

DVD STATION NAMED "RETAILER OF THE YEAR" AT THE INTERNATIONAL HOME ENTERTAINMENT TRADE SHOW

Highest honor for the 12,500 retail outlet member organization.

Las Vegas, NV – July 31, 2005 — DVD Station captured the Retailer of the Year award by the International Trade Association for the \$24 billion home entertainment industry, the Video Software Dealers Association (VSDA), which represents more than 12,500 retail outlets. VSDA Chair, Bob Geistman, presented the award at the annual trade show at the Bellagio Hotel & Casino in Las Vegas. A panel of judges culled from the ranks of senior management of leading Hollywood Studios evaluated the peer-nominated retailers in selecting DVD Station.

VSDA representatives cited DVD Station as an industry innovator with its multiple retail deployments and unique customer experience. From drive-thru and cafe video stores, to the digital download of films at retail, the company is re-inventing the retail category. "They represent the very best in the home entertainment industry," said VSDA President Bo Andersen. "VSDA looks forward to the time of year when we can honor those that set the benchmark of how to successfully operate in this highly-competitive industry."

DVD Station's interactive retail solution allows a retailer to provide the inventory selection of a 6,000 ft. sq. video store in as little as 40 ft. sq. of retail space. Customers browse for product on interactive touch screens with the product inventoried in media cabinets at a service counter. The stores offer a true Bricks & Clicks experience by bringing powerful eCommerce tools to a traditional retail environment and leveraging the internet to offer customers unparalleled service in digital entertainment retail.



(L) DVD Station CEO, Tim Hogan, accepting the Retailer of the Year Award at the Bellagio Hotel.
(R) DVD Station café store.



The company's sophisticated merchandising algorithms allow customers to receive recommendations, watch trailers, use powerful search tools, and read movie reviews on movie and game titles before making a selection. Completing the interactive solution, customers can reserve DVDs online (www.dvdreservations.com), get email notifications for titles when they are returned, and maintain wish lists all through the DVD Station complete turnkey retail solution.

The company also provides its retail partners with a complete CRM solution, custom marketing programs, payment handling, and supply chain management. Earlier this year, the company was a finalist for Kiosk of the Year and was featured by Macromedia as a showcase web application.

"It's fantastic for a relatively new company to receive this recognition from the industry," stated CEO, Tim Hogan, at the show. "With customer loyalty at twice the industry average, we are committed to offering the best possible customer experience within our retail stores."

About the Video Software Dealers Association (VSDA)

Established in 1981, the Video Software Dealers Association (VSDA) is the not-for-profit international trade association for the \$24 billion home entertainment industry. VSDA represents more than 1,000 companies throughout the United States, Canada, and other nations. Its members operate more than 12,500 retail outlets in the U.S. that sell and/or rent DVDs, VHS cassettes, and console video games. Membership comprises the full spectrum of video retailers (from single-store operators to large chains), video distributors, the home video divisions of major and independent motion picture studios, and other related businesses that constitute and support the home video entertainment industry.

About DVD Station, Inc.

DVD Station, Inc., www.dvdstation.com, enables businesses to create new revenue streams via interactive retail solutions that tap into the fast-growing \$50 billion digital home entertainment market. The company's turnkey systems integrate a robust combination of hardware, software, and consulting services to provide consumers with a unique and entertaining retail experience. The company offers convenient alternative to the traditional video store and a welcome addition to mail-order DVD rental services.