

## GURU PROJECT FORMED

FOR IMMEDIATE RELEASE

JANUARY 1, 2004

Ronkonkoma, N.Y., January 1, 2004 – The Guru Project, a revolutionary company that empowers artists to successfully create and distribute their music product, has been established by the merger of Modern Voices Entertainment and Guru Records.

The Guru Project is the culmination of a business model that has been successfully operating for more than 25 years. The Guru Project's management has proliferated a unique brand of musical philosophy and multi-faceted services, unfettered by the corporate culture of the major labels. With the advent of recent developments in the music industry, The Guru Project made the calculated move to operate in a more public arena in an attempt to bring that philosophy and associated services to the masses. The goal of making an artist empowerment platform is to prove the viability of music as a career and to allow serious artists the best opportunity to realize that career through scalable services.

The Guru Project's management team combines the expertise of three entertainment industry veterans:

- Chris Pati, COO, is also President of Modern Voices Entertainment, Ltd. and a veteran producer, engineer, musician, singer, songwriter, arranger, musical director, conductor and studio design consultant. Modern Voices ranks as one of the top independent labels of the last decade, with innumerable awards and chart successes.
- Kyle Spohn, President, has a strong background in artist management and production, as well as years of experience in the management of financial institutions. He is also President of Guru Records, President of Guru Artist Development, and Vice President of Modern Voices Entertainment. Kyle first conceptualized an "artist empowerment platform" when starting Guru Records, and further advanced the operations that have become The Guru Project through Guru Artist Development.
- Gregg Riedel, CTO, has held various positions in the entertainment industry; most recently he was Vice President, Technical Director and Secretary of the Board of Directors of Video Design Interactive, a broadcast graphics automation software company he co-founded to serve clients such as MTV ("Control Freak"), MuchMusic/Fuse ("Dedicate Live" and "IMX"), Noggin, Fox News Channel, and CMT. Previously, he was senior system administrator and webmaster for Chyron Corporation, the premier provider of graphics systems to the broadcast industry. Gregg is also President and CEO of 370 Summit, a versatile sales, marketing and technology consulting company. He holds Bachelors and Masters degrees in Computer Science, with a concentration in graphics and visualization. Gregg brings vast technical expertise to the Guru Project along with wide-ranging experience in business management, sales, and marketing.

Explaining the current state of the music industry, Guru Project COO Chris Pati commented, "Although it worked very well for more than forty years, today the major label business model is failing due to current trends in the music industry. Some of these contributing factors include the rise in popularity of peer-to-peer music downloading, the promotion of fewer artists, the necessity for ever greater profits from those artists, and out-of-control production and artist costs. Consumers, faced with having to purchase expensive CDs containing a single song they want (and ten filler songs they don't), have turned to downloading out of pragmatism — thereby giving the label zero return on their very expensive investment in both the artist and the promotion of that artist."

The Guru Project seeks to replace today's inefficient and impersonal major label system with an "artist empowerment platform" that provides artists with end-to-end services and more control over their property, with a greater share of the revenues than today's major labels currently offer. The Guru Project

delivers a complete range of services and resources, both directly and through strategic alliances, at a reasonable cost, including instrument and equipment brokering, rehearsal and recording studios, artist management, audio and video engineering, graphic design, web design, printing, and the production, mastering manufacturing, distribution, fulfillment, marketing and promotion of audio and video content. Unlike the speculative investments of the major labels, all projects are capitalized in advance, thereby hedging the company's risk.

The Guru Project maintains bases of operations on both coasts. Corporate headquarters as well as a state-of-the-art recording facility are housed in the former Modern Voices Studios on Long Island, New York, and a west coast recording facility is housed in eight-time Grammy winner George Benson's former studio on Maui, Hawaii. Additionally, the company is currently seeking financing to build a new East Coast studio on Long Island with expanded recording, rehearsal, broadcast and showcase spaces.

**About The Guru Project**

The Guru Project was founded in January 2004 to provide an alternative to the major label system while offering similar quality and services along with greater control and profitability for the individual artist. The Guru Project maintains offices and recording facilities in New York and Hawaii. For more information about the Guru Project's products and services, please visit the company website at [www.GuruProject.com](http://www.GuruProject.com)

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