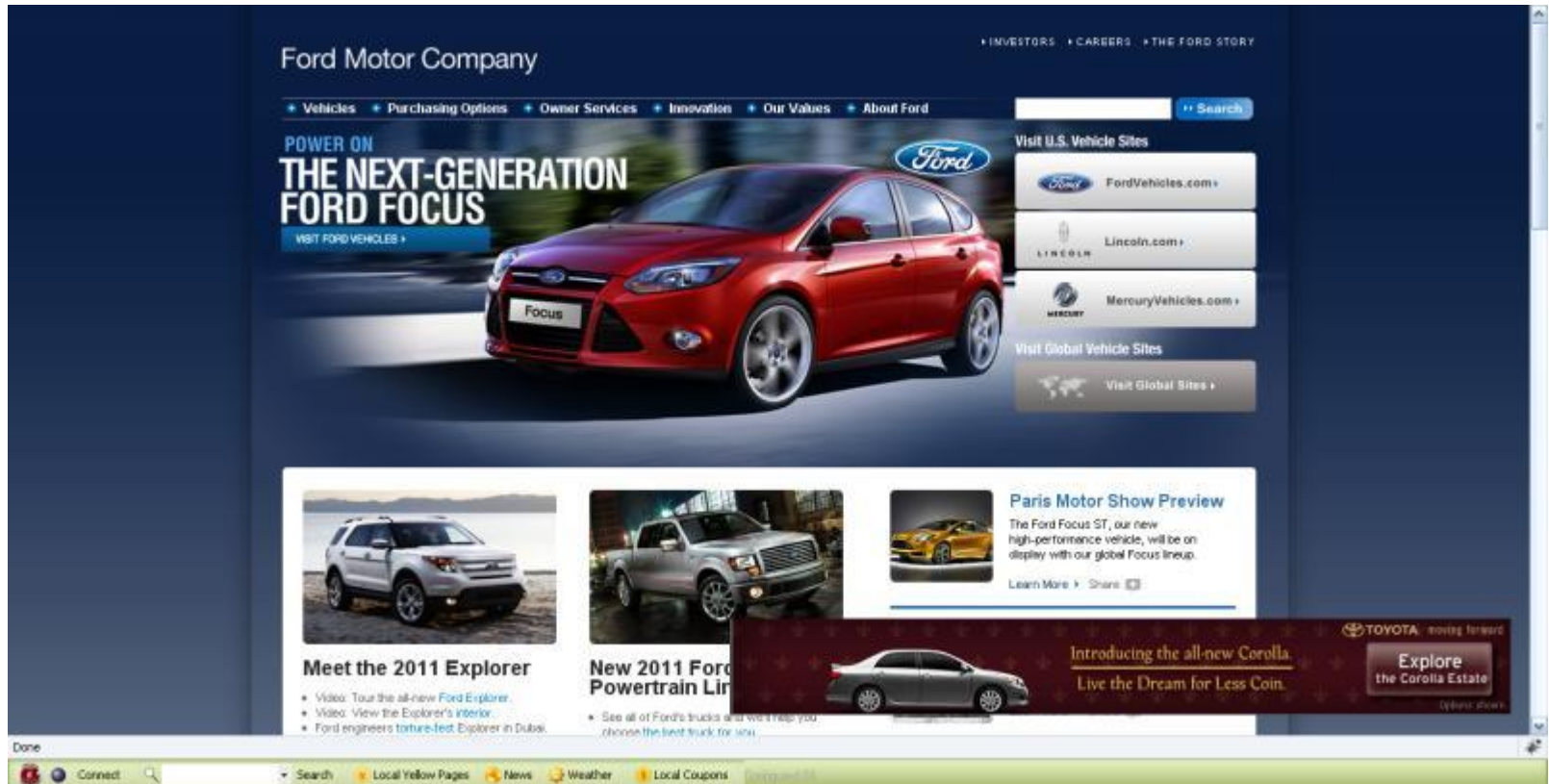




Innovative Ad Targeting using a Global Free WiFi HotSpot Network

*Build the network cost effectively and leverage
the ad inventory*

Do You Get It?





How About Now?

A screenshot of the State Farm website homepage. The top navigation bar is red with white text for "Insurance", "Mutual Funds", and "State Farm Bank". A search bar is on the right. The main banner features a smiling man and the text "The coverage you need. The price you want. No wonder so many of your family and friends trust State Farm." Below this is a "Get a Rate Quote Now" button with a dropdown menu for "Auto" and a "ZIP/Postal Code" field. To the right is a red box with a hand holding keys and the text "SAVE \$489* when you switch to State Farm®". Below the banner are sections for "Find Agents", "Learning Center", "About Us", and "Your Security". A "Login to Your Account" section lists benefits like paying bills online and viewing policy info. A "Customer ID" and "Password" login form is also present. At the bottom, there are banners for "WIN BIG MONEY FOR YOUR SCHOOL.", "Moving? We're here to help.", and a GEICO advertisement for car insurance savings.



