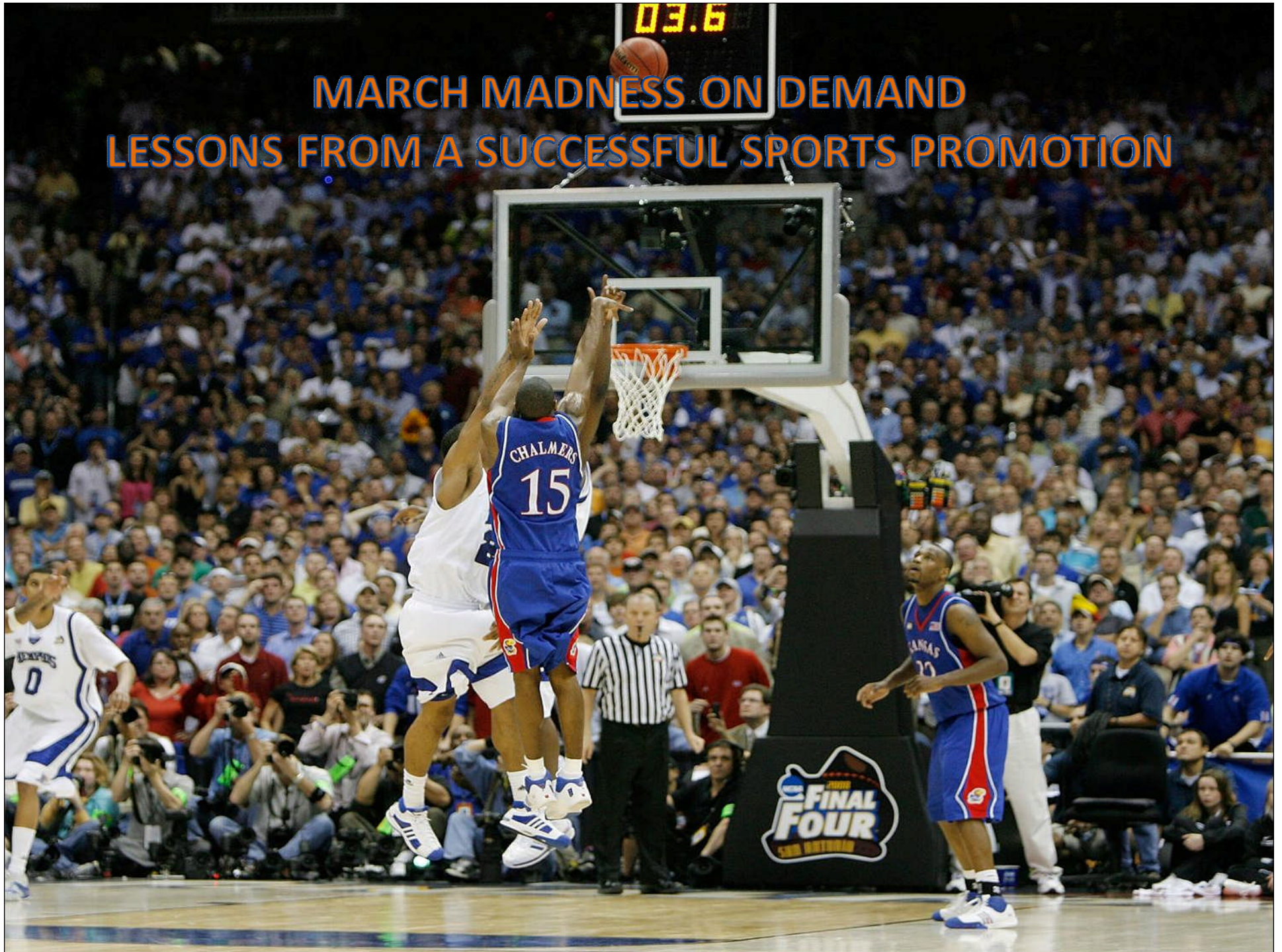MARCH MADNESS ON DEMAND
LESSONS FROM A SUCCESSFUL SPORTS PROMOTION

FINAL 2009 NCAA® MARCH MADNESS® ON DEMAND TRAFFIC FIGURES SHOW ALL-TIME RECORD GROWTH

➢ NCAA March Madness on Demand cements status as largest online sports event.

