Background on Rick Rowland, Power-Link & the Proof Of Play Technology

First a little about myself. I was literally born into radio as my father was a station owner in Florida and Georgia. I have spent my earlier years performing about every job there is in radio including on air, engineering, management, and even traffic.

In the early 90s when computerized automation was emerging, I, while operating a station in Naples, FL, realized a need for software that would "bridge the gap" between traffic and automation. Having written that for myself, I soon had engineers calling me for the same. Then Columbine Systems contacted me telling me of the need for a reconciliation component.

After having served the industry for about 18 years as Power-Link Software Systems including nearly 6,000 radio and 400 TV stations in North America, Europe and South Africa, I am currently supporting about 1,000 stations for "advanced playlist creation", daily commercial reconciliation and media readiness via an add on application, "Media Check". I was recently granted a US patent on reconciling commercials and initiating interactivity from real time data.

The above unique work has allowed me to work with various players in radio to create solutions the "various objectives" that have been proposed. Sarbanes-Oxley compliance has been a considerable proponent for my work. In fact in 2003 I was made a court recognized expert witness (http://courts.state.de.us/opinions/ (ukvanlrgmf02qcmxync3lr55)/download.aspx?id=94730) from page 28 of this court document...

The results of Graham's analysis were corroborated by another expert, Richard Rowland, using a software program that he developed called "Powerlink." Rowland markets Powerlink to radio stations like WRMF for use in reconciling their pre-set schedules with the Aired Files that reflect what actually played. The purpose of using a program like Powerlink is to create an audit trail to prove to advertisers that the commercials they paid for played on the air. WRMF currently uses Powerlink to perform this function, although during the time period relevant to this case, it did not use any computer program for that purpose. Rather, this is what Lisa Colson supposedly did manually during her reconciliation process. In analyzing the time period relevant to this case, Rowland, using Powerlink, performed an independent comparison of the Marketron Board Files and the Scott Aired Files. That comparison produced results identical to Graham's analysis. Despite strenuous efforts to discredit Rowland's analysis, Crystal failed entirely in that project, and Rowland's analysis is credible, persuasive evidence of fraud.

This was an interesting case of convincing a court that 2 million dollars of fraudulent billing was never aired and was put there to elevate the sale price of the station by 14 million dollars. Dave Scott was the witness for our defeated opponents.

Fast forwarding to 2009. I get a call from a long time client of mine telling me that they found that a late night DJ is playing his own commercials by turning down the output of the automation and playing his spot over it. Using the standard methods of reconciling with the automation's asplay file, this generates a data trail that shows no foul play. So the question was "what could we design to catch such a situation?" Actually this was not the first time a broadcast corporation had asked me about this..

After proposing a technical solution (that naturally got tweaked several times during development) I entered into a 3 year contract to build a system that would effectively watch the **real time flow** of on air data from their automation system and take smart actions accordingly. More on the technical specifics are here-> http://www.proofofplay.com/docs/POP%20Compliancy%20Oct%202012.pdf.

At the end of the three years of development (about \$750k spent) this system was running 24/7 on KLVE-FM in LAX. For the 2012 NAB it was setup also at KSOC-FM in DFW with whom we demonstrated live and **instant ad clearance** and pushing out **ad and buyer** specific interactivity to a smart device allowing the listener to interact with the advertiser's calls to action - during and after the ad had aired.

While showing this technology at conventions I learned of a huge problem for radio that our advertisers had been dealing with and that many do not realize. Some ad buyers who were excited that we *know who the buyer is* told me of the buyer ambiguity that exist in radio that prevents them from calculating their return on investment. The problem relates to Media Monitors and how they don't know who the buyer is and how that "bad data" manifest itself in inconclusive reporting.

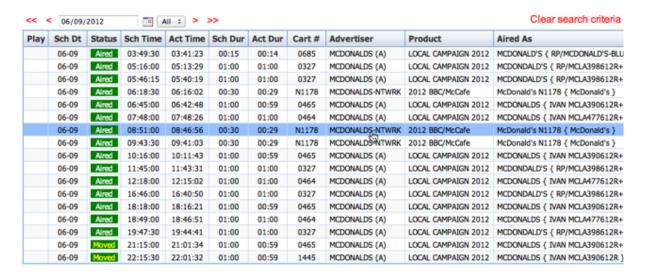
Understandably this technology was noticed by people in the industry who wrestle to work with the ambiguous data that is currently the norm. So the list of people who have contacted me is a bit of a bullet list of decision makers who are looking to elevate radio's metrics in the eyes of the buyers. <u>Linked here</u> is a document "Inquiries of POP 1-4-13.pdf" which was a briefing on the subject of who has contacted me and generally what was their interest and comments were.

