IAB Internet Advertising
Revenue Report

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

2004 Full-Year Results
April 2005
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About the IAB Internet Advertising Revenue Report

Conducted by the New Media Group of PricewaterhouseCoopers LLP on an ongoing basis, with results released semi-annually, the “Internet Advertising Revenue Report” was initiated by the Interactive Advertising Bureau (IAB) in 1996. This report aggregates data and information reported directly to PricewaterhouseCoopers LLP by companies representing thousands of Web sites, in addition to other online ad selling companies.

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

The report is conducted independently by PricewaterhouseCoopers LLP on behalf of the IAB, and only aggregate results are published. Individual company information is held in strict confidence with PricewaterhouseCoopers LLP. Further details regarding scope and methodology are provided in the appendix to this report.

Tom Hyland
Partner, New Media Group Chair
PricewaterhouseCoopers LLP

Pete Petrusky
Director, Advisory Services
PricewaterhouseCoopers LLP
Executive Summary

IAB Internet Advertising Revenue Report
2004 Full-Year Highlights

Internet advertising revenues (“revenues”) in the United States totaled over $9.6 billion for the full year 2004, with Q3 accounting for $2.3 billion and Q4 totaling nearly $2.7 billion. Internet advertising revenues for the full year of 2004 increased nearly 33 percent over 2003, and exceeded the previous annual revenue record of $8.1 billion in 2000 by 19 percent.

Key trends underlying 2004 results:

• Revenues Post Record Results – Internet advertising revenue in the U.S. totaled $2.69 billion in the fourth quarter of 2004, marking the highest ever quarter of revenue reported. Revenues have increased eight of the previous nine quarters. Total revenues for the 2004 fourth quarter increased over 15 percent from the 2004 third-quarter total of $2.33 billion, and just under 24 percent from the 2003 fourth-quarter total of $2.18 billion.

"Interactive advertising has clearly become a mainstream medium and one that can no longer be ignored as a critical piece of any marketing mix. The PwC 2004 figures reported indicate that Interactive is firing on all cylinders including display, search and classifieds and is squarely on track to surpass consumer magazine revenues.”

– Greg Stuart, IAB President and CEO

• Consumer Advertisers Continue to Lead Spending – Consumer advertisers continue to lead all industry categories, accounting for 49 percent of 2004 revenues, up sharply from the 37 percent reported for the same period in 2003. Computing advertisers accounted for 18 percent of 2004 revenues, followed by Financial Services at 17 percent, Telecommunications at 4 percent and Pharmaceutical & Healthcare at 6 percent of 2004 revenues. Within the consumer category the biggest sub-categories are retail (40 percent of the consumer category), automotive (19 percent), leisure (16 percent), entertainment (13 percent) and package goods (7 percent).

"With the considerable increase of broadband within the home, more consumers are spending more time online accessing content and affecting transactions. This key trend is not lost on marketers, particularly the larger offline brand advertisers which realize the medium’s improved infrastructure affords advertisers a stronger platform to deliver more rich and compelling advertising experiences essential for brand building and enhancement.”

– Tom Hyland, Partner, PricewaterhouseCoopers LLP

• Paid Search Continues to Lead, While Classifieds and Display Remain Strong – Search revenue increased from 35 percent of 2003 revenues to 40 percent in 2004. Classifieds, which includes auction-based listings, increased from 17 percent of 2003 total revenues to 18 percent in 2004. Display and sponsorship advertising revenues declined on a percent of total revenue from 31 percent in 2003 to 27 percent in 2004, while on a total dollar basis, the combined formats increased 15 percent from $2.3 billion in 2003 to $2.6 billion in 2004.

"The revenue results reported for 2004 confirm a very healthy environment for online advertising, for both direct marketers seeking immediate performance results, as well as brand advertisers looking to create or enhance an image, product or service. Moreover, the Internet is the only medium to adopt a global standard for impression measurement, intended to simplify the buying and selling process for online advertising.”

