



2014 Global In-Vehicle Infotainment Product Leadership Award



F R O S T & S U L L I V A N



50 Years of Growth, Innovation & Leadership

Background and Company Performance

Industry Challenges

When two industries collide with one another, a multitude of challenges can arise: increased number of competitors, disrupted business partnerships, variations in respective product cycles, supply chain deviation, or product pricing discrepancies. Within the past 3-4 years, Frost & Sullivan has observed a flood of organizations from the technology industry attempting to improve upon the connected car. Historically, the automotive industry has notably longer product cycles not affected by other industries. In today's digital world, this is far from the case. The automotive industry must adapt to the faster moving technology world, especially when considering the development of the connected car. Companies in both industries must embrace the challenges they face in order to succeed and enjoy continued success. Tech companies should respect the much longer life cycle for a vehicle and continue to offer downloadable updates or provide open access to their respective solutions. There is an invariable race within the tech-sphere to develop the most useful and relevant software, a challenge in itself. Frost & Sullivan points out that Cinema has truly persevered and demonstrated why it's here to stay.

Implementation and Product Excellence of Cinema

Criterion 1: Technological Sophistication

If a niche company expects to succeed in what is growing to be a very competitive digital world, an outstanding product and/or solution is needed. Frost & Sullivan appreciates the fact that Cinema's multimedia solution grants it the influx of recent success that the company has experienced by partnering with top technology and automotive companies. Cinema has brought a critical technology seen across personal computers and tablets into the vehicle - the ability to play and manage virtually any media file, disc and stream type seamlessly through a vehicle's IVI (in-vehicle infotainment) system. Cinema has clearly leapfrogged its competitors through the implementation of this software solution into vehicles. The company's ability to create simultaneous playback of multiple HD streams makes its media engine quite unique. Cinema provides a distributed playback that can be streamed to multiple clients in all of the various popular audio/video formats.

Creating a versatile solution that can not only support the numerous files, disc and stream types, but also function across vehicle head units and rear seat options, requires the utmost sophistication. Cinema's technology is attracting top automotive names like Mercedes and its luxury flagship S-Class, along with its 30 million plus lines of programming needed to operate the vehicle and IVI system. Furthermore, in today's digital world, numerous consortiums have arisen that have grouped various auto and tech companies together. The GENIVI alliance, which strives for broad adoption of open-source IVI platforms, has recently seen multiple IVI design wins based on Cinema's automotive grade multimedia playback. Participation in the GENIVI alliance allows Cinema to widely

display its technological sophistication through the variety of projects supported by GENIVI and its various contributors.

Criterion 2: Process Design

Creating an efficient and streamline process for rolling out a new software solution is integral in the now fast converging technology and automotive industries. With connected vehicles growing in Europe and North American by over 20% from 2013 to 2014, car and truck manufacturers report to Frost & Sullivan how they are making every effort to keep pace with the drastically shorter tech product life cycle; compare a car/truck with a 5-6 year cycle versus tech devices, which can have cycles as short as 6 months. Cinemo has made the adoption of its solution as consistent as possible. The amount of code in today's vehicles greatly exceeds those of personal computers. Factoring in the various brands and individual vehicles, the volume of code is nearly endless.

Cinemo has developed a solution that can be easily fitted to any vehicle, creating an OEM (original equipment manufacturer) agnostic approach. An example of Cinemo's process design that sets it apart from its competitors can be seen with its pioneering playback through Texas Instrument's OMAP 5 and Jacinto 6 platforms. Cinemo developed an industry-leading Blu-ray disc playback method that includes 7.1 channel audio playback. This unique software integration is ideal for those IVI systems that demand optimum performance and quality.

Cinemo possesses the ability to cross all brands and their respective embedded multimedia solutions both for high-end or entry level systems — a process design that positions Cinemo atop its field. In today's fast-paced and highly adaptive world, this type of software is a rarity. Other companies across the tech industries (Cinemo's competitors) are incurring expensive development costs in order to integrate their respective products across vehicle brands. These superfluous costs have been preventing many firms from creating lucrative business partnerships and, in some cases, breaking even financially. Cinemo's ideal process design allows it to essentially cross pollinate its solution across the auto industry without the incremental costs sustained by aspiring tech firms. In addition, at the 2014 CES (Consumer Electronic Show) event, Cinemo's distributed playback design, a single piece of its entire software solution, earned the company two distinct honoree awards.