A REAL DEMONSTRATION USING KLVE'S DATA:

One of the most enthusiastic people to have seen the system is Bruce Supovitz of Arbitron, who at the 2012 convention, was looking for a solution to the ambiguous data that he works with from Media Monitors. For his demonstration after the NAB show, I used a McDonalds campaign running on KLVE that was currently being aired by a network buy as well as a local ad agency.

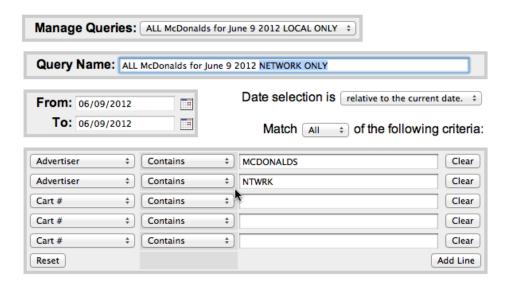
For Bruce's needs it took me all of 30 seconds to build a query in our system that performed what he needed. As seen below, a Media Monitors report would have given a list of simply "McDonalds" that looks like the below list. (which is ALL of the McDonalds activity for 6/9/12 for KLVE - the local campaign along side the network's ads. Also Arbitron sent us PPM listener data for a prior month and we simply used it for

the month of October 2012 for KLVE, we were able to show him that *even if the PPM data were real time*, we could apply it as the commercials played. It was simply another column in the below screen showing the AQH listeners for that 15 minute time period.

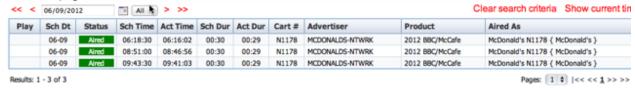


But now requiring the word NTWRK in the search criteria. . . .

Search KLVE



Instantly gave him the data of interest!



Granted, there were probably a half dozen other ways within our query's potential to get to these results but it clearly illustrates the point our reconciled results of airplay activity can produce the data that is in need in the industry.

Our ability to differentiate between the various ad buyers to date has been the overwhelming interest of the Proof Of Play technology. Talking to people who place ads nationwide, they are convinced that **they**, the advertisers would pay for such a service.

Speaking to the owners of Ad Results Inc, learned of the *behind the scenes* needs and processes that are currently being performed manually that the POP technology could significantly improve and automate as it pertains to the verification of live read endorsements. To this subject, there is **much** to be discussed and is beyond the scope of this email.

One of the facts of this technology is that when an ad hits the air - our system has already reconciled back to the line on the program log, this allows us to know a lot of important data about that event *now airing*. At this point we know everything from the program log about this event and everything captured in the data burst from the automation system. Then we turn to the "call to action" data base to get even more!

Typically what is known by the time an event begins airing:

- 1. **The buyer** (both spelled out as text and the referential value of them in the traffic system)
- 2. The product and it's competitive code
- 3. ISCI or AdID information
- 4. Expected **duration** (we typically get this from both traffic and automation and warn if they are different)
- 5. Contracted **time range** (and ability to warn in real time of breaches)
- 6. The automation's description of the event (again *warning the broadcaster* if it has NO similarity to traffic's description)
- 7. Once the event has aired, we then generate a hash value for the audio of the expected duration and compare this to prior and subsequent airings of what should be the same and report to personnel when errors are discovered.
- 8. From a subsequent data query we would also know the desired "calls to action" based on (1) the cut airing and (2) the buyer of that cut. This is a smart method that allows either the automation data or a combination of traffic & automation to trigger particular calls to action.

This is some of the additional "buyer specific" data acquired in real time when an event begins to air.

Audio	Cart No.	Status	Sch. Date	Sch. Time	
(2)	1839	Aired	10-15	10:47:00	
0	1831	Aired	10-15	11:46:30	
0	N1290	Aired	10-15	12:50:00	
As Sched	uled		1/4	As Ai	
Schedule	d Time:	2012-10-15 12:50:00 Act			
Advertise	r:	MCDONA	Aired		
Product:		2012 DN	Aired		
Schedule	d Duration:	30	Actua		
ISCI:		MCDR-0	Misc:		
Ad ID:		0			
Advertise	r ID:	351963			
Log Numi	ber:	0			
Contract '	Time Range:	12:00:00-13:00:00			

So what does having all of this "real-time data" enable us to do?

