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DivX launches Stage6.com and takes on YouTube

Ubiquitous codec offers quality YouTube can't

by Amber Maitland published on 30 November 2006

DivX, the company behind the compression codec popular for turning huge video files into manageable bites of media, has recently launched a new video sharing site, Stage6.com, to try to compete with YouTube and other online video websites.

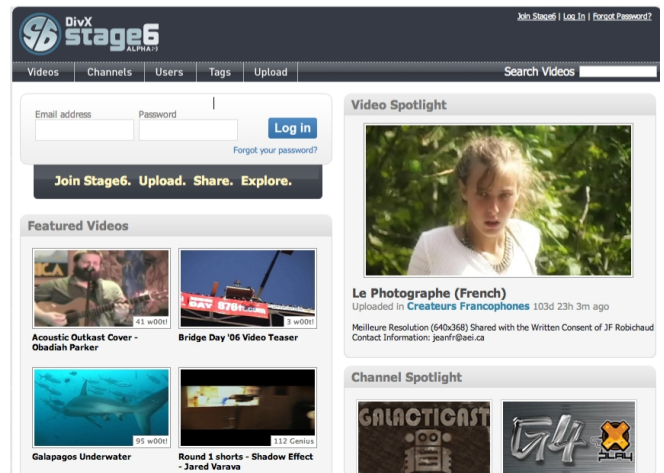
It's the first step in the company's foray into online video, in which it's actually been involved for a while, but behind the scenes. Many content creators use DivX to compress their files before uploading them - YouTube supports it. However, the video sites then convert the file into Flash or other formats, losing quality in the process.

According to DivX, the company is banking on the fact that video watchers want high quality video, rather than grainy, over-compressed programmes, and DivX believes it is able to deliver that on Stage6.com.

"In terms of quality, your average person would be unlikely to tell the difference between a DVD and a DivX compressed file, even though it's 7 to 10 times smaller", Mark Lawson, Managing Director of DivX UK told Pocket-lint. "We've been able to do high-def as well. You can create a DivX file, and the [hi-def] quality is maintained."

DivX has also incorporated a couple of features into its coding system and website that it hopes will attract big content providers. There's an option to apply DRM to DivX files that are created, so that they're protected and can't be copied. In this way, the company learned from the makers of the MP3 file, which is rarely supported by big recording companies because of its lack of copyright protection.

"...One of the mistakes that MP3, as a



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technology, made, is that there was no inherent protection system for DRM, so once the music industry realised that they had to embrace the online world, they needed some form of protection on those files, and MP3 weren't able to provide that."

DivX has also incorporated download-to-own into Stage 6, although that feature won't be live until later in the year. It not only gives the opportunity for major content providers like movie studios to sell films through Stage6.com, but also allows amateur content providers to set a price on downloads of their videos. "We don't anticipate that many end users will be able to charge for it, but there are a number of independent producers out there who don't have access to content distribution ... Stage6.com is a very simple method for them", says Lawson.

Intriguingly, given the current state of affairs between HD DVD and Blu-ray, the DivX codec offers the possibility to compress high-definition content from the larger 15 and 25GB next-generation DVDs on to regular red-laser DVDs without a debilitating loss of quality. If the movie studios are willing to offer that options is another matter entirely.