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HD Digital Radio Alliance Marks Three Successful Years

Consumer Awareness Strong; 60+ SKUs Available at More Than 12,000 Retail Outlets; 14 Automaker Brands Offering HD Radio Across 82 Models

*Peter Ferrara to Become Strategic Advisor
as Diane Warren Moves to President*

ORLANDO – September 3, 2008 – The HD Digital Radio Alliance, a joint initiative of leading radio broadcasters to accelerate the rollout of HD Digital Radio, today marked three successful years, noting successes across consumer awareness, accelerated demand, broader distribution, and lower price points. The Alliance also announced that on January 1st, 2009, Peter Ferrara will assume a new role as Strategic Advisor as Diane Warren becomes president of the Alliance.

“When we began putting the pieces in place for the Alliance in the fall of 2005, there was little attention being paid to HD Radio and the industry lacked a plan to make it a reality. There were only a few HD stations on the air, no automakers offered an HD Radio and no national retailers carried receivers,” said Peter Ferrara, President/CEO of the HD Digital Radio Alliance. “Today, it is gratifying to know how far we’ve come in three short years. While there is still much to do, this has been an unprecedented effort with unparalleled success within the radio industry. It’s a testament to what broadcasters can achieve when the industry comes together with a clear purpose and mission.”

At the Alliance’s official launch in early December 2005, about 300 HD Radio stations were on the air, with 40 of those offering HD2 multicasts. Only one HD Radio receiver was commercially available, and it cost \$500.

Today, the picture is quite improved. There are now more than 1750 HD Radio stations on the air, with more than 800 offering HD2 and/or HD3 multicasts. There are more than 60 SKUs for HD

Radio receivers and they are available at more than 12,000 retail outlets. National retailers carrying HD Radio receivers include Wal-Mart, Target, Best Buy and Apple Stores. Automakers offering HD Radio features as factory or dealer options span 14 brands across 82 models, including Ford/Lincoln/Mercury, Volvo, BMW, MINI USA, Mercedes, Toyota Scion, Hyundai Genesis, and Jaguar. And price points now invite the mass market, with multiple receivers now available for less than \$100, and one receiver even available at \$49 with rebate.

In addition, HD Radio content is moving beyond simply better sound to include innovative and groundbreaking features never before available from any digital media. iTunes Tagging has turned a one-time competitor into a collaborator; innovative data services such as real-time traffic and location-based services are coming to market; and niche content already available on HD2 and HD3 channels will soon be complemented by premium content available on a receiver-by-receiver basis.

Separately today, the Alliance announced that restrictions governing how member broadcasters can program and generate revenue from HD2 channels have been lifted, effective immediately. The broadcasters agreed to voluntary guidelines, instead, aimed at preserving the diversity and clutter-free nature of today's HD2 channels.

Driving consumer demand

In recognition of these gains, the Alliance this year expanded its original focus to also embrace converting substantial consumer interest into purchasing demand. So far, the results are impressive.

In addition to amending its groundbreaking radio advertising campaign, the Alliance expanded the role of its HDRadio.com Web site and launched an innovative, direct-to-consumer mobile text marketing campaign.

"The response to our consumer marketing has significantly exceeded our expectations," said Diane Warren, executive vice president of the HD Digital Radio Alliance and the leader of the marketing campaign. "The broadcasters remain committed to the strong radio advertising campaign, HDRadio.com is the destination for consumer information and even after three years, 80% of our visitors are new to HDRadio.com each month. We've seen success driving consumers to HDRadio.com with our auto show, on-line, outdoor, newspaper and mobile text marketing too."

HDRadio.com has generated more than three million page views since the beginning of 2008 and 84% of the visitors are new to the site and coming to learn about HDRadio.com for the first time. Separately, the Alliance's mobile texting campaign invites consumers to "Text WIN (or UPGRADE) to "34343" to have a conversation about HD Radio and to receive more information in return including the HD Radio Buyers Guide and the local Station Guide right on their personal phone. The opt-in rates, as consumers register to win an iLUV HD Radio are running between 62% and 85%. That compares favorably to both mobile texting campaigns in general as well as conventional direct-response methods. Successful conventional direct response, including e-mail campaigns, typically shows a 2% to 4% response rate.

"As we look forward, we'll remember 2008 as a breakout year for HD Radio," predicts Warren. "In the meantime, there remains much to do and the Alliance looks forward to working closely

with industry organizations, iBiquity Digital Corporation, radio broadcasters, auto makers, dealers and retailers to bring this important new technology fully to market.”

About the HD Digital Radio Alliance

The HD Digital Radio Alliance is a joint initiative of leading radio broadcasters to accelerate the successful rollout of HD Digital Radio. Current members include major radio groups and independent station owners: Beasley Broadcast Group, Bonneville International, Buckley Radio, CBS Radio, Citadel Broadcasting / ABC Radio, Clear Channel Radio, Emmis Communications, Entercom, Greater Media and WBEB Philadelphia. For more information on HD Digital Radio, visit www.hdradio.com.