

New Avtrex White Paper Describes Vision of the Future of Television Advertising with Personal Video Recorders

Fewer Ads, Happier Viewers — Greater Profits, Happier Advertisers

LOS ALTOS, CA, December 15, 2003 — Avtrex, Inc. (www.avtrex.com), a provider of leading-edge personal video recorder (PVR) software, addresses the impact of new television technologies on the multi-billion dollar advertising-supported TV industry in a new white paper entitled *PVRs and the Future of Television Advertising*.

What happens when 20 million US television viewers have the ability to skip past advertisements that they have no desire to watch? Will our television industry crumble when half of the most desirable demographic has PVR/DVR technology? How can the industry provide a better viewer experience at a higher profit?

The white paper takes these questions head on as it summarizes the current trends in PVR adoption before describing the opportunities PVR technology provides in enhancing the value and effectiveness of television advertising. In its conclusion, the white paper provides a financial analysis of how utilizing this new technology will affect the advertising model:

- Viewers: will see fewer than 10% of the ads airing today—but they will actually watch them
- Networks/Operators: will experience increased advertising revenues from measurable ad delivery
- Advertisers: will benefit from reduced costs and focused impact on a targeted audience

PVRs and the Future of Television Advertising is available now on the Avtrex web site at www.avtrex.com/whitepapers/future.pdf or upon request.

About Avtrex

Avtrex, Inc. is a Silicon Valley-based startup focused on advanced technologies for digital video recording and home media distribution. The company is an OEM software provider whose customers will debut the first products utilizing the Avtrex technology at the International Consumer Electronics Show (CES) in Las Vegas in January, 2004. Avtrex is privately held, founded in 2001 by a team that has been working together for more than 10 years.

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