

www.pwc.com
www.iab.net



IAB Internet Advertising Revenue Report

An Industry Survey Conducted by PwC and Sponsored by
the Interactive Advertising Bureau (IAB)

2010 Full Year Results
April 2011



Table of Contents

Background	3
Executive summary	4
Detailed findings	5
<ul style="list-style-type: none">• 2010 Fourth quarter and full year results• Annual and quarterly trends• Industry concentration• Advertising formats• Industry category spending• Pricing models	
Appendix	22
<ul style="list-style-type: none">• Definitions• Survey scope and methodology• IAB board officers and directors• Organization profiles	

Background

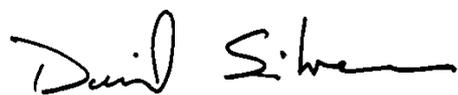
About the IAB Internet Advertising Revenue Report

Conducted by PricewaterhouseCoopers LLP (“PwC”) on an ongoing basis, with results released quarterly, the “IAB Internet Advertising Revenue Report” was initiated by the Interactive Advertising Bureau (IAB) in 1996. This report utilizes data and information reported directly to PwC, publicly available online corporate data and information provided by online ad selling companies.

The results reported are considered the most accurate measurement of Internet/online advertising revenues because the data is compiled directly from information supplied by companies selling advertising online. All-inclusive, the report includes data reflecting online advertising revenues from Web sites, commercial online services, ad networks and e-mail providers, as well as other companies selling online advertising.

The report is conducted independently by PwC on behalf of the IAB. PwC does not audit the information and provides no opinion or other form of assurance with respect to the information. Only aggregate results are published and individual company information is held in strict confidence with PwC. Further details regarding scope and methodology are provided in the appendix to this report.

David Silverman
PwC



Executive summary

IAB Internet Advertising Revenue Report 2010 Full Year Highlights

Internet advertising revenues (“revenues”) in the United States totaled \$26.0 billion for the full year of 2010, with Q3 2010 accounting for approximately \$6.5 billion and Q4 2010 totaling approximately \$7.5 billion. Internet advertising revenues for the full year of 2010 increased 15 percent over 2009.

Key trends underlying 2010 results

Revenues Increased 15% in 2010 — Internet advertising revenues in the U.S. totaled \$7.45 billion in the fourth quarter of 2010, an increase of 15 percent from the 2010 third quarter total of \$6.46 billion, and an increase of 19 percent from the 2009 fourth quarter total of \$6.26 billion. 2010 full year Internet advertising revenues totaled \$26.0 billion, up 15 percent from the \$22.7 billion reported in 2009.

“With a strong rebound from 2009, the \$26 billion spent on Internet advertising points to a continued focus on digital media ad spend, with dollars catching up to the eyeballs. More time spent online, especially with increases in digital video and social media, has certainly helped to fuel the continued growth.”

—David Silverman, Partner, PwC

Search Continues to Lead, followed by Display Banners and Classifieds— Search revenue accounted for 46 percent of 2010 revenues, down slightly from the 47 percent reported in 2009. Display advertising showed solid growth, accounting for 38 percent of 2010 revenue up from 35 percent in 2009. Digital video, which is a component of display advertising, increased 40 percent from 2009 to 2010.

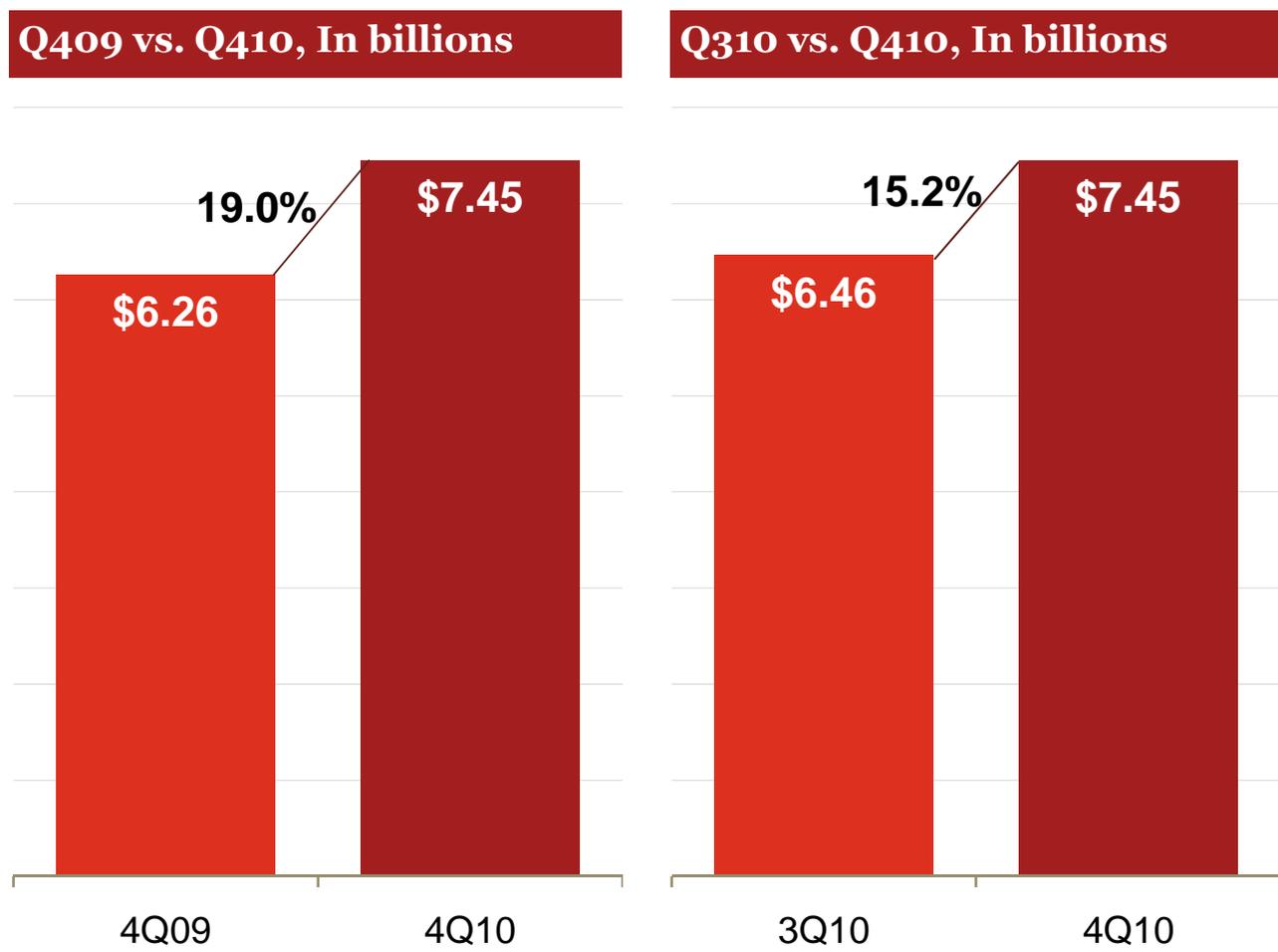
“As the latest IAB Internet Advertising Revenue Report concludes, online advertising is growing. These results show that many advertisers and marketers take digital media into consideration and more are using online advertising as part of their campaigns. Consumers are shifting more of their time to digital media, watching television shows and movies online, and advertisers recognize the opportunities to reach their targets through this medium.”

