Press Contacts:

Kim Nguyen, IBM (415) 545-2187 ktnguyen@us.ibm.com

Phil Ruggieri (561) 654-5665 phil@jester.com

JESTERDIGITAL TO IMPLEMENT IBM TECHNOLOGY FOR DIGITAL MUSIC DISTRIBUTION IN 3D

Jester.com To Offer Consumers New 3D Experience For Buying Music Using IBM's Electronic Media Management System

WEBNOIZE, Los Angeles, Nov. 13, 2000 -- IBM and JesterDigital today announced JesterDigital will implement IBM's Electronic Media Management System (EMMS) to digitally deliver music to consumers in a unique three-dimensional web environment. JesterDigital is building a new way for consumers to experience and purchase music. Through its web site, Jester.com, the company will allow visitors to enter a three-dimensional, virtual reality world and simultaneously purchase and download music available on the site. IBM's EMMS, an electronic media distribution and digital rights management system, will provide security features for protecting the intellectual property rights of content owners while music is being downloaded from Jester.com. JesterDigital will be demonstrating its new EMMS-based service at the IBM WebNoize booth (19 and 20).

JesterDigital is a leader in the next generation of digital media. Internet firms, delivering unique Web experiences to their target audience of teenagers and young adults. At Jester.com, consumers can experience 3D worlds including music studios, skateboard and snowboard parks, live game shows, and even fan clubs designed by leading music artists.

By combining the power and security of IBM's EMMS with the creative energy and realism of JesterDigital's 3D worlds, Jester.com is reinventing the user experience of the Internet. "In the next-generation Internet when music, games, film and other forms or rich media are the primary objects of e-commerce, the richness of the user experience will become the key point of differentiation in the battle for online customers," commented John Textor, Chairman and CEO of JesterDigital. "We believe that an interactive, virtual reality platform represents an extremely high competitive standard at the beginning of this digital media revolution."

"JesterDigital's deployment of EMMS demonstrates the flexibility of the solution to be integrated into different environments including the three-dimensional environment at Jester.com," said Scott Burnett, business development executive, IBM Global Media & Entertainment Industry. "The Jester.com audience will be among the first to experience the convenience of digital music distribution with the added entertainment benefit of the site's unique array of 3D worlds."

In addition to JesterDigital, EMMS has received support from BMG, Handleman Company, Liquid Audio Japan, music.co.jp, RealNetworks, Reciprocal, Sony Consumer Electronics, Sony Music Entertainment Japan, Sterling Sound and Toshiba Portable Devices Division. EMMS was successfully tested in the first broadband music distribution trial conducted with the five leading record companies.

About JesterDigital

Positioned at the crossroads of entertainment and advanced technology, JesterDigital is a next generation digital media company founded by John Textor of Wyndcrest Partners, former IBM executive Phil Ruggieri and major feature film director Michael Bay. JesterDigital has created the first and only multiuser, virtual reality experience to drive commerce opportunities in digital media. Through its web site, Jester.com, JesterDigital delivers totally unique experiences for the music-buying public. JesterDigital combines its indepth knowledge of youth culture, its understanding of entertainment, and the power of digital media technology to provide new and exciting forms of entertainment and commerce.

At the Jester.com site, the audience can experience digital music, performance interactive gaming, personalized advertising and secure e-commerce. JesterDigital also provides 3D web development to its partners and business customers. JesterDigital is based in West Palm Beach, FL, with offices also in Santa Monica, Ca.

About Electronic Media Management System

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 http://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.