Criterion 3: Operational Efficiency

Business relationships and employee development are both critical elements to business success. Cinemo has the advantage of being a niche company, yet still carries the reputation of the "big fish in a small pond," as displayed by its success at CES. While everyday drivers may not yet recognize the name Cinemo, this is not a necessity. What is a necessity is providing consumers with a solution that offers error-free media playback. Being a niche company allows an organization to keep its business model concise and

effective, earning revenue for every vehicle it outfits. The whole of Cinemo's staff clearly understands the needs of not only vehicle manufacturers, but after-market products as well. At any point in time, Cinemo's team can offer insight on its software. However, once Cinemo's software hits vehicles, the solution is near error free. According to Cinemo this is a staple of the company, which happens to be a primary selling point, one that numerous OEMs respect and employ.

With a variety of competitors, Cinemo is able to separate itself by offering a seamless solution through knowledgeable and experienced staff. Being able to readily serve numerous customers is difficult for a smaller organization; however, when the solution is near fail-safe, the staff is able to facilitate numerous partnerships. Once the solution is delivered, the OEM is able to freely manipulate Cinemo's software based on its respective infotainment system and software. The Cinemo team remains available for any operational support; however, Cinemo's model ensures that further software maintenance is unnecessary given the near crash-proof solution.

Lastly, Frost & Sullivan recognizes yet another key concept that's contributed to Cinemo's success: an ideal known as future proofing. Cinemo's software was designed with the evolving digital landscape. For example, Cinemo's rear seat entertainment capabilities feature an extension through an app available across all major smartphones: Apple, Android, or Microsoft. Cinemo's idea of future-proofing further adds to its efficiency and lets consumers make adjustments according to their personal preferences. If automotive and tech companies have one common goal, it is to provide the driver with the best experience behind the wheel. Frost & Sullivan research shows that a vehicle's audio solution is a critical element for the driver experience.

Criterion 4: Product/Service Value

In the evolving automotive industry, supply chain pricing remains a noteworthy subject. Major OEMs have had reputations tarnished due to pricing disputes. Cinemo, as a smaller company with a unique product offering, has the ability to fairly price its solution and provide its clients with not only an excellent product, but also superior service. Cinemo is able to strategically price its solution in a manner that attracts OEMs and keeps it at an advantage both product- and service-wise over its competitors.

A unique selling point behind Cinemo's embedded multimedia service is that its solution is reported to be crash free. Cinemo has conducted countless tests with a multitude of file, disc and stream types that ultimately resulted in a superior product that provides customers with the best value. It is no surprise that Cinemo's product has experienced such success. Recent partnerships with industry leaders are evidence of Cinemo's proven solution. In early 2014, aftermarket leader Alpine announced a partnership with Cinemo, which will be providing a highly optimized unified playback service for a wide variety of Alpine IVI systems. Cinemo recently partnered with music recognition leader Gracenote. This partnership will produce the next generation of millions of in-car entertainment

solutions. Gracenote's technology is currently in over 50 million vehicles, and Frost & Sullivan believes that in time it is possible for Cinemo to reach these numbers given the superior product, competitive price, and newly established industry partnerships.

Criterion 5: Positioning

Cinemo has positioned itself in a unique place within the merged auto and tech industries. With all of the blossoming relationships developed by Cinemo, millions of vehicles will have a technology that supports nearly every audio file played through the IVI system, yet unknown to the driver or passenger — an idea that Cinemo is quite comfortable with. Given the rise of connected vehicles, Cinemo's solution becomes even more important to OEMs and aftermarket manufacturers. Smartphones and tablets will be brought into the vehicle and connected to the embedded system. With the variety of media types, whether it is video or audio files, Cinemo has an answer. The company has positioned itself as a single supplier for a vehicle's multimedia and media management stack with easy integration that ultimately saves the customer what can be expensive development costs. Harman, Alpine, Aisin AW, Mitsubishi Electric, Microsoft and Visteon are all associated with Cinemo's technology. When a niche company can partner with the aforementioned players, its solution exemplifies success. Frost & Sullivan feels that with Cinemo's pioneering media engine, the company has positioned itself perfectly and will continue to thrive in the growing connected car industry.