➢ CBS Sports' coverage of the entire 2009 NCAA Division I Men's Basketball Championship was up +5% in the metered markets from 2008.

➢ This year's marketing program extended across CBS platforms. Promotions on CBS Television, Radio stations, Outernet and affiliates as well as the CBS Audience Network helped fuel awareness of NCAA March Madness on Demand on air and online. From promotions during The Early Show, 60 Minutes, CSI: Miami to a CBS Outdoor billboard in Times Square, the strength of CBS across all forms of media to reach consumers clearly played a pivotal role in the growth of NCAA March Madness on Demand.
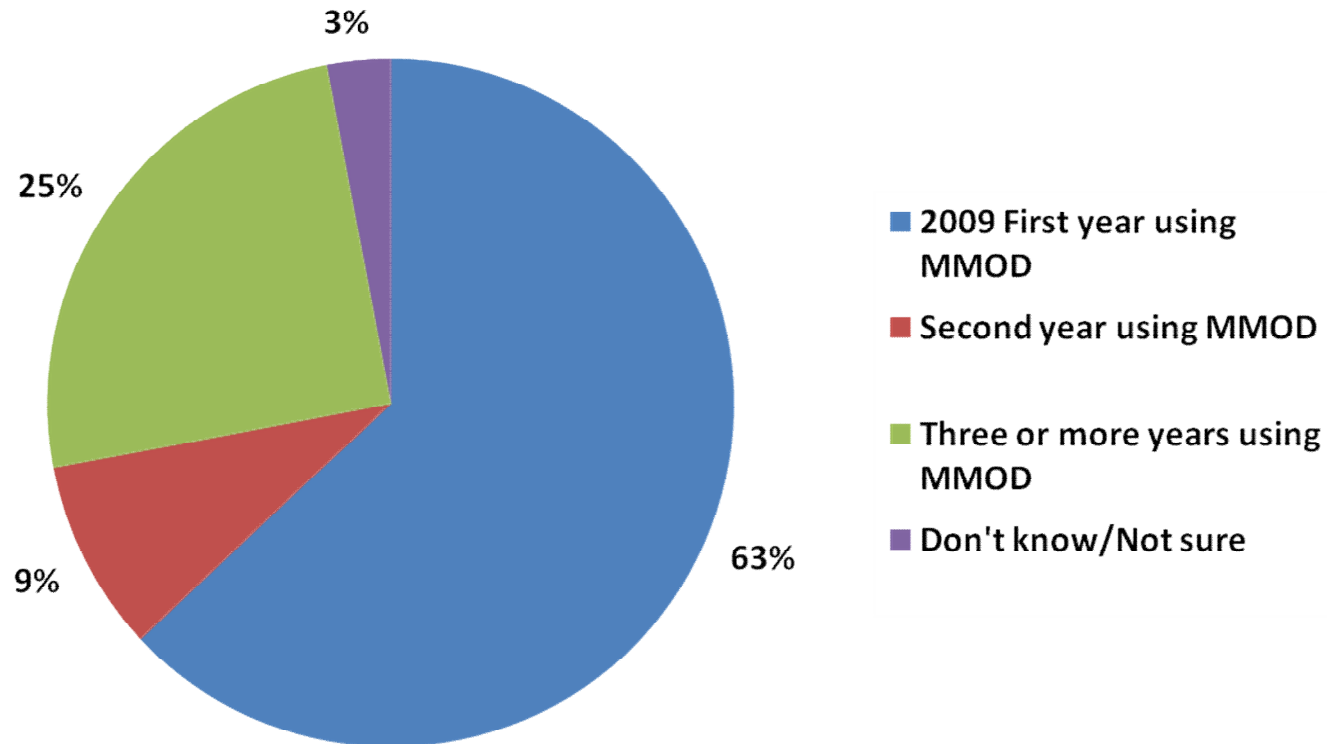
Final 2009 NCAA March Madness on Demand Traffic Figures

➢ 7.52 million unique visitors to the NCAA March Madness on Demand video player (2008 figure was 4.76 million - 58% growth)

➢ 8.6 million total hours of live streaming video and audio consumed - (2008 figure was 4.92 million - 75% growth)

➢ 515 thousand total hours of video and audio were consumed during the semifinal and championship games of the 2009 NCAA Division I Men's Basketball Championship, a 51% increase over 2008 figures.

