



## Stingray Digital to buy London's Music Choice International

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music and broadcasting company that has been expanding rapidly around the world in the past two years, is expected to announce a major acquisition in Europe on Monday.

Montreal-based Stingray, known for its Galaxie TV channels that stream commercial-free music over cable TV in Canada and the United States, is buying Music Choice International, a company based in London.

Founded in 1993, Music Choice International is a similar service to Galaxie in Canada. The company operates 70 channels that stream various genres of music to more than 10 million subscribers in 16 countries across Europe and Africa, drawing revenue from cable companies who carry the service.

Stingray is expected to announce the deal at a conference in Cannes, France on Monday. Financial terms for the transaction are not being disclosed. The deal will expand Stingray's reach to 20 million subscribers across 27 countries.

"This acquisition is a perfect strategic fit for Stingray," company president Eric Boyko said. "Music Choice International's presence in 16 different countries will allow us to expand more quickly into Europe and Africa with our other music services that we have developed for the North American market."

Stingray, which is privately owned, began amassing digital content a few years ago including TV channels and music licences. In Canada, it purchased music channels from the Canadian Broadcasting Corp. and has signed distribution deals with cable subscribers around the world.

The company is also a major player in distributing instrumental versions of songs on TV and online for karaoke, and has amassed the world's largest catalogue of licenced karaoke songs for the Internet. Two years ago, Stingray signed an agreement with Google Inc. to supply karaoke

songs online, and is one of the largest sellers of instrumental songs on Apple Inc.'s iTunes music store. Among the company's television assets are the Karaoke Channel and Concert TV.

Stingray Digital's financial backers include Telesystem and Novacap, two Montreal-based investment firms. The company has 135 employees, based in Montreal, Charlotte, North Carolina and Budapest, Hungary.