

VERCURY APPOINTS CHINARK DISTRIBUTOR OF VERCURY'S RVC AND DUPSCRUBBER SOFTWARE IN CHINA

Software Enables Content Providers to Extend Audience Reach, Optimize Viewer Experience and Reduce Costs

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Vercury Inc. appointed Chinark Ltd. as Vercury's exclusive distributor of Vercury's *RealTime Video Conversion*[™] software and *Dup Scrubber*[™] software in China.

The enormous growth in the number of videos uploaded and watched on the internet by viewers in China is accelerating the need to manage the volume of videos residing on the servers of content delivery networks, user generated content sites, and other internet content providers. The bandwidth connections of Chinese viewers vary from simple dial up to T3 lines.

Every content provider faces the following problem: If the content provider offers only one quality level of its videos, the content provider reduces its audience reach, diminishes its user experience, and loses revenue opportunities. If the content provider offers different quality levels of its videos, the content provider must store, maintain and manage multiple copies of each video, increasing costs by 2-3X. The content provider must decide whether to limit its reach, user experience and revenue opportunities, or incur the extra costs.

Vercury's *Realtime Video Conversion*[™] enables the content provider to store just the highest quality video stream, but to deliver different quality videos over different bandwidths on the fly. RVC saves the content provider the cost and complexity of storing, maintaining and managing multiple copies of videos for various bandwidth levels, improves the user experience, and extends the reach of the content provider to users with both high and low bandwidth connections, with minimal affect on the system's CPU load or performance.

Vercury's *Dup Scrubber*[™] enables content providers to detect and purge unnecessary duplicate videos from their servers, even if a duplicate has a different name, file size, resolution, aspect ratio, bit rate, bit order, frame rate, or format (codec), thus eliminating the extra costs to store and maintain the unnecessary duplicates.

“With *Realtime Video Conversion*, our customers will be viewed by more people and provide a better viewing experience, without incurring any additional cost,” said Haijun Wang, Chinark's CEO. “With *DupScrubber*, our customers will be able to delete duplicate videos. Millions of videos times the average 3-4¢ / video to store and maintain each video makes the cost savings very, very significant.”

“We selected Chinark because of its expertise and extensive experience distributing video technologies in China,” said Jun Zhang, Vercury's Founder and Chief Technology Officer. “We believe China is an ideal market for our technologies, and Chinark is in an excellent position to help Vercury capitalize on this growing opportunity.”

About Chinark Ltd.

Chinark Ltd. is a leading online communications and social network service in China. For further information about Chinark, visit www.chinark.com.

About Vercury Inc.

Vercury specializes in development and marketing of digital video technologies. Vercury's *Trace*[™] is an extremely accurate, robust, fast and scalable video fingerprinting technology, which is used in a variety of video identification applications, including content protection/anti-piracy, ad monitoring and placement, asset and rights management, and network management and security. Vercury's *Realtime Video Conversion*[™] enables online video content providers to extend their reach to a larger audience of users while simultaneously eliminating the costs to store, maintain and manage differing quality videos on their systems. *Dup Scrubber*[™] enables content providers to eliminate duplicate videos on their systems, thus saving on the unnecessary cost to store, maintain and manage those duplicates. For further information about Vercury and its solutions, visit www.vercury.com. *Vercury*, *Trace*, *Realtime Video Conversion* and *Dup Scrubber* are trademarks of Vercury Inc.

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