—Randall Rothenberg, President and CEO, IAB

Detailed findings

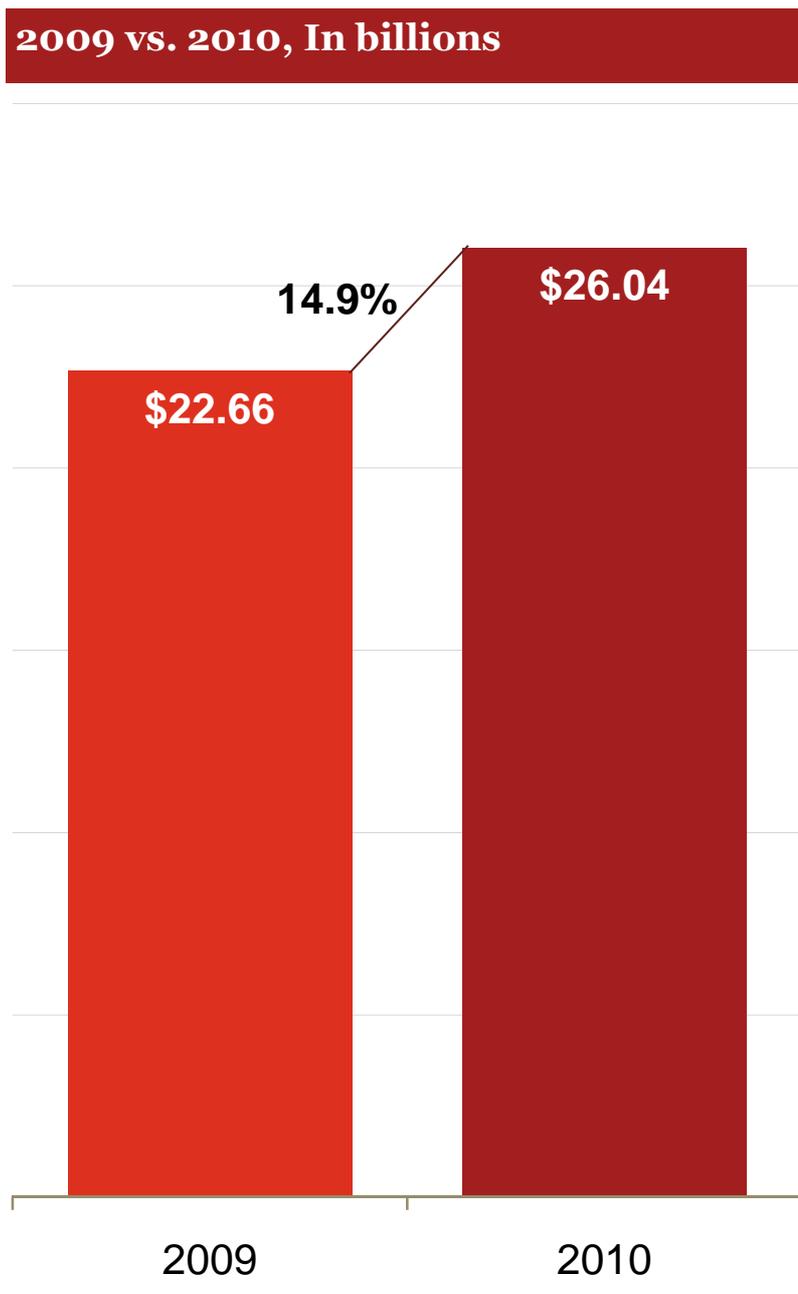
Revenues totaled a record \$7.45 billion in the Q410

Total 2010 fourth quarter revenues were \$1.2 billion (19.0%) higher than the fourth quarter of 2009, and \$984 million (15.2 %) higher than the third quarter of 2010.



Annual revenues show strong growth

Annual revenues for 2010 totaled \$26.0 billion, \$3.4 billion or 14.9% higher than 2009.

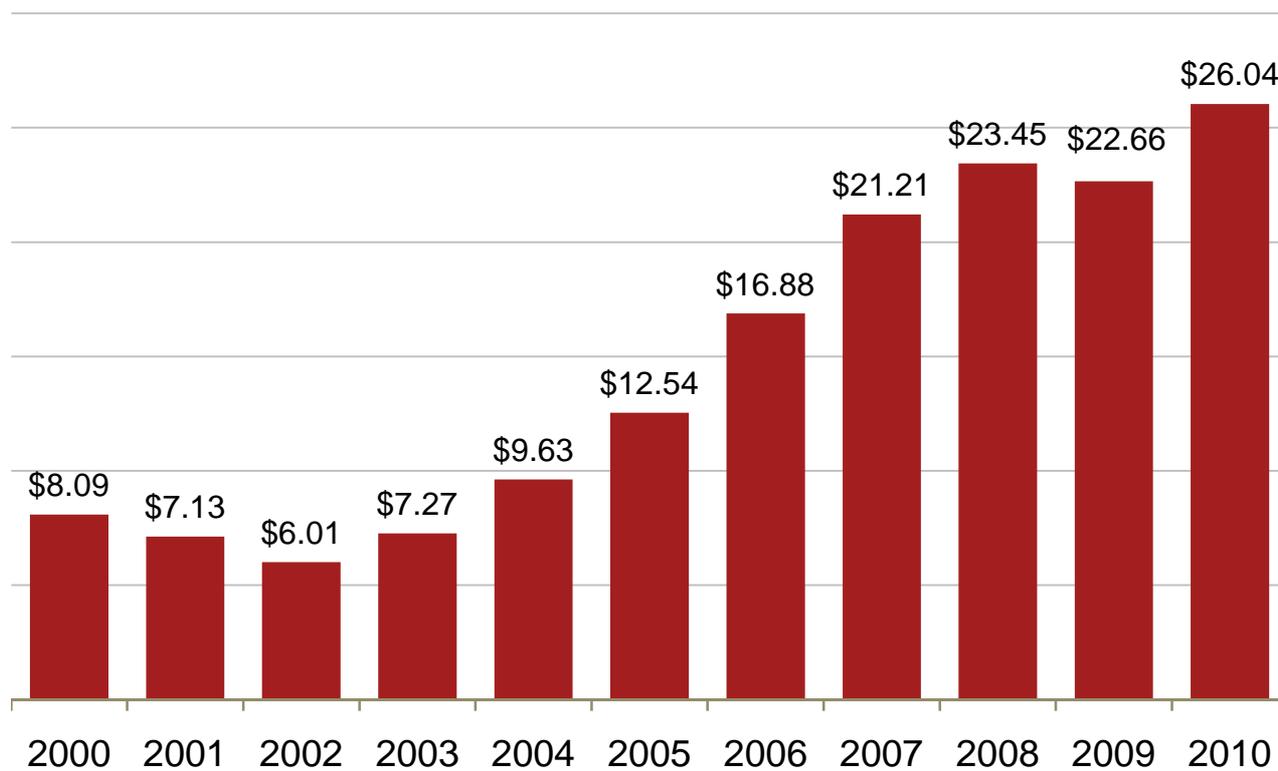


Historical annual revenue trends

Revenue growth recovers in 2010

2010 annual revenues increased on a year-over-year percentage and dollar basis, after revenues dropped in 2009, impacted primarily by the economic recession.

Annual Revenue, In billions

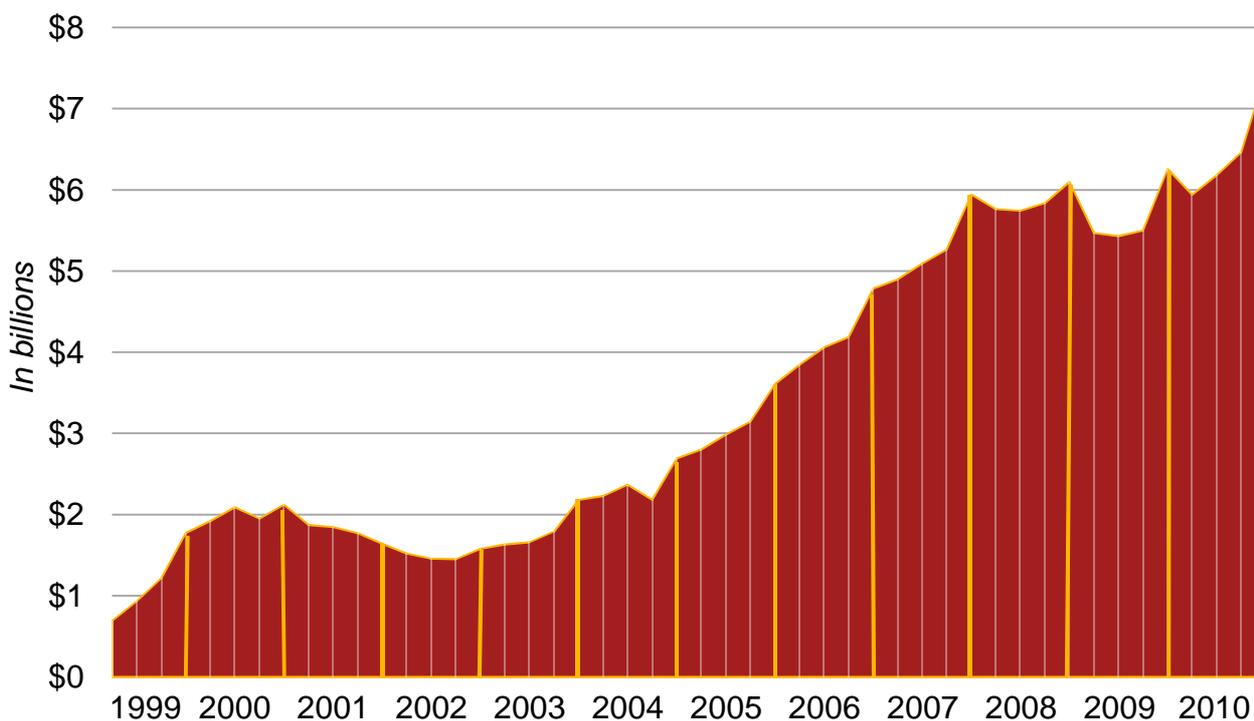


Historical quarterly revenue trends

Quarterly growth recovers, continuing upward trend

After a decline and temporary plateau in 2009, quarterly revenues began to rebound in Q4 2009. 2010 started with a slight seasonal dip in Q1, however quarterly revenues continued to increase through 2010, with a seasonal-aided burst of revenue in Q4. Over the last 20 quarters, 15 quarters have seen positive growth in internet advertising.