Criterion 6: Reliability & Quality

As stated earlier, the time discrepancy seen with the life cycle of a tech product has the potential to be 4–5 years shorter than that of a vehicle. Consequently, tech companies that have entered the automotive industry created a challenge for themselves by needing to create a product or solution that will essentially stand the test of time.

Cinemo's compliance with the GENIVI program will improve its industry brand and help achieve one long-term goal of GENIVI: creating a faster time-to-market for IVI equipment and software. Cinemo has a distinct advantage over its other competitors, due to the fact that its solution works across diverse automotive brands, along with all the differing automotive hardware and software. This solution's ability to play and manage media ranging from a Blu-Ray disc to mp4 audio files gives its clients a unified media stack solution. Cinemo's metadata database ensures an unwavering playback of virtually any audio and video type. Looking forward in the connected vehicle ecosystem, Frost & Sullivan firmly believes that with Cinemo's modular architecture and platform specific optimization, Cinemo will continue to make a lasting impression. Cinemo's goal is not to be just the quality solution in a vehicle's center-stack, but to provide consistent playback and media management for rear-seat entertainment centers and multi-zone audio systems.

Conclusion

Companies in both the tech and auto industry strive to simplify a driver's experience in the car, a task not easily achieved. Cinemo provides an unmatched service to global OEMs and leading aftermarket manufacturers. The company offers software for the vehicle's center multimedia stack, as well as rear-seat entertainment centers. What truly makes Cinemo stand out from its competitors is its ability to offer a modular hardware and OS independent solution. Its portable architecture can be integrated across vehicle brands, saving its customers from expensive development costs. Cinemo's positioned itself as a single supplier for a one-of-a-kind multimedia solution that plays manages media universally through the vehicle. Based on the aforementioned criteria as benchmarked through Frost & Sullivan independent analysis, Cinemo is the recipient of the 2014 Global Product Leadership Award.

