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With More Than 280 Million Mobile Subscribers Today, Single Touch Systems Inc. is in The Right Market at The Right Time, Using Mobile as a Channel for Retailers, Advertisers and Brands to Better Connect to On The Go Consumers



Single Touch Systems Inc.

**Mobile Media
 Technology
 Wireless Communications
 (SITO-OTC: BB)**



James Lawrence Orsini
Chief Executive Officer
and Director

BIO: James Orsini is Chief Executive Officer and a member of the Board of Directors of Single Touch Systems Inc. (SITO), the mobile media solutions provider serving retailers, advertisers and brands. His principal office is in the Newport Office Center in Jersey City, New Jersey. Orsini came to SITO from Saatchi &

Saatchi, the famed “Lovemarks” advertising agency and flagship brand of Publicis Groupe, where he was Executive Vice President and Director of Finance and Operations.

Company Profile:

Single Touch Systems Inc. (SITO) is an innovative mobile media solutions provider serving retailers, advertisers and brands. Through patented technologies and a modular, adaptable platform, SITO’s multi-channel messaging gateway enables marketers to reach consumers on all types of connected devices, with information that engages interest, drives transactions and strengthens relationships and loyalty.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com

CEOCFO: Mr. Orsini, what attracted you to Single Touch Systems?

Mr. Orsini: The mobile space is just unbelievable, with 280 million subscribers here in the U.S. and growing. The world is filled with three screens: you have a television screen, a computer screen and a mobile screen. However, all that happens on both the television and computer can eventually happen on the mobile screen.

CEOCFO: What does Single Touch Systems do?

Mr. Orsini: We are an integrated mobile media solutions provider servicing retailers, advertisers and brands through our patented technologies. We have over sixteen proprietary patents in this space already secured. For us, mobile is not a strategy, rather, it is a channel. With my ex-

perience working with some great retailers like JC Penney in the past and advertisers worldwide like Proctor & Gamble, General Mills and working for some of the great branding companies in the world like Saatchi and Interbrand we look forward to connecting the dots and fully actualizing the promise of mobile for today’s cost conscious and time pressured marketers.

CEOCFO: Would you tell us about your product offerings?

Mr. Orsini: We are focusing on three offerings now. The company does more, but I needed to peel it back a little and focus on our critical offerings. First, we have Abbreviated Dial Code, which is something like #MTV, #WMT. We have what we are calling Come here/ be there Reminders. This is an application for shoppers to be alerted when items that they have purchased are ready for pick-up, such as “your tires have been installed, come pick up your car”; “your prescription is ready come and pick it up”; or “your delivery is on its way”. The third offering that we have is mobile couponing and mobile advertising.

CEOCFO: Are retailers in general up to date in what they need to be doing or do they still need to be educated in how important it is to have the mobile connection?

Mr. Orsini: Our industry is in the early stages of development and acceptance. It is much like the early days of the internet when you thought that if you had a landing page or simply loaded up your print brochure digitally, you were on the internet. However, we have now found that this is

really not the case. So it is with mobile media. Retailers are just beginning to realize that, as with the internet, in mobile, there are some solutions that are more optimal than others. With my background, I'm in a perfect place to productize our offerings around the needs of today's retailers and to serve them up so that, even if they don't see the advantages of mobile yet, they soon will. From a retailing standpoint, it is important that they continue to better their relationship with their consumers. What better way to accomplish this than to speak to their consumers right at the point of sale.

CEOCFO: Would you give us an example of how someone is making use of your services today?

Mr. Orsini: We have worked with one of the largest, if not the largest, retailers in the world. If you drop your prescription off at their pharmacy, you

could continue shopping and have the convenience of receiving a text or voice reminder on your cell phone. We are sending, on average, 15 million reminder messages per month. This allows the consumer to continue shopping, rather than exiting the store and calling to check up on their order later.

Reminder messages serve multiple purposes. In addition to keeping consumers in the store longer because they know they will get a reminder, as soon as their prescription is ready it also prevents calls to the pharmacy by anxious consumers who are looking to check on the status of their prescription. This is helpful to the retailer as these check up calls pull pharmacists and staff away from their duties when they have to answer the phone. It also reduces restocking charges. There is legislation now where the only one who can restock pharmaceutical items are authorized pharmacists. If you do not come and pick up your prescription, the pharmacists are the only ones who can put it back on the shelf. Therefore, this helps to reduce restocking costs.

CEOCFO: Would you be sending them other things as well?

Mr. Orsini: In addition to stand alone Ready Reminder services, it is possible to enhance this service with appropriate promotions or coupons. For other Single Touch clients we also feature tailored Abbreviated Dial Codes. For example, you could dial #taxi and get a taxi cab.

CEOCFO: Is the environment moving in a direction that will help people recognize the value of the Single Touch product offerings?