Quarterly Revenue Growth Trends, In billions — 1999-2010

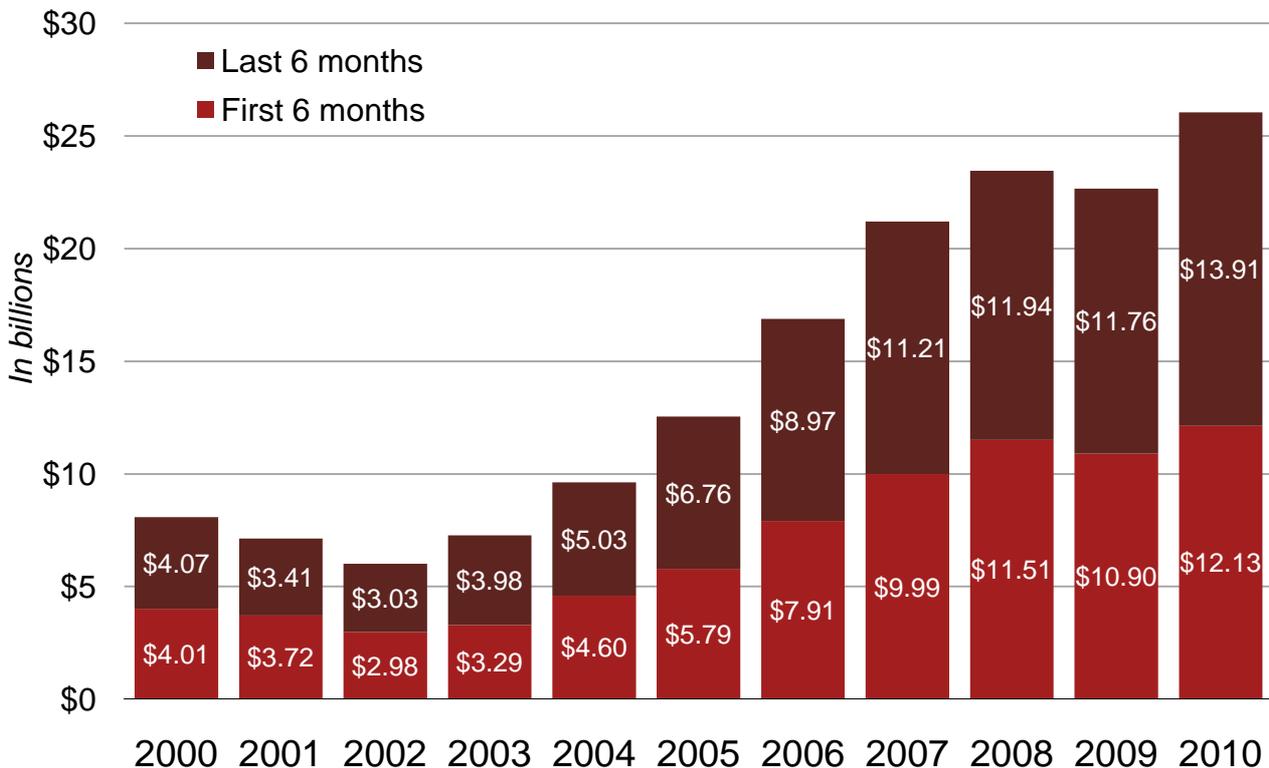


Historical revenue mix – First half vs. Second half

Second half revenues reach \$13.9 billion

The second half of the year is seeing an increasingly larger part of the revenue, as 53% of revenue in 2010 was spent in the second half, compared to 52% in 2009, continuing the trend of greater revenue later in the year.

Historical revenue mix, First half vs. Second half



Historical data findings

Annual and quarterly revenue growth

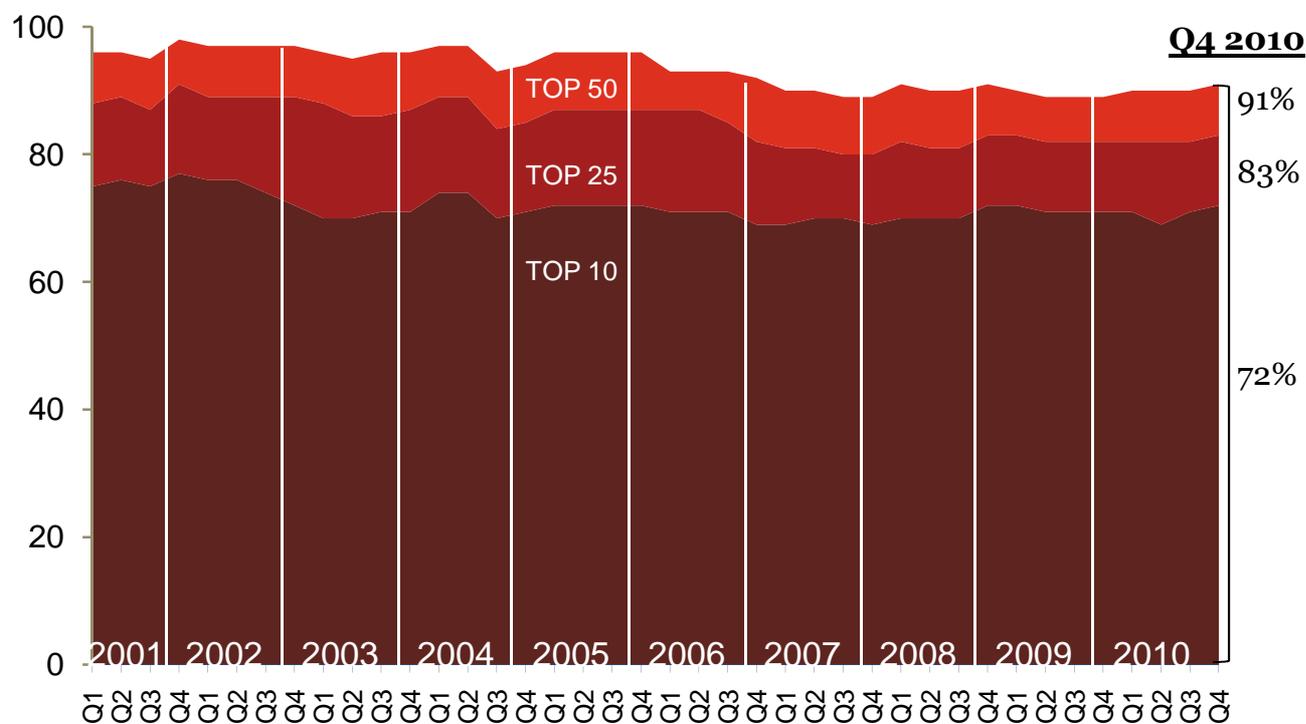
	Revenue (in mil)	Q/Q Growth	Y/Y Growth		Revenue (in mil)	Q/Q Growth	Y/Y Growth
Q1 1999	\$693	6%	97%	Q1 2005	\$2,802	4%	25%
Q2 1999	\$934	35%	121%	Q2 2005	\$2,985	7%	26%
Q3 1999	\$1,217	30%	148%	Q3 2005	\$3,147	5%	35%
Q4 1999	<u>\$1,777</u>	<u>46%</u>	<u>171%</u>	Q4 2005	<u>\$3,608</u>	<u>15%</u>	<u>34%</u>
Total 1999	\$4,621		141%	Total 2005	\$12,542		30%
Q1 2000	\$1,922	8%	177%	Q1 2006	\$3,848	7%	37%
Q2 2000	\$2,091	9%	123%	Q2 2006	\$4,061	6%	36%
Q3 2000	\$1,951	-7%	60%	Q3 2006	\$4,186	3%	33%
Q4 2000	<u>\$2,123</u>	<u>9%</u>	<u>19%</u>	Q4 2006	<u>\$4,784</u>	<u>14%</u>	<u>33%</u>
Total 2000	\$8,087		75%	Total 2006	\$16,879		35%
Q1 2001	\$1,872	-12%	-3%	Q1 2007	\$4,899	2%	27%
Q2 2001	\$1,848	-1%	-12%	Q2 2007	\$5,094	4%	25%
Q3 2001	\$1,773	-4%	-10%	Q3 2007	\$5,267	3%	26%
Q4 2001	<u>\$1,641</u>	<u>-7%</u>	<u>-23%</u>	Q4 2007	<u>\$5,946</u>	<u>13%</u>	<u>24%</u>
Total 2001	\$7,134		-12%	Total 2007	\$21,206		26%
Q1 2002	\$1,520	-7%	-19%	Q1 2008	\$5,765	-3%	18%
Q2 2002	\$1,458	-4%	-21%	Q2 2008	\$5,745	0%	13%
Q3 2002	\$1,452	-1%	-18%	Q3 2008	\$5,838	2%	11%
Q4 2002	<u>\$1,580</u>	<u>9%</u>	<u>-4%</u>	Q4 2008	<u>\$6,100</u>	<u>4%</u>	<u>2%</u>
Total 2002	\$6,010		-16%	Total 2008	\$23,448		11%
Q1 2003	\$1,632	3%	7%	Q1 2009	\$5,468	-10%	-5%
Q2 2003	\$1,660	2%	14%	Q2 2009	\$5,432	-1%	-5%
Q3 2003	\$1,793	8%	24%	Q3 2009	\$5,500	1%	-6%
Q4 2003	<u>\$2,182</u>	<u>22%</u>	<u>38%</u>	Q4 2009	<u>\$6,261</u>	<u>14%</u>	<u>3%</u>
Total 2003	\$7,267		21%	Total 2009	\$22,661		-3%
Q1 2004	\$2,230	2%	37%	Q1 2010	\$5,942	-5%	9%
Q2 2004	\$2,369	6%	43%	Q2 2010	\$6,185	4%	14%
Q3 2004	\$2,333	-2%	30%	Q3 2010	\$6,465	5%	18%
Q4 2004	<u>\$2,694</u>	<u>15%</u>	<u>24%</u>	Q4 2010	<u>\$7,449</u>	<u>15%</u>	<u>19%</u>
Total 2004	\$9,626		33%	Total 2010	\$26,041		15%

