

Trends & Opportunities in IPTV

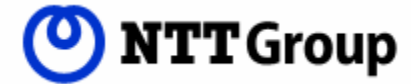
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MRG, Inc. – IP TV Sample Clients



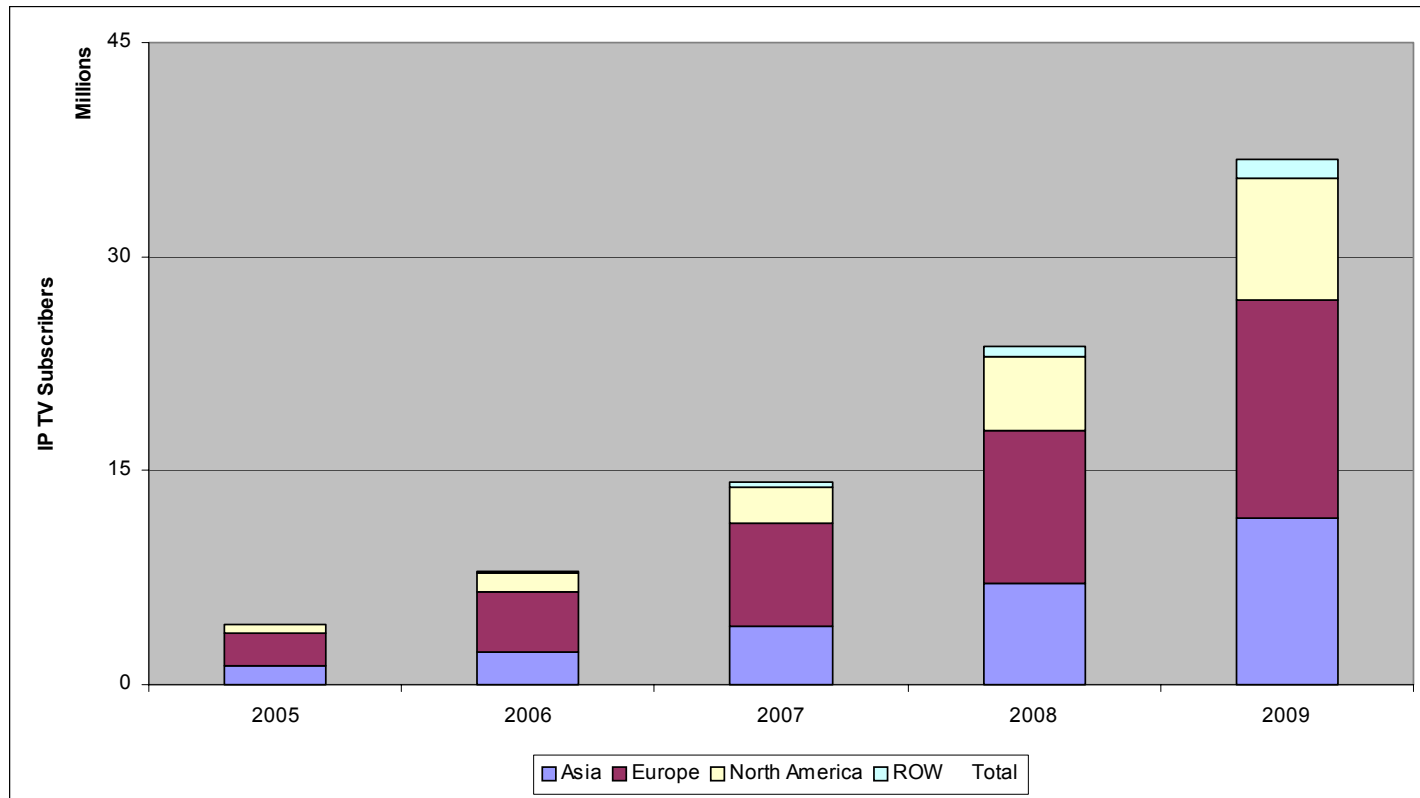
What is IPTV?