Mr. Orsini: Eventually cell phones will move from a communications device to a media consumption device. However, most do not understand the eco-system of media verses creative advertising versus branding. What is happening now is that this space is saturated with tech guys, so there are too few marketing and media guys who really understand how to utilize mobile media efficiently and effectively to better communicate with

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and to begin to have stronger relationships with consumers. Therefore, marketers are not doing enough to promote their mobile offerings and when they do, unfortunately they often times do not do it in the most compelling way. Also, people consume different content differently. The way you consumer content on the television is different from the way you consume information on the computer or on a mobile device. So the messaging needs to be appropriately crafted and made not only readable from a technology standpoint, but in an abbreviate format. That is what I hope to bring to Single Touch. I am hoping to bring to our industry a translational approach to make it mobile media communications easier for consumers to consume information delivered within the mobile space.

CEOCFO: What is the competitive landscape for Single Touch?

Mr. Orsini: When I look at the competitors, they are predominantly tech companies. We have competitors in each of those three pillars that I mentioned. We have competitors who are doing Abbreviated Dial Code; we have competitors who are doing SMS text and voice messaging, and those who are doing advertising and couponing. I am not sure there is one, beyond Single Touch, that does it all, as we do, through all of the type of proprietary technology and patents we have. Certainly, not one of our competitors do it with our approach to and understanding of branding, marketing, consumer purchasing behaviors and relationship management. Advances in mobile media is not going to be about simply pushing technology, but rather success will be about creating meaningful relationships with consumers at the point of sale.

CEOCFO: Single Touch has some well-known customers; how do you decide whom to target?

Mr. Orsini: That is part of what we are going to work on in the next 100 days, because I want Single Touch to be "the go-to mobile solutions provider". If you have a mobile need I want your first port-of-call to be Single

Touch Systems; I want to be on your speed dial. I am relatively certain one of my three current offerings and several innovative notions we've already begun working on, will be right for what is needed. For example, there might be a company where same-store sales have been down and is looking for innovative ways to keep their consumers in the store. We might want to make it easier for the consumer to make a purchase while on the road. You may want to increase that customer service from a gold or platinum perspective, so you want to get that special touch that special treatment to those that are part of your customer base. Well, one of our abbreviated dial codes might be right for you. Obviously, we know direct marketing; couponing and promotions have been hugely successful in the past and will continue to be. I can assure you that clipping newspapers and walking around with bundles

of papers is NOT going to be the preferred option for consumers for much longer. Everyone has his or her cell phone all the time. To somebody look into any media environment, think of the living room or the boardroom, count the TVs, computers, multiply by two and that is usually the number of cell phones in that same environment, whether it is the living room or the boardroom. The future of marketing is mobile devices.

CEO CFO: Are you looking to add staff or change your team?

Mr. Orsini: Yes, we are. In fact, we will be opening our headquarters office in Newport Corporate Center in Jersey City. Therefore, we will then have four offices: one in Jersey City, I am finalizing the deal now for Bentonville, Arkansas, and we remain in Boise, Idaho, and Encinitas, California.

CEO CFO: Why Idaho?

Mr. Orsini: That is where our developers reside.

CEO CFO: What is the financial picture like for Single Touch today?

Mr. Orsini: Single Touch has been around for more than nine years and publicly traded for more than three years. However, we will now be mov-

ing to an operational structure. That is part of what I am here to do. I want to round out a management team, to round out a board of directors, and to really position Single Touch to be the billion-dollar company that we want it to be.

CEO CFO: Would you tell us about the Single Touch patents?

Mr. Orsini: We have patents around the Abbreviated Dial Code, mobile advertising, mobile couponing, streaming video and another half a dozen patents that I haven't even figured out how to commercialize just yet. Additionally, we have several in the pipeline pending approval.

CEO CFO: Have you done or will you be doing much investor outreach?

Mr. Orsini: Yes, we will, once we really position the company for where we want to take it. However, we want to anchor it down and make sure that we have the right management team, and a well rounded board in place. Actually, we will soon be expanding the board. Then we will be ready to take this to the investment community. There are a couple of analysts tracking us right now, but we are pretty much a well kept secret right now.

CEO CFO: Why should potential investors pay attention to Single Touch Systems?

Mr. Orsini: With 90 million subscribers on AT&T, and 92 million on Verizon, and 100 million on all others, for a total of more than 280 million subscribers, and growing, and a Single Touch technology that translates cross-border and that is carrier agnostic, Single Touch is a company that is now being led by a marketing guy who has done business with some of the best brands in the world, in twenty-six countries. With this as a backdrop, and with a client portfolio that includes some of the largest retailers in the world, I submit that Single Touch is a compelling offering.

CEO CFO: Final thoughts, what should people remember most about the Single Touch story?

Mr. Orsini: Just the fact that I cannot tell you how excited I am to be a part of it. I think I am in the right industry at the right time with the right leadership skills to really bring Single Touch to the next plateau.



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