Industry revenue concentration

Top 50 companies command 91% of revenues in Q4 2010

- Online advertising continues to remain concentrated with the ten leading ad-selling companies, which accounted for 72% of total revenues in the Q4 2010, up slightly from the 71% reported in Q4 2009.
- Companies ranked 11th to 25th accounted for 11% of revenues in Q4 2010, consistent with the 11% reported in Q4 2009. Companies ranked 26th to 50th accounted for 8% in Q4 2010, also consistent with the 8% in Q4 2009.

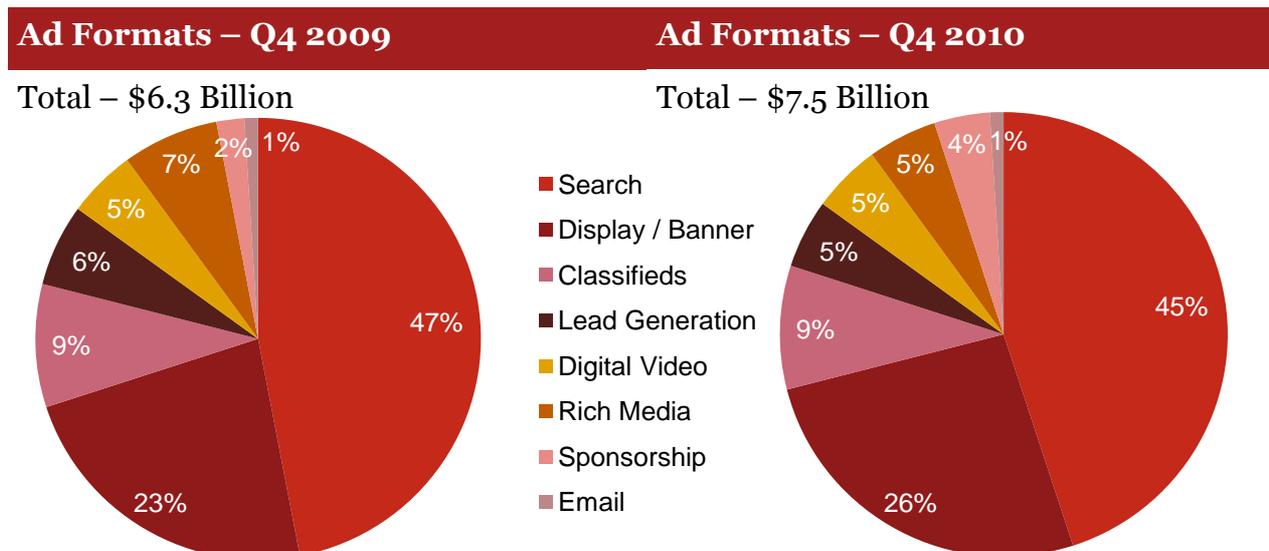
% Share of total revenues



Fourth quarter 2010 results

Search and Display continue to lead ad formats

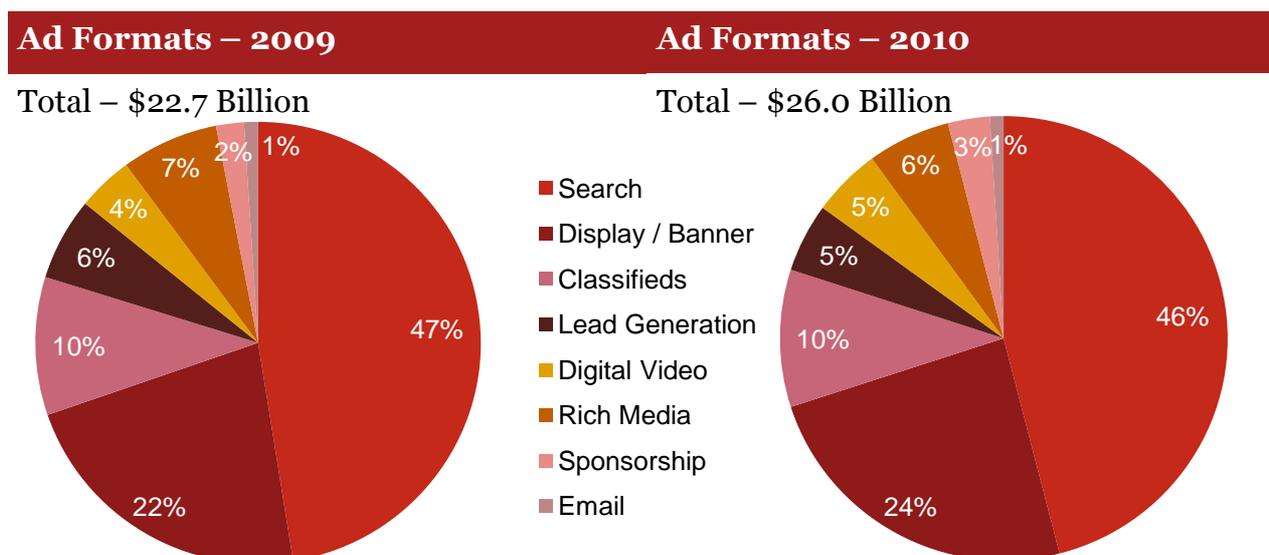
- Search revenues accounted for 45% of Q4 2010 revenues, down from 47% in Q4 2009. Search revenues totaled \$3.3 billion in Q4 2010, up 14% from Q4 2009, when Search revenues were \$2.9 billion.
- Display-related advertising accounted for \$3.0 billion or 40% of total revenues during Q4 2010, up 31% from the \$2.3 billion reported in Q4 2009. Display-related advertising includes Display Banner Ads (26% of Q4 2010 revenues, or \$1.9 billion), Rich Media (5% or \$416 million), Digital Video (5% or \$411 million), and Sponsorship (4% or \$266 million).
- Classifieds revenues totaled \$697 million or 9% of Q4 2010 revenues, up 17% from the \$594 million (also 9% of total) reported in Q4 2009.
- Lead Generation revenues accounted for 5% of Q4 2010 revenues, or \$375 million, consistent with the \$374 million (6% of total) reported in Q4 2009.
- Email revenues accounted for 1% of Q4 2010 revenues or \$40 million, down over 48% from the \$77 million (1% of total) reported for Q4 2009.