– Pete Petrusky, PricewaterhouseCoopers LLP
Detailed Findings

Record Revenues Total Nearly $2.7 Billion in 2004 Fourth Quarter

- On-line ad sellers reported aggregate revenues totaling just under $2.7 billion for the fourth quarter of 2004.
- Total 2004 fourth-quarter revenues were $512 million or 23.5 percent higher than the fourth quarter of 2003, and $361 million or 15.4 percent higher than the third quarter of 2004.
Historical Fourth-Quarter Revenue Trends

- Fourth-quarter revenues for 2004 mark the highest quarter reported by over 15 percent, and accounted for approximately 28 percent of 2004 total annual revenues, the second highest percentage reported during the past five years.

**Fourth-Quarter $ Revenue Comparisons – 1997 through 2004**

**Historical Fourth-Quarter Revenue Shares Comparison – 2000 through 2004**

![Graphs showing historical revenue trends and shares from 1997 to 2004.](image-url)
2004 Annual Revenues Totaled Over $9.6 Billion

- Full-year revenues for 2004 totaled over $9.6 billion, $2.4 billion or 32.5 percent higher than 2003 full-year revenues.
- 2004 fourth-quarter revenues

Full-Year Revenue 2003 vs 2004

Revenues Continue Sharp Rebound

- Quarterly industry revenues historically exhibited a seasonal growth pattern where the strongest growth can occur during the second and fourth quarters.
- 2004 fourth-quarter revenues recorded the highest revenue total since reporting began in 1996.
- Since the third quarter of 2002 revenues have increased 8 of the past 9 consecutive quarters.
Historical Revenue Performance

- Annual and Quarterly Revenue Growth Comparisons

### Industry Revenue Concentration Remains Consistent

- On-line advertising remains concentrated with the ten leading ad-selling companies, which accounted for 71 percent of total revenues in the fourth quarter of 2004, consistent with the 71 percent reported for the fourth quarter of 2003.

- Companies ranked 11th to 25th accounted for 14 percent of revenues for the fourth quarter of 2004. Companies ranked 26th to 50th accounted for 9 percent in the fourth quarter of 2004.
Performance-Based Pricing Remains Strong

- Survey participants reported 46 percent of 2004 fourth-quarter revenues were priced on a performance basis (e.g., cost-per-click, sale, lead or straight revenue share), up from 41 percent for the same period in 2003.
- Approximately 38 percent of 2004 fourth-quarter revenues were priced on a CPM or impression basis (includes sponsorships), down slightly from 40 percent reported for the fourth quarter of 2003.
- Approximately 16 percent of 2004 fourth-quarter revenues were priced on a hybrid basis, declining from the 19 percent reported for the same period in 2003.

Internet Ad Revenues by Pricing Model

<table>
<thead>
<tr>
<th>% of 2004 Fourth Quarter Revenues</th>
<th>% of 2003 Fourth Quarter Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hybrid 16%</td>
<td>Hybrid 19%</td>
</tr>
<tr>
<td>CPM 38%</td>
<td>CPM 40%</td>
</tr>
<tr>
<td>Performance 46%</td>
<td>Performance 41%</td>
</tr>
<tr>
<td>Total – $2.7 Billion</td>
<td>Total – $2.2 Billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of 2004 Full Year Revenues</th>
<th>% of 2003 Full Year Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hybrid 17%</td>
<td>Hybrid 20%</td>
</tr>
<tr>
<td>CPM 42%</td>
<td>CPM 43%</td>
</tr>
<tr>
<td>Performance 41%</td>
<td>Performance 37%</td>
</tr>
<tr>
<td>Total – $9.6 Billion</td>
<td>Total – $7.3 Billion</td>
</tr>
</tbody>
</table>
Search, Display and Classifieds Lead Ad Formats

- Search remains the largest revenue format, accounting for 40 percent of 2004 fourth-quarter revenues, consistent with the 40 percent reported for the same period in 2003. Search advertising revenues totaled $1,078 million in the fourth quarter of 2004, up 23 percent from the fourth quarter of 2003, when search revenues totaled $873 million.

- Display advertising accounted for 18 percent of total revenues during the fourth quarter of 2004, down slightly from the 20 percent reported in the fourth quarter of 2003. On a total dollar basis, display advertising totaled $485 million in 2004 Q4, up nearly 11 percent from the $436 million reported in the fourth quarter of 2003. This represents a solid rebound from the 12 percent full-year decline reported in 2003 versus 2002.

