

# The Benefits of the BREW<sup>®</sup> Hosted Model

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# Overview

- **Midwest Wireless History**
- **Reasons Why Midwest Wireless Hosted Solution?**
- **BREW as a Hosted Solution**
- **Post-paid BREW Solution**
- **Pre-paid BREW Solution**
- **What Does it Take to Roll Out**
- **Success Stories**
- **Questions & Answers**

# Midwest Wireless

- **About Midwest Wireless**

- 450,000 subscribers
- Footprint
  - Southern MN
  - Northern IA
  - Western WI
- BREW Retail
  - June 2003
  - September 2003
- First Hosted Operators
  - ACS May 2004
  - RCC July 2004



## Isn't Midwest a "Carrier"?

- **Yes**
- **Identified BREW as the best application solution**
- **Applied our business case analysis**
- **Applied our provider selection criteria**
- **Found nothing in the market**

# How We Developed the MHO Solution

- **Why Is BREW The Best Application Platform?**
  - **The Model Works**
    - Licensing Model – don't need 1-1 negotiations
    - Applications Work – TRUE BREW® Tested
    - Transactional Costs Are Minimized
  - **Stability of the Platform**
  - **Growth of the Platform Functionality**
    - Groups
      - Carrier Catalog Independence
      - Customer Segmentation
    - Prepaid
  - **QUALCOMM Support**

# Why BREW Works as a Hosted Solution

- **Turn Key Solution**
- **Avoid Network, Infrastructure, & Capital Expenditures**
- **Scalability of Equipment & Facilities**
- **QUALCOMM Support**
- **Dynamic Platform Upgrades**
  - A-VB for example

# How We Developed the MHO Solution

- **Our Business Case Analysis**

- Market and applicable segments
  - Total Pops
  - Customers (current and with growth)
  - BREW Handset Base
- Estimated penetration
  - BREW Enabled Handset (version)
  - BREW Active User
- Average Downloads/Active User
- Average Revenue/Download
- Margin

# How We Developed the MHO Solution

- **Vendor Criteria**

- Provide products and services with value that customers are willing to pay for!
- Act as a **Partner** throughout the product life
- Describe customer value and support with data
- Integrate with billing solution provider
- Describe revenue opportunity
- Clearly and completely describe costs to enable development of a complete business case
- Thoroughly describe technical implementation criteria
- Enable customization of off-the-shelf solutions to meet customer specific requirements
- Meet the revenue, cost and implementation expectations that are created
- Provide technical, marketing and operational support after launch

# How We Developed the MHO Solution

- **No One Passed Both, So We Created MHO Model So We Could Provide Other Carriers With:**
  - Provide products and services with value that customers are willing to pay for!
  - Act as a Partner throughout the product life
  - Describe customer value and support with data
  - Integrate with billing solution provider
  - Describe revenue opportunity
  - Clearly and completely describe costs to enable development of a complete business case
  - Thoroughly describe technical implementation criteria
  - Enable customization of off-the-shelf solutions to meet customer specific requirements
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# Why Midwest Wireless' MHO Model

- **We ARE a Carrier – A BREW Carrier**
  - Our experience with retail customers helps you serve your customers
- **Scaleable Business Model**
  - We are serving MHOs from start-up to operators of several hundred thousand subs.
- **Leverage our Collective Scale**
  - Applications
    - Negotiating leverage with developers
    - Leverage to overcome hurdles
      - Handset Porting
      - Non-application issues like LBS PDE integration
- **Speed to Market**
  - Proven implementation process – 2-6 weeks (dependent on MHO resources)

# Why Midwest Wireless' MHO Model

- **Ease of Catalog Management and Application Support**
  - Negotiations, thumbnail images, testing, etc.
- **Efficiency of Application Labor**
  - Application review and selection, catalog management, handset testing, etc.
- **Platform Cost**
  - Capital Investment
  - Operational Costs
- **Training/Development Cost**
  - We provide sales, customer care, billing training, and FAQs
- **We ARE A Carrier**
  - We understand what is important to end-user subscribers
  - Help you deliver to yours

# The Next Evolution

- **Increased Segment Marketing**

- Stage 1 – Develop a customer profile
- Stage 2 – Create Categories Targeted to Reach Profile Segments
- Stage 3 – Identify the Most Relevant Content/Apps for Each Category
- Stage 4 – Rank and Place the Apps to Maximize:
  - Revenue (Create the Most Downloads); and
  - Margin
    - Learn from the Internet Models
    - Capitalize on the “Real Estate” of your BREW Catalog

