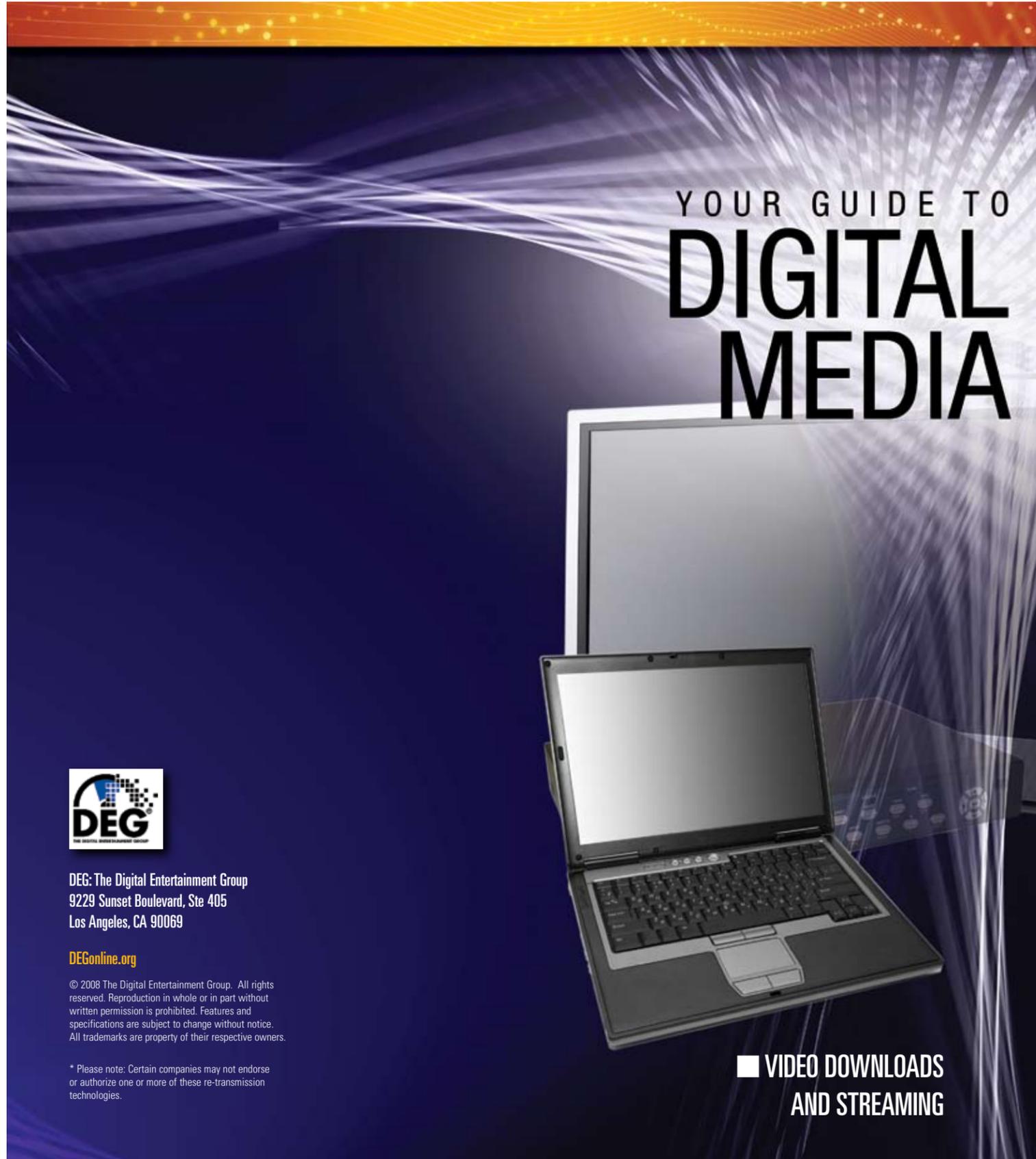


T:8 in



T:9 in



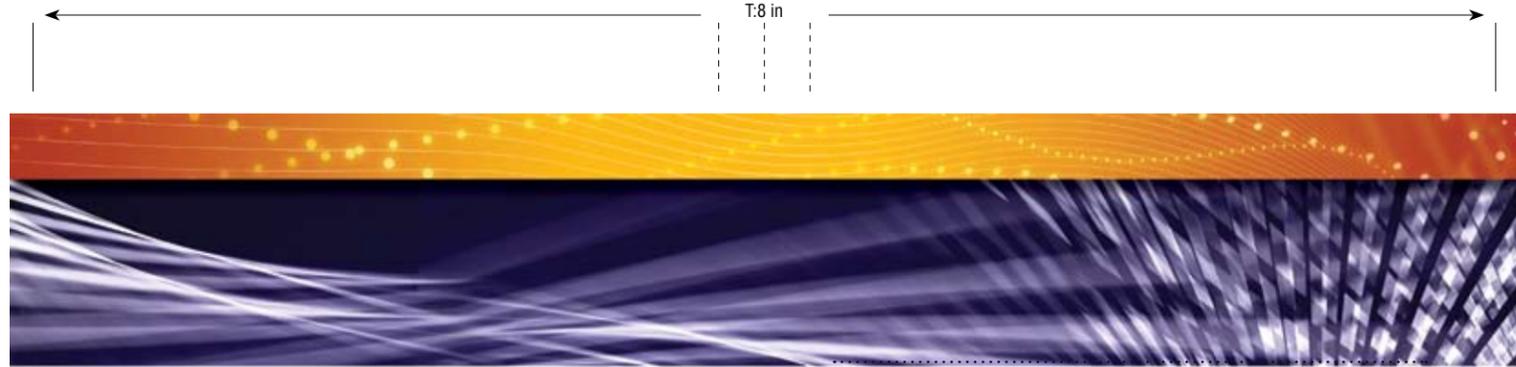
DEG: The Digital Entertainment Group
9229 Sunset Boulevard, Ste 405
Los Angeles, CA 90069

DEGonline.org

© 2008 The Digital Entertainment Group. All rights reserved. Reproduction in whole or in part without written permission is prohibited. Features and specifications are subject to change without notice. All trademarks are property of their respective owners.

* Please note: Certain companies may not endorse or authorize one or more of these re-transmission technologies.

DEG	2/22/08
DEG Digital Media	
Brochure - Back Cover & Front Cover	



What is Digital Media?

In the beginning there was Broadcast Media. That meant a handful of choices, all limited by the dictates of the local television broadcast schedule.



Then came the rise of Physical Media, which meant you could rent or buy movies on tape and disc. Suddenly, you were free to enjoy thousands of entertainment choices. And you could record TV shows to watch on your own schedule.

Now, thanks to the Internet, there's Digital Media – downloads and streaming content – with potentially millions of entertainment options. Digital Media is the next layer of distribution for entertainment, applications and devices.

You're no longer limited to physical tapes and discs. With desktop and laptop computers, mobile handsets, personal media players and digital video recorders, you're not tied only to a television. You can now contemplate watching any content, any time, on any screen, big or small!

What about copy protection?

A single movie can cost more than \$100 million to produce. Popular TV series can cost more than \$1 million per episode. So producers are reluctant to distribute digital versions that can be copied and re-transmitted without limit and without payment. For this reason, Digital Media is often encrypted with Digital Rights Management (DRM) technology. DRM can provide you with the flexibility to enjoy entertainment on different devices while still protecting the rights of content owners.



