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Blockbuster Implements Provia Software's Warehouse Management and Optimization Software

Leading Entertainment Company to Utilize Warehouse Management and Optimization Solutions to Take its Supply Chain to the Next Level

Grand Rapids, Mich. and Dallas –Provia Software, a leading provider of order-to-delivery supply chain execution software, announced that Dallas based Blockbuster Inc. (NYSE: BBI, BBI.B) is the latest customer to use Provia's ViaWare WMS (warehouse management software) for the purpose of heightening its business processes and realizing crucial supply chain improvements. Due to the complex nature of Blockbuster's supply chain, which includes both light assembly and distribution, the company is utilizing ViaWare WMS in conjunction with Provia's ViaOptimize optimization tools in order to more effectively manage its labor and automation in a deadline-focused, competitive industry.

ViaWare WMS from Provia provides robust warehousing management functionality, while ViaOptimize delivers a flexible production and assembly scheduling process that is designed to enable Blockbuster to maximize production and decrease the time it takes to produce and distribute various products to its stores.

With assistance from Provia's solutions, Blockbuster will be able to customize its distribution labor usage through the constraint-based optimization functionality within Provia's finite scheduling application. This functionality provides Blockbuster with the ability to rapidly respond to increases and decreases of production needs in the warehouse, allowing Blockbuster to stay one step ahead of its labor and production needs at a lower cost.

"Our distribution center also supports light manufacturing, so we needed a solution that addresses our distribution requirements, as well as production planning," said Bill Wissing, VP of Distribution for Blockbuster. "Provia was able to address both areas with an integrated solution for automating and optimizing our distribution process. With ViaWare WMS we have an industry-leading supply chain execution solution, and with ViaOptimize, we have a tool that will allow us to get the most out of our facility in a more efficient and more cost efficient manner."

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Blockbuster services more than 4,700 company-operated stores in the United States out of its national distribution center in McKinney, Texas. "We are extremely excited about working with Blockbuster," said Paul Crist, VP of Global Sales and Marketing for Provia. "We look forward to being a valuable alliance in helping Blockbuster remain one of the most recognizable names in home entertainment through the use of our WMS and supply chain optimization tools."

Blockbuster is using a phased implementation approach of the Provia solutions. Initially, the company is utilizing Provia for the Point-of-Purchase materials such as positioning signs, advertising, games, game equipment and plush materials, in addition to packaging, sorting and distributing rental and retail DVD products. Later phases envision the entertainment leader using the Provia solution to quickly process the returns from rental and retail merchandise (DVDs, videos, games). This would allow Blockbuster to further optimize its operations while improving efficiency.

About Blockbuster Inc. - Blockbuster Inc. is a leading global provider of in-home movie and game entertainment, with more than 9,100 stores throughout the Americas, Europe, Asia and Australia. The Company may be accessed worldwide at blockbuster.com.

About Provia Software - With over 500 global installations, Provia Software delivers The Power of Delivery™ for such customers as Menlo Worldwide, Spencer Gifts, VersaCold, Gillette, Total Logistic Control, TaylorMade-adidas Golf, and Lanier Worldwide. Provia's supply chain execution products include RFID-enabled warehousing, transportation, order and yard management products seamlessly integrated together with web-based visibility tools to create a real-time, end to end supply chain execution solution that creates a competitive advantage for clients and their customers. For more information on Provia, visit www.provia.com or call toll-free 1-877-PROVIA1 (1-877-776-8421).

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This news release contains forward-looking statements relating to the anticipated effects of Blockbuster's implementation of Provia Software's warehouse management and optimization software, including, without limitation, statements relating to (i) improvements with respect to Blockbuster's supply chain, (ii) Blockbuster's ability to more effectively manage its labor and automation, (iii) Blockbuster's ability to maximize production and decrease the time it takes to produce and distribute product to its stores, (iv) Blockbuster's ability to customize its distribution labor usage and to respond to increases and decreases in labor and production more efficiently and at a lower cost and (v) Blockbuster's ability to quickly process returns of rental and retail merchandise. These forward-looking statements are based on Blockbuster's current intent, expectations, estimates and projections and are not guarantees of future performance. These statements involve risks, uncertainties, assumptions and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors include, among others: (i) Blockbuster's ability to timely implement and maintain the necessary information technology systems and infrastructure to support its operations; (ii) Blockbuster's ability to comply with operating and financial restrictions and covenants in its debt agreements; (iii) Blockbuster's ability to obtain favorable terms from suppliers, including on such matters as copy depth and uses of product; and (iv) other factors, as described in Blockbuster's filings with the Securities and Exchange Commission, including the detailed factors discussed under the heading "Cautionary Statements" in Blockbuster's annual report on Form 10-K for the fiscal year ended December 31, 2004 and under "Disclosure Regarding Forward-Looking Information" in Blockbuster's quarterly report on Form 10-Q for the quarter ended June 30, 2005.

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