

1 I, Sean L. Mayers, hereby declare:

2 My name is Sean L. Mayers. I reside in Toronto, Canada.

3 2 I am the co-founder and the Chief Executive Officer of J!VE Media
4 Technologies, Inc. ("J!VE Media"), a company incorporated in 2000 under the
5 laws of the Province of Ontario, Canada, and having its registered office in
6 Toronto, Ontario, Canada.

7 3. I hold a Masters in Business Administration from Queen's University,
8 Kingston, Ontario, Canada, and Certification in Competitive Marketing Strategy
9 from Wharton Business School in Philadelphia, Pennsylvania.

10 4. Before joining J!VE Media, was the Business Development Manager
11 for Hotline Communications Ltd, a company that focused on file-sharing software
12 applications. Before that, was the Marketing, Media and Sales Director of
13 Ticketmaster in Canada. I have over ten years of business experience in the
14 internet entertainment industry, during the last four years of which I have
15 specialized in business opportunities in the peer to peer and distributed computing
16 communities of the internet.

17 5. J!VE Media is the creator of a suite of digital video packaging, digital
18 rights management, and media delivery services, which enable content providers to
19 distribute their video content via file-sharing on open, decentralized peer-to-peer
20 networks and instant messaging communities. We specialize in three types of
21 services: first, safeguarding and customized digital packaging of clients' video
22 content; second, distribution of enhanced video content using the file sharing
23 software of our Syndicated Distribution Network Partners; and third, tracking of
24 our clients' enhanced video content

25 6. J!VE Media relies on the file sharing software of the members of our
26 Syndicated Distribution Network to distribute content provided by our clients.
27 J!VE Media's Syndicated Distribution Network Partners include LimeWire,
28 Grokster, MusicCity, and other peer to peer technology leaders By using the file

1 sharing software of its Syndicated Distribution Network Partners to distribute
2 content, J!VE Media is able to distribute our clients' content to the 17 million
3 computers that currently use peer to peer file-sharing networks.

4 7. J!VE Media's clients are content providers who are willing to have
5 their J!VE Media protected content distributed by users of peer to peer file sharing
6 software, including the millions of users of the Morpheus, KaZaA and Grokster
7 applications.

8 8. Existing open, decentralized peer to peer file-sharing networks, when
9 combined with the services offered by J!VE Media, offer content owners distinct
10 business advantages over alternate online distribution technologies. Streaming and
11 centralized downloads represent the two most common forms of online distribution
12 used by content owners today. Each has distinct drawbacks.

13 9. Distribution via streaming usually involves repeated access to content
14 by consumers, which in turn results in network congestion, degraded content
15 quality and high bandwidth costs for content providers.

16 10. Similarly, offering downloads from controlled websites entails
17 considerable bandwidth, data storage, and maintenance costs, as the burden of
18 providing these resources falls entirely on the content provider.

19 11. By utilizing existing peer to peer file-sharing networks, in contrast,
20 content owners are able to rely almost entirely on users to provide the most costly
21 computing resources involved in digital distribution: data storage and bandwidth.
22 J!VE Media's technology, meanwhile, provides the elements of security and
23 control that content owners desire.

24 12. The flagship product of J!VE Media is the J!VE Player Portable
25 Media File format. This product allows J!VE Media to individually package music
26 videos, television and movie segments provided by content providers, with
27 commercial sponsorship and advertising selected by our clients.
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1 3 J!VE Player Portable Media Files are unique in several respects.
2 First, they are designed to be downloaded by consumers, played and shared. The
3 files are compressed to make them attractive to consumers and to facilitate sharing
4 between internet consumers of peer-to-peer networks, instant-messaging
5 communities or via an email link.

6 14. Second, digital rights management in the files protect our clients'
7 valuable video content. J!VE Media also tracks the distribution of our digitally
8 wrapped content and reports on content distribution and promotional penetration to
9 our clients.

10 15 Third, J!VE Player Portable Media files allow content providers to
11 incorporate weblinks to e-commerce sites and can embed commercials which
12 dynamically change, depending on the content being viewed by the consumer.

13 16. Finally, since J!VE Media distributes only authorized content, J!VE
14 Player Portable Media Files provide consumers with the experience of watching
15 very high-quality, first-generation video content.

16 7. A variety of content owners have recognized and embraced the
17 opportunities presented by combining open, decentralized peer to peer file-sharing
18 networks with J!VE Media's technology. J!VE Media has concluded agreements:

19 (a) With the Priority Records division of the EMI Recorded Music
20 Group to package and distribute the promotional music video track
21 "My Baby" by the well-known musical artist Lil' Romeo. J!VE
22 Media seeded the Gnutella/ LimeWire peer-to-peer network with the
23 enhanced video file. The file then spontaneously spread to the
24 FastTrack users' network (comprised of users of the Morpheus,
25 KaZaA and Grokster software). This promotion was extremely
26 successful. By November 2001, over 400,000 unique downloads
27 had been recorded, of which 60% took place on open, decentralized
28 peer-to-peer networks;

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- (b) With Koch International, the world's third largest independent music label;
- (c) With CHUMCity Interactive, the media arm of Canada's CHUM Television, which owns the 24 hour music channel MuchMusic, to package and distribute several of its proprietary television programs, including the Movie Television and Fashion Television channels;
- (d) With The Comedy Network, Canada's 24 hour comedy cable channel, for television content; and
- (e) With Icebox Animation, the creators of the popular animated hits "Zombie College," "Mr. Wong" and "Starship Regulars" to package and distribute selected works.

18. J!VE Media is also currently exploring promotional and distribution opportunities with contacts from several major motion picture studios and large United States' and European television networks.

19. J!VE Media's business depends upon peer to peer file sharing networks, including the networks formed by the community of users that employ the software produced by the defendants in this case.

declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration is executed in Toronto, Canada on JANUARY 14, 2002.


Sean L. Mayers