- Telco Video over Managed Networks
 - Not Internet Video
 - Not Cable IP Video

IPTV Service Providers

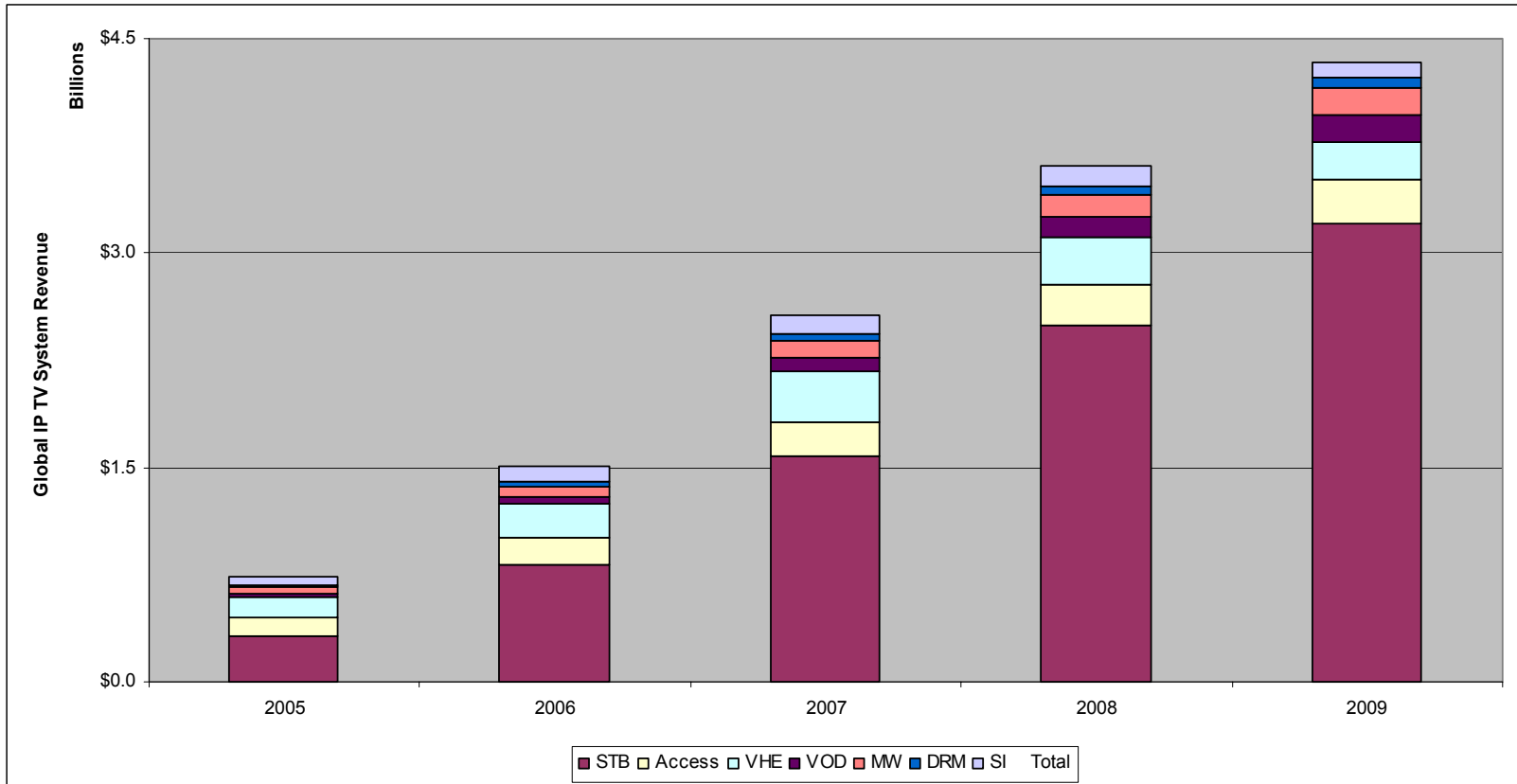
	March 2005	August 2005	February 2006	August 2006
Asia	23	39	46	57
Europe	49	58	87	111
NA	139	176	213	245
ROW	12	14	24	40
Grand Total	223	287	370	453

