

## Optical TV Messaging and TV Coupon Technology

**The Technology:** **Optinetix Inc.** has developed a system for distributing printable messages through TV. A message (text and graphics) is encoded and added to the TV picture as a special bar-code banner at the bottom of the screen. The viewer needs to point a device similar to a remote control at the TV while watching the program and push a button on this device. The encoded message is then read from the TV screen by optical sensors on the device, decoded and immediately printed on a ticket-size paper by a miniature, built in printer. No changes are required in the TV set, in other equipment at the viewer's home, or in the broadcasting equipment.

### Main Application—TV Coupons:

One application of the **Optinetix** TV messaging technology is the distribution of product promotions and coupons to viewers, offering a tremendous business opportunity for advertisers and operators.

Over 50% of the households in North America use coupons in their routine shopping. Manufacturers of consumer packaged goods spend over \$3 billion every year on the printing and distribution of these coupons as free inserts in newspapers.

**Optinetix** offers a more effective and less costly way to bring these coupons and promotions into consumers' hands—by letting them “clip” the coupons optically— directly from TV ads.



The device optically intercepts the encoded coupon from the TV, restores the coupon and prints it.

**Immediate Deployment:** The **Optinetix** solution uses the existing infrastructure, with **no modifications** to subscribers' equipment, MSO cable plants or broadcasting equipment. The data signal is carried within the broadcasted video signal itself and captured optically from the TV screen by an inexpensive device, to immediately print the message. The existing broadcasting infrastructure, points of sale and current coupon processing **remain unchanged**. The **Optinetix** technology is patent pending.

**The compelling advantages of the **Optinetix** TV coupon solution are these:**

- It permits highly **effective distribution** of discount coupons directly from TV advertising or programs, offering a new method in the multibillion-dollar coupon business, which traditionally uses newspapers and direct mail to consumers.
- TV coupons raise TV commercial effectiveness and value, **motivating the viewer to watch ad spots**, as discount coupons can be “clipped” out of the ads themselves.
- The technology provides an accurate tool to **measure specific TV advertising effectiveness** in terms of the number of people that were sufficiently impressed by the ad, chose to “clip” the coupon and eventually made the purchase.
- The redemption process is identical to any paper coupon redemption and **uses the existing infrastructure**. In addition, each coupon has a unique, **traceable ID stamp** for marketing purposes as well as fraud prevention.

**Optinetix Inc.**, a US corporation with an R&D subsidiary in Israel, was founded with the aim of becoming a premier solution provider for product promotions in TV advertising.