Full year 2010 results

Display advertising gains ground in format share

- Search remains the largest online advertising revenue format, accounting for 46% of 2010 revenues, down from 47% in 2009. In 2010, Search revenues totaled \$12.0 billion, up over 12% from \$10.7 billion in 2009.
- Display-related advertising revenues totaled \$9.9 billion or 38% percent of 2010 revenues, up 24% from the \$8.0 billion reported in 2009. Display-related advertising includes Display Banner Ad (24% of 2010 revenues, or \$6.2 billion), Rich Media (6%, or \$1.5 billion), Digital Video (5%, or \$1.4 billion), and Sponsorship (3%, or \$718 million).
- Classifieds revenues accounted for 10% of 2010 revenues or \$2.6 billion, up 15% from the \$2.3 billion (10% of total) reported in 2009.
- Lead Generation revenues accounted for 5% of 2010 revenues or \$1.3 billion, down almost 8% from the \$1.5 billion (6%) reported in 2009.
- Email revenues accounted for 1% of 2010 revenues or \$195 million, down 33% from the \$292 million (1% of total) reported in 2009.



Mobile advertising estimates

Mobile advertising estimated between \$550-\$650 million in 2010

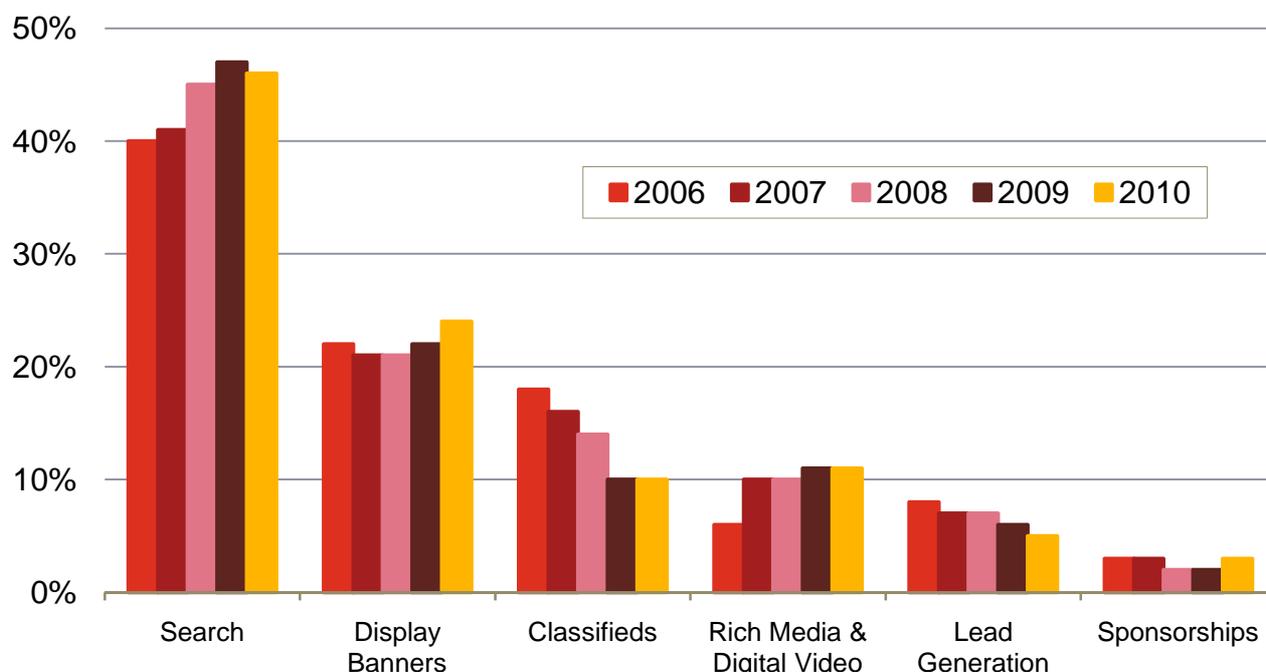
- Mobile advertising for 2010 is estimated to be between \$550–\$650 million. This year marks the initial estimate for mobile advertising revenue in this report.
- Currently, mobile advertising is reported within pre-existing Internet ad format revenues.
- PwC estimated this value based upon a separate methodology from the results of the rest of this report. Mobile advertising information is gathered from publicly available information, industry research, and a small percentage of direct submissions within the full-year 2010 reporting cycle.

Historical format trends

Search retains largest share of revenue, but display makes strong gains

- Search has remained the leading format since 2006, having strong sequential growth through this period. In 2010, Search lost some of its overall share to Display Banners, which now account for 24% of internet advertising revenues.
- Having seen sharp declines over the past five years, Classified revenues stabilized in 2010, maintaining its 10% of market share, down from the 18% of advertising revenues it commanded in 2006.

Advertising Format Share (% of Total Revenue)



*Format definitions may have changed over the time period depicted, both within the survey process and definitionally by survey respondents.

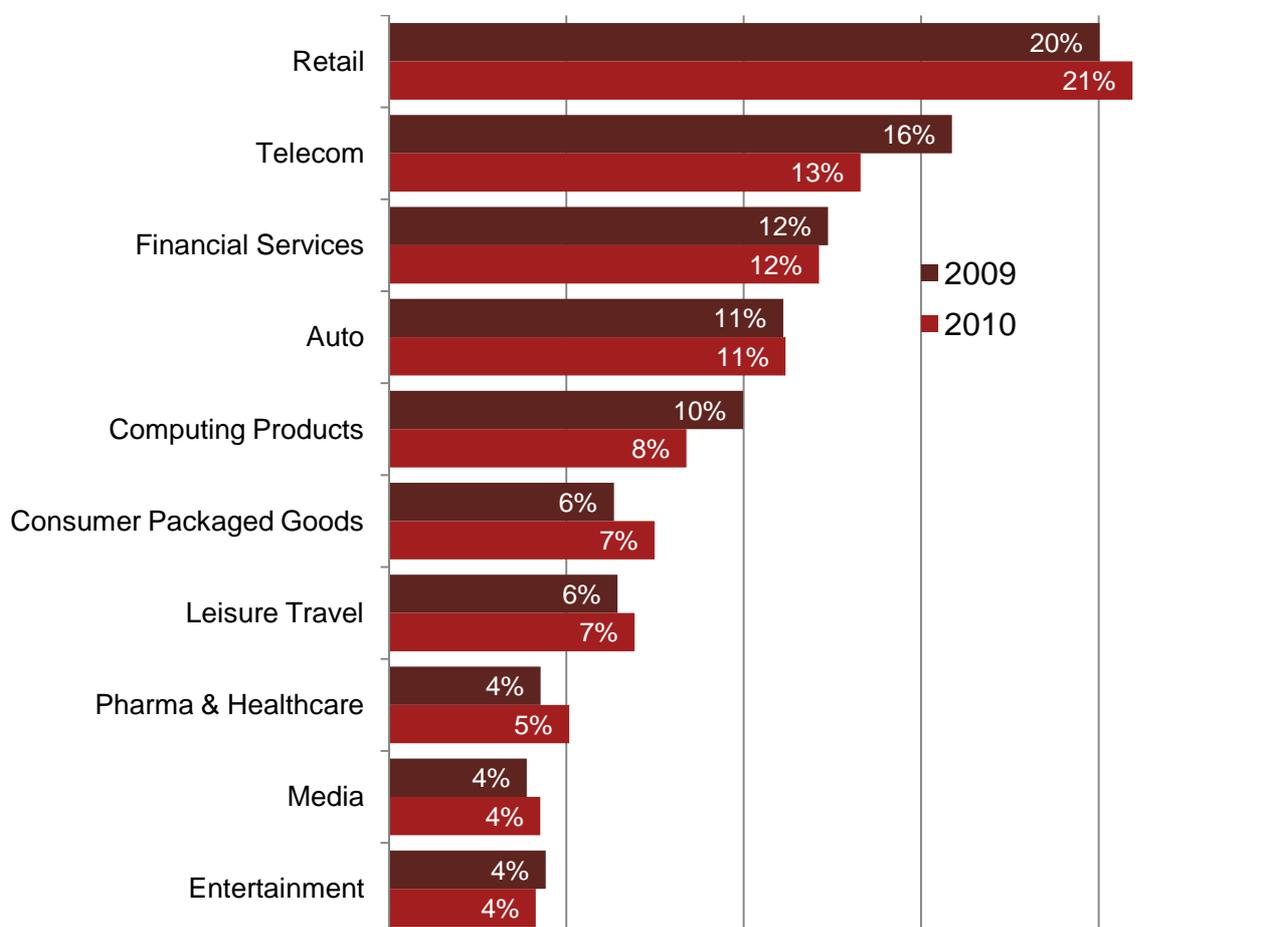
Ad revenues by industry category

Retail drives advertising, as dollars shift to digital

- Retail advertisers continue to represent the largest category of Internet ad spending, accounting for 21% of 2010, or \$5.5 billion, up from 20% (\$4.5 billion) reported in 2009.
- Telecom companies accounted for 13% of 2010 revenues or \$3.5 billion, down from the 16% (\$3.6 billion) reported in 2009.
- Leisure Travel (airfare, hotels & resorts) accounted for 7% of 2010 revenues (\$1.8 billion) compared to the 6% (\$1.5 billion) reported in 2009.
- Financial Services advertisers accounted for 12% of 2010 revenues (\$3.2 billion), even with the 12% (\$2.8 billion) reported in 2009.
- Automotive advertisers accounted for 11% of 2010 revenues or \$2.9 billion, in line with 11% (\$2.5 billion) reported in 2009.
- Computing advertisers represented 8% of 2010 revenue, or \$2.2 billion, down from 10% (\$2.3 billion) it reported in 2009.
- Consumer Packaged Goods represented 7% in 2010, or \$2.0 billion, up from \$1.4 billion (6%) reported in 2009.
- Entertainment accounted for 4% of 2010 revenues (\$1.1 billion), up slightly from the 4% (\$1.0 billion) reported in 2009.
- Media accounted for 4% of 2010, or \$1.1 billion, up slightly from the 4% (\$881 million) it reported in 2009.