➢ 2.77 million clicks of the "Boss Button" (2008 figure was 2.5 million for entire tournament)

Audience growing…

- ## 63% of viewers new to MMOD

3%

25%

9%

63%

- 2009 First year using MMOD
- Second year using MMOD
- Three or more years using MMOD
- Don't know/Not sure

Source: 2009 Magid MMOD Ad Effectiveness Study #2000268, Q4.17

Historical Suite Performance

Mayhem Suite Signups/Installs

Legend:
- Facebook
- Round by Round
- Bracket Challenge
- Bracket Manager
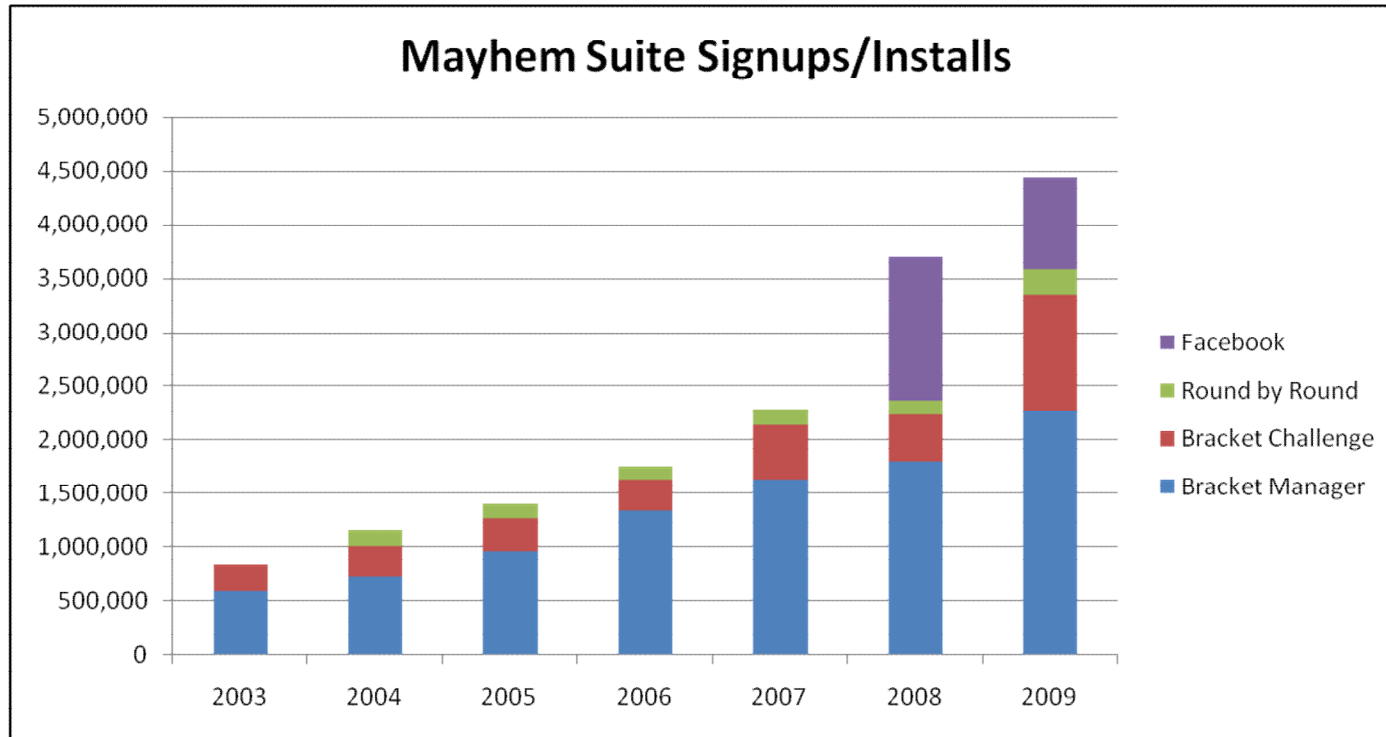
The Mayhem Suite of products has grown every year of its existence!