Global IPTV Subscriber Forecast



- 36.8 M subscribers in 2009

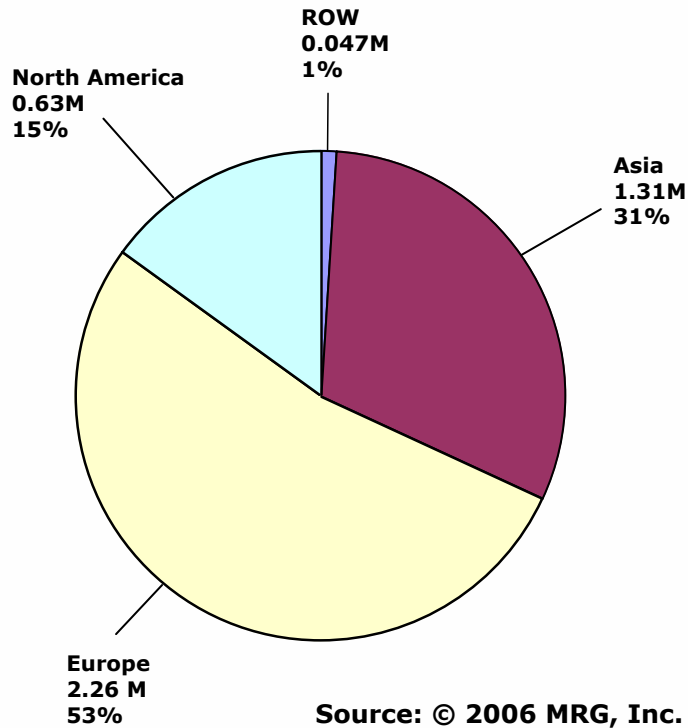
Global System Forecast



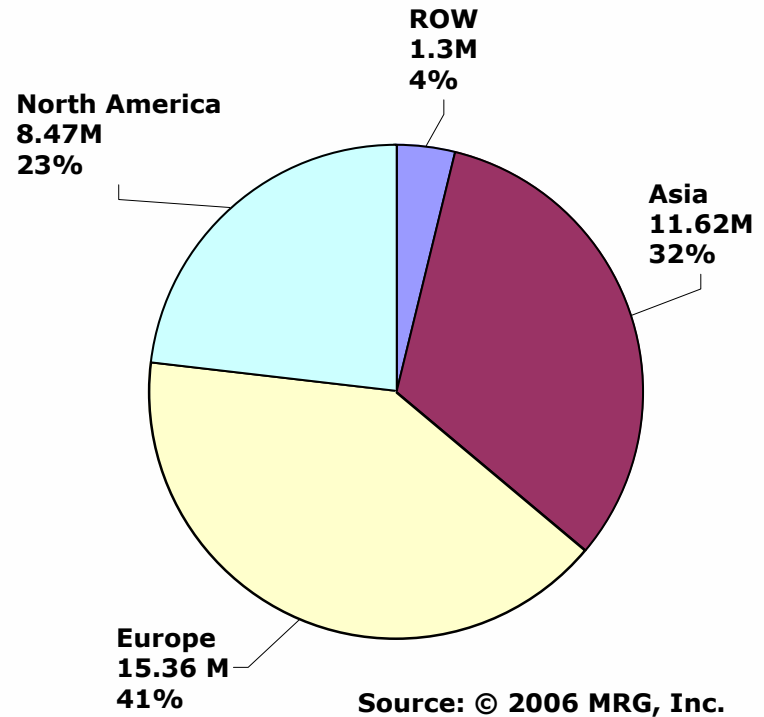
- \$4.3 billion in 2009

IPTV Subscribers by Region

2005 - 4.3 Million Subscribers



2009 - 36.8 Million Subscribers



Trends in IPTV Content Strategies

- Global/Domestic Market

- Current Challenges

- Trends & Opportunities

Varies Greatly by Region

- Cable can't be mimicked
- VOD, FOD, SVOD differentiators
- nPVR (nDVR) bigger differentiator
- Multi-platform Delivery Here or Near
- Interactivity enables My IPTV now
 - Local Content
 - MySpace model works
 - Advanced FOD advertising works