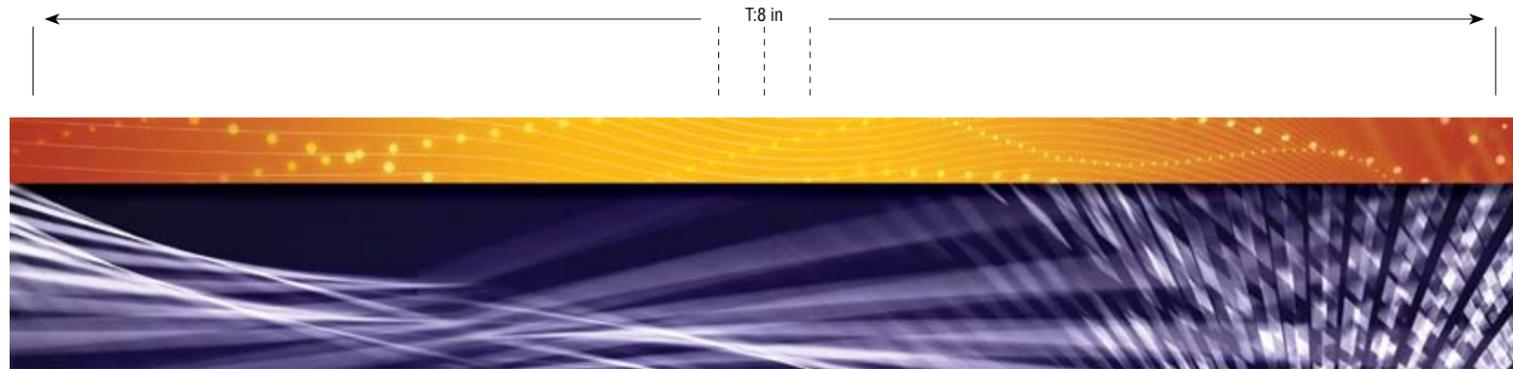
What will the future bring?

In its current state, Digital Media does not meet all entertainment needs. So you can expect Digital Media and Physical Media to coexist and evolve for years to come. As network bandwidth continues to increase and device performance continues to improve, you can expect Digital Media to become even more prominent in the way people work, learn and play.

11.8 in

11.9 in

DEG	2/22/08
DEG Digital Media	
Brochure - Pg. 2 & Pg. 7	



How good are the picture and sound?

Over the decades, the public has come to expect distinct, identifiable levels of picture and sound quality from sources such as broadcast television and DVD. But when it comes to Digital Media, there is no single level of performance.

Digital Media is often optimized for small screens and limited network bandwidth. These conditions often mean that Digital Media offers less detail, less color subtlety and more compression glitches than you would expect from broadcast television, cable, satellite or DVD. Of course, when you're viewing Digital Media on the 2-inch screen of a mobile handset, you might not notice any of these technical shortcomings.

Is this the same entertainment I'm enjoying now?

Digital Media can include adapted versions of conventional entertainment, plus new, made-for-mobile content. For example, established networks like ESPN, Fox and MTV are creating "mobisodes," short clips designed for casual viewing on-the-go. These often take into account the limited resolution of handheld screens.

For conventional movies and television shows, the content is often adapted by reducing resolution, reducing bitrate, changing the compression and adjusting the screen shape.

How do I access Digital Media?

Digital Media is so widespread because you can access it over just about any broadband connection and even on the Read-Only Memory (ROM) portion of certain physical media. As high speed Internet, WiFi, WiMax and third generation (3G) wireless networks become pervasive, Digital Media is becoming available in more and more ways.



■ **Video streaming** is now common wherever people surf the Web. You can find streaming content in video clips at the official websites of television networks, cable networks and movie companies; in user-generated content at sites like Crackle.com, iFilm at Spike.com and YouTube.com; and at thousands of other Web sites around the world.