History of NCAA® March Madness® on Demand
(Inception Year: 2003)

➢ NCAA March Madness on Demand (MMOD) was first launched.

➢ Partnered with Yahoo! Platinum carrying live Internet video and audio coverage of the 2003 NCAA Division 1 Men's Basketball Championship. It was available for $16.95 per month.

➢ Between 2003-05, NCAA March Madness on Demand was a **subscription product** with an average price of **$15**. In 2005, approximately **20,000** users purchased MMOD.

➢ From 2003-2007, NCAA March Madness on Demand provided live streaming video of the **first 56 games** of the NCAA Division I Men's Basketball Championship as they were broadcast by CBS Sports, with local broadcasts being subject to **blackouts**.

History of NCAA® March Madness® on Demand
(Year: 2004)

➢ NCAA March Madness® on Demand" was produced and hosted by The FeedRoom and accessible through NCAAsports.com for one price of $9.95, which provided users with the entire package of all available games.

History of NCAA® March Madness® on Demand
(Year: 2005)

➢ Approximately **20,000** users purchased MMOD.

➢ College Sports Television secured a multi-year agreement with CBS SportsLine.com and the NCAA for the exclusive video streaming rights for out of market game coverage of the NCAA Division I Men's Basketball Championship. Subscription packages were priced at $19.95.

History of NCAA® March Madness® on Demand
(Year: 2006)

➢ NCAA March Madness on Demand was converted to a **free service**, supported by advertising. A total of **1.3 million** users registered to view MMOD.

➢ Advertising revenues from NCAA March Madness on Demand were approximately **$4 million.**

➢ 1,277,266 total subscribers

➢ 265,973 VIP passes were issued

➢ 60% (763,482) – new registrations

➢ 61% (786,725) – signed up for MMOD on the first two days of the tournament (Thursday 3/16 and Friday 3/17)

➢ 5% (63,541) customers signed up to watch the 3rd Round on Thursday, 3/24 and Friday, 3/25

➢ 84% (12,760,401) of the total "live" content streams served occurred in the first two days of the tournament

➢ MMOD served over 15,000,000 streams of live game action

➢ 39,435,261 ads served

Review of 2006

Unqualified Success on Every Level

- Called everything from a "watershed event in media history" to "CBS's Killer App"
- CBS Sports saw no ratings erosion during high online traffic periods cementing MMOD as "complementary" vs. "cannibalistic"
- Feedback from consumers and advertisers was very positive

Waiting Room (Year 2006)

- The MMOD Waiting Room opened at 11:00 am ET on 3/16 – The first day of Round One
- By early afternoon there was a point where over 150,000 people were waiting in the General Admission line
  - The longest wait was about an hour and a half
- Over the life of the Waiting Room there were over 3 million unique visitors

Waiting Room Mock Up 2006

History of NCAA® March Madness® on Demand
(Year: 2007)

➢ Advertising revenues from NCAA March Madness on Demand were approximately **$10 million.**

➢ 1,381,875 total subscribers

➢ 483,999 VIP passes were issued

➢ 46% (636,188) – new registrations

➢ 48.69% (672,581) – signed up for MMOD on the first two days of the tournament (Thursday 3/15 and Friday 3/16)

➢ 4.26% (58,870) customers signed up to watch the 3rd Round on Thursday, 3/22 and Friday, 3/23

➢ 78% (9,407,971) of the total "live" content streams served occurred in the first two days of the tournament

➢ MMOD served 12,952,473 streams of live game action

➢ 106,990,894 ads served

➢ CBSSports.com and CBS Sports production of NCAA March Madness on Demand was **awarded an Emmy** at the 59th Annual Technology & Engineering Emmy Awards on January 7th, 2008 for Outstanding Achievement in Advanced Media Technology for Synchronous Enhancement of Original Television Content For Interactive Use.

