

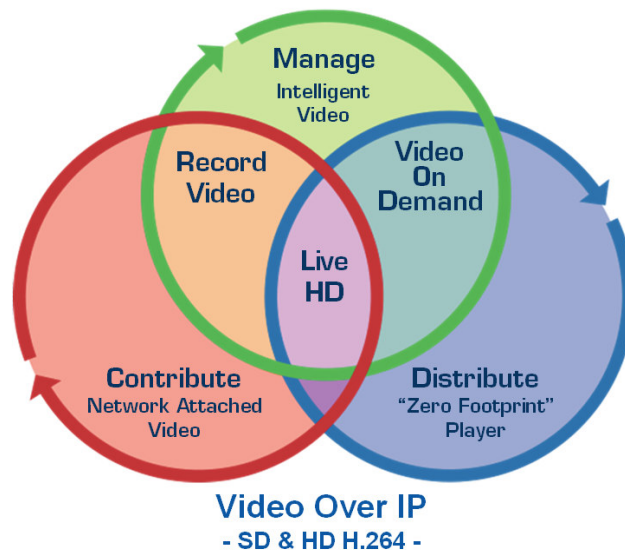


## HaiVision and Video Furnace: Delivering the Future of Video Over IP – Today

*HaiVision Systems Inc., the world's leading vendor of high-performance HD and SD H.264 encoders and codec systems, and Video Furnace Inc., the market leader in IPTV delivery systems, have signed a definitive agreement to merge and become HaiVision Network Video. Each company has industry-leading technology, and together they now offer the only end-to-end HD IPTV platform for education, corporate, medical, and military Video Over IP distribution systems.*

### **HaiVision Network Video:**

The merger between HaiVision and Video Furnace is unprecedented in the Video Over IP market. Two companies with unparalleled solutions are joining forces: HaiVision, a developer of the highest performance HD H.264 encoder technology, and Video Furnace, the leader in Video Over IP distribution software systems. Until now, the market has been served by encoder companies that, as an afterthought, have sourced IPTV solutions to bundle as their own, or by media distribution companies that have tried unsuccessfully to address the end-to-end requirements of Video Over IP. HaiVision Network Video unites leading encoding and IP distribution technologies to address end-to-end media management within the enterprise, offering complete solutions that are based on industry standards and built on an open platform.



### Requirements of Integrated Media Delivery:

The enterprise is demanding a unified approach to media management based on ease of use, adherence to standards, and implementation of open systems. The most typical applications include:

	Requirement	Benefit
<b>Enterprise</b>	Distribute real-time and on-demand video content to flat-panel displays and to the desktop.	Increase access to live and on-demand video with nothing to install or manage on the desktop.
<b>Medical</b>	Connect operating rooms, labs, and conference facilities while enabling video to the desktop, centralized recording, remote review, and Internet streaming.	Reduce costs by more than 50 percent compared with traditional AV infrastructure, manage assets and privileges from a central point, and provide media portals for secure access anywhere.
<b>Education</b>	Capture lessons and educational events for on-demand review. Distribute live channel programs for campus TV.	Simplify the capture of and increase access to on-demand content. Dramatically reduce the costs of campus TV while maintaining a consistent desktop and STB user interface.
<b>Military</b>	Provide low-latency video transmission with metadata; record and review intelligent video.	Associate metadata and referential data with video (intelligent video), and increase the responsiveness and the efficiency of armed forces.

### H.264 and the Benefits of a “Standard” Approach:

The merger between HaiVision and Video Furnace is based on common fundamentals. Both companies were founded and developed with an emphasis on adhesion to industry standards, and both promote the ubiquity of network video and improvement of viewer access to video assets. Striving to develop technologies that simplify access to media, HaiVision and Video Furnace support practices and philosophies that minimize the technical challenges of network distribution. Many of the companies’ shared fundamentals yield the tangible benefits sought by end users.

	Fundamental	Benefit
<b>Standards</b>	Adhere strictly to the basic compression and IP standards while taking an open systems approach.	Interoperability with a wide variety of systems without forcing the use of proprietary technology components.
<b>Performance</b>	Wherever possible, ensure that systems perform at the highest level and in a deterministic manner.	Interactivity between systems and reliability, as well the specific benefit of predictable behavior over long periods of time.
<b>Ubiquitous Access</b>	Enable the organization, without artificial restrictions or prohibitive licensing, to distribute video assets to as many viewers as possible.	Adoption of new communications techniques stemming from use of a single intuitive system.
<b>Intelligent Video</b>	Associate real time metadata and other referential information with video content.	Delivery of critical information for real time analysis and to ease the retrieval and review of media.
<b>Access Control</b>	Assure the privacy of information and accountability of any access to private information.	The protection of confidential user data and organizational accountability regarding any access of confidential or private information.

