



Media Release

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Merkin Group to pursue Online DVD and Video Games strategy

Horizon One Entertainment and its parent The Merkin Group which includes the online media specialists subsidiary BoxRED Pty Ltd see video games as a logical extension of their long term business strategy.

“Whilst not a core business the growth cannot be overlooked” says Merkin Group and Horizon One Entertainment Chairman and CEO Sean Rothsey. “The packaged media home entertainment industry (i.e. Videos and now DVDs) has grown from just approximately \$33 million in industry revenue in 2000 to approximately \$1.4 Billion in 2008. This seems phenomenal until compared with the IEAA released figure on 20th January 2009 of games industry revenue of \$ 1.96 billion in 2008.

Read the complete article here <http://www.horizon1ent.com/site/video-games-thrash-movies-and-dvds/>.

Rothsey said “that it was not yet formulated whether Horizon One Entertainment (its genre driven home entertainment distribution partnership with Jeff Harrington and Scott Clayton) or BoxRED (The Merkin Group’s online specialist subsidiary), or indeed the industry known art house distributor Pinefilm Entertainment (our other Merkin Group subsidiary) would operate the online entertainment and ultimately games business. However, it is clear that the investments for one would be underpinned by the sales revenue of the other. The issue is not to confuse the brand or our strategic partners or other stakeholders in our industries”

“We feel it is important to distinguish between a quality online distributor for quality art house, niche and foreign language films for example, a genre driven distributor (albeit more recently distributing top notch high budget high volume Direct To DVD titles for example 88 Minutes being released in February in Australia with 27,000 units) and a video games distributor” says Rothsey.

About The Merkin Group Pty Ltd

Formed in 1984 The Merkin Group is a large Australian Independent and Family owned integrated group of companies including private, publicly listed and unlisted public companies and incorporates a portfolio of 15 businesses with interests in Agribusiness, Film Media and Entertainment, Financial and Corporate services Online businesses and services, Property and Listed Investments, Community, Sports, Business and Environmental Facilitation that collectively employs approximately 100 staff.

The Merkin Group is committed to bio dynamic and organic and environmentally friendly principles, ethical and responsible investment in its staff, its commitments and its businesses.

Underpinned by a trinity of three integral resources - technical, financial and human, the Merkin Group focuses more on their people - the human resource, which by default enhances the technological and financial aspects of the businesses.

About Horizon One Entertainment

Launched on 1 July 2006, Horizon One Entertainment Pty Ltd is a dynamic film distribution and acquisition company led by Sean Rothsey, Jeff Harrington and Scott Clayton.

As a result oriented and bottom line focused company, Horizon One Entertainment Pty Ltd is acquiring art house, foreign language and independent films, commercially driven studio level feature films, exploitable brands, genre driven DTV titles, documentaries, sports titles and back catalogue libraries.

Horizon One Entertainment Pty Ltd is continually building on its existing film licenses, which includes the Pinefilm library (through cross shareholding), creating profitable economies of scale through the consolidation of film libraries.

About BoxRED Pty Ltd

Since 1984, The Merkin Group (through Merkin Investments Pty Ltd and Merkin Pastoral Holdings Pty Ltd) has provided corporate advisory services to a wide range of clients and associated investment portfolios, from start up ventures to complex public company listings and their subsidiaries.

BoxRED was formed in 2006 to allow for key management and partners to take a shareholding in the business. Collaborating with strategic partners, BoxRED continues to offer business solutions including joint ventures, corporate finance, website design and management, E-Affiliate programs, and on-line content.

With a wealth of global business experience and knowledge from a highly committed team of executives, BoxRED provides a unique combination of strategic, operational and financial expertise.

The Merkin Group has a majority shareholding in BoxRED and partner with HKM Investments and key management as stakeholders to deliver solutions and services in the various business units.

About Pinefilm Entertainment

Pinefilm Entertainment Pty Ltd has been operating as an all rights film distributor in Australia and New Zealand since 1999. In 2006 it merged its acquisitions and distribution operations with [Horizon One Entertainment Pty Ltd](#) - a dynamic film distribution and acquisition company. The merged entity is now one of the largest packaged media content owners in Australia, Horizon One and Pinefilm have built strong strategic alliances and sub distribution agreements that will allow them to transition into other territories around the world.

Working closely with some of Hollywood's most renowned companies, Pinefilm Entertainment Pty Ltd uses executive expertise and a strong work ethic to develop its core strengths in acquiring, distributing, marketing, and sales and finance.

Pinefilm Entertainment Pty Ltd and Horizon One Entertainment Pty Ltd are examples of the evolution of business occasioned by dramatic changes in worldwide media and entertainment over the past 10 years. Whilst independent (as opposed to a traditional Hollywood Studio content production and distribution) Pinefilm and Horizon are co-dependent, remaining independent whilst utilising the worldwide and domestic infrastructure of studios as third part fulfillers.

The Merkin Group has a substantial shareholding in Horizon One Entertainment Pty Ltd and partner with the interests of Scott Clayton and Jeff Harrington and other key management to deliver solutions and services in the various business units.

Pinefilm Entertainment Pty Ltd owns and releases films as varied as those from renowned art house directors Emir Kustarica, Pedro Almadovar and Deepha Menta, through to the smash British hits “Maybe Baby” and “Saving Grace”, the Academy Award winning “Gods and Monsters” and the classic “Onegin” starring Ralph Fiennes and Liv Tyler.

Horizon One Entertainment Pty Ltd is managed by Pinefilm Entertainment Pty Ltd, a wholly owned subsidiary of **The Merkin Group**. Pinefilm Entertainment Pty Ltd provide all financial, accounting, administration, commercial, legal, business affairs and royalty reporting for Horizon One Entertainment Pty Ltd as well as administering its own library.

Pinefilm Entertainment Pty Ltd is based in Cooroy with virtual offices in Sydney and the Gold Coast. Headed by Jeff Harrington and supported by Jason McDonald the Sydney office is expanding Pinefilm and Horizon One’s marketing, distributor relations, niche product and television divisions.

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