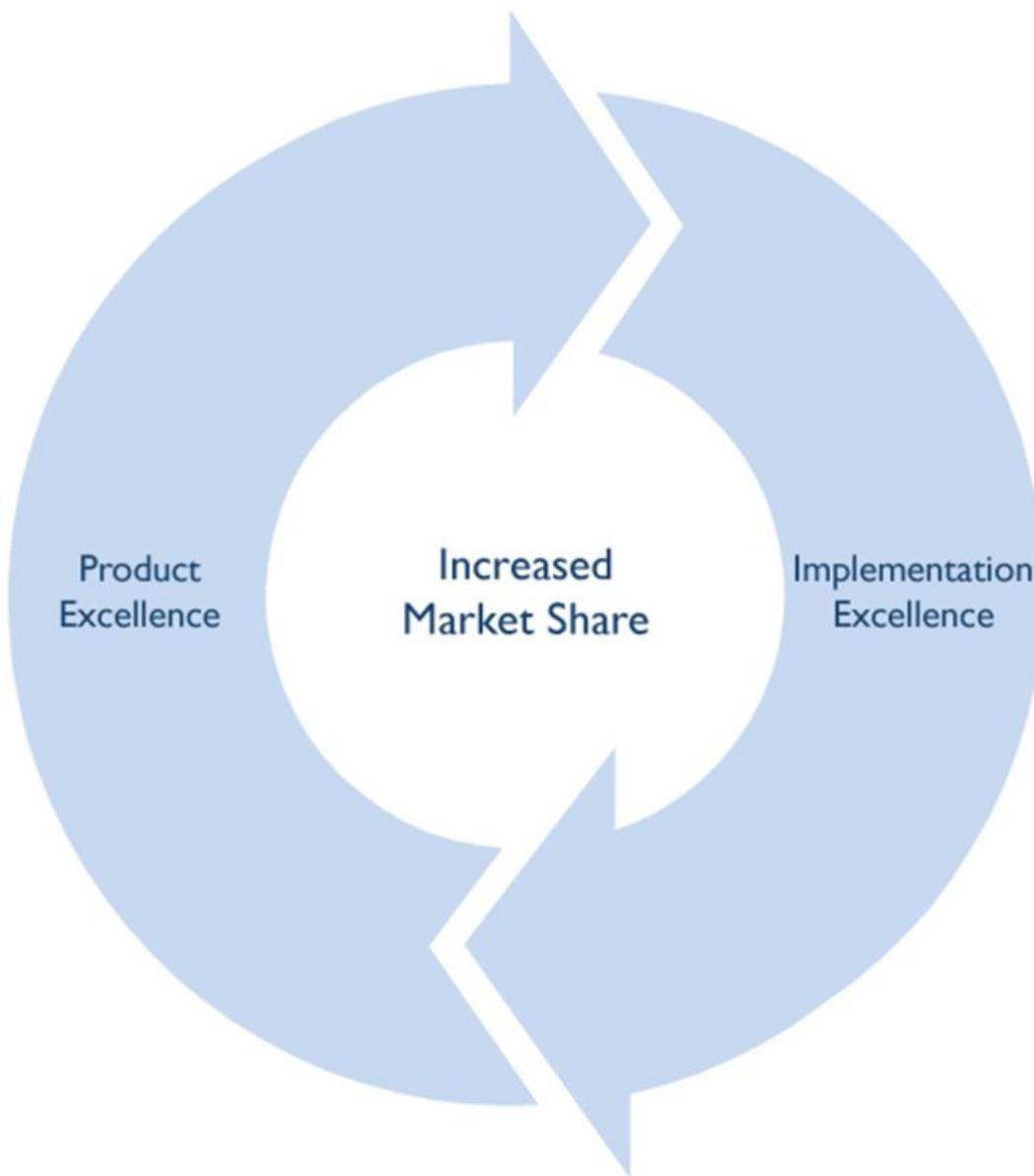
Significance of Product Leadership

Ultimately, growth in any organization depends upon customers purchasing from your company, and then making the decision to return time and again. A comprehensive product line, filled with high-quality, value-driven options, is the key to building an engaged customer base. To achieve product and implementation excellence, an organization must be best-in-class in three key areas: understanding demand, nurturing the brand, and differentiating from the competition.



Understanding Product Leadership

Demand forecasting, branding, and differentiation all play a critical role in finding growth opportunities for your product line. This three-fold focus, however, must be complemented by an equally rigorous focus on pursuing those opportunities to a best-in-class standard. Customer communications, customer feedback, pricing, and competitor actions must all be managed and monitored for ongoing success. If an organization can successfully achieve dual excellence in product line and in implementation, increased market share will inevitably follow over time.



Key Benchmarking Criteria

For the Product Leadership Award, Frost & Sullivan analysts independently evaluated the total client experience and strategy implementation excellence according to the criteria detailed below.

Implementation Excellence

- Criterion 1: Vision Alignment
- Criterion 2: Process Design
- Criterion 3: Operational Efficiency
- Criterion 4: Technological Sophistication
- Criterion 5: Company Culture

Product Excellence

- Criterion 1: Match to Needs
- Criterion 2: Reliability and Quality
- Criterion 3: Product/Service Value
- Criterion 4: Positioning
- Criterion 5: Design

