



Hip Digital Media And EMI Music Enter Into DRM-Free Digital Music Initiative Across North America for Consumer Brand, Loyalty and Incentive Programs

EMI Canada Becomes First Label To Use Hip Digital's CMS Engine

Vancouver, Canada --November 12, 2007 – Hip Digital Media, a full service digital media agency specializing in the licensing and distribution of digital entertainment, and EMI Music, one of the world's largest independent music companies, have entered into an agreement that gives Hip Digital access to EMI Music's entire digital catalogue in higher quality DRM-free format. Hip Digital, which has developed digital music programs for consumer brands such as Visa, Pepsi, Seagate, Dentyne, Samsung, LifeSavers, CMT.ca, Nissan, Aeroplan and many others will now be able to offer music from EMI artists ranging from Coldplay, Corinne Bailey Rae and Interpol to Norah Jones, Joss Stone, KT Tunstall and more for consumer promotions, loyalty and incentive programs in the US and Canada.

In addition, EMI Music Canada has become the first major label to license Hip Digital's proprietary content management system. This advanced system, called P.A.C.E. (Promotional Artist & Campaign Engine), has quickly become a key tool for developing online digital promotions for Hip Digital's content partners. The system provides labels with the necessary tools for generating promotional revenue through third-party and artist-driven campaigns. P.A.C.E. features a turnkey, self-serve web interface that allows content partners, as well as Hip Digital's brand clients to easily set up and creatively define digital promotions according to ongoing business needs.

“One reason EMI decided to make its entire digital catalog available DRM-free was that it gives us the flexibility to offer our music through so many different and new business models. Our artists will also benefit from the new revenue streams and exposure from having new ways to connect fans to our artists,” said Lauren Berkowitz, Senior Vice President of Digital for EMI Music North America. “Hip Digital has delivered some compelling consumer digital propositions for well-known brands and we look forward to working together to develop creative ways of reaching consumers with our music

Hip Digital will have access to EMI's vast catalogue in MP3 format, free of digital rights management (DRM) and in a higher quality bit rate of 320 kbps, which will provide greater flexibility and value in the delivery and distribution of music for their custom music properties.

“Our partnership with EMI is a terrific new strategic alliance for us. With EMI's expansive digital music catalogue and our technology platform, EMI can offer brands the ability to leverage music to better connect with consumers.” said Vered Koren, VP of Content and Business Development for Hip Digital Media. “We look forward to expanding our partnership with EMI and extending our services to other labels and brands.”

Hip Digital's innovative music services are integral for attracting and retaining many of their client's. With a suite of CRM solutions that include customer loyalty programs, digital premiums and purchase incentives, Hip Digital is now recognized as a leading digital media agency.

“This new licensing agreement with Hip Digital Media is a first for EMI Music Canada. We are excited to partner with them on this new venture. We recognize that their content management system is world class and it will allow us to have stronger ties to consumers while providing added benefits to our artists,” stated Sean Hutchison, Director of Digital Business Development, EMI Music Canada.

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About EMI Music

EMI Music is the recorded music division of EMI Group Limited, one of the world's largest independent music companies. Its EMI Music division represents artists spanning all musical tastes and genres. Its record labels include Angel, Astralwerks, Blue Note, Capitol, Capitol Nashville, EMI Classics, EMI CMG, EMI Records, EMI Televisa Music, Manhattan, Mute, Parlophone and Virgin. Artists on EMI labels include Lily Allen, The Beatles, Coldplay, Corinne Bailey Rae, The Good The Bad & The Queen, Gorillaz, Norah Jones, The Kooks, Korn, Kylie Minogue, Pink Floyd, Rolling Stones, Joss Stone, 30 Seconds To Mars, KT Tunstall, Keith Urban and Robbie Williams, as well as international artists such as Amaral (Spain), Diam's (France), Utada Hikaru (Japan), LaFee (Germany), Radja (Indonesia), RBD (Mexico) and Vasco Rossi (Italy).

EMI has been at the cutting edge of the rapidly growing digital music marketplace since it released David Bowie's 'Hours' as the world's first ever album to be offered as a digital download in 1999. EMI has signed agreements with hundreds of digital partners to distribute its music across the globe, including most recently its premium DRM-free, higher-quality offering sold through partners including Apple iTunes, Amazon.com and more. It continues to facilitate the development of a growing range of new digital business models to enable fans to experience and purchase its artists' output through a number of different platforms including, legal peer-to-peer agreements with QTrax, Mashboxx and GNAB, and a deal to offer advertising-supported videos on mobile phones in the US through Rhythm NewMedia. For further information on EMI, please visit: www.emigroup.com.

About Hip Digital Media:

Hip Digital Media Inc. is a full-service digital media agency specializing in the licensing and distribution of digital entertainment. Hip Digital offers custom branded solutions for the delivery of digital music through creative and proprietary technology. From design and development, to content licensing and Pin-code distribution, Hip Digital brings together all of the necessary components for the creation of powerful music experiences. Hip Digital is represented to the advertising industry by GMR/AWE, a division of Omnicom. For more information and details about our products and services, please visit www.hipdigitalmedia.com.

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PR Contact for Hip Digital Media, Inc.:

Sarah Miller
Axis Marketing & PR
smiller@axismarketingpr.com
Tel: 310 276-2220

For EMI

Jeanne Meyer,
Tel: 212 786.8850