Industry advertising – year-over-year comparatives

Internet Ad revenues by major industry category, 2009 vs. 2010



*Industry definitions may have changed over the time period depicted, both within the survey process and definitionally by survey respondents. Amounts do not total to 100% as minor categories are not displayed.

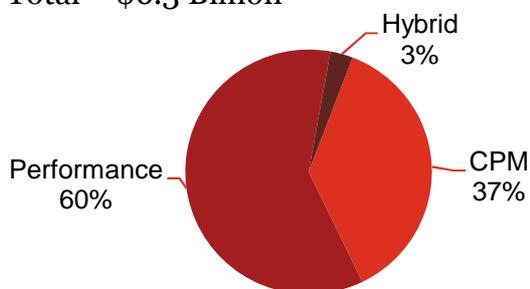
Revenues by pricing model

Performance-based pricing gains interest

- Approximately 63% of Q4 2010 revenues were priced on a performance basis, up from the 60% reported in Q4 2009.
- Approximately 32% of Q4 2010 revenues were priced on a CPM or impression basis, down from 37% in Q4 2009.
- Approximately 5% of Q4 2010 revenues were priced on a hybrid basis, up from the 3% reported in Q4 2009.

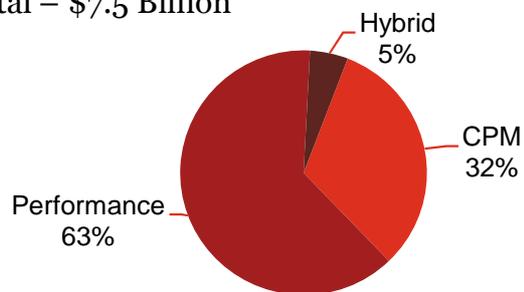
Pricing Models – Q4 2009

Total – \$6.3 Billion



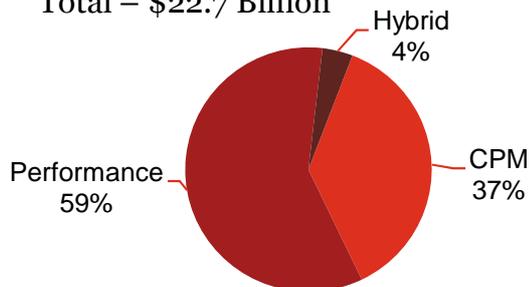
Pricing Models – Q4 2010

Total – \$7.5 Billion



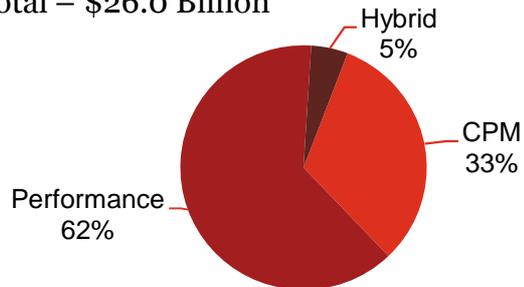
Pricing Models – FY 2009

Total – \$22.7 Billion



Pricing Models – FY 2010

Total – \$26.0 Billion

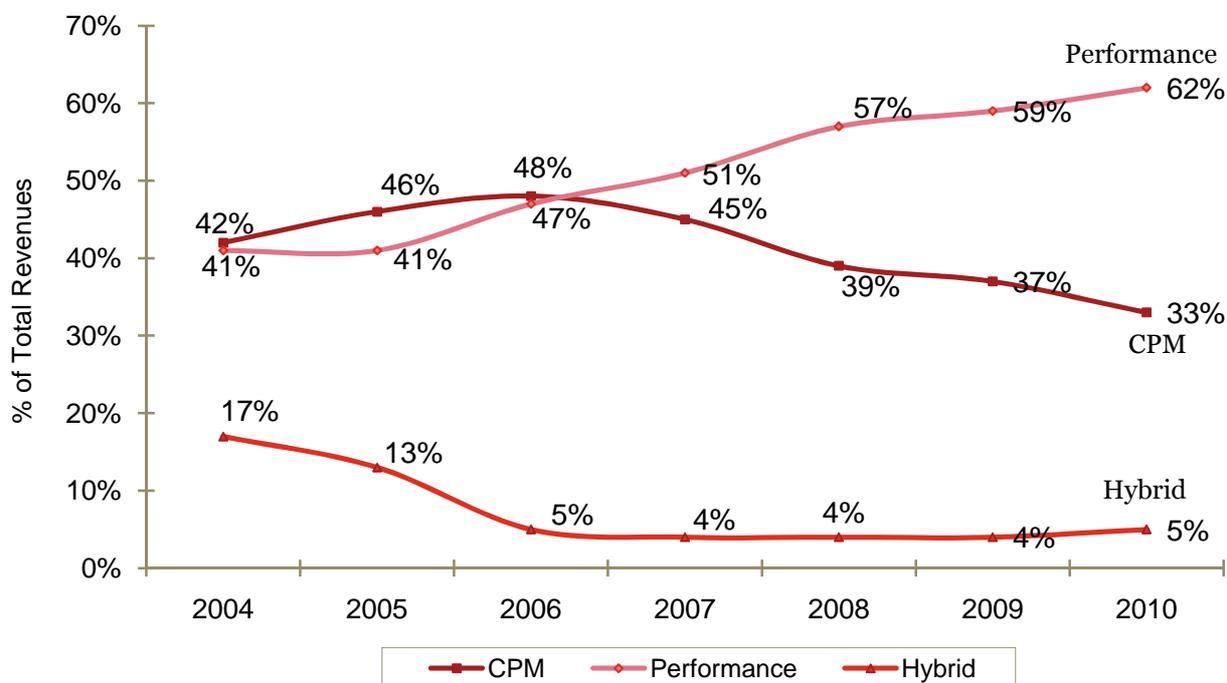


Historical pricing model trends

Performance-based pricing remains the preferred model

- Performance based pricing, the most prevalent pricing model since 2006, has maintained a strong sequential growth rate, reaching 62% in 2010. It is followed by CPM/Impression based pricing which has declined as a percentage of revenue over the past several years. Hybrid pricing has seen the greatest loss in percentage revenue over the period, to a sharp dip from 17% in 2004 to 4% in 2009, but is back up to 5% in 2010.

Internet Ad Revenues by Pricing Model*



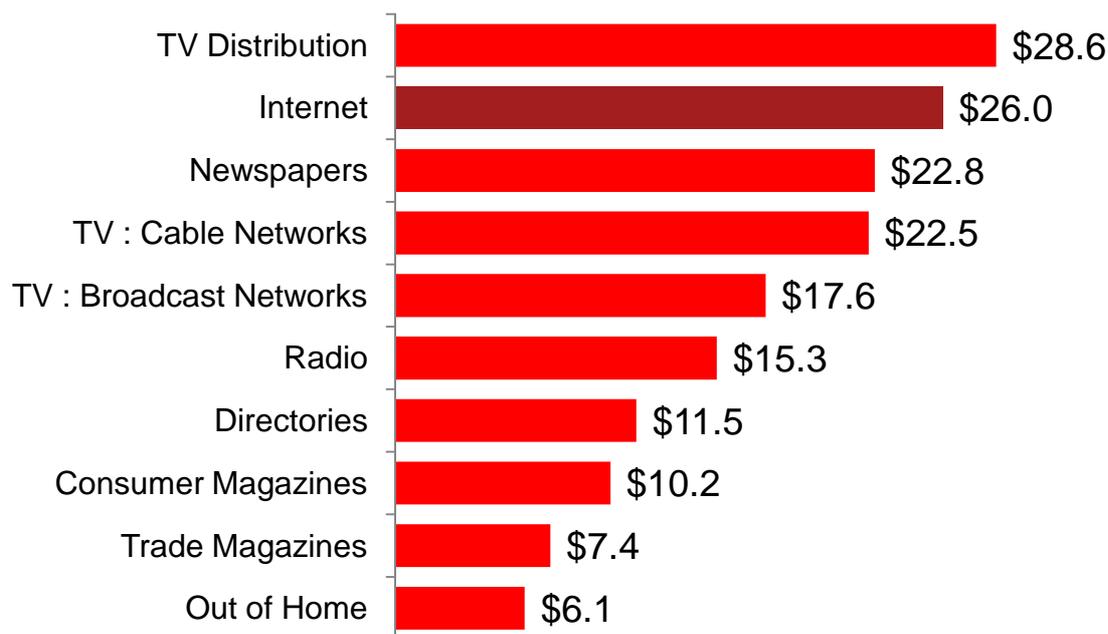
*Pricing model definitions may have changed over time period depicted, both within the survey process and definitionally by survey respondents.