Internet Content Drives Differentiation

- Web content moving to the TV via IP
- YouTube, Google Video follow MySpace w/ Ad Model
- Viral Advertising through Affinity Groups
- Subscriber preferences reflected in ads
- New Demand for Innovative Content Aggregators & Consultants

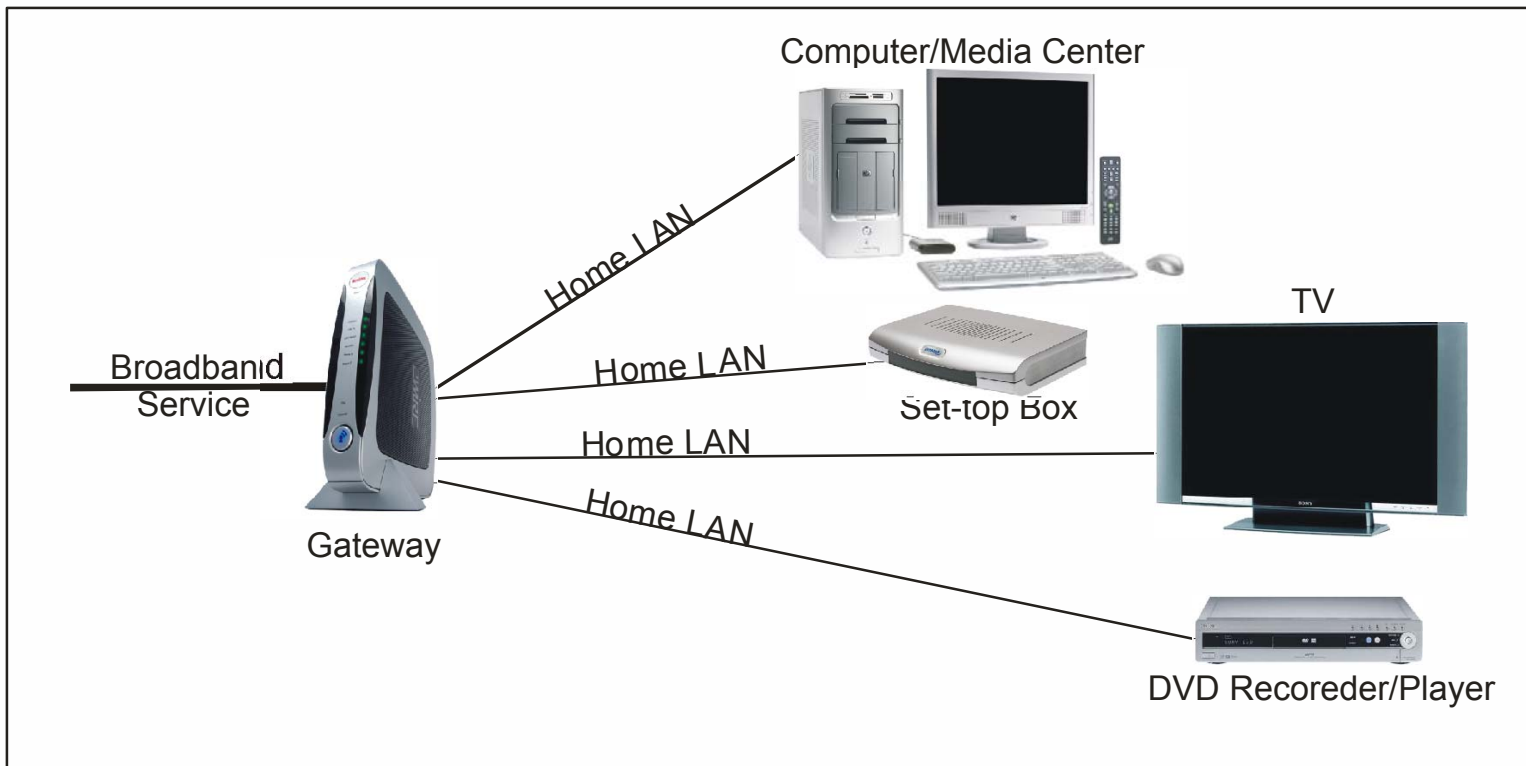
Localization Key Differentiator

- Local High School/ College Sports (On Demand)
- Local Addressable Advertising
- Individual & Affinity Group Generated Content
- TV Becomes “Family Hearth”
- STB Replaced by Home Gateway

