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Artel Video Systems Sells Image Processing and Connectivity Product Lines to Shearwater Technology

Boxborough, MA – March 14, 2007 - Artel Video Systems, a leading provider of video over fiber optic transport solutions for the cable television and telecommunications industries announces the sales of its image processing and multiport connectivity product lines to Littleton, MA based Shearwater Technology. Terms of the sales were undisclosed.

“The sale of our image processing and multiport connectivity products to Shearwater Technology completes our effort to move exclusively into video transport for backhaul and contribution hardware market. With this transaction we can now focus all our resources on supporting the Telco, CATV and Video Service providers that depend on our DigiLink and DV products. This will also free up our engineering resources for continued development of the DL4000 transport system” said Richard Dellacanonica President of Artel. “We chose Shearwater for this transaction as its management team has over 20 years experience supporting image processing, telecom, and connectivity hardware and is familiar with both the customer base and technology requirements of the market.”

“We are excited to add the MaxVideo, MaxPCI, Griffin, LMS and WMS product lines to our portfolio.” said Joseph Rogers, President of Shearwater Technology. “This transaction will allow us to greatly expand our customer base and provide us with additional acquisition opportunities.”

About Artel Video Systems

Artel Video Systems develops, manufactures, and markets high performance broadcast quality video transport hardware for backhaul and contribution applications. For over 25 years video service providers, telecommunication companies, cable TV operators and broadcasters have deployed Artel products for their most critical video transport applications. For more information on Artel please visit www.artel.com.

About Shearwater Technology

Shearwater Technology Inc. provides lifecycle management solutions for legacy products. Since 1993, technology developers and their OEM customers have looked to Shearwater for innovative solutions to the problems presented by obsolescence in embedded systems. For more information on Shearwater Technology please visit www.shearwatertech.com.

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