

CORINTHIAN CAPITAL COMPLETES CD BABY ACQUISITION



Corinthian Capital Group, LLC, a New York-based private equity firm specializing in investments in small and middle market companies, has completed the acquisition of CD Baby as an add-on for Audio and Video Labs, Inc. d/b/a Disc Makers, a portfolio company of Corinthian Capital. Disc Makers is a leading specialty marketing firm offering CD and DVD replication products, custom printed merchandise, and other marketing services to independent music and film artists, corporate, and institutional clients. CD Baby is the leading brand in online independent music retail sales. CD Baby enables independent artists to sell their music in both physical (CD) and digital (download) format through its online store. The Portland, Oregon-based company is the largest seller of independent music in the country and the largest provider of independent music for iTunes and other digital download sellers like Amazon MP3, Napster, and Rhapsody.

“I’m excited to bring together the two strongest brand names in the independent community,” said Tony van Veen, President of Disc Makers. “CD Baby is one of the greatest tools created to allow musicians to make money from their music. Now artists can get manufacturing, CD and download sales, and web hosting seamlessly and more easily than ever.”

CD Baby will operate as a separate division, focused on online CD sales, distribution, and download sales. CD Baby founder Derek Sivers commented: “Disc Makers was my first choice to take the company to new heights. Their operational expertise is just what little CD Baby needs to grow up.” Mr. Sivers will remain as a consultant to CD Baby.

Gerson Guzman, Director of Corinthian Capital said, “There has been a fundamental shift in the music distribution market with greater opportunities for artists to reach their fans directly through physical distribution and digital sales. Disc Makers and CD Baby are at the forefront of this trend working with artists to monetize their talent. The two companies have had a close strategic partnership over many years and we’re excited to bring them together to better serve the independent music market.”

Corinthian Capital was founded in 2005 to invest in small and middle market companies located primarily in North America. Its principals have completed over 50 acquisitions with a combined total value of over \$1.5 billion. Corinthian Capital seeks to invest in unique manufacturing, distribution, and service businesses with sales between \$50 million and \$250 million.

For more information about CD Baby visit www.cdbaby.com.

For more information about Disc Makers visit www.discmakers.com.

For more information about Corinthian Capital visit www.corinthiancapital.com.

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