Now You See It ☺





The Problem

- o Advertisers are constantly trying to get their ads displayed when customers search for competitors
- o Search Engines provide one avenue but it's hit or miss
- o How can I get MY ad displayed on my competitors Web Site, LEGALLY?
- o NebuAd and Phorm failed because they associated themselves with ISPs and broke privacy
- o dSpot builds its own network, maintains client anonymity and is "opt in".



How to Build a Network

- o Existing WiFi access is expensive
 - o Daily subscription fees for paid WiFi - \$5 to \$10 a day
 - o Locations must finance free WiFi to enhance customer loyalty
- o Availability is limited
 - o Still very few hotspots available
 - o Municipal trials of free WiFi have failed – bad technology choices & costs
- o Alternatives are expensive
 - o 3G via Cell is pricey and suitable for business users only
 - o WiMax (4G) is expensive in the few places deployed
- o Everyone wants Free WiFi
 - o dSpot offers “Free WiFi with Benefits”
 - o Huge numbers of WiFi enabled devices



Why We Will Succeed

dSpot...

- Uses low cost, off the shelf hardware
- Partners with Yellow Page Publishers for rapid deployment across the US and abroad
- Very low running costs - Internet connection provided
- Benefits Businesses who offer dSpot
 - Free in-network advertising as an incentive
 - Listed in directories of local dSpots
- Delivers 75% local ads and 25% national ads



The Opportunity

- Local Advertising
 - Revenues from local businesses who advertise
- National Advertising
 - National brands
 - CMRs
- Targeting
 - Location
 - Time of Day
 - Search Keywords
 - URLs currently viewed
 - URL history and trend
- Toolbar Sponsorship
- 404 Redirects
- Portal Sponsorship



The Win/Win/Win/Win

- The End User
 - Gets free WiFi Internet access in exchange for seeing ads appear on their screen
- The Business Location
 - Gets traction from offering free WiFi
 - Gets free advertising across the local dSpot network
 - Gets a free listing in an SEO optimized directory
- The Advertisers
 - Local advertisers can target local traffic
 - National advertisers use domain/URL/demographic/behavioural targeting
- dSpot
 - Builds a highly profitable company



Ad Revenue

The advantages of dSpot's ad targeting is clear...

Run of Site	- \$0.1 cpm
Personal Finance	- \$1 cpm
Personal Finance + Loans	- \$2 cpm
Debt + Personal Finance + Loans	- \$5 cpm
CA + Debt + Personal Finance + Loans	- \$10 cpm
91650 + CA + Debt + Personal Finance + Loans	- \$20 cpm
www.citifinancial.com	- \$???cpm

In October 2009, it was reported that the keyword 'mesothelioma' generated bids of \$90 per click in Google and Yahoo.

dSpot can display an ad over a 'mesothelioma' related Web Site being viewed by a dSpot user



Distribution

Why Yellow Page Companies?

- 300 Companies publish over 8000 print Yellow Page books
- Over 30,000 sales reps handle their portfolio of local SMBs
- Typically sell advertising from \$200-\$10,000 per year
- Know the local area and the best places to locate a dSpot
- Have an existing billing system to handle income streams
- Want to migrate towards online YP and compete with the major players such as YellowBook.com and YellowPages.com
- Are approachable and see dSpot as both a revenue stream and a differentiator in a highly competitive market
- Print revenue expected to decline by 39% by 2013



Security & Privacy

- dSpot users remain anonymous and are identified only by MAC address (*Provisional Patents*)
- Behavioral targeting by MAC, not User.
- dSpot claims “Common Carrier” status
- Individual MACs can be selectively blocked either temporarily or permanently
- Time based access overrides for Restaurants, Cafes etc
- Security systems to prevent
 - Peer to Peer
 - Excessive downloading
 - Circumventing ad display or hacking toolbar
 - Spamming
 - Excessive bandwidth use



Competition

- Meraki
 - Well funded and building a technically advanced Mesh network but focused on selling technology, not building a National network.
- JWire
 - A proxy server based Ad Network solution where they sniff traffic. Works with existing Hotspots to monetize their traffic. Currently lists most dSpots in their directory.
- Anchorfree
 - Proxy server based solution which requires customers to register with potential data privacy issues.
- FON
 - European based initiative funded by Google relying upon users sharing their network for no real financial reward with serious ISP issues.
- 3G/WiMAX
 - Hugely expensive networks and targeted at the Business user



Finance

- Founder funded Startup / Received \$60k of F&F money
 - Test market deployed in Lake Havasu with 70 dSpots, supported by the local Yellow Pages Company and the local Radio Station.
 - Results clearly demonstrate the usage and profit potential
 - New contracts with Ojai CA, Jackson WY, Scottsdale AZ and Hawaii
- Further financing required
 - Build out the sales team to deploy faster
 - Source partnerships for national ad campaigns
 - Further develop behavioral analytics
 - Develop the other distribution channels
 - Launch the dSpot service throughout the USA then Globally