Cross-media advertising market share

Internet advertising surpasses newspapers in ad revenue

- The Internet has continued to grow in significance when compared to other ad-supported media. In 2010, Internet Advertising surpassed advertising revenues in Newspapers.

US Advertising Market by Media Revenue – 2010 (In billions)



*The total U.S. advertising market includes other segments not charted here.

**“TV Distribution” includes national and local TV station ads as well as multichannel system ads.

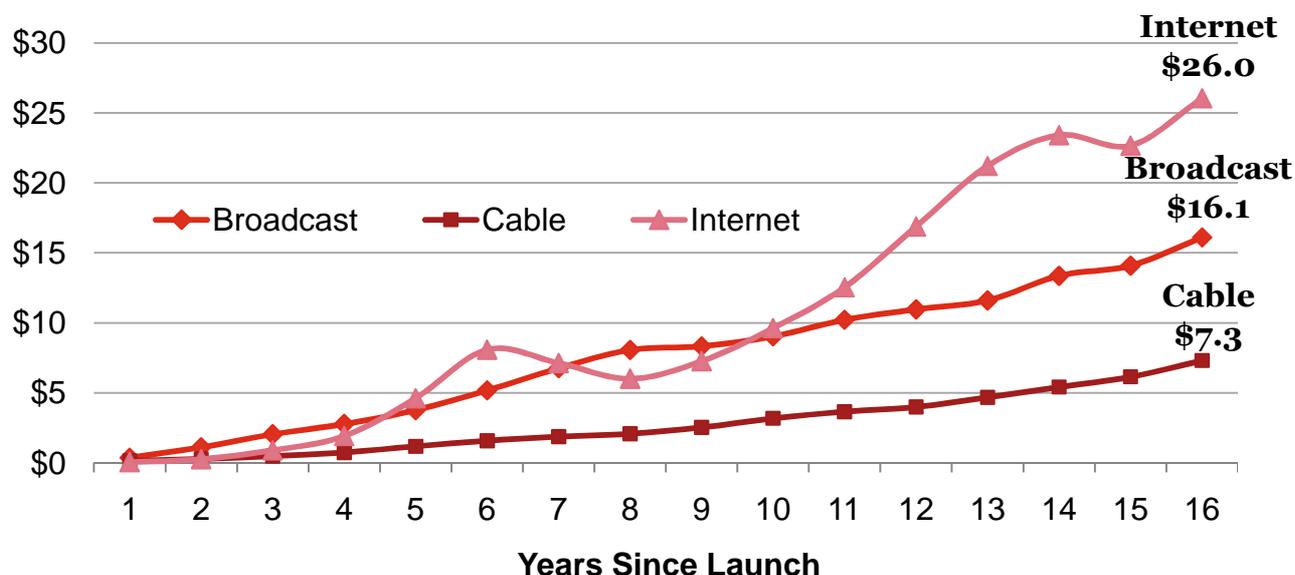
Sources: IAB Internet Advertising Revenue Report; PwC

Initial year growth comparisons – internet vs. broadcast and cable TV

Internet advertising revenue out paces other media outlets during initial growth

- The first 16 years of Internet Advertising (1995-2010) were charted against broadcast television (1949-1964) and cable television (1980-1995), presented in current inflation-adjusted dollars.
- Internet Advertising revenues continue to far outpace the growth of Cable Television and Broadcast Television during their first 16 years.

Annual Advertising Revenue – First 16 Years (In billions)



	Year 5	Year 10	Year 15	Year 16
Internet	\$4.62 billion	\$9.62 billion	\$22.66 billion	\$26.04 billion
Broadcast TV	\$3.77 billion	\$9.03 billion	\$14.09 billion	\$16.10 billion
Cable TV	\$1.17 billion	\$3.18 billion	\$6.15 billion	\$7.31 billion

Appendix

Definitions of leading industry categories

The industry categories used in the IAB Internet Advertising Revenue Report were sourced from the North American Standard Industrial Classification (SIC) Manual.[†]

Retail	Includes mail order/catalog, apparel, restaurants/fast food, home furnishings/textiles, toys, pet food/supplies, appliances, jewelry, drug stores, retail stores and cosmetics stores.
Automotive	Includes all automotive-related categories including sale/purchase of vehicles and parts and maintenance.
Entertainment	Includes film, music, TV, box office, video games and amusement & recreation.
Consumer packaged goods	Includes packaged goods, food products, household products and tobacco.
Leisure travel	Includes travel, hotel, airlines and resorts.
Computing products	Includes hardware (computers, computer storage devices, and computer peripheral equipment), consumer electronics, prepackaged software (operating, utility and applications programs), local area network systems and network systems integration, computer processing and data preparation and data processing services.
Financial Services	Includes commercial banks, credit agencies, personal credit institutions, consumer finance companies, loan companies, business credit institutions and credit card agencies. Also includes companies engaged in the underwriting, purchase, sale or brokerage of securities and other financial contracts.
Telecommunications	Includes point-to-point communications services, including telephone voice and data communications, two-way mobile/cellular communications services and other non-vocal message communications services (e.g., cablegram, electronic mail and facsimile). Includes multi-channel video providers on a subscription fee basis (e.g., cable television, wireless cable television and direct broadcast satellite services).
Pharma & Healthcare	Includes pharmaceutical products, facilities, services, researches and biological products. Also comprises establishments providing health care and social assistance for individuals as well as personal care, toiletries, and cosmetic products.
Media	Includes establishments primarily engaged in radio and television broadcasting (network and station) including commercial, religious, educational and other radio or television stations. Also includes establishments primarily engaged in publishing newspapers, periodicals and books.

[†]Survey participants reported results based on the 20 industry categories listed on page 25, which were used specifically for the IAB Internet Advertising Revenue Report. This is consistent with other relevant industry categorization sources that measure advertising spending by industry. For purposes of this report, PwC classified a number of individual categories under “Retail.”

