

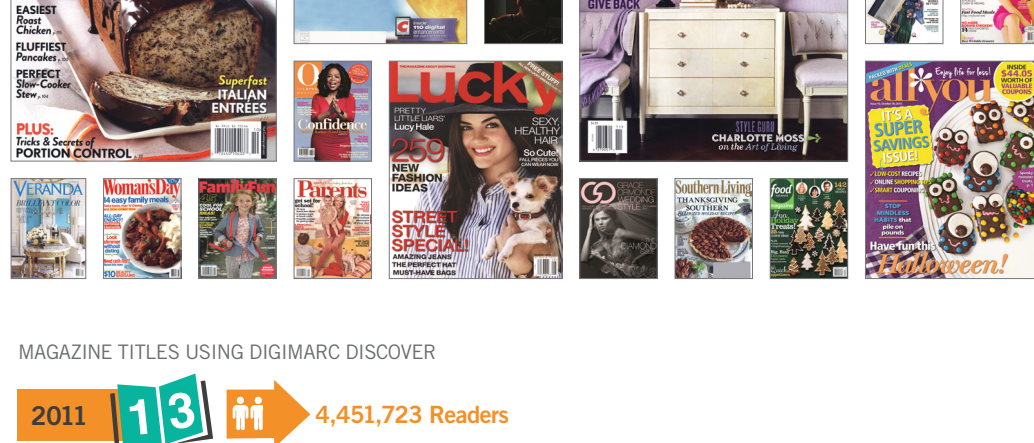


DIGITAL WATERMARKS IN MAGAZINES:

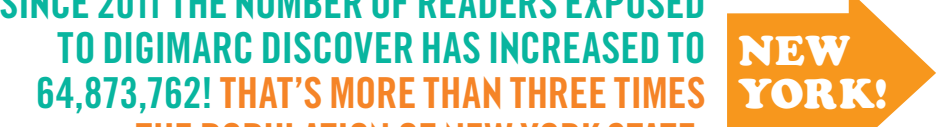
2013 TRACTION REPORT

This year's traction report finds continued growth in the number of U.S. magazine titles using Digimarc® Discover to drive mobile engagement from print. Each category tracked continues to show positive trends between Digimarc's digital watermarking technology and today's magazine publishers. With Digimarc Discover, driving consumer engagement from print has never been easier.

WHICH MAGAZINES ARE USING DIGIMARC DISCOVER?



MAGAZINE TITLES USING DIGIMARC DISCOVER



 = 2,500,000 ADDRESSABLE MARKET READERS
(Addressable market is the total combined circulation of the magazines.)

SINCE 2011 THE NUMBER OF READERS EXPOSED TO DIGIMARC DISCOVER HAS INCREASED TO 64,873,762! THAT'S MORE THAN THREE TIMES THE POPULATION OF NEW YORK STATE.



THE DIGIMARC DISCOVER APP

BY THE END OF 2013, ESTIMATED DOWNLOADS OF THIRD PARTY DIGIMARC-ENABLED APPS WAS MORE THAN 3 MILLION



These are some of the top Digimarc-enabled mobile apps in 2013.



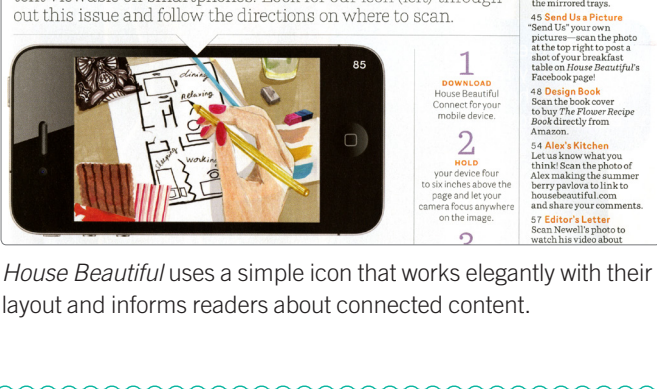
THE NUMBER OF DIGIMARC DISCOVER APP DOWNLOADS IN 2013 NEARLY TRIPLED FROM THE NUMBER OF DOWNLOADS IN 2012.

HOW MANY DIGIMARC IDs HAVE APPEARED IN U.S. MAGAZINES?