- Classifieds revenue accounted for 18 percent ($485 million) of 2004 fourth-quarter revenues, up slightly from the 16 percent ($349 million) reported in the fourth quarter of 2003.

- Rich media accounted for 11 percent ($296 million) of fourth-quarter 2004 revenues, up 36 percent from the same period reported for 2003 ($218 million).

Internet Ad Revenues by Advertising Format

**% of 2004 Fourth-Quarter Revenues**

- Search: 40%
- Display Ads: 18%
- Rich Media: 11%
- E-mail: 2%
- Sponsorship: 6%
- Classifieds: 18%
- Sloting Fees: 2%
- Referrals: 3%

Total – $2.7 Billion

**% of 2003 Fourth-Quarter Revenues**

- Search: 40%
- Display Ads: 20%
- Rich Media: 11%
- E-mail: 2%
- Sponsorship: 8%
- Classifieds: 16%
- Sloting Fees: 2%
- Referrals: 1%

Total – $2.2 Billion
Search, Display and Classifieds Lead Ad Formats (cont’d)

- Search revenues increased over 50 percent on a dollar basis from 2003 ($2.5 billion) to 2004 ($3.9 billion), but remained constant at 40 percent of total revenues during the fourth quarter of both 2004 and 2003.

- On a combined basis, display and sponsorship advertising revenues totaled $2.6 billion in 2004, up $346 million or 15 percent from the 2003 total of $2.3 billion.

- Classifieds advertising revenue totaled approximately $1.7 billion in 2004, up $498 million or 40 percent from the 2003 total of $1.2 billion.

- Rich media advertising revenues totaled $963 million in 2004, up $236 million or 32 percent from the 2003 total of $727 million.

- Referrals, slotting fees and email round out the categories, totaling a combined $480 million in 2004, down from the $509 million reported in 2003.
Employment and Auction-Based Listings Lead Classifieds Format*

- Employment listing advertisers were the leading segment of classifieds advertising revenue during the fourth quarter of 2004, accounting for approximately 47 percent (or $228 million) of total classifieds revenue.

- Auction-based listings, the second-largest revenue segment of the classifieds format, accounted for approximately 34 percent ($165 million) of total classifieds revenues during the fourth quarter of 2004.

- Yellow pages advertisers accounted for approximately 7 percent ($34 million) of total classifieds revenues for the 2004 fourth quarter, followed by real estate and automotive listings, each at 6 percent ($29 million) of 2004 fourth-quarter classifieds revenues.

National Advertisers Dominate Online Ad Spending*

- Advertising revenues targeting national or non-local online audiences accounted for approximately 94 percent (or $2.5 billion) of 2004 fourth-quarter revenues.

- Revenues targeting local advertisers totaled 6 percent ($162 million) of 2004 fourth-quarter revenues.

*Reporting category introduced in the 2004; reporting data is limited to the 2004 fourth quarter.
Consumer Advertiser Revenues Remain Strong

- Consumer advertisers continue to represent the largest category of Internet ad spending, accounting for 50 percent of 2004 fourth-quarter revenues, up from 40 percent reported for the same period in 2003.
- Computing and Financial Services advertisers represented the second-largest category of spending, each category accounting for 16 percent of 2004 fourth-quarter revenues.
- Telecom advertisers accounted for 7 percent of 2004 fourth-quarter revenues, up from 4 percent reported for the fourth quarter of 2003. Pharmaceuticals and Healthcare advertisers accounted for 6% of 2004 fourth-quarter revenues, up from the 4% reported for 2003 Q4.
- Retail advertisers continue to lead the consumer related categories at 38 percent of 2004 fourth-quarter revenues, followed by Automotive at 23 percent of 2004 fourth-quarter revenues, Leisure (travel, hotel & hospitality) at 15 percent, Entertainment (music, film & TV entertainment) at 11 percent, and Packaged Goods at 8 percent of 2004 fourth-quarter revenues.