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

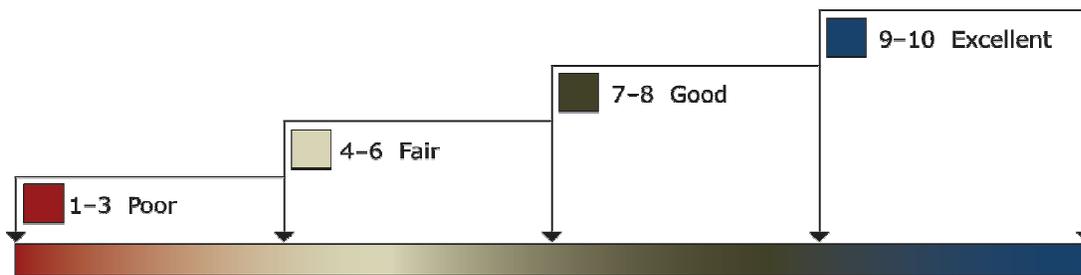
Frost & Sullivan’s 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often, companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation



platform for benchmarking industry players and for identifying those performing at best-in-class levels.

Decision Support Scorecard and Matrix

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Scorecard and Matrix. This analytical tool compares companies' performance relative to each other. It features criteria unique to each award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. This tool allows our research and consulting teams to objectively analyze performance, according to each criterion, and to assign ratings on that basis. The tool follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are illustrated below.



Best Practice Award Analysis for Cinemo

Decision Support Scorecard: Implementation Excellence

The Decision Support Scorecard illustrates the relative importance of each criterion and the ratings for each company under evaluation for the Product Leadership Award. The research team confirms the veracity of the model by ensuring that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

Finally, to remain unbiased and to protect the interests of all organizations reviewed, we have chosen to refer to the other key players in as Company 2 and Company 3.

DECISION SUPPORT SCORECARD FOR PRODUCT LEADERSHIP AWARD (ILLUSTRATIVE): IMPLEMENTATION EXCELLENCE

<i>Measurement of 1-10 (1 = poor; 10 = excellent)</i>	Award Criteria					
Implementation Excellence	Vision Alignment	Process Design	Operational Efficiency	Technological Sophistication	Company Culture	Weighted Rating
Relative Weight (%)	20%	20%	20%	20%	20%	100%
Cinemo	9	10	9	10	9	9.4
Company 2	6	7	6	7	7	6.6
Company 3	8	6	5	5	6	6.0

Criterion 1: Vision Alignment

Requirement: The executive team is aligned on the organization’s mission and vision

Criterion 2: Process Design

Requirement: Processes support the efficient and consistent implementation of tactics designed to implement the strategy

Criterion 3: Operational Efficiency

Requirement: Staff performs assigned tactics seamlessly, quickly, and to a high quality standard

Criterion 4: Technological Sophistication

Requirements: Systems enable companywide transparency, communication, and efficiency

Criterion 5: Company Culture

Requirement: The executive team sets the standard for commitment to customers, quality, and staff, which translates directly into front-line performance excellence

Decision Support Scorecard: Product Excellence

DECISION SUPPORT SCORECARD FOR PRODUCT LEADERSHIP AWARD (ILLUSTRATIVE):
PRODUCT EXCELLENCE

Measurement of 1-10 (1 = poor; 10 = excellent)	Award Criteria					
	Match to Needs	Reliability and Quality	Product/Service Value	Positioning	Design	Weighted Rating
Product Excellence						
Relative Weight (%)	20%	20%	20%	20%	20%	100%
Cinemo	9	10	10	10	10	9.8
Company 2	7	6	7	7	7	6.8
Company 3	6	7	6	5	7	6.2

Criterion 1: Match to Needs

Requirement: Customer needs directly influence and inspire a product’s design and positioning

Criterion 2: Reliability and Quality

Requirement: The product consistently meets or exceeds customer expectations for performance and length of service

Criterion 3: Product/Service Value

Requirement: Products or services offer the best value for the price, compared to similar offerings in the market

Criterion 4: Positioning

Requirement: The product or service delivers a unique, unmet need that competitors cannot easily replicate or replace

Criterion 5: Design

Requirement: The product’s visual presentation makes it easy to use, and makes customers happy to use it

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best in class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages almost 50 years of experience in partnering with Global 1000 companies, emerging businesses and the investment community from 31 offices on six continents. To join our Growth Partnership, please visit <http://www.frost.com>.