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MORGENTHALER FOCUSES ON NEXT-GENERATION ADVERTISING

Investments in Rhythm NewMedia and IGA
Target Promising Markets of Mobile and In-Game Advertising

May 9, 2006, Menlo Park, California -- Following its success investing in online advertising, Morgenthaler Ventures (www.morgenthaler.com), a leading venture-capital firm, today announced two recent investments in mobile and in-game advertising. Morgenthaler has invested in Rhythm NewMedia, which provides new revenue streams for wireless carriers and effective advertising for brands; and IGA Worldwide, which focuses on enabling advertisers to tap into the in-game advertising market and reach the highly lucrative 18-34 year old male audience.

As consumers increasingly spend less time in front of their televisions and more time playing video games and on their cell phones, companies are changing the way they advertise to continue to be able to effectively reach key markets. Mobile and in-game advertising enables marketers to provide pin-point, targeted messages to each audience and demographic. In fact, Nielsen forecasts that the ad spending in video games will grow from \$75 million in 2005 to \$1 billion by 2010. The mobile advertising space is also poised for rapid growth with IDC anticipating that by 2009, over 30 million U.S. wireless subscribers will be consuming commercial video/TV content over their wireless devices.

“The rise of the digital video recorder, coupled with the proliferation of cable stations and the emergence of satellite radio have rendered traditional 30-second TV and radio ads nearly useless,” said Greg Blonder, general partner, Morgenthaler Ventures. “The re-invention of advertising is imminent and everyone – from Madison Avenue to big-name brands to consumers will be affected. By investing in IGA and Rhythm NewMedia, Morgenthaler is ensuring that it stays on the current edge of gaming and mobile advertising.”

NexTag, another Morgenthaler portfolio company, is the leading comparison-shopping site for products, financial services, travel, automobiles and more. It offers a free service that allows consumers to compare products, sellers, and prices before they buy. NexTag employs a highly effective paid-search advertising model and a sophisticated traffic technology platform to deliver precise and highly qualified leads for its merchants. It is the only Internet company that is both a top keyword *and* banner advertiser.

“Six years ago, we saw an incredible opportunity in Internet advertising with NexTag and its comparison shopping model. Today, we’re seeing similar opportunities in the gaming space with IGA and the mobile space with Rhythm NewMedia,” said Gary Little, general partner, Morgenthaler Ventures. “Given the success we’ve seen with NexTag, we’re quite eager to explore the rapidly emerging markets of both in-game and mobile advertising.”

About Morgenthaler:

Morgenthaler is a leading, national venture-capital and buyout firm with offices in Menlo Park, CA; Boston, MA; Princeton, NJ, Boulder, CO; and Cleveland, OH. Its venture-capital team focuses on life sciences and information technology. Its Internet services investments include: NexTag, SNOCAP, Orb Networks, imeem, Digital Railroad, IGA Worldwide, and Rhythm New Media. The firm has approximately \$2.5 billion under management and has funded more than 225 companies over its 37-year history. For more information on Morgenthaler portfolio companies and the firm, please visit:

www.morgenthaler.com.

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