

MediaFLO USA: Revolutionizing the TV Experience

Not long ago, delivering content to a mobile phone consisted of sending basic text updates about weather, news, and stock prices. But in this media-driven world, consumers are demanding more – rich, dynamic content with more programs, more choices, and more control. From news to sports, from concerts to movies, consumers crave a high-quality experience and the power to determine not only *what* they watch – but also where they watch it.

That's where MediaFLO USA comes in. With its award-winning FLO TV™ service, MediaFLO USA provides top shows from some of the industry's most recognized media brands. We're talking full-length primetime, daytime and late-night shows – not just clips or highlights. And they're all delivered with exceptional video and audio quality. As a result, subscribers to the FLO TV service enjoy live sports, their favorite shows, breaking news, and kids' programming, all on their mobile phones, all available at the touch of a button.

Entertainment in the Palm of Your Hand

MediaFLO USA aggregates popular, full-length content from some of the world's best-known entertainment brands and distributes it at TV quality to mobile phones via its own dedicated nationwide multicast network. The FLO TV service is offered to consumers through relationships with leading wireless carriers who want to give their customers a true mobile TV experience. Key features of the FLO TV service include:

- Clear, crisp picture delivered at broadcast quality.
- Fast switching times between programs gives FLO TV users an experience similar to channel surfing at home.
- An at-a-glance program guide makes selecting or searching for shows fast and easy.
- Designed specifically for mobility, the FLO TV service is optimized to preserve battery life so that viewing time is equivalent to talk time.

Making Mobile TV a Reality

A wholly owned subsidiary of Qualcomm Incorporated, MediaFLO USA Inc. was created with a single mission: to deliver a mobile entertainment experience unlike anything on the market today. To meet this objective, an entirely new content aggregation and distribution system was designed from the ground up. This service incorporates a new wireless technology that multicasts mobile content over a dedicated nationwide network. As a result, MediaFLO USA can deliver the latest TV-quality video and CD-quality audio to potentially millions of devices simultaneously.

But the MediaFLO USA story is about much more than just technology. It's about creating an unmatched entertainment experience. That's why MediaFLO USA has joined with some of the world's best-known entertainment brands to secure familiar, compelling content. With popular programming that ranges from news to children's shows and primetime dramas to live sports, the FLO TV service provides entertainment-on-the-go for the whole family.

MediaFLO USA offers content from the following brands on the FLO TV service:

- CBS Mobile
- CNBC
- CBS College Sports
- Comedy Central
- ESPN Mobile TV
- ESPN Radio (V CAST Mobile TV only)
- FOX Mobile
- FOX News
- FOX Sports
- MTV: Music Television
- MTV Tr3s (V CAST Mobile TV only)
- MSNBC
- NBC2Go
- NBC News2Go
- NBC Sports
- Nickelodeon

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- Nicktoons
 - PIX, a Sony Pictures Television movie channel (AT&T Mobile TV only)

The FLO TV service is delivered to consumers in conjunction with major wireless carriers. The carriers purchase the FLO TV service from MediaFLO USA on a wholesale basis and then retail it to their subscribers. By leveraging MediaFLO USA's own dedicated service, wireless carriers can offer this mobile TV experience to their subscribers without burdening their existing networks or impeding their ability to deliver voice and messaging services.

Wireless Carrier Partnerships

Verizon Wireless launched the FLO TV service as V CAST Mobile TV in March 2007. In May 2008, AT&T is expected to offer the FLO TV service to subscribers as AT&T Mobile TV. The FLO TV service is available in more than 50 major metropolitan areas across the United States – with service available on desirable handsets from LG, Motorola, and Samsung.

The FLO TV service is firmly established as the premier mobile entertainment experience available today. In addition to full-length, TV-quality news, entertainment, sports and kids' programming from the industry's best entertainment brands, the FLO TV service provides Verizon Wireless subscribers with MTV Tr3s and an ESPN Radio channel, while AT&T subscribers are expected to have special access PIX, a Sony Pictures Television movie channel, and an additional new channel to be announced when the service launches.

Mobile TV: The State of the Market

Experts and analysts agree that the mobile TV market is ready to explode.

- A June 2007 study by Informa projected that the number of mobile TV subscribers in North America will exceed 43 million by 2012.
- North American revenues from mobile broadcast services are projected to rise from \$37 million in 2007 to more than \$4 billion in 2011, according to a March 2007 report by In-Stat.

- According to the Consumer Electronics Association, video-capable phones will reach a 70 percent penetration rate in four years as compared to the 15 years it took for CD players to penetrate 70 percent of the market.

MediaFLO USA's own research, encompassing more than 4,000 consumers across the United States revealed that the desire for mobile TV outstrips any other mobile phone feature:

- 1.5 times as many mobile phone users would prefer video to a camera.
- 1.6 times as many users would prefer video to an Internet connection.
- 2.3 times as many preferred it to push-to-talk.
- 3 times as many preferred it to instant messaging.
- 6 times as many preferred TV to games.

MediaFLO USA has also conducted focus groups with the FLO TV service to better understand the role that mobile TV will play in viewers' lives. Interestingly, the findings debunked a number of myths regarding mobile TV.

Myth	Debunked
The Audience for mobile TV is young men aged 18-30.	<ul style="list-style-type: none"> • The mobile media consumer is equally split between genders. • A wide variety of ages are interested. • People that watch a lot of TV are the prime consumer.
Only sports and news content is desired in mobile TV.	<ul style="list-style-type: none"> • Consumers want all genres – live network TV, children's, specialty, news and sports.
People will not watch more than short (5-10 minute) clips.	<ul style="list-style-type: none"> • People often watched 30 minutes or more in a single viewing session.
People watch only during planned downtime, like commuting.	<ul style="list-style-type: none"> • People watched everywhere, during planned and unplanned breaks, on their lunch hours, while waiting to pick up their children, etc.

People will only watch when there is nothing better to do.	<ul style="list-style-type: none">• People used the mobile TV service all the time.• Parents gave the phone to children to occupy them while grocery shopping, driving, etc.
Nobody will watch because the video quality is not a good enough.	<ul style="list-style-type: none">• 80 percent of research participants considered the picture clear.

MediaFLO USA: Redefining Mobile Entertainment

Simply put, consumers are ready to embrace a high-quality, compelling mobile TV experience – and that’s just what MediaFLO USA brings to the market. To learn more about either the FLO TV service offering or how MediaFLO USA is revolutionizing the TV experience, please visit www.flotv.com or www.mediaflousa.com.

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