



The Company

Founded in 1994 as a joint venture between Fujitsu Limited of Japan and Joel Ronning, President and CEO of Tech Squared, Inc., Digital River was created to enable the secure transmission of digital information.

The explosive growth of world wide computer networks including the Internet and the proliferation of high capacity rewritable store media offers a new and highly efficient venues for distribution of Digital Data. With two years of development and seven pending patents on it's technology, Digital River offers software publishers and resellers the secure, turn-key capacity to deliver their products digitally to customers via the Internet or on a wide variety of storage media.

The Products

The key advantages to digital delivery of software include:

- Immediate delivery of product with little or no cost of goods
- Low risk of stock obsolescence
- Lower shipping and handling costs
- Reduced "time to market"
- Powerful marketing options
- Wide distribution with 100% user registration
- Environmentally friendly

These efficiencies of distribution allow for attractive pricing for endusers with higher profit margins for publishers and vendors.

Digital River's products and services make these benefits available to manufacturers, dealers and customers now. Current offerings include:

- Digital River's Secure Sales System (SSS) brings together software manufacturers and dealers enabling them to sell and deliver product via the Internet. This service will provide all digital delivery, security, collections and reporting of the sale of software. Throughout this process it will appear to the consumer as if the

transaction is being processed by the manufacturer or dealer while the Digital River SSS is handling the whole transaction "behind the scenes".

- Digital River's Self Encrypted Application System (SEAS) and Browser Encrypted System allow for the free distribution of encrypted Macintosh software so that users may use the software a limited number of times on a trial basis. If the user then wants to purchase the software, they need only call a toll free number to receive a decryption code. If they choose not to purchase the software, it may be erased or will self-destruct after 10 trial uses. These "digital" packages are delivered to the customer with a familiar, intuitive and standard interface.

The Service

A key advantage to a partnership with Digital River is the high level of service offered by the company, including customization of Web presentation so that the SSS remains behind the scenes, rapid posting of new software and new versions, and of course timely reporting and payment on all software sales. Included in the reporting will be each customers name, address, phone number and a user profile that will provide manufacturers and dealers with unprecedented marketing opportunities in the future.