Appendix

Definitions of advertising formats

Display Advertising	Advertiser pays an Internet company for space to display a static or hyper-linked banner or logo on one or more of the Internet company's pages.
Sponsorship	Represents custom content and/or experiences created for an advertiser which may or may not include ad elements such as display advertising, brand logos, advertorial or pre-roll video. Sponsorships fall into several categories: <ul style="list-style-type: none"> • Spotlights are custom built pages incorporating an advertiser's brand and housing a collection of content usually around a theme; • Advergaming can range from an advertiser buying all the ad units around a game or a "sponsored by" link to creating a custom branded game experience; • Content & Section Sponsorship is when an advertiser exclusively sponsors a particular section of the site or email (usually existing content) re-skinned with the advertiser's branding; • Sweepstakes & Contests can range from branded sweepstakes on the site to a full-fledge branded contest with submissions and judging
Email	Banner ads, links or advertiser sponsorships that appear in email newsletters, email marketing campaigns and other commercial email communications. Includes all types of electronic mail (e.g., basic text or HTML-enabled).
Search	Fees advertisers pay Internet companies to list and/or link their company site domain name to a specific search word or phrase (includes paid search revenues). Search categories include: <ul style="list-style-type: none"> • Paid listings—text links appear at the top or side of search results for specific keywords. The more a marketer pays, the higher the position it gets. Marketers only pay when a user clicks on the text link. • Contextual search—text links appear in an article based on the context of the content, instead of a user-submitted keyword. Payment only occurs when the link is clicked. • Paid inclusion—guarantees that a marketer's URL is indexed by a search engine. The listing is determined by the engine's search algorithms. • Site optimization—modifies a site to make it easier for search engines to automatically index the site and hopefully result in better placement in results.
Lead generation	Fees advertisers pay to Internet advertising companies that refer qualified purchase inquiries (e.g., auto dealers which pay a fee in exchange for receiving a qualified purchase inquiry online) or provide consumer information (demographic, contact, behavioral) where the consumer opts into being contacted by a marketer (email, postal, telephone, fax). These processes are priced on a performance basis (e.g., cost-per-action, -lead or -inquiry), and can include user applications (e.g., for a credit card), surveys, contests (e.g., sweepstakes) or registrations.
Classifieds and auctions	Fees advertisers pay Internet companies to list specific products or services (e.g., online job boards and employment listings, real estate listings, automotive listings, auction-based listings, yellow pages).
Rich media	Advertisements that incorporate animation, sound, and/or interactivity in any format. It can be used either singularly or in combination with the following technologies: sound, Flash, and with programming languages such as Java, JavaScript, and DHTML. It is deployed via standard Web and wireless applications including e-mail, static (e.g. .html) and dynamic (e.g. .asp) Web pages, and may appear in ad formats such as banners, buttons and interstitials. Interstitials are included in the rich media category and represent full- or partial-page text and image server-push advertisements which appear in the transition between two pages of content. Forms of interstitials can include splash screens, page takeovers and pop-up windows.
Digital Video Commercials	TV-like advertisements that may appear as in-page video commercials or before, during, and/or after a variety of content in a player environment including but not limited to, streaming video, animation, gaming, and music video content. This definition includes digital video commercials that appear in live, archived and downloadable streaming content.
Mobile Advertising	Advertising tailored to and delivered through wireless mobile devices such as smartphones (e.g. Blackberry, iPhone, Android), feature phones (e.g. lower-end mobile phones capable of accessing mobile content), and media tablets (e.g. iPad, Samsung Galaxy Tab). Typically taking the form of static or rich media display ads, text messaging ads, search ads, or audio/video spots, such advertising generally appears within mobile websites (e.g. websites optimized for viewing on mobile devices), mobile applications (e.g. applications for smartphones running iOS, Android, or other operating systems, or Java or BREW applications), text messaging services (i.e. SMS, MMS) or within mobile search results (i.e., 411 listings, directories, mobile-optimized search engines). Mobile advertising revenues are currently reported within the above pre-existing advertising formats, but have been estimated and identified individually within this report.

Appendix

Survey scope

The Interactive Advertising Bureau (IAB) retained PwC to establish a comprehensive standard for measuring the growth of Internet/online advertising revenues.

- The IAB Internet Advertising Revenue Report is part of an ongoing IAB mission to provide an accurate barometer of Internet advertising growth.
- To achieve differentiation from existing estimates and accomplish industry-wide acceptance, key aspects of the survey include:
 - Obtaining historical data directly from companies generating Internet/online advertising revenues;
 - Making the survey as inclusive as possible, encompassing all forms of Internet/online advertising, including Web sites, consumer online services, ad networks and e-mail providers; and
 - Ensuring and maintaining a confidential process, only releasing aggregate data.

Methodology

- PwC:
 - Compiles a database of industry participants selling Internet/online advertising revenues.
 - Conducts a quantitative mailing survey with leading industry players, including Web publishers, ad networks, commercial online service providers, e-mail providers and other online media companies.
 - Supplemental Data is acquired through the use of publicly disclosed information
 - Requests and compiles several specific data items, including monthly gross commissionable advertising revenue by industry category and transaction.
 - Identifies non-participating companies and applies a conservative revenue estimate based on available public sources.
 - Analyzes the findings, identifies and reports key trends.

Survey Industry Categories

Automotive	Financial Services (Banks, Insurance, Securities, Mortgages)	Restaurants/ Fast food
Beer/Wine/Liquor		Retail, Mail Order, Catalogs and Apparel
Business Products/Services	Personal Care, Toiletries and Cosmetics	Telecommunications: Telephony, Cable/Satellite TV Services, ISPs
Computers (Hardware/Software) and Consumer Electronics	Drugs and Remedies	
Consumer Packaged Goods, Food, Non-Alcoholic Beverages and Candy	Manufacturing	Toys/Games
	Media	Leisure Travel (Airfare, Hotels, Resorts)
Educational Services	Professional Sports and Sporting & Athletic Goods	Business Travel (Airfare, Hotels, Resorts)
Entertainment (Film, Music, TV, Box Office, Video Games, Amusement/Recreational)	Real Estate	

About the Interactive Advertising Bureau

The Interactive Advertising Bureau (IAB) is comprised of more than 500 leading media and technology companies who are responsible for selling 86% of online advertising in the United States. On behalf of its members, the IAB is dedicated to the growth of the interactive advertising marketplace, of interactive's share of total marketing spend, and of its members' share of total marketing spend. The IAB educates marketers, agencies, media companies and the wider business community about the value of interactive advertising. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. Founded in 1996, the IAB is headquartered in New York City with a Public Policy office in Washington, D.C. For more information, please visit www.iab.net.

Overall Report Guidance Provided by IAB Leadership

Executive Committee

President

Randall Rothenberg
IAB

Randy Kilgore
Tremor Media

Dennis Woodside
Google

Chairman

Bob Carrigan
IDG Communications, Inc.

David Moore
24/7 Real Media, Inc.

Vice Chair

Peter Naylor
NBC Universal

Rik van der Kooi
Microsoft

Board of Directors

Kevin Arrix
MTV Networks

Tom Arrix
Facebook

John Battelle
Federated Media

Alisa Bowen
The Wall Street Journal Digital
Network

David Carey
Hearst Magazines

Jarvis Coffin
Burst Media

Louis Cona
Condé Nast Media Group

Kevin Conroy
Univision Interactive Media

Greg D'Alba
CNN

Jory Des Jardins
BlogHer

Mitch Golub
cars.com

Elizabeth Harz
Electronic Arts

Jeff Hirsch
AudienceScience

Kathy Kaye
The Oprah Winfrey Network
(Discovery Networks)

Jeff Levick
AOL

Leon Levitt
Cox Newspapers

Chris Ma
The Washington Post Company

Greg McCastle
AT&T Advanced Ad Solutions

David Morris
CBS Interactive

Martin Nisenholtz
The New York Times Company

Mike Perlis
Forbes Media

James Pitaro
Disney Interactive Media Group

Randall Rothenberg
IAB

Scott Schiller
Comcast Interactive Media

Vivek Shah
Ziff Davis LLC

Tina Sharkey
BabyCenter

Elisa Steele
Yahoo!

Nada Stirratt
MySpace

Bill Todd
ValueClick

Lisa Utzschneider
Amazon.com

Lauren Wiener
Meredith

Jeff Wilks
USATODAY.com

Ex-Officio

Treasurer

Bruce Gordon
Disney Interactive Media Group

Secretary

Joseph Rosenbaum
Reed Smith LLP

Founding Chairman

Rich LeFurgy
Archer Advisors

PwC New Media Group

PwC (www.pwc.com) provides industry-focused assurance, tax and advisory services for public and private clients. More than 146,000 people in 150 countries connect their thinking, experience and solutions to build public trust and enhance value for clients and their stakeholders.

PwC's New Media Group was the first practice of its kind at a Big Four firm. Currently located in New York, Los Angeles, Boston, Seattle and the Bay Area, our New Media Group includes accounting, tax and consulting professionals who have broad and deep experience in the three areas that converge to form new media: advanced telecommunications, enabling software and content development/distribution.

Our services include:

- Business assurance services
- Web audience measurement and advertising delivery auditing and advisory
- IAB Measurement Certification Compliance auditing
- Privacy policy structuring, attestation and compliance advisory
- Mergers & Acquisition assistance
- Tax planning and compliance
- Capital sourcing and IPO assistance

For more information about our New Media Group, contact one of the following PwC professionals:

New York

David Silverman

Partner, Assurance Services

646.471.5421

david.silverman@us.pwc.com

New York

Russ Sapienza

Partner, Advisory Services

646.471.1517

russell.j.sapienza@us.pwc.com

Boston

Vic Petri

Partner, Assurance Services

617.478.1698

victor.petri@us.pwc.com

San Jose

Mike Pearl

Partner, Assurance Services

408.817.3801

michael.pearl@us.pwc.com

Seattle

Suzanne Faulkner

Partner, Assurance Services

206.398.3550

suzanne.faulkner@us.pwc.com

www.pwc.com/e&m

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2011 PricewaterhouseCoopers LLP. All rights reserved. In this document, "PwC" refers to PricewaterhouseCoopers LLP, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.