



Mobile



Game



Internet



Computer



Technology

## 第3部 Faith West

# State of US Wireless Market



- **134 million subscribers, 53% market penetration**

- Forecast 15% growth in 2003
- Youth and Hispanic segments targets for growth

- **No significant change in carrier market share**

- Roughly 50% CDMA - 50% GSM
- Verizon Wireless still largest carrier, talk of consolidation

- **Carriers selling a broad range of handsets**

- Both data-enabled, polyphonic, color high-end phones and some low-end, monophonic monochromatic phones
- Prices range from \$29.99 - \$499.99
- Price promotions drive adoption



# Key Milestones



9/2001	Opened representative office to explore US market
5/2002	Incorporated as Faith West Inc.
6/2002	Launched Modtones with Verizon Wireless on BREW
8/2002	Launched CMX content with Sprint PCS
9/2002	US Cellular BREW market trials New VZW handsets and marketing
12/2002	Launched Modtones with Alltel
3/2003	Launched Modtones with Telstra Australia
5/2003	Launching content with Virgin Mobile USA
Q2 2003	Planned launch of co-brand partner services for ringtones and other entertainment
Q3 2003	Planned launch of WAP and J2ME services Additional international service launches



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# Current Alliances



Handsets



Mobile

Carriers



Game

Technology Platforms



Internet

Music Industry



Computer

Media Brands

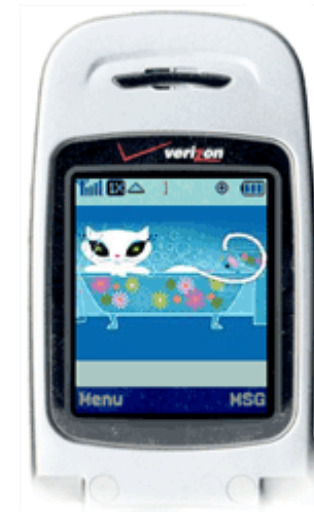


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# Update on Modtones: Business is Good!



- **Still #1 application on Verizon Wireless**
  - VZW had 3.2 million BREW handsets March 2003
    - 40% of new handsets sold
    - 8.5 million applications downloaded
  - VZW projects 8 million by year end
- **Millions of ringtones downloaded**
- **Demographic: youth segment**
  - Top downloads overwhelmingly hip-hop
  - Theme songs for irony and fun
  - Broad usage across categories
- **Product roadmap**
  - CMX animated ringtones
  - Photos and wallpaper
  - Gifting (a.k.a. super distribution)



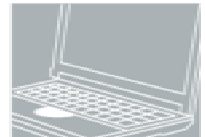
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# Update on Modtones (cont'd)



## How to get your FREE ring tone:

1. Launch Get It Now
2. Select the shopping cart icon
3. Select Get Tones
4. Select Modtones
5. Select Free-Demo to download
6. Choose Modtones to browse for your FREE ring tone
7. Go to phone menu to set up ring tone

Download Games, Ring Tones, Pictures and more with Get It Now from Verizon Wireless

Offer ends February 28, 2003!



## Carrier marketing support

- Advertising and direct mail
- Sales collateral
- Free ringtone promotion



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## Valentine Direct Mail

- 90,000 direct mailed postcards
- 1.5 m direct mail brochures
- 11 m FSIs (free standing inserts) in Sunday newspapers.

