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FOR IMMEDIATE RELEASE

Leading Direct Response Marketing Firms Combine, Forming Industry's Largest Independent

Full-Service Agency and Media Buying Operation has More Than \$200 Million in Annual Billings

Tim O'Leary Named Chief Executive Officer

PORTLAND, OREGON/ February 28, 2005 /Businesswire/ – Three of the direct response television (DRTV) industry's leading agencies today announced their merger to create the largest independent full-service DRTV agency in the country. The new agency will have more than \$200 million in annual billings and is backed by a significant capital commitment from Lake Capital, a private equity firm that specializes in investing in world-class services enterprises and professionals.

The merger brings together the talents and resources of creative agency Respond2, media buying agency Cmedia, and media buying agency ATC Agency Services to offer clients unparalleled service, support, and technology. Duplication and production house Production West and entertainment marketing company R2 Entertainment, already affiliated with Respond2 and Cmedia, are also part of the combined enterprise, which will feature major media buying offices in Portland and Philadelphia, two full television production and edit facilities, state-of-the-art web design and management facilities, and a newly updated broadcast duplication facility.

Tim O'Leary has been named chief executive officer of the group and continues in his role of chief executive officer of Respond2. Michelle Cardinal has been named group president and remains chief executive officer of Cmedia, overseeing all media operations. David Savage and Marilyn Davis, who co-founded and built ATC's media operations, continue to oversee the Philadelphia office and serve as executive vice presidents of media services. All senior management and staff remain in place at each of the companies, representing one of the most experienced and broad-based management teams in the industry.

“All of our constituent firms have enjoyed terrific growth and an ever-expanding client list, including many Fortune 100 companies that have discovered the powerful role that consumer direct marketing can play in their overall advertising mix,” said O'Leary. “And with Lake Capital's support and financial backing, we will have the expertise, capabilities, systems, and scale to continue to provide our clients with new programs and analytics that will improve their advertising spend and effectiveness.”

The new firm begins with impressive statistics, including more than \$200 million in annual billings and clients that constitute a “who's who” of successful direct response campaigns from both the traditional and the corporate DRTV world. The company is managing five of the top 20 long-form and four of the top short-form DRTV campaigns currently on the air nationally.

“Creating and executing a hit direct response campaign has become much more complex,” commented Cardinal. “And, we are unique in our ability to manage all the crucial aspects of a successful program. Our proprietary media buying and tracking systems are the most sophisticated in the industry for both short- and long-form media. Plus, from creative to production to web to back-end management to dubs, we offer our clients a broad menu of available services that they can use for a complete, full-service campaign; or, they can choose from our expanded array of services on an individual basis, depending on the needs of their programs.”

“We are excited about collaborating with Cmedia and Respond2,” noted Savage of ATC. Davis added, “Together with Cmedia, we are now the largest buyer of DRTV media in the industry, which offers our clients the best relationships, pricing, and program placement possible, all tracked by the most innovative media system in the industry. On top of that, we can now offer our clients creative, production, and back-end support on an as-needed basis delivered in a seamless manner to ensure our clients’ campaigns meet and exceed their business objectives.”

“We’re delighted to partner with these outstanding DRTV leaders. The industry offers great value to marketers as they increasingly target potential customers. DRTV advertising is highly-tailored messaging that delivers immediate and measurable returns on clients’ investments,” commented Paul Yovovich, president of Lake Capital. “Together with the companies’ management teams, we are building a unique, full-service marketing agency positioned to address a broad range of clients’ needs in building awareness and generating sales in a variety of industries.”

About Respond2. Based in Portland, Oregon, Respond2 is the industry’s premier direct response agency specializing in branded direct response television and web marketing. More information about Respond2 is available at www.respond2.com.

About Cmedia. Based in Portland, Oregon, Cmedia is one of the nation’s largest direct response television media agencies, offering both short and long-form media and campaign management. More information about Cmedia is available at www.cmedia.tv.

About ATC Agency Services. Based in suburban Philadelphia, ATC Agency Services was formerly a division of American Telecast Corporation and offers strategic marketing consulting, media buying, channel partner development, and media tracking and analysis. More information about ATC is available at www.atcagency.com.

About Production West. Based in Billings, Montana, Production West provides broadcast duplication and direct response production services to some of the direct response television industry’s leading companies. More information about Production West is available at www.prodwest.com.

About R2 Entertainment. R2 Entertainment is the entertainment marketing division of Respond2 and specializes in marketing classic television content via direct response and traditional retail channels. R2 libraries include The Johnny Carson Collection, The Bob Hope Collection, The Sonny & Cher Collection, and the recently released Rodney Dangerfield Collection. More information about R2 Entertainment is available at www.respond2entertainment.com.

About Lake Capital. Lake Capital is a private equity firm that focuses on investments in service-based enterprises across various industries. The firm is currently managing a \$500 million fund and typically seeks to invest \$50-\$75 million of equity in each of its portfolio initiatives to build leading services companies through organic and acquisition-enhanced growth. More information about Lake Capital is available at www.lakecapital.com.

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