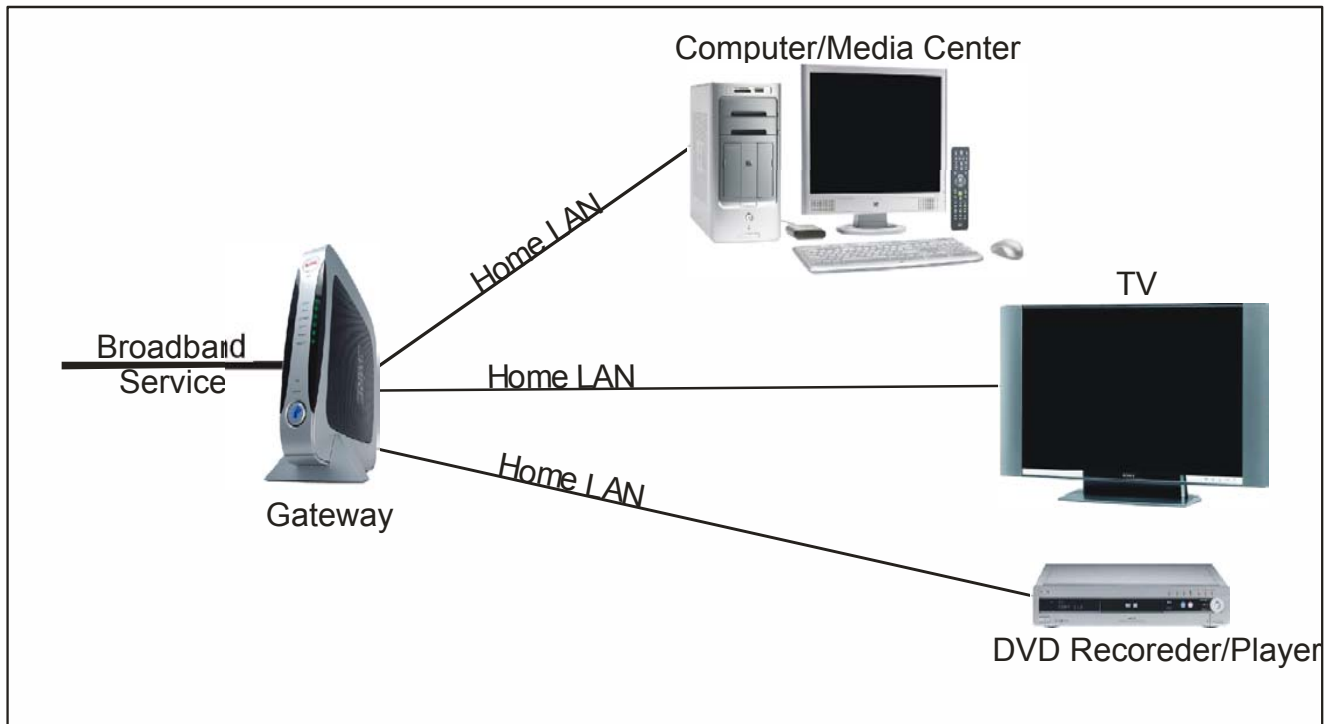
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 - Current Challenges
 - Trends & Opportunities

Near-Future of Set-top Box



NextGen Set-top Box



Competition for Digital Home

- PC-Downloads



- iPod



- Mobile TV



- IPTV (Telco)



- Apple iTV



- TiVo



} Home Gateway

Opportunities

- Ad Brokering Services
 - Home Networking (Multi-Platform)
- Local/Ethnic Content Aggregation
 - Network PVR/DVR
- Advanced Advertising Technology

Q & A

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