**AND WE CAN HELP!**

# How Does It Work?

Tricia Lee, Product Manager  
*Midwest Wireless*

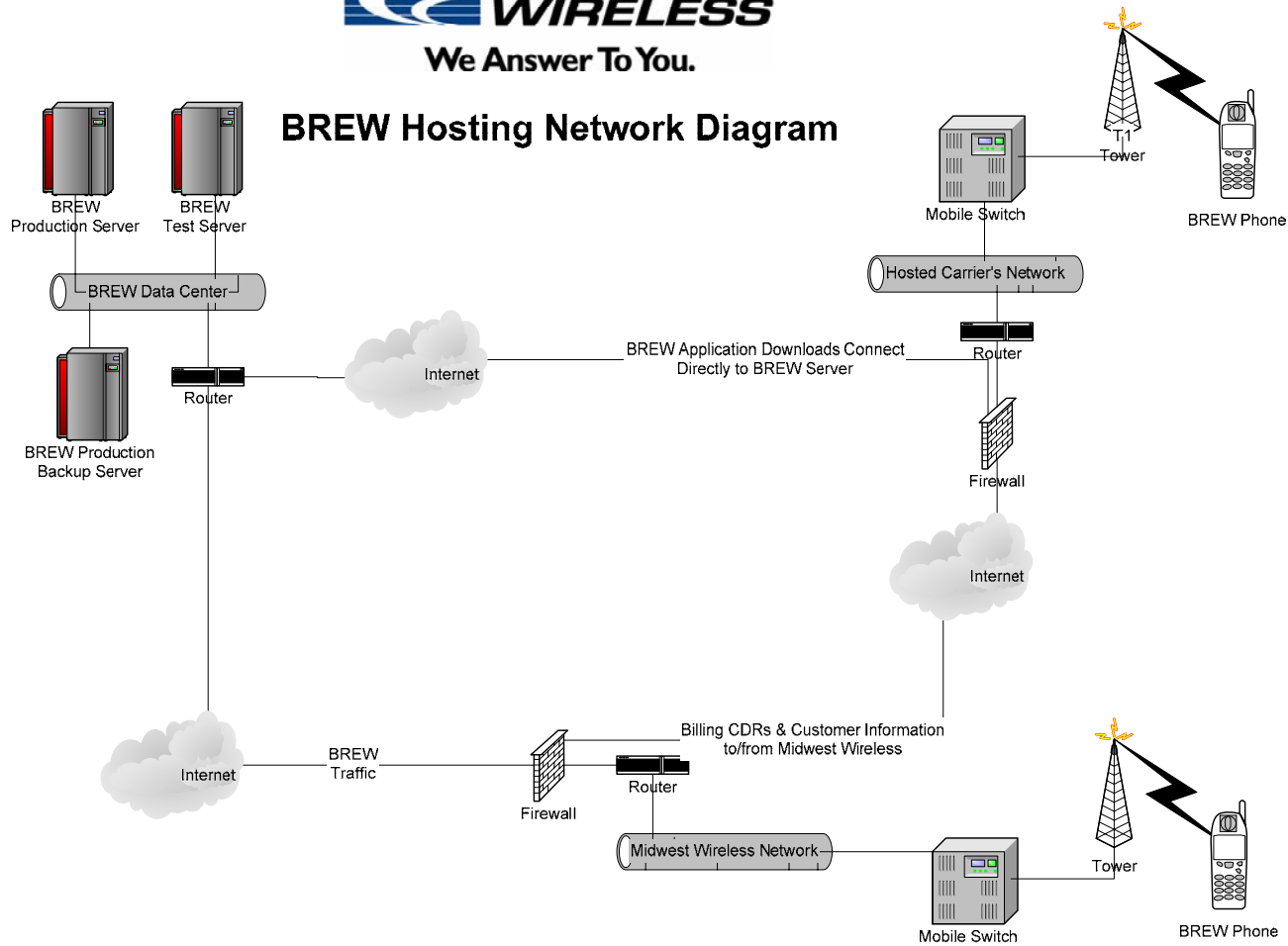


# How does it work - Post Paid Solution

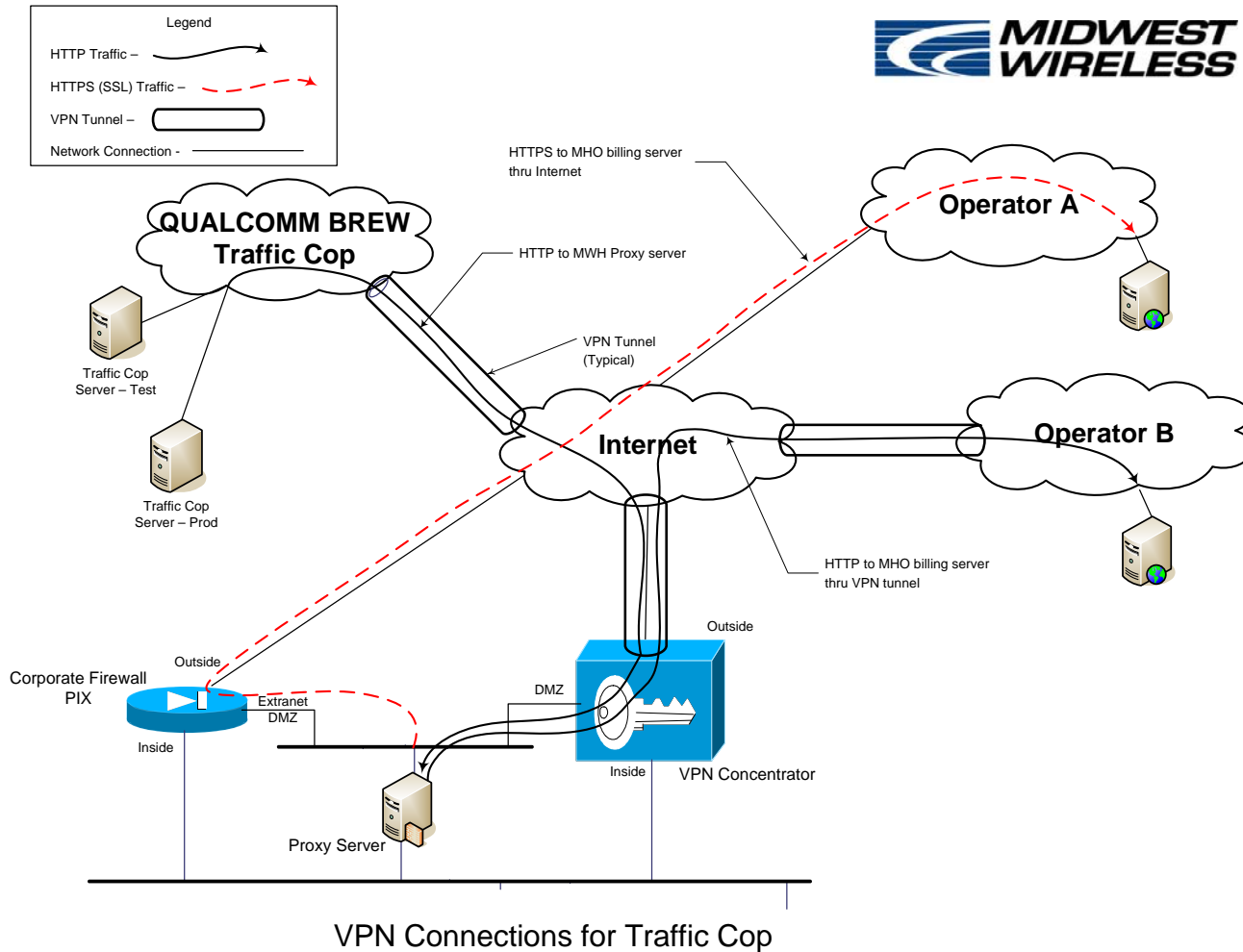


We Answer To You.

## BREW Hosting Network Diagram



# Pre-paid Solution Network Diagram



# How Does BREW Hosted Solution Work?

- **Handsets & PRI settings**
  - Pre-paid settings
  - Post-paid settings
- **Network Connectivity**
- **Catalog**
  - Maintenance
  - Segmentation
- **Relationship with Developers/Publishers**
- **Billing**

# Additional Support Offerings

- **Customer Care Support**
  - Customer Care Training
  - Second Level Operator Support
- **Marketing Support**
  - Promotions
  - Images
  - Web Site
- **Sales Training Support**
  - PowerPoint Presentations

# Success Stories

- **Unicel, Rural Cellular Corporation**
  - Northern Minnesota, Commercial July 2004
- **CellularOne**
  - Bermuda, Commercial July 2004
- **Bluegrass Cellular**
  - Kentucky, Commercial September 2004
  - “Three things stick out in my mind. First, ease of use. It’s easy being with Midwest Wireless because they take care of the catalog for us. Second, support with marketing and promotions. And third, affordability. If we didn’t have a hosted solution, it would be challenging as a rural carrier our size to be able to offer BREW to our customers. “  
Kellie Panter, Bluegrass Cellular

## QUALCOMM & Midwest Wireless Working Together

“Through the BREW hosting model, Midwest Wireless is playing an important role in expanding the data services market and is enabling other operators and their customers to realize the benefits of the BREW solution.”

*Bob Briggs, Sr. Vice President and General Manager, BREW*

# Thank you

- **Questions and Answers**