READER ENGAGEMENT

75% OF ALL SCANS OF DIGIMARC-ENABLED CONTENT IN 2013 WERE EITHER RECIPE OR SWEEPSTAKES RELATED.

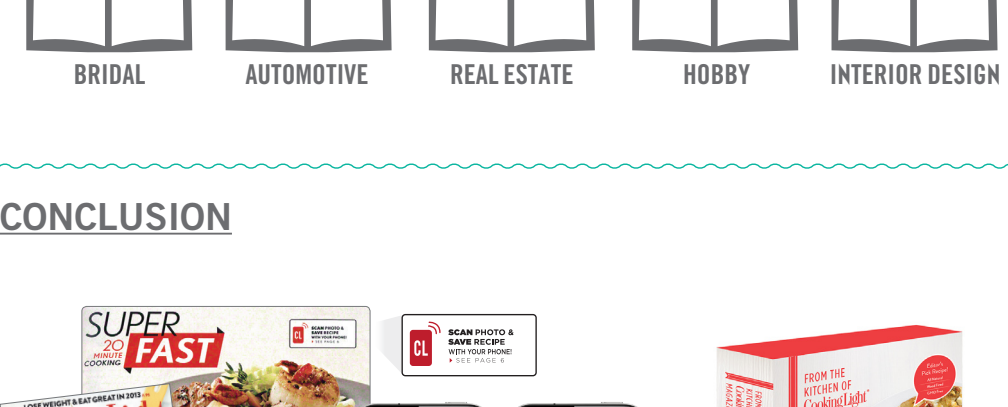


IN 2013, *HOUSE BEAUTIFUL* AND ITS ADVERTISING PARTNERS LAUNCHED "SHOPPABLE ADS" – A BREAKTHROUGH MADE POSSIBLE BY DIGIMARC – WHICH INDICATES THAT THE INDUSTRY IS HEADED IN A "BUY NOW" DIRECTION.

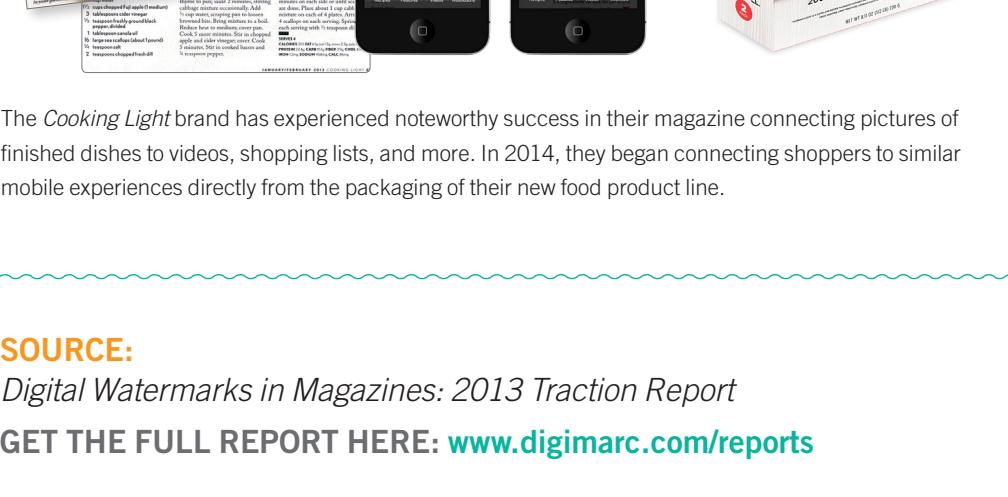
WHAT ARE THE MOST POPULAR MAGAZINE CATEGORIES FOR DIGIMARC DISCOVER?



FOOD & NUTRITION, LIFESTYLE AND REGIONAL INTEREST HAD 77% OF ALL READER ENGAGEMENT SCANS FOR 2013.



CONCLUSION



The *Cooking Light* brand has experienced noteworthy success in their magazine connecting pictures of finished dishes to videos, shopping lists, and more. In 2014, they began connecting shoppers to similar mobile experiences directly from the packaging of their new food product line.

SOURCE:
Digital Watermarks in Magazines: 2013 Traction Report
GET THE FULL REPORT HERE: www.digimarc.com/reports