Internet Ad Revenues by Major Industry Category*

<table>
<thead>
<tr>
<th>2004 Q4 vs. 2003 Q4</th>
<th>2004 Full Year vs. 2003 Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of total revenues</td>
<td>% of total revenues</td>
</tr>
<tr>
<td>Consumer Related</td>
<td>50%</td>
</tr>
<tr>
<td>Computing</td>
<td>40%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>19%</td>
</tr>
<tr>
<td>Telecom</td>
<td>16%</td>
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<tr>
<td>Pharma &amp; Healthcare</td>
<td>7%</td>
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<tr>
<td></td>
<td>50%</td>
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<td></td>
<td>49%</td>
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</table>

Internet Ad Revenues by Major Consumer Category*

<table>
<thead>
<tr>
<th>2004 Q4 vs. 2003 Q4</th>
<th>2004 Full Year vs. 2003 Full Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of consumer revenues</td>
<td>% of consumer revenues</td>
</tr>
<tr>
<td>Retail/Mail Order</td>
<td>38%</td>
</tr>
<tr>
<td>Automotive</td>
<td>23%</td>
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<tr>
<td>Entertainment</td>
<td>11%</td>
</tr>
<tr>
<td>Leisure</td>
<td>16%</td>
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<tr>
<td>Packaged Goods</td>
<td>8%</td>
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<tr>
<td></td>
<td>40%</td>
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<td></td>
<td>4%</td>
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</tbody>
</table>

*Categories listed represent the top five ranked by revenue, and may not add up to 100 percent.
U.S Advertising Marketshare

- Internet advertising revenues accounted for approximately 3.7 percent of total U.S. ad spending* in 2004, up from approximately 3.0 percent in 2003.

U.S. Advertising Market-Media Comparisons – 2004 ($ Billions)

<table>
<thead>
<tr>
<th>Media Type</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
<th>Year 10</th>
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<tbody>
<tr>
<td>Direct Mail</td>
<td>$50.1</td>
<td></td>
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<tr>
<td>Newspapers</td>
<td></td>
<td>$46.2</td>
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<td></td>
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<tr>
<td>Broadcast &amp; Syndicated TV</td>
<td>$33.5</td>
<td></td>
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<td></td>
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<tr>
<td>Radio</td>
<td>$20.7</td>
<td></td>
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<tr>
<td>Cable TV</td>
<td></td>
<td>$15.8</td>
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<tr>
<td>Consumer Magazines</td>
<td></td>
<td>$12.4</td>
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<td>Internet</td>
<td></td>
<td>$9.6</td>
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<tr>
<td>Business Magazines</td>
<td></td>
<td>$7.5</td>
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<tr>
<td>Outdoor</td>
<td></td>
<td>$5.9</td>
<td></td>
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</tr>
</tbody>
</table>

*The total U.S. advertising market is estimated at approximately $257 billion, and includes other segments not charted here.

Sources: IAB Internet Ad Revenue Report; PricewaterhouseCoopers LLP; Wilkofsky Gruen Associates; Universal McCann

Initial Year Growth Comparisons – Internet Advertising vs. Broadcast and Cable Television

- The first 10 years of Internet Advertising (1995-2004) were charted against broadcast television (1949-1958) and cable television (1980-1989), presented in current dollars.

- Internet advertising revenues surpassed cable television revenues in its third year of growth, and broadcast television revenues in its fifth year of growth. Internet dipped below broadcast television in years eight and nine, and surpassed it again in year 10.

Annual $ Ad Revenue Growth – First 10 Years

Sources: IAB Internet Ad Revenue Report; PricewaterhouseCoopers LLP; Universal McCann
Appendix

Definitions of Leading Industry Categories

The industry categories used in the IAB Internet Advertising Revenue Report were sourced from the Northern American Standard Industrial Classification (SIC) Manual.*

**Consumer Related** – includes industry categories classified as consumer-related, including automotive, mail order/catalog, travel/hotel/airlines, amusement & recreation, apparel, drug stores, home furnishings/textiles, retail stores, cosmetics, jewelry, restaurants/fast food, household products, tobacco, toys, pet food/supplies and appliances.

