Written by Marco Attard
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Crisis is somewhat averted for Kaleidescape-- the high-end media server maker manages to secure new investment, allowing it to resume operations following obligatory restructuring and expense slashing.



"We are delighted to announce that we have restarted operations," an email to shareholders from CEO Cheena Srinivasan reads. "We restructured the company, slashed expenses, and obtained the investment needed (with no change of control). We are manufacturing and shipping a significant backlog of products that were ordered during the past two weeks. We are confident that our restructuring combined with this new investment will enable Kaleidescape to quickly return to growth and profitability."

Kaleidescape temporarily shut down earlier in August 2016. Why? The company essentially ran out of money, a situation detailed in Srinivasan's email. The CEO admits troubles started back in October 2015 with the Strato, a movie player launched without promised software features, such as HDR, Terra Support, DVD playback and playback from Premiere systems. The result was an unfinished product, and "sales suffered accordingly."

Now the company now says it learnt its lessons, and will focus its "precious" resources fewer projects. It will also not announce products or features until they are complete, thus avoiding another Strato situation. Support for current Kaleidescape products will continue, and 2017 should see the release of the latest version of kOS.

This all sounds like good news for fans of Kaleidescape and its premium home theatre servers-- including the Hollywood A-listers that arguably led to the company's hounding by the DVD Copy

Control Association (DVD CCA). With operations back on track, it should now able to take advantage of the 4K, HDR and surround audio technologies set to take the industry by storm.

Go Kaleidescape

Go Kaleidescape Shuts Down