It looks like Hollywood has had the last laugh-- after years of fighting the movie industry and its draconian rights regime Kaleidescape throws the towel and shutters down, laying off all employees in the process.



The news comes from the Kscapeowners.com forum, although it has also been confirmed by the company to CEPro.

"I spoke with the CEO, he did confirm that the company has effectively halted most operations, and instituted layoffs of most employees," a forum post by a Kaleidescape dealer reads. "The reasons are not really important at this point, but obviously are finance related as is the case in almost all such closings."

For those unfamiliar with Kaleidescape, the company is best known for pricey media players complete with a beautiful UI and DVD copying functionality-- the main reason it was seen as the enemy by the movie industry. This lead to a long-running legal battle against the DVD Copy Control Association (DVD CCA), one that eventually ended on 2014 with the condition Kaleidescape could sell its flagship DVD-copying machines no more.

Eventually Kaleidescape moved to the cloud, having managed to convince 6 of the 7 top studios to allow it to sell high quality movie and TV show downloads from what one can describe as iTunes for the premium market. However running such an online storefront proved to pricey for an outfit as small as Kaleidescape, and following futile attempts at licensing its technology to 3rd parties the company was left with no funds.

Kaleidescape points out its product offering was favoured by producers, actors, directors and other A-listers-- which is why it attracted the attention of the DVD CCA in the first place-- leading to an ironic situation where the big names indirectly killed a product they actually enjoyed.

What next for Kaleidescape? CEO Cheena Srinivasan tells CEPro he is hoping to find a buyer for the company-- something that shouldn't be too difficult, considering the company's stellar technology, relationships with movie studios and and vast library of hand-crafted movie metadata. But this remains a sad story, as Kaleidescape leaves an industry at the cusp of 4K, HDR and surround audio revolution that could have perhaps lent it a new lease at life.

Go Kaleidescape Closed (For Now)

Go Kaleidescape is Shutting Down: Interview With CEO Cheena Srinivasan (CEPro)