### Desktop Viewing, Set-Top Boxes, Performance Endpoints:

Having digitized, or encoded critical video assets, today's organizations face the challenge of delivering and making video accessible where and when it is needed, and in doing so use the most cost-efficient methods possible. Surgeons rely on the highest quality and lowest latency video for making important judgments. Universities demand that video be delivered with a consistent user interface to televisions in the dormitories and to each student's computer. Many digital signage deployments require consistency and synchronization among centrally controlled STB-driven flat-panel displays and the appropriate player. Clearly specific users of video distribution systems are unique in their requirements, however they all want to benefit from advancements made specifically for other application verticals.

HaiVision Network Video provides technology that satisfies the diverse needs of Video Over IP within the enterprise. HaiVision's performance codec endpoints, including the MAKO-HD, deliver bi-directional HD video between locations with an imperceptible 70 milliseconds of end-to-end latency. The InStream desktop viewer is unique in that no installation is required. Cross-platform compatibility allows the InStream player to be delivered to a remote computer along with video. Access to live and on-demand video is painless (especially for the IT group), immediate, and simple. Additionally, the Video Furnace set-top box is a low-cost endpoint that can be controlled centrally or locally via the easy-to-use InStream channel guide interface.



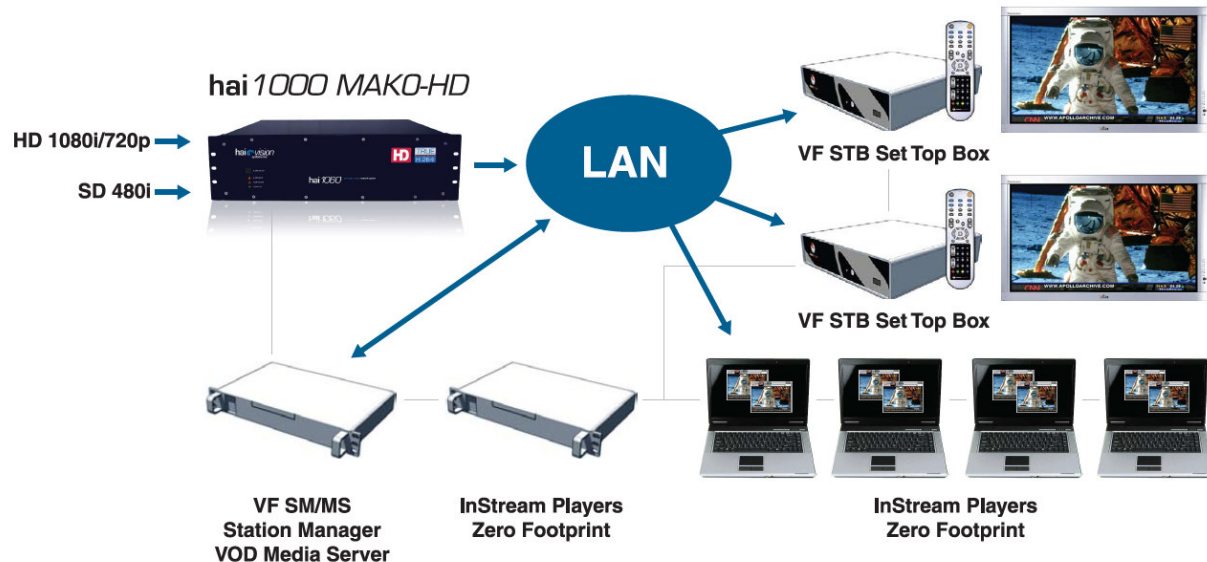
### Media Management – Intelligent Video:

Point-to-point communications, or even the distribution of live video to multiple destinations over a network, is relatively simple at its core. Administrators seek advanced features such as dynamic distribution scheduling and controls (changing channels centrally), the ability to adjust tailored channel and accessibility lineups, and current information about who accessed which assets. An even more important feature, though, is the ability to deliver meaningful metadata along with H.264 video.

The value of a media asset can only be maximized if that asset is made available with enough associated annotations to feed powerful search engines and inform user access privileges. HaiVision is the leader in delivering referential data with H.264 video, and Video Furnace server systems fully accommodate file-based referential data for quick and secure delivery of specific media, when and where it's needed. Referential data is the 21<sup>st</sup> century addition to metadata and this is what we call, intelligent video.

## HaiVision – Video Furnace Systems Today:

Today, HaiVision Network Video delivers integrated systems for the distribution of SD and HD H.264 video.



- **Immediately** – Video Furnace supports the MAKO-HD H.264 HD network feeds for distribution to the VF-STB. The VF-STB, which can be centrally managed and scheduled with the VF Station Manager, supports live video distribution of up to 1080p and even supports the WXGA feed from the MAKO-HD encoder. This makes the VF-STB system ideal for HD signage applications, as it eliminates proprietary architectures and costly signage players, instead establishing a robust industry-standard IP video distribution system and centralizing creative signage resources.
- **Q2 '09** – The entire Video Furnace system (archive, record, VOD, and InStream player) will support network attached video, specifically H.264 up to HD 1080p. This is the industry's first end-to-end HD Video Over IP distribution system designed for enterprise deployments.

**Future** – Await further developments in efficiency and intelligent video as HaiVision Network Video delivers the true magic of integrated, end-to-end live and on-demand network video that combines the power of network attached video, intelligent video management, referential data, and seamless video distribution.