

For Immediate Release

DVD BREAKTHROUGH UNDERSCORES APPETITE FOR INTERACTIVE ENTERTAINMENT

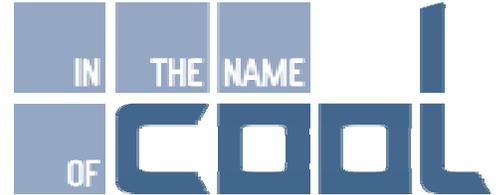
TORONTO – April 8, 2003. Half (48%) of Canadians report that they have at least one DVD player in their household, up from 1% in 1998, according to [IN THE NAME OF COOL](#), an independent consumer trend study on technology, media and entertainment conducted by [Solutions Research Group Consultants Inc. \(SRG\)](#).

“It took about 5 years for DVDs to reach one-in-two households – in comparison, CD players and PCs took about 12 years to reach the same level of penetration in Canada,” said Kaan Yigit, a Partner with SRG and the Study Director. “The DVD format is one of several current technologies that responds to a growing demand for interactivity and ‘what I want, when I want convenience’ among Canadian consumers.”

“The collision of moneyed baby boomer parents with a large Gen Y population (12-24) has produced an environment ideal for rapid adoption of interactive entertainment and communication technologies,” said Michele Erskine, a VP with SRG and a youth marketing expert. The study found significant increases in the use of many existing technologies, and high interest in a number of new ones:

- Seven-in-ten (69%) Canadian households now have at least one computer – in Gen Y households (where there is at least one 12-24 year old), this number goes up to 83%.
- 60% of Internet households in Canada have high-speed broadband access (cable modem or DSL), double the rate of broadband access in 2000.
- Broadband access means easy access to music (downloaded by seven-in-ten Gen Y) and, increasingly, videos and movies (downloaded by 35% of Gen Y).
- Once downloaded, rich-media content can easily be transferred to a CD or MP3 player – incidence of CD burning doubled since 2001, with just under 6 million Canadians reporting using a CD burner in the last six months.
- The number of digital Canadian homes able to access interactive TV services (either with DTH or digital cable) tripled from under 10% in 2000 to 33% in February 2003.
- There is significant interest in DVR technology (e.g., TiVO-like technology which allows control over live TV content) – half of cable/satellite TV subscribers are interested and over 70% of Gen Y give it a thumbs up.

“We are in the early stages of a radical transformation of the media landscape. The survival of traditional media and content providers will depend on their ability to adapt to meet the changing expectations of a new generation of ‘point-and-click’ consumers,” said Kaan Yigit.



The 2003 edition of *IN THE NAME OF COOL* is based on a scientific telephone survey of 1,500 Canadians, aged 12 and older in February 2003. The sample for the study statistically reflects the regional and age/sex composition of the Canadian population. The results of the survey are accurate to ± 2.5 points for the population as a whole, 19 times out of 20.

Along with its 1996, 1998 and 2000 editions and the 2001 update, *IN THE NAME OF COOL* represents the most comprehensive independent consumer trend study on technology, media and entertainment in Canada, with over 7,500 detailed interviews conducted over a 7-year period. The emphasis of the 2003 edition is on interactive and digital technologies.

This is the first of a series of data releases from the study. Upcoming releases will cover trends in *Television & Interactive, Digital Cable & DTH, Internet, Wireless, Music, Radio and Entertainment Retail.*

For more information, point your browser to... www.inthenameofcool.com

Contact:

Kaan Yigit, kyigit@srgnet.com 416.323.1337 x 22
Michele Erskine merskine@srgnet.com 416.323.1337 x 25
Solutions Research Group Consultants Inc. (SRG)