YOY Comparison - 2007

➢ 8.19% YOY increase in MMOD registrations

➢ 81.97% YOY increase in VIP signups

➢ 37% YOY increase in live audio streams

➢ 171% YOY increase in ad impressions served

➢ Total hours of consumption are up 28% YOY, albeit total streams were down 24% YOY

➢ 2007 streams were, on average, over 5 minutes longer than in 2006

➢ 2nd year in a row MMOD proved to be great for new acquisitions

➢ Retention rate of approximately 31% with 390,968 return users from last year
  ➢ 62% of returning users were VIP registrants

Product Summary - 2007

➢ By executing on a clearly defined marketing plan to improve messaging and grow on the success of last year, 2007 March Madness on Demand met and/or exceeded all sales obligations as well as met company expectations with 1.38 million plus registrations and a record-breaking 2.80 million streaming hours.

➢ Increasing the clarity of the 2007 MMOD splash page, and educating consumers to sign up early for VIP access, enabled us to acquire 471,731 VIP registrants (24% of all registrations) by March 14, 2007 at 3:00 PM ET, a 81.97% YOY increase.

Splash Page Improvements 2007

Changes to the 2007 splash page were made to keep consumers focused on signing up, ultimately improving conversions and driving early registrations.

• **Prominent sign up box**

• **Large sign up / register buttons**

• **Clear and concise copy**

• **Appealing color theme and layout**

• **Skinny NCAAsports.com header**

• **Removed 728x90 banner**

• **No unnecessary outbound links**

• **Consistent header and one title**

• **Enhanced MMOD logo**

• **Dashboard, Key Dates and Countdown Clock implemented to educate and create urgency**

MMOD Video Player 2007

Waiting Room 2007

Waiting Room 2007

VIP Page 2007

Thank You Page 2007

History of NCAA® March Madness® on Demand
(YEAR: 2008)

➢ In 2008, NCAA March Madness on Demand was extended to give users the ability to view **all 63 games** of the NCAA Division I Men's Basketball Championship, from the first round of the tournament through the Men's **Final Four®** and **Championship**. *NCAA March Madness on Demand does not show the Opening Round Game.*

➢ In 2008, NCAA March Madness on Demand **dropped its registration** requirements, giving users immediate access to the video player. Additionally, CBSSports.com allowed **sites across the Internet** to link directly into the NCAA March Madness on Demand video player. The network of sites across the Internet that linked directly into live streaming video from the NCAA Division I Men's Basketball Championship included **YouTube, ESPN.com, Yahoo! Sports, SI.com, MySpace, Facebook** as well as the CBS Audience Network and CBS television and radio affiliate sites.

➢ In 2008, NCAA March Madness on Demand had approximately **4.8 million unique viewers**, representing **164% growth** over 2007 figures. In total, fans using NCAA March Madness on Demand consumed approximately **5 million hours** of live streaming video and audio in 2008, an **81% increase** over 2007 figures.

History of NCAA® March Madness® on Demand
(Year: 2008)

➢ Deployed a multi-phased marketing campaign across various media platforms that was designed to encourage early signups for VIP access and drive viewers for General Admission access while, at the same time, create an overall awareness of the product

➢ 4.7MM Unique Visitors to Video Player
  ✓ 164% growth YOY, from 1.88M in 2007

➢ 200+ sites linking to MMOD
  ✓ Including ESPN, SI, Yahoo! Sports, Sporting News, Facebook, MySpace
➢ More than 2.6B impressions of MMOD ads served

➢ 4.9MM hours of live video/audio consumed
  ✓ 78% growth, from 2.7MM (28% in 07)

