



To our valued customers:

We rejoice in the renaissance of news media.

This year has brought consumers a variety of new and compelling media products ranging from upgraded print offerings to a multitude of digital access products. Our team views this as a very important step in the direction of **winning more customers**.

A very important benefit from the subscriber perspective is that they will have access to exactly the information that they are interested in, whether it is local, regional, national, or international. From the same trusted media brand, they can select both a nice print product and having digital access wherever they are at that point in time. The subscriber can view the most current information available, whether it is family matters, health, business, travel, technology, or other.

Before the Internet created the race to the bottom of the last several years, newspapers and TV had constructively coexisted, often under the umbrella of the same media company. We know that there is concern about the competitive situation between both product platforms. This discussion has been conducted lively since the 1950's, and will hopefully continue for a long time. **Digital technology** coupled with **strong rights protection** and an **active syndication market**, enable media companies to offer subscriber products that either combine or emphasize the unique advantages of text, images, audio and video.

How can the marketing component be further strengthened across both print and digital? We would like to share parts of our case study of a major national retailer to highlight some opportunities: "The U.S. collectively decided some time ago that we want to be a service-based economy. While that worked seemingly well for a while, some issues emerged rather forcefully. Due to a lower manufacturing base across all industries, a substantial portion of domestic value creation simply does not exist anymore. With that, an equally substantial source of domestic business demand, e.g. for utilities, also disappeared. Simultaneously, employment opportunities and the corresponding tax base from both businesses and individuals also vanished.



That has been the result of individual business optimization for the lowest cost input. While that is understandable, and has really aided the global community with skills and infrastructure development, in aggregate, it has left us substantially poorer at home. In our opinion, there is an opportunity to better balance this situation. **Media companies can play a decisive role** in helping retailers, other businesses in their area, and local governments to differentiate themselves in creating a more balanced environment. We believe that during the last year a sustainable trend of promoting a strong domestic economy took hold. “

Just recently millions of people contributed less than \$100 to the presidential campaigns. What inspired them to take that step, which many did on limited resources? We believe that this phenomenon is rooted in the wish to have their situation improved by their chosen candidate. In our opinion it also shows that financial commitments are being made, if people believe that a stakeholder is committed to improving their lives and communities.

Soquel Technologies has very specific products and business proposals in place to contribute. We are ready, willing and able to deploy **Xpress II® Auction and Subscription Delivery Solutions** that serve your customers under your brand. We have the strategic relationships, and products with proven quality and industry-leading operating costs. We are committed to providing Planning Certainty with regard to your deployment timeframe, and post-deployment support based on the desired level of technical involvement from your organization.

We welcome the current environment of experimentation in order to find where customer demand from consumers and advertisers is strong. With more than 20 years of experience in various digital technologies, I know that visible functionality can be created very quickly. However, both reliability and operating costs reveal themselves over a number of years. In that it is not unlike the printing presses, which are typically purchased from commercial suppliers based on those business criteria.

In addition to our **Xpress II® Digital Delivery Solutions**, our content at **TheNextIndex.com**, which is available for syndication and does not compete for advertising, we are also offering **Consulting Services**. Reliable and maintainable digital delivery solutions require substantial expertise. Should you decide to build some of that expertise in-house, we are available to provide consulting for business processes and technical design.

Sincerely,

Steffen Tichatschke
President & CEO
Soquel Technologies, LLC