**Computing Products** – includes hardware (computers, computer storage devices, and computer peripheral equipment), 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.

**Business Services** – includes accounting, engineering, research, management consulting services and other companies rendering services to business establishments on a contract or fee basis, such as advertising, credit reporting, mailing, news syndicates, photocopying and data processing services.

**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).

**Pharmaceutical and Healthcare** – includes industry categories classified as pharmaceutical and healthcare related. Pharmaceutical includes establishments primarily engaged in manufacturing, fabricating, or processing drugs in pharmaceutical preparations for human or veterinary use. Healthcare includes establishments primarily engaged in furnishing medical, surgical, and other health services to persons. Establishments of associations or groups, such as Health Maintenance Organizations (HMOs), primarily engaged in providing medical or other health services to members are included.

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* Survey participants reported results based on the separate industry categories listed on page 16, 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, PricewaterhouseCoopers classified a number of individual categories under “Consumer Related.”
Definitions of Advertising Formats

Display Advertising – advertiser pays an on-line company for space to display a static or hyper-linked banner or logo on one or more of the on-line company’s pages.

Sponsorship – advertiser sponsors targeted Web site or email areas (e.g., entire web site, site area, an event, parts or all of an email message). Sponsorships can and usually do contain some banner elements. To the extent possible, separate and report revenues for other formats contained within the sponsorship campaign.

E-mail – banner ads, links or advertiser sponsorships that appear in e-mail newsletters, e-mail marketing campaigns and other commercial e-mail communications. Includes all types of electronic mail (e.g., basic text or HTML-enabled).

Search – fees advertisers pay on-line 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:

- 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.

Referrals – fees advertisers pay to on-line companies that refer qualified leads or purchase inquiries (e.g., automobile dealerships which pay a fee in exchange for receiving a qualified purchase inquiry on-line, fees paid when users register, or apply for credit card, contest or other service).

Classifieds and auctions – fees advertisers pay on-line companies to list specific products or services (e.g., on-line job boards and employment listings, real estate listings, automotive listings, auction-based listings, yellow pages).

Rich media – advertisements that integrate some component of streaming video and/or audio and interactivity, in addition to flash or java script ads, and can allow users to view and interact with products or services (e.g., a multimedia product description, a “virtual test-drive”). “Interstitials” have been consolidated within 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, pop-up windows and superstitials.

Slotting fees – fees charged to advertisers by on-line companies to secure premium positioning of an advertisement on their site, category exclusivity or similar preference positioning (similar to slotting allowances charged by retailers).
Survey Scope

The Interactive Advertising Bureau (IAB) retained PricewaterhouseCoopers to establish a comprehensive standard for measuring the growth of Internet/on-line advertising revenues.

- The IAB Internet Advertising Revenue Report is 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/on-line advertising revenues;
  - Making the survey as inclusive as possible, encompassing all forms of Internet/on-line advertising, including Web sites, consumer on-line services and e-mail providers; and
  - Ensuring and maintaining a confidential process, only releasing aggregate data.

Methodology

- PricewaterhouseCoopers:
  - Compiles a database of industry participants selling Internet/on-line advertising revenues.
  - Conducts a quantitative mailing survey with leading industry players, including Web publishers, commercial on-line service providers, e-mail providers and other on-line media companies.
  - 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.
  - The 2001 and 2000 full-year revenue data were adjusted to reflect revenue restatements reported in public filings by several individual companies. Those reported restatements totaled $77 million in 2001 and $138 million in 2000. Historical industry revenue figures are now adjusted to $7.134 billion in 2001 and $8.087 billion in 2000.

