

Response from inMusic to newly unredacted material in the Serato Submission

Thank you for the opportunity to respond to the newly-unredacted portions of Serato's Submission in support of ATC's Clearance Application. Having seen these new sections, inMusic's arguments have only strengthened. Serato frequently points to anecdotal evidence and presents information out of context to promote the fiction that Serato—a NZD 40 million per year company that ATC has agreed to purchase for over NZD 100 million—is somehow in decline. The Commission should reject Serato's machinations. inMusic will address the new information.

1.

[REDACTED]

Serato ignores that it is the only DJ software branded on the hardware while no third-party software is promoted this way.

[REDACTED]

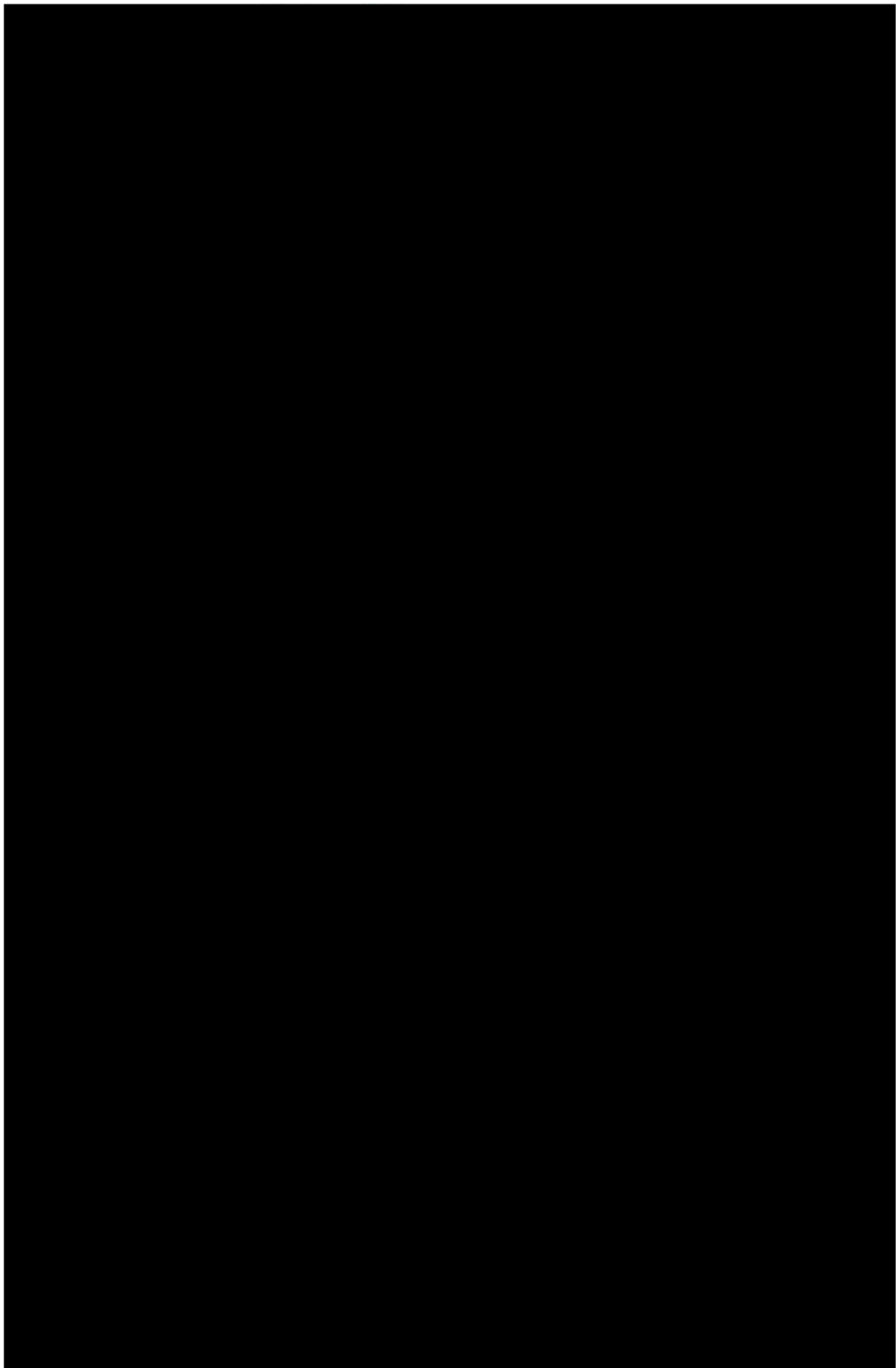
As inMusic mentioned in its initial submission, we would love to reduce our dependence on Serato expressly because they have so much power, but any attempts to do so have met with heavy resistance from the market. End users—especially at the high end for our Rane controllers—insist on Serato. This is what matters; not that inMusic and others have experimented in small doses with Serato alternatives.

2.

[REDACTED]

a.

[REDACTED]



b. [Redacted]

c. [Redacted]

[REDACTED]

3. [REDACTED]

Again, as mentioned above and throughout inMusic's Cross-Submission, taking a snapshot in time when many hardware manufacturers were wrestling with the power of Serato and Pioneer DJ and trying to come up with alternative solutions shows Serato's strength, not weakness. [REDACTED] inMusic will point out that, at that time, stifling tariffs to the US began to take effect and supply chain shortages were widespread. inMusic (and presumably others) were looking for relief. If offering alternatives to Serato meant selling more units, inMusic was willing to try. Meanwhile, Serato does not mention that [REDACTED] Although Serato mentions that some products released without Serato support, it fails to acknowledge that [REDACTED]

[REDACTED]

4. [REDACTED]

[REDACTED]

5. [REDACTED]

[REDACTED]

[REDACTED]

6.

[REDACTED]

inMusic reiterates that ATC and Serato cannot be trusted to be forthcoming with the Commission. As these further examples show, the parties have tried at every turn to omit key details ostensibly in the hope that no one will contradict them. inMusic appreciates the consideration that the Commission has granted it to help elucidate the concerns the proposed acquisition raises.

Please do not hesitate to contact inMusic for any further information.