



+ Country overview – 2008

- Population – 187 million (193 million in February 2010)
- Gross Domestic Product (GDP)* – US\$ 1,8 trillion (R\$ 2,9 trillion)
- Illiteracy rate – 9,8%
- Higher education numbers** – 236 public universities and colleges; 437 community / religious; 1.579 private
- Advertising market: US\$ 14,6 billion (R\$ 23,8 billion)
- Media shares: TV 58,8%; newspaper 15,9%; Magazine 8,5%; Radio 4,2%; Cable TV 3,7%; Internet 3,5%; Cinema 0,4% (Pricewaterhouse Coopers)

* IBGE – Brazilian Institute of Geography and Statistics

** INEP – National Institute of Educacional Studies and Research

+ Telecommunication industries overview 2008

ICT equipment in households*

- TV – 97%
- Radio – 86%
- Mobile phone – 72%
- Wireline phone – 36%
- Desktop computer – 23% (28% in urban households and 8% in rural areas)
- Satellite Dish - 20% (28% in rural areas)
- Cable TV – 6%

* Survey on the Use of Information and Communication Technologies in Brazil 2008, by the Brazilian Internet Steering Committee.

+ Telecommunication industries overview 2008

Broadcasting

- Broadcast TV - 8 commercial networks + 2 State networks
- Cable TV - 3 main companies: Net, TVA, Sky / 6.2 million subscribers
- Radio - 4.621 radio stations (AM, FM, SW and TW) + 3.386 community radio stations

+ Telecommunication industries overview 2008

PC access

- The main barriers to computer ownership and Internet access are still the high costs and the lack of technology-related skills.
- Portable computers (notebooks) are present in 3% of Brazilian urban households

Internet users

- 54 million users (most of them within the 15- to 24-year-old age group)
- Paid Internet access centers (*lanhouses*) are still the preferred location for Internet access in Brazil
- 20% of urban households are connected to the network (13% in 2005)

+ Telecommunication industries overview 2008

Broadband Internet

- Broadband in Brazil is distributed through basically two wired modem technologies: DSL via phone line and cable modem via cable TV, which together account for 46% of the residential access load and 87% of the business access load.
- The main barrier to digital inclusion is politics, whether economic or cultural: low income and education distribution rates in Brazil.

+ Telecommunication industries overview 2008

Telecommunications

- In 2005 telephone landlines were present in 54% of households in urban areas. This percentage decreased to 50% in 2006, then to 45% in 2007, and then in 2008, it reached less than 40%.
- Mobile phones showed the opposite trend: in 2005, 61% of the population had access to mobile phones and in 2008 this percentage raised to 72%.

+ Key aspects regarding media concentration and ownership

- Broadcast TV – the predominance of Globo Organizations
- Daily newspapers – the predominance of the Folha Group
- Wireline Telecommunications – foreigner controllers
- Wireless Telecommunication - foreigner controllers
- Internet Service Providers –mixed market: domestic and foreign controllers
- Radio broadcasting – the predominance of domestic ownership

+ Main actors on the scene

- America Móvil** (wireless telecomm)
- Folhapar** (newspaper, internet service provider)
- Globo Organizations** (TV, Cable TV, newspaper, radio)
- Estado Group** (newspaper, radio)
- Portugal Telecom** (wireless telecomm; Internet service provider)
- Record Group** (TV, radio, newspaper)
- Sprint / France Telecom** (wireline telecommunications)
- Telecom Italia - TIM** (wireless telecomm; cable TV)
- Telefonica** (wireless telecomm; internet service provider)
- Telemar Part.** (wireless & wireline telecomm)
- Telmex** (wireline telecomm)
- Vivandi** (wireline telecomm)

+ Getting the information: private sources, public sources

- Financial reports / paid content
 1. Strategy Experts Firms - such as Pyramid Research or Lafis Market Analysis
 2. Consulting and Audit Firms - Pricewaterhouse Coopers; KPMG Brazil

+ Getting the information: private sources, public sources

Public sources means digging

1. Online Databases

The Brazilian Institute of Geography and Statistics

The Brazilian Internet Steering Committee

The Brazilian Association of Radio and Television Broadcasting

The Brazilian Association of Newspapers

Anuário Telecom (Telecomm Yearbook)

InterMeios Project (Media investment numbers allocated to advertising)

Teleco – Intelligence in Telecommunications

TeleBrasil – Brazilian Association of Telecommunications

+ Getting the information: private sources, public sources

2. News outlets

Valor Econômico (daily economy newspaper)

Reuters Brazil

Observatório da Imprensa (Press Observer – online only)

Teletime Magazine

Revista Negócios da Comunicação (Communication Business Magazine)