Survey Industry Categories

<table>
<thead>
<tr>
<th>Entertainment (Film, TV, Music)</th>
<th>Business Equipment/ Supplies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel</td>
<td>Pharmaceuticals</td>
</tr>
<tr>
<td>Household Products</td>
<td>Telecommunications</td>
</tr>
<tr>
<td>Automotive</td>
<td>Health Care Services</td>
</tr>
<tr>
<td>Consumer Packaged Goods</td>
<td>Professional Sports</td>
</tr>
<tr>
<td>Computers &amp; Peripherals</td>
<td>Toiletries &amp; Cosmetics</td>
</tr>
<tr>
<td>Retail</td>
<td>Leisure (Travel, Hotels, Resorts)</td>
</tr>
<tr>
<td>Educational Services</td>
<td>Business Services</td>
</tr>
<tr>
<td>Pet Food/Supplies</td>
<td>Manufacturing</td>
</tr>
<tr>
<td>Restaurants/ Fast food</td>
<td></td>
</tr>
<tr>
<td>Financial Services (Banks, Insurance, Securities, Real Estate)</td>
<td></td>
</tr>
</tbody>
</table>
Overall Report Guidance Provided by IAB Leadership

Executive Committee

Chairman
Steve Wadsworth
The Walt Disney Internet Group

Vice Chairman
James Spanfeller
Forbes.com

President & CEO
Greg Stuart
Interactive Advertising Bureau

IAB Chairman Emeritus
Shelby Bonnie
CNET Networks

Treasurer
Karen Messineo
New York Times Digital

IAB Founding Chairman
Rich LeFurgy
Archer Advisers

Secretary
David Moore
24/7 Real Media, Inc

Member at Large
Wenda Harris Millard
Yahoo! Inc.

Board of Directors

Tim Armstrong
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Randy Kilgore
The Wall Street Journal Online

Javier Saralegui
Univision Online

Michael Barrett
AOL Media Networks

Rich LeFurgy
Archer Advisors

James Spanfeller
Forbes.com

Shelby Bonnie
CNET Networks

Caroline Little
WPNI

Greg Stuart
Interactive Advertising Bureau

Joanne Bradford
Microsoft – MSN

Michael Mayor
NetCreations, Inc.

Steve Wadsworth
Walt Disney Internet Group

Sarah Chubb
CondéNet

Michel McLernon
CBS MarketWatch

Jeff Webber
USATODAY.com

Jason Devitt
Vindigo, Inc.

Wenda Harris Millard
Yahoo! Inc.

Debora Wilson
Weather.com

Gary Dillabough
eBay

Matt Moog
CoolSavings

Wenda Harris Millard
Yahoo! Inc.

Scott Ferber
Advertising.com

Dave Moore
24/7 Real Media, Inc.

Jeff Webber
USATODAY.com

Mitch Golub
cars.com

Peter Naylor
iVillage, Inc.

Debora Wilson
Weather.com

David Hills
Looksmart, Ltd.

Martin Nisenholtz
New York Times Digital

About the Interactive Advertising Bureau

Founded in 1996, the Interactive Advertising Bureau (IAB) represents leading interactive companies that are actively engaged in, and support the sale of, interactive advertising. IAB members are responsible for selling over 86% of on-line advertising in the United States. On behalf of its members, the IAB evaluates and recommends standards and practices, fields interactive effectiveness research and educates the advertising industry regarding the use of interactive advertising. For more information please visit www.iab.net.
PricewaterhouseCoopers New Media Group

PricewaterhouseCoopers LLP (www.pwc.com) provides industry-focused assurance, tax and advisory services for public and private clients. More than 120,000 people in 139 countries connect their thinking, experience and solutions to build public trust and enhance value for clients and their stakeholders.

Unless otherwise indicated, “PricewaterhouseCoopers” refers to PricewaterhouseCoopers LLP, a Delaware limited liability partnership. PricewaterhouseCoopers LLP is a member firm of PricewaterhouseCoopers International Limited.

PricewaterhouseCoopers’ 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 to the new media industry include:

• Business assurance services
• Web audience measurement auditing and advisory
• Web advertising delivery auditing and advisory
• Privacy policy structuring, attestation and compliance advisory
• Mergers & acquisition assistance
• Tax planning and compliance
• Capital sourcing and IPO assistance

PricewaterhouseCoopers LLP is a licensed CPA WebTrust auditor, a designated TRUSTe auditor, and the leading service provider in the area of Web Advertising Delivery Auditing. For information about our New Media Group, contact one of the following PricewaterhouseCoopers LLP professionals:

**New York**
Tom Hyland  
Partner, Assurance Services  
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