- 1. Clear ads in real time, potentially pushing out "clearance transactions" to buyers & networks in real time containing the referential data that their system (CounterPoint?) will need to clear these events. This ability could also enable a more **real time billing** capability.
- 2. Push out interactivity that is specific to the **buyer** (as opposed to the other technologies that simply add the interactive data to the cut in the automation.)
- 3. Push out interactivity that is specific to the **product type** (EG: All beer ads could have a "please drink responsibly" pushed out)
- 4. Push out messages in a pre-roll type manner. EG: A 30 minute "heads up" notification to a call center that their ad is expected in 30 minutes on the network / station. Also 5 or 10 minutes before an ad airs, a "teaser line" could be pushed out. EG: pushing out "In 5 minutes learn how to save 15% on car insurance" to an RDS or station application.
- 5. Warn if something changes EG: If audio has value changes but ISCI code did not, or vice versa if ISCI code changed but audio did not. We have actually determined about 6 dozen logical case scenarios that we can warn about using the three way observation of the scheduled data, the automation's realtime data, the inventory data (more on this later) and the audio's hash value.

As you can imagine what I have pointed out above, if implemented substantially in the industry could have a profound impact on radio's ability to compete with other mediums that currently are viewed as a better way to judge the buyers' ROI as clearly stated here -> http://www.radioink.com/Article.asp?id=2590909 where they finish by saying "its all about ROI"..

To market this technology its been broken down into three areas "Services for Advertisers", "Services for Broadcaster" and "Interactive". Our vision is create a **compliancy** with benefits and new revenues for both the advertiser **and the broadcaster**. There are many tentacles of features and services that can also spring from this. I have posted some more PDF files at http://ProofOfPlay.com/docs and also pushed a video up to Vimeo on the "sound proof" routine as this feature is answer for the broadcaster's original request of catching some coving their commercials see the short clip at -> https://vimeo.com/80924278.

Some Screen shots of the technology in action... Live air activity showing real time reconciled "as scheduled" along side "as aired".

Sch Dt	Status	Sch Time	Act Time	Sch Dur	Act Dur	Cart #	Advertiser	Product	Aired As
08-26	Aired	08:15:30	08:25:02	01:00	01:00	1155	SOUTHERN CALIFORNIA TOYOTA (A)	NEW CAR	SO CAL TOYOTA { RP/TYRH1053R }
08-26	Aired	08:16:30	08:26:02	00:30	00:30	1174	WAL-MART STORES, INC (A)	GRAND OPENING	WAL-MART - GRAND OPENING { RP/WFRR03160000 }
08-26	Aired	08:17:00	08:26:32	00:30	00:30	0819	LEVI STRAUSS & CO (A)	LEVIS	LEVI STRAUSS & CO { RP/PROGRESS VS STATUS QUO }
08-26	Aired	08:17:30	08:27:05	01:00	00:59	1137	AT&T (A)	UVERSE	AT&T { IVEGA AXWR06060000 }
08-26	Aired	08:18:35	08:28:02	01:00	00:59	1257	UNIVISION TV KMEX TV	KMEX CHANNEL 34	KMEX-TV { IVEGA }
08-26	Aired	08:19:35	08:29:02	00:10	00:10	0029	ROSETTA STONE (A)		Rosetta stone { manny }
08-26	LIVE	08:42:40		00:05		LIVE	METRO NETWORKS TRAFFIC	CHEVRON	
08-26	Pending	08:43:00		00:15		0087	METRO NETWORKS TRAFFIC	CHEVRON	
08-26	Pending	08:43:15		01:00		1187	P&G-CREST (A)	CREST HARMONY	
08-26	Pending	08:44:15		01:00		0283	USDA (A)	PUBLIC EDUCATION	
08-26	Pending	08:45:15		00:30		1162	CHEVRON CORPORATION (A)	CHEVRON HISPANIC #53	
08-26	Pending	08:45:45		00:30		0399	DEVRY UNIVERSITY (A)	DEVRY LOCAL	
08-26	Pending	08:46:15		01:00		1225	SAFEWAY STORES, INC (A)	VONS	
08-26	Pending	08:47:15		01:00		1782	WELLS FARGO BANK (A)	BACK TO SCHOOL	
08-26	Pending	08:48:15		00:30		N2378	JC PENNEY CO (A)	Wk 30 Big As It Gets Sale	
08-26	Pending	08:48:45		00:30		0023	HEWLETT-PACKARD CO (A)	INKJET & WEB SOLUTION	
08-26	Pending	08:49:15		00:10		N1479	GENERAL MOTORS-NTWRK	ACZH Chevy Cruze Est 2000 2011	
08-26	Pending	08:49:25		00:30		0625	MCDONALDS (A)	LOCAL CAMPAIGN	
08-26	LIVE	08:50:00		00:05		LIVE	METRO NETWORKS TRAFFIC	SOUTHERN CALIF CHEVY DEALERS	
08-26	Pending	08:50:20		00:15		0641	METRO NETWORKS TRAFFIC	SOUTHERN CALIFORNIA CHEVY	
08-26	Pending	08:51:45		00:15		K101	STATION ID	KLVE STATION ID	
08-26	Scheduled	09:04:00		00:15		1136	MGM RESORTS INTERNATIONAL (A)	CIRCUS CIRCUS LAS VEGAS.	
08-26	Scheduled	09:15:00		01:00		1131	P&G-GILLETTE (A)	P&G- VENUS PROSKIN	
08-26	Scheduled	09:16:00		00:30		1175	WAL-MART STORES, INC (A)	GRAND OPENING	
08-26	Scheduled	09:16:30		01:00		0411	FORD DIVISION (A)	FORD DEALERS	