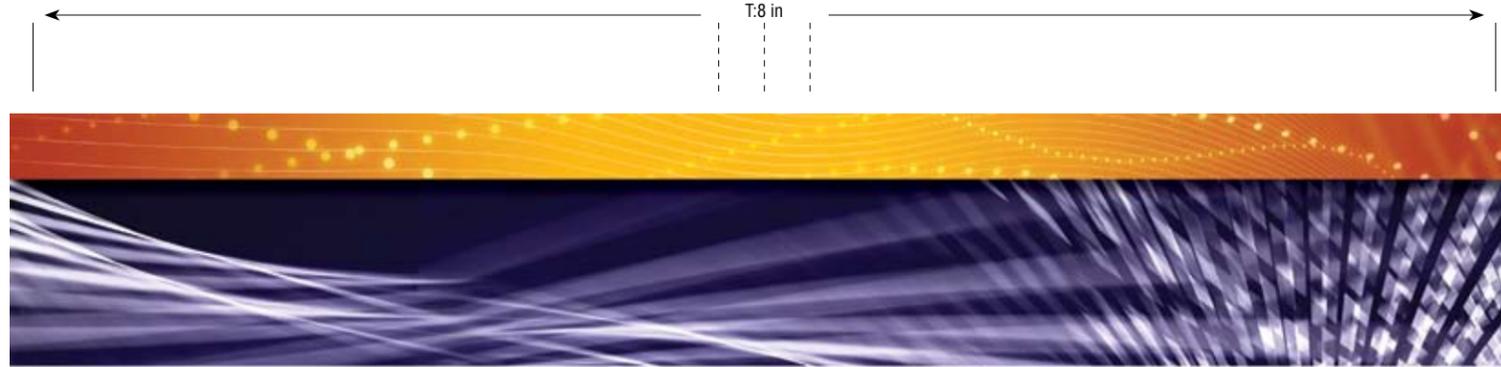
■ **Online stores.** Movies and television shows are increasingly available to download for sale or rental at commercial sites including Amazon's Unbox™, AOL Video, the Apple iTunes™ Store, CinemaNow and MovieLink.

■ **Game Consoles.** Just when you thought the game console was only for games, the built-in hard drive can easily act as a place to store the latest TV shows and recently released movies. The Microsoft Xbox™ 360 and Sony PS3™ can deliver Digital Media, or will deliver it soon.

■ **Home networking/PC extenders.** Just as you can access Digital Media over the Internet, you can also distribute Digital Media through your home network. PC extenders like the HP Media Vault and devices like Apple TV and the Sony BRAVIA™ Internet Video Link enable you to stream entertainment to your television.

■ **Gateways that extend beyond the home.*** Imagine watching your home team's game live, when you're in a hotel room on the other side of the world. Orb™ software from Orb Networks gives you remote access to your PC content via broadband. The Sling Media Slingbox™ and Sony LocationFree™ systems enable you to enjoy your personal content stored at

T:9 in



home on a PC or similar mobile device anywhere in the world. And the TiVoToGo™ system enables you to transfer content from a TiVo set-top box onto PCs and personal media players.

■ **Video on Demand for mobile handsets.**

3G wireless networks extend the benefits of broadband connections to millions of mobile handsets. So you can watch video clips on demand on your cell phone. You can also enjoy content that comes loaded onto your phone when you buy it.

■ **Mobile TV.**

Another option for handsets is Mobile TV, which provides channels for you to tune in and enjoy. In addition to cell phone carriers, the Sirius and XM satellite radio services have announced Mobile TV satellite receivers.

■ **Retail Kiosks.**

The Nintendo DS™ and Sony PlayStation Portable™ handheld game platforms can also download content from retail kiosks. Developers are looking to extend this concept for video entertainment. And DVD kiosks are planned that will enable you to order a DVD from a menu of 5,000 titles – then pick it up moments later.

Where can I watch Digital Media?

Digital Media enters the scene in the age of “three screens” – television, PC and mobile device (telephone or personal media player). So it’s no surprise that you can enjoy Digital Media on a wide assortment of devices in the widest range of places.

■ **Personal Computers.** Internet downloads and streaming are easy to access, purchase and enjoy on your PC.

■ **Televisions.** PC extenders and other devices bring Digital Media from your PC to your television. Game consoles connected to the TV already have this advantage.

■ **Personal media players.** Millions of personal media players, including iPod™, Walkman™ and Zune™ products,



Personal Computers



Televisions



Personal media players



Mobile handsets



Handheld game systems

enable you to carry Digital Media with you and enjoy it anywhere. These devices include “tethered” players that typically receive content via USB cable from a host computer and “untethered” players that can receive content directly from wireless networks.

■ **Mobile handsets.** Today, a growing number of cell phones can get Video on Demand or Mobile TV from carrier networks. Many cell phones can also function as personal media players, storing Digital Media for playback at any time. Soon the cell phone will be a place to watch complete movies.

■ **Handheld game systems.** With high-resolution screens and WiFi connectivity, some handheld game platforms can stream, download, store and display Digital Media.

T:9 in