

For Immediate Release

ON-DEMAND TV USE SURGES IN CANADA

VIDEO-ON-DEMAND SERVICES AND PVRs ARE USED IN OVER 1 MILLION CANADIAN HOUSEHOLDS

TORONTO (August 23, 2005) – More than one million Canadian households are now experiencing on-demand television either via cable Video on Demand (VOD) or a Personal Video Recorder (PVR), according to a recent study by Solutions Research Group, a Toronto-based market research firm.

Among key findings of the research:

- ▶ More than one-third (36%) of digital cable households have used VOD (translating into approximately 7% of all Canadian households). Half of these users paid for content while the other half used only “free” programs or services (for example, Treehouse TV On Demand, TMNOD).
- ▶ Close to one-in-ten digital households (DTH or digital cable) have a PVR (just under 4% of all Canadian households).
- ▶ On-demand makes viewers happier. Both VOD and PVR users express higher-than-average levels of satisfaction with their TV service provider. And, among those who have used VOD, 58% say it increased their enjoyment of television and 63% of PVR users say the same thing.

“We are on the early part of the growth curve for on-demand television in Canada,” said Kaan Yigit, Study Director. “And, there is every indication of strong growth ahead based on very positive consumer response to technologies that offer greater flexibility and control,” added Yigit.

A hint of things to come can also be seen in the emerging habits of younger Canadians. The study found that “homemade TV on-demand” using broadband and P2P file-sharing sites is also beginning to grow in popularity. 13% of Canadians 12-29 report downloading a “30- or 60-minute TV show” from the Internet at some point in the past.

The information for this release comes from comprehensive telephone interviews with 1,776 Canadians 12 and older in May/June 2005 conducted as part of **Fast Forward™**, Solutions Research Group's ongoing syndicated consumer trend research program. To maintain an unbiased perspective, Solutions Research Group funds its own syndicated research. The sample statistically reflects the regional and age/sex composition of the Canadian population. The results of the survey are accurate to ± 2.3 points for the population as a whole, 19 times out of 20.

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