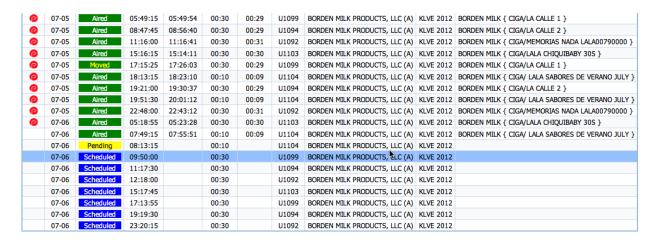
A mock station app rolling calls to action across the screen as the ad airs. We actually wrote this iPhone app but we envision supplying existing apps via an API to supply these "calls to action".



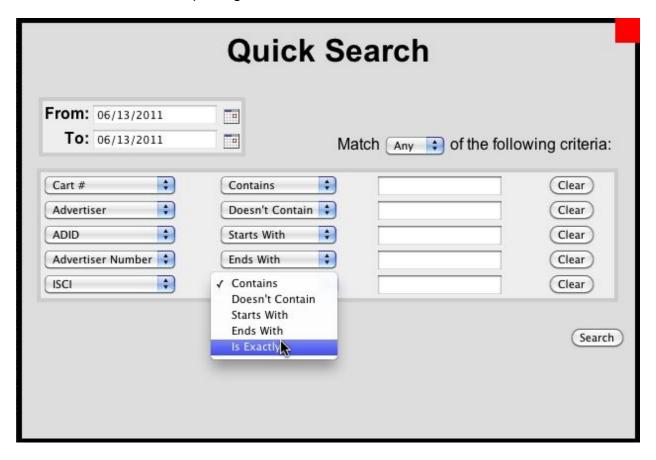
Building a simple query as seen below. . .



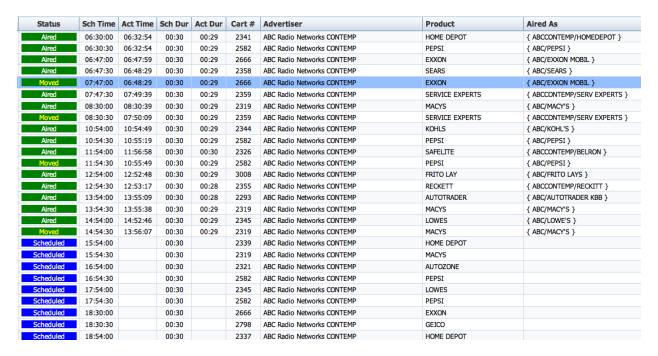
Can provide an advertiser with a live report showing up to the moment activity and clearance of prior ads.



Due to the reconciliations instant knowledge the fields of data that are available are able to return rich and solid reporting

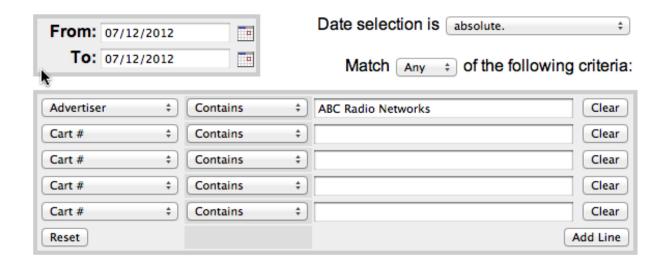


Frequently a labor intensive task, the clearance of network affiliations becomes a snap.

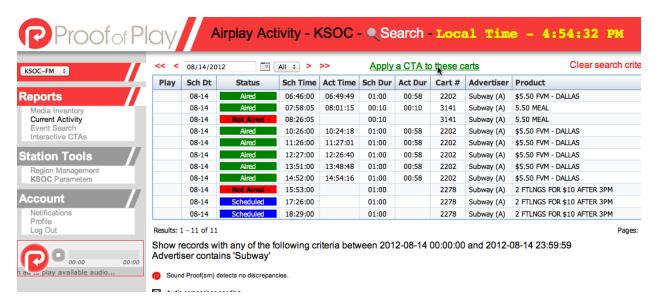


not only more accurate but potentially in real time as well.

The above was performed with a simple query.



When a Call to Action (CTA) is created, it is created potentially using a proven query that affects the desired events and advertiser.



Then the various Calls To Action values are keyed in.



Of course this list of actions is dynamic and can be expanded to push out any kind of data to receivers that are only bound by our imagination!