

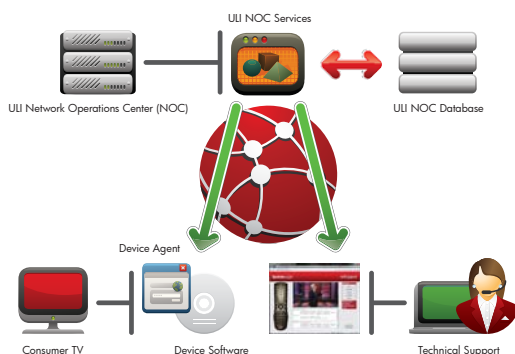
The complexity of today's digital television has increased significantly as a result of the integration of Internet connectivity, streaming media services, "app store" middleware platforms, 3D rendering, and a plethora of third-party value-add services. These increasingly complex TVs introduce a host of new support challenges which can add tremendous cost to the support and service organization.

Higher Level of Service

NetConnect is part of a suite of services called NetSupport that enables the support organization to provide a higher level of service that enhances the consumer experience, improves customer satisfaction, and elevates brand image while driving down service costs and improving profitability.

Remote Interactive Technical Support Sessions

NetConnect enables technicians to conduct a live remote interactive technical support session with Internet-connected TVs. It is similar to a PC remote desktop session, except for TVs. With the consumer's permission, the technician can engage in a virtual on-site support session to view and take control of the consumer's device, operate the remote control, run system diagnostics, listen to the audio stream and most importantly, view the device's video output. The technician can also access historical error logs for the device from the NOC database to help diagnose the problem.



The technician can connect with the consumer's TV through the Internet to conduct a live remote technical support session.

Reduced Call Time

Using NetConnect, the support technician can quickly and accurately diagnose the problem by seeing the video output and running system diagnostics rather than having the consumer try to describe the issue. NetConnect expedites the call by allowing the technician to operate the controls and solve the problem rather than having to relay instructions to the consumer. Most problems are solved in a fraction of the time it would take without NetConnect.



NetConnect enables technicians to view the device output, operate the remote control, and run diagnostics in a remote technical support session.

Enhanced Call Center Operations

Calls can be handled more quickly and accurately, which means the Call Center can operate more efficiently by handling more calls per hour and with shorter hold times. This not only saves money but improves customer service and satisfaction.

Fewer Repeat Incidents

NetConnect's *virtual classroom* allows the technician to display a replica of the consumer's remote control on the screen so the consumer can watch the step-by-step process the technician is using to resolve the issue. As such, the consumer learns from the experience and becomes more comfortable and knowledgeable about the device – and perhaps able to resolve future problems without technical support.

Fewer Truck Rolls

NetConnect enables the technician to accurately diagnose the problem over the phone. In the event a hardware fix is necessary, the technician can retrieve a listing of key device components to ensure the right parts are available when a service truck is dispatched to the home. This avoids costly double service calls or unnecessary delays for out-of-stock parts.

Lower Return Rate

Many perceived issues are simply due to the customer's lack of knowledge about the device and how to use it. The ability to quickly and accurately diagnose and resolve the issue can significantly reduce product returns.

Incremental Service Plan Revenues

The ability to provide immediate diagnosis and support over the phone is highly valued by consumers. CEMs or retailers can drive incremental revenues and profits by offering extended service plans that utilize NetConnect capabilities.

NetConnect™ provides a higher level of service that results in increased revenue opportunities, higher customer satisfaction and lower support costs.

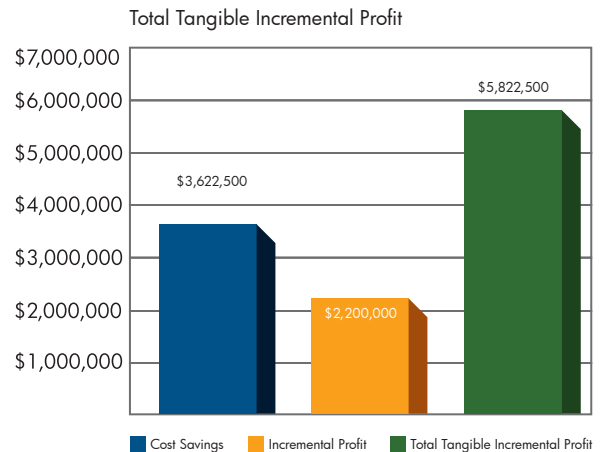
Tangible Incremental Profit

The enhanced service and support provided by NetConnect results in significant cost savings and incremental profit opportunities that delivers tangible results to the bottom line. UpdateLogic provides an ROI calculator to assist you in determining the specific results you can expect based on your own set of volume and cost assumptions.

COST SAVINGS	
LENGTH OF CALLS TO TECH SUPPORT	
Cost per minute	\$ 0.75
Number of minutes saved per call	5
Savings per call	\$ 3.75
Number of TVs sold	1,000,000
% that call for tech support	20%
% of tech calls that require diagnostics	50%
Total support cost savings	\$ 375,000
NUMBER OF CALLS TO TECH SUPPORT	
% of reduced calls	5%
Number of TVs sold	1,000,000
Average number of minutes per call	12
Cost per minute (cpm)	\$ 0.75
Average cost per call (min x cpm)	\$ 9.00
Total support cost savings	\$ 450,000
TRUCK ROLLS	
% of truck rolls	3%
Cost per truck roll	\$ 150
Truck rolls per case	1.3
% reduction in truck rolls	15%
Total truck roll savings	\$ 877,500
RETURNS	
% reduced overall return rate	1%
Total cost of a return	30%
Wholesale Cost (ASP x 80%)	\$ 640
Total return savings	\$ 1,920,000
TOTAL COST SAVINGS	\$ 3,622,500

INCREMENTAL PROFIT	
SHARE GAIN	
Share gain	1.0%
Average TV ASP	\$ 800
CEM GP% on TVs	15%
Baseline number of TVs sold	1,000,000
Unit increase (share gain * baseline)	10,000
Total Share Gain Revenue	\$ 8,000,000
Total Share Gain Profit	\$ 1,200,000
EXTENDED SERVICE PLANS	
% Increase in ESP attach rate	2.0%
Average ESP contract value	\$ 100.00
GP%	50%
Baseline % ESPs sold	20%
Total ESP Revenue Gain	\$ 2,000,000
Total ESP Profit Gain	\$ 1,000,000
TOTAL INCREMENTAL PROFIT	\$ 2,200,000

TOTAL TANGIBLE INCREMENTAL PROFIT	
Cost Savings	\$ 3,622,500
Incremental Profit	\$ 2,200,000
Total Tangible Incremental profit	\$ 5,822,500



About UpdateLogic

UpdateLogic is the world's leading software management services provider for consumer electronic devices. UpdateLogic provides DRM provisioning, software and firmware updates, device data retrieval, and remotely-controlled technical support sessions for connected TVs, Blu-ray players and other Internet-ready CE devices. UpdateLogic services are used by 5 of the top 10 DTV manufacturers including Vizio, Sony, Sanyo, Mitsubishi, and Funai (maker of Philips, Magnavox, Sylvania, Emerson brands), and is embedded into the firmware of 7 of the top 7 independent DTV chip makers including Broadcom, MediaTek, Zoran, Trident/NXP, Renesas/NEC Semiconductor, Toshiba Semiconductor, and Panasonic Semiconductor.