channel M's assets, PlayNetwork will expand the company's reach to serve more than 185 brands, including 25 global brands, with 65,000 locations in 60 countries.

"Today marks a significant day in PlayNetwork's history as we take another major step towards achieving our corporate vision of delivering the total brand experience," said Lon Troxel, Chairman and CEO, PlayNetwork. "PlayNetwork and Channel M share this common goal and together we help make this vision a reality by combining our complementary music, messaging and video media services with Channel M's rich video content production and advertising services. Combined, we will be delivering total media experiences for the most discerning brands in traditional and non-traditional markets."

PlayNetwork will continue to benefit from the strong backing of current investors, Chartwell Capital Management, Talon Asset Management, and Joshua Green Corporation while adding additional investor interests from Vintage Fund Management, Ascend Venture Group and Intel Capital. Effective upon closing, Darryl Wash, Managing Partner from Ascend Venture Group will join PlayNetwork's Board of Directors. Channel M founders, David Teichner and Eric Hebel, will join PlayNetwork's Executive Management Team as EVP of Business Development and Channel M Advertising Services and SVP of Creative Media Services, respectively.

"Channel M has proven effective at increasing brand awareness, influencing perceptions and driving sales. Our offering, merged with PlayNetwork's powerful music, messaging and video media managed services, establishes a true brand innovator and pioneer in the industry," said Peter Lee, CEO, Channel M. "We are thrilled to have found a partner that will maintain the value of our offering while enhancing the services with their own first class total brand experience."

The company will maintain offices in Redmond, Wa., Sherman Oaks, Ca., New York and Chicago. The acquisition is scheduled to close on October 30, 2009.

About PlayNetwork

Successful companies create experiences that bring their brand to life and touch consumers across multiple channels. PlayNetwork, Inc. specializes in the creation and distribution of entertainment media

that connects the voice of the brand to the consumer across all touch points – in-store, online and on device. Founded in 1996, PlayNetwork is the industry’s leading integrated media provider for branded music, messaging, video, entertainment promotions and event media, systems integration services, and commercial XM Satellite Radio subscriptions. The company creates high-impact media experiences that drive consumer behavior and affinity, in-store and beyond. Working with many of today’s hottest brands in the retail, hospitality, health and fitness, banking, and other business environments, PlayNetwork leads the way in creating media experiences that influence and inspire, making your brand relevant and engaging for the consumer. More information is available at www.playnetwork.com or www.xm4biz.com.

About Channel M

Channel M develops customized in-store television networks to drive sales in retail and lifestyle environments. By evaluating each retailer's goals, consumer dwell times and buyer behaviors, Channel M's in-house programming team creates content for in-store networks that enhances shopping experiences, increases store sales and generates revenue with targeted advertising and sponsored features. The Company's digital delivery platform offers on-demand updates, as well as localized programming and ad targeting features. Through its over 20 retail networks, Channel M offers advertisers access to millions of highly targeted consumers each month while they are actively shopping. Headquartered in Los Angeles, Channel M clients include Nordstrom, Marc Ecko, Steve Madden, Journeys and My Gym children's fitness facilities. Channel M is also a founding member of OVAB (Out-of-home Video Advertising Bureau). For more information on Channel M, visit www.channelm.com.

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