

IBM SHOWCASES ELECTRONIC MUSIC DISTRIBUTION ON GRAMMY®.COM

Consumers Can Download and Play Music from the Official GRAMMY Web Site

Santa Monica, Calif., February 20, 2001 -- IBM announced today it is showcasing the IBM Electronic Media Management System (EMMS) for copyright-protected downloading of music at www.grammy.com, the official Web site of the 43rd Annual GRAMMY Awards. Music fans worldwide who visit GRAMMY.com beginning today are authorized to download and play selected GRAMMY-nominated and other popular music tracks free of charge.

IBM's EMMS has been adopted by companies worldwide as a leading electronic music distribution and digital rights management (DRM) system and is being showcased for the first time at GRAMMY.com. IBM is also collaborating with RealNetworks®, Inc. to provide RealJukebox, the leading music management software, as the featured application for playback of the downloaded music. This marks the first time that EMMS content will be available through RealJukebox. Other companies involved in this digital music distribution showcase on GRAMMY.com include Reciprocal and Sterling Sound.

"Digital Rights Management, the ability to protect intellectual property on the Web, is essential to the welfare of the creative and technical professionals the Recording Academy represents," said Michael Greene, Academy President/CEO. "We support IBM's initiatives via their EMMS technology as being on the leading edge of protecting artists rights."

"As a sponsor and co-producer of GRAMMY.com, IBM is pleased to work with the Recording Academy and our EMMS business partners to feature the next generation in music distribution with the music industry's most prestigious awards event as the backdrop," said Dick Anderson, general manager, IBM Global Media & Entertainment Industry. "Showcasing EMMS on GRAMMY.com is an important step toward widespread acceptance of secure digital music delivery. Moreover, it's a tribute to preserving the creativity and hard work of artists and record labels."

"With RealJukebox, millions of music fans around the world will now have a chance to download terrific content in a way that is simple, secure and free," said Steve Banfield, general manager, Consumer Products, RealNetworks. "RealNetworks is excited to be the preferred jukebox technology enabling the secure digital delivery of EMMS music tracks on GRAMMY.com."

Music being made available for this showcase was prepared by Sterling Sound, a worldwide leader in audio mastering, using EMMS' rich security feature set. Reciprocal, a global leader in DRM and digital distribution services, will also use EMMS to provide clearinghouse services, which dynamically grant and track consumers' usage rights to download and access music on GRAMMY.com.

"Reciprocal has developed and executed a variety of music distribution strategies, and we're very excited to play such a crucial role with our partners on this high profile event," said Larry Miller, president, Reciprocal Entertainment. "We realize that for the distribution of digital music to be successful, it must be easy for consumers while maintaining the integrity and rights of the artists and labels. We're working aggressively to make this a reality for everyone."

"Artists, producers and engineers rely upon us to retain and enhance their artistic vision as their music is transferred from master recording to consumer release format," said Murat Aktar, president, Sterling Sound. "Sterling Sound is proud to be working with the leading developers of the technology and infrastructure that will allow artists to instantly reach a global audience with the fidelity of their recordings and their intellectual property rights preserved."

About EMMS

EMMS is a comprehensive electronic media distribution and digital rights management system designed to support a broad range of media types, beginning first with music and audio content. EMMS provides the foundation for new business models created by the digital delivery of assets and offers a rich set of security features designed to protect the intellectual property rights of content owners throughout the delivery process. EMMS has an open architecture to allow technology advances in audio compression, encryption, formatting, watermarking, and end-user devices and applications to be integrated. EMMS is part of IBM's broadbased digital media management portfolio which offers comprehensive, enterprise-wide solutions for creating, managing, storing and distributing digital assets. Additional information on EMMS can be found at www.ibm.com/software/emms.

About IBM

IBM is the world's largest information technology company, with 80 years of leadership in helping businesses innovate. IBM is helping media and entertainment companies worldwide take advantage of the business opportunities made possible by digital technology. IBM offers a comprehensive portfolio of solutions, networking and service offerings that is transforming the traditional creative and business processes of media and entertainment companies and positioning them to leverage their intellectual assets into new commercial opportunities. Additional information on IBM strategy for the media and entertainment industry can be found at www.ibm.com/solutions/media.

About the Recording Academy

Established in 1957, the National Academy of Recording Arts & Sciences, Inc. (also known as the Recording Academy) is dedicated to improving the quality of life and cultural condition for music and its makers. An organization of more than 17,000 musicians, producers and other recording professionals, the Recording Academy is internationally known for the GRAMMY Awards. It is responsible for numerous groundbreaking outreach, professional development, cultural enrichment, education and human services programs. MusiCares was founded by the Recording Academy in 1989 to ensure that music people have a place to turn in times of medical, financial or personal crisis. More information about the Recording Academy can be found at www.grammy.com/academy.

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