



News Release

January 4, 2010

Contact: Ken Woo 1-425-609-3777 x10
kenneth.woo@mpanion.com

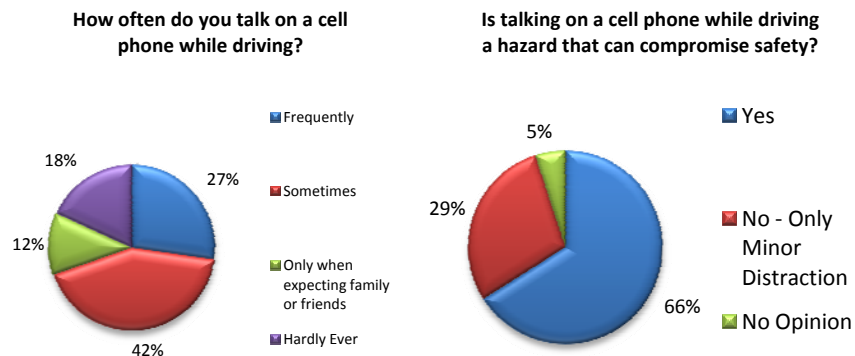
For Immediate Release

Location Based Services (LBS) Survey Contrasts Consumer Behavior Against Consumer Preferences

(SEATTLE, WASHINGTON) A majority of wireless phone users concede they use their phones to talk or text while driving and admit such behavior could cause accidents. At the same time, a number indicated they are not interested in restricting calls while driving or to have an LBS solution to allow callers to know they are operating a motor vehicle and cannot communicate. This is one of a number of interesting findings in a narrow study conducted by the Technology MBA program at the University of Washington Bothell for Mpanion™, a Seattle-based location based services firm.

Sixty nine percent of people surveyed said they frequently or regularly talk on cell phones while driving. Sixty-six percent allowed that such activity could cause traffic accidents, while another 29 percent said use of cell phones while driving causes only minor distractions.

Selected Results of University of Washington Bothell-Mpanion™ Study *Distracted Driving Issue*



At the same time, a number of users (42%) said they were not interested in technology solutions that would alert callers they were driving and not available to take their calls.

These results contrast with data from the National Safety Council which says driving while distracted -- talking or texting on a cell phone -- is a factor in one in five traffic accidents. Driving while distracted causes 636,000 accidents and 2,600 deaths every year, the council said, and drivers chatting on cell phones are four times more likely to crash than those who aren't. Two bills have been introduced in Congress calling for the prohibition of cell phone use while operating a motor vehicle.

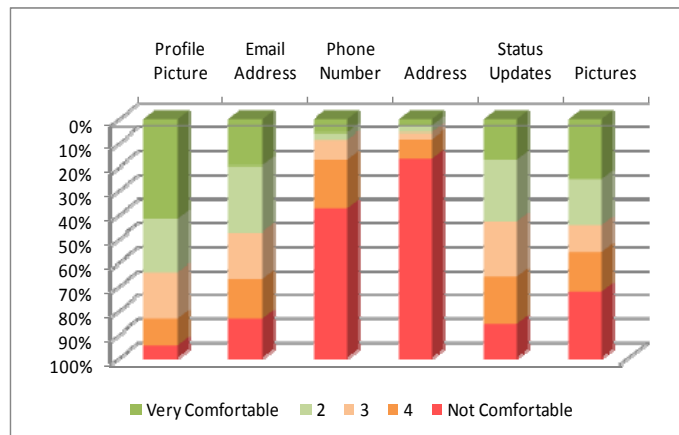
Those people surveyed tended to be heavy voice and data users who considered themselves frequent users who regularly access the Internet via their phones. Users primarily owned smartphones.

Location Based Services

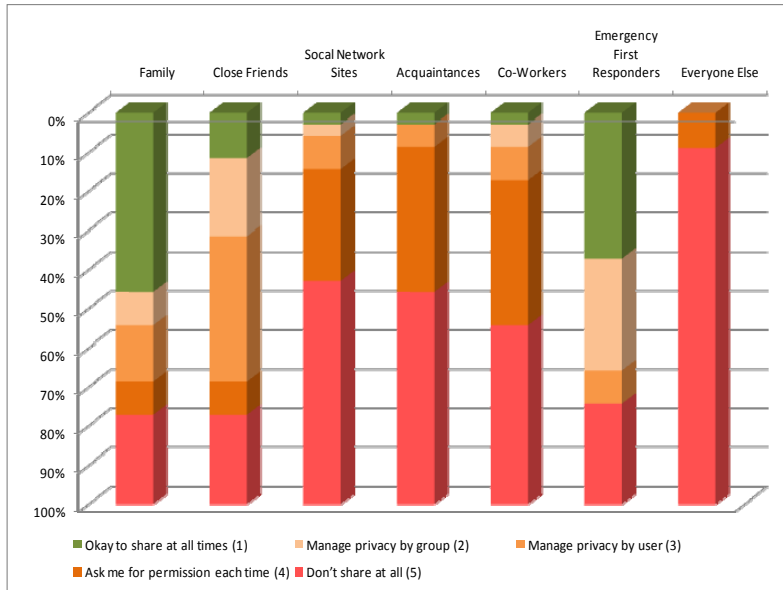
Location-based services (LBS) have been predicted as the next quantum leap for advanced wireless services. LBS can utilize a combination of wireless and Wi-Fi networks along with GPS technology to locate a person, place or object such as discovering the nearest automated banking cash machine, the whereabouts of a friend or family member, parcel tracking and vehicle tracking services. LBS can include mobile commerce, personalized information such as favorite places or location-based games. ABI Research predicts LBS will be a \$14 billion dollar industry within the next 48 months, up from \$2.6 billion today, a more than 400 percent increase.

LBS technology is not without cultural challenges. Conventional wisdom holds that younger people are more open with the proliferation of personal information witness the explosive growth of social networks such as Facebook or Twitter. Older consumers, however, value privacy and the confidentiality of personal information. Those surveyed in the University of Washington Bothell/Mpanion study were very conservative about what information they were willing to share and to whom they might wish to share it. A cornerstone of LBS services is the use of personal information to find people in order to determine their location, status or messages.

Survey Question: *What types of personal information do you feel comfortable making available online to people?*



Survey Question: *Who would you give access to your location and information and how would you prefer to manage location privacy?*



While respondents prefer to keep personal information close to the vest, a good portion said they would be interested in viewing the location details of friends and family via their mobile phones, even tracking their whereabouts while in transit. Fifty seven percent of the respondents were ages 26-35, while 30 percent were 36-50. The results of this limited study offer a thumbnail of issues the wireless industry will need to grapple with as LBS services begin evolving into everyday service offerings; most of which involve privacy and the levels of confidentiality people hold their personal information. Those who wanted a close hold on information were fearful of identity or financial theft, hackers, personal security and spammers.

About the Study

This study was conducted in December, 2009 by University of Washington Bothell MBA students under the direction of Professor P.V. Sundar Balakrishnan. Dr. Balakrishnan earned his doctorate degree at the Wharton School of Business at the University of Pennsylvania. Brooks Gekler, of the UW Bothell Business Development Center helped coordinate the project.

About Mpanion™

Mpanion™ is a leading wireless software developer of next-generation location-based services technology based in Seattle, Washington. The privately-held company was founded in 2007 with an aim to develop mobile location based applications that puts consumers in control of their location information, and to enable location sharing and enhance mobile experience without compromising location privacy.

###