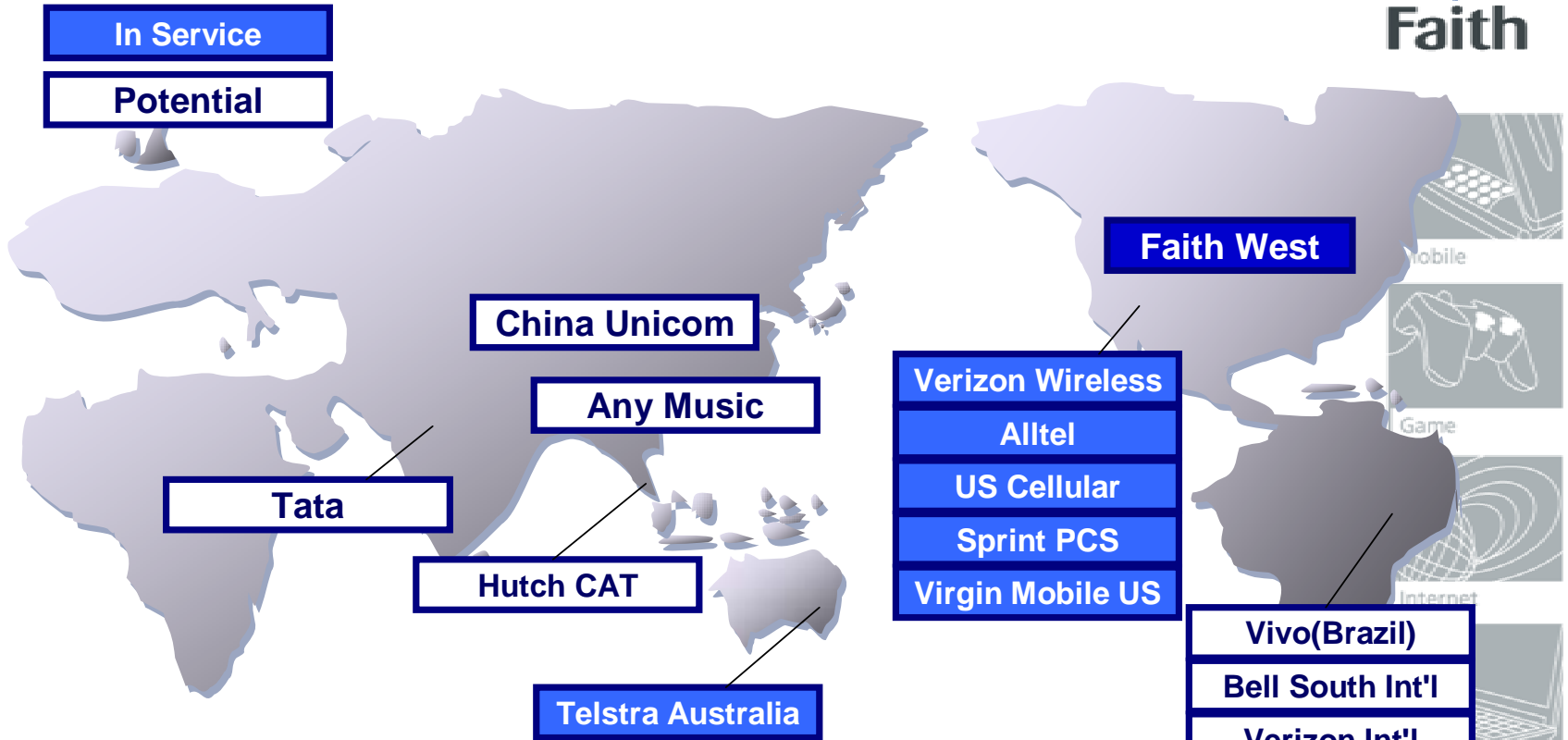
Choose cool ring tones for the special people in your life!

For a limited time, get a FREE Modtones™ ring tone and customize your phone's ringer with Get It Now from Verizon Wireless!

GOODY TWO SHOES  
BORN TO BE WILD  
DANCING QUEEN  
BRICK HOUSE

verizon wireless  
We never stop working for you™

# Modtones International Expansion



- We're benefiting from BREW success around the world
- Many carriers are considering trials and commercial launch in 2003
- All prospective BREW carriers expressed interest in Modtones

\* Sprint PCS and Virgin Mobile are not BREW carriers

# Localization Strategy



- **Faith West partnering in each region to deliver localized content**
  - AnyMusic – China
  - Wilaen/Latin Garage – Latin America
  - Embience - India
  - Local Thai partner – Thailand
- **Regional expertise key to success**
  - Licensing, content selection, composition
  - Server hosting
  - Product features
  - Marketing and branding
  - Support local carrier relationship



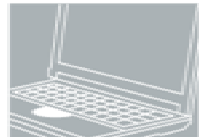
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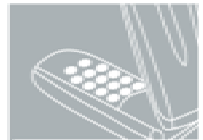
# Virgin Mobile USA



- **Virgin Mobile USA launched service Q3 2002**
  - MVNO joint venture with Sprint
  - 500,000 subscribers by March 2003
  - 700,000 ringtone downloads
- **Aggressive marketing and technology company targeting youth segment**
  - Customer friendly, pay-as-you-go service
  - Exclusive MTV partnership
  - Retail distribution through Virgin Megastores, etc.



**Faith West content  
under Virgin Mobile  
brand**



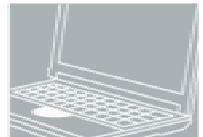
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# Other New Services

- Soundtracks & Themes
  - Latin Garage
  - Divine Calling
  - Other partner brands
- 
- Beyond ringtones
    - Movie promotions (ringtones, graphics, trivia, related info)
    - Name That Ringtone game
    - Fan clubs, community



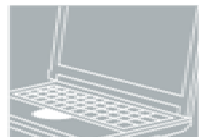
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# In the Pipeline

- Music label and portal deals in negotiation
- Extending the platform to WAP, J2ME, MMS
- Broad distribution across carriers will open up mass marketing opportunities
  - Super distribution
  - Prepaid cards in retail
  - Coupons
  - Advertising promotions



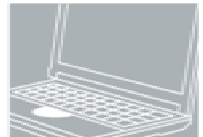
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Thank you very much.



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