➢ 571K VIP Registrants
  ✓ 22% growth, from 469K in 2007

➢ 2.5MM Clicks on Boss Button

➢ **Revenue $23MM – up 130% YOY**

Media Campaign 2008

- Online
  - Sports Ad Marketplace
  - MTV College Media Network
  - Metro
  - Fantasy Café Network
  - Yahoo! Sports
  - Rivals.com
  - SI.com
  - Sporting News
  - Deadspin
  - Specific Media
- Print Ad
  - 2 USA Today Insertions
- Cable Television
  - Approximately 10+ GRPs in 19 Key College Basketball Markets
  - 564 Total Spots
- Network and Satellite Radio
  - Premiere Radio Network
  - XM Satellite Radio
  - Sirius Satellite Radio

Linking Partners 2008

➢ Competing sites were linking directly to the MMOD video player, aside from the promotion in our media buy

➢ Non-paid partnerships included links on:
  ➢ ESPN
  ➢ Yahoo Sports (Sports homepage & College Basketball page)
  ➢ Sports Illustrated
  ➢ Sporting News (scoreboard)
  ➢ AOL Sports
  ➢ MySpace
  ➢ Google

Developer Platform 2008

➤ For the first time ever, code linking directly to the video player was made available to partners enabling consumers to navigate to MMOD without having to visit NCAA.com

➤ No registration

➤ 5 options to link to the MMOD product

  – Link to product homepage

  – Link to the Waiting Room/Video Player, CBSSports.com Scoreboard

  – Link to the Waiting Room/Video Player, Your Destination

  – Link to a specific NCAA Championship game, CBSSports.com

  – Link to a specific NCAA Championship game, Your Destination

Enhancements for
2008 MMOD

➢ No Blackouts
  – All blackout restrictions were lifted
  – Viewers were able to watch all 63 matchups regardless of locale
  – Access to live games from all six rounds including the Elite 8, Final 4, and Championship game
➢ No Registration
  – Registration was not required to use MMOD
  – Users were only required to register if they wanted to obtain a VIP pass
➢ Alert Component
  – "Scroller" at the bottom of the video player provided viewers with alerts including: scoring updates, player news, factoids, etc.
➢ Links to The Edge feature
➢ Links to team specific Message Boards

Cross Promotion 2008

- NCAA.com
- CBS.com
- CBSnews.com
- CSTV.com
- Other CBS Interactive Properties
  - last.fm, dotspotter, CBSGames, TheShowBuzz , ETonline, StarTrek, etc.
- CBS Audience Network

Facebook Bracket App 2008

- Integrated MMOD throughout the Facebook Bracket Application

- Focused on driving as many people to sign up for VIP access and watch live games from the application by strategically placing promotion
  - Text links and graphics on Tourney Central homepage
  - Text links in individual games in the Scoreboard
  - Text link at the top of the Brackets page

- Extremely high conversion rates for VIP signups, 44.38% total

Referral Code	Description	Unique Clicks	VIP Signups	Conv Rate	% VIP Signups
mmod08_vip2_fbbkt	Yellow Alert Box - Facebook Bracket Application	24,144	11,069	45.846%	1.938%
mmod08_vip2_fbctl	Tourney Central Text Link - Facebook Bracket Application	10,648	5,653	53.090%	0.990%
mmod08_vip1_fbbab	Facebook Bracket Application - 140x620 Companion Banner	2,207	486	22.021%	0.085%
mmod08_vip1_fbbap	Facebook Bracket Application - Presented By Graphic	2,389	272	11.386%	0.048%
Totals		39,388	17,480	44.379%	3.060%

Source: Omniture Tracking Code Report 1/10 – 1/19, Refcode Report 1/10 – 1/19
*Unique Clicks may be slightly understated

MMOD Video Player 2008

MMOD Player – Selection Show 2008

Bracket Challenge Splash 2008

SPLN Fantasy Splash - 2008

CLE CODE

New York State CLE Participants will need to provide the following code on the CLE affidavit sent after the course.

LL060509

Results: Y2009 Raised the bar

+55%

0%   +166%

2006 2007 2008 2009

7.5MM
Visitors

+70%

+28%   +78%

2006 2007 2008 2009

8.5MM
Streaming
Hours

+30%

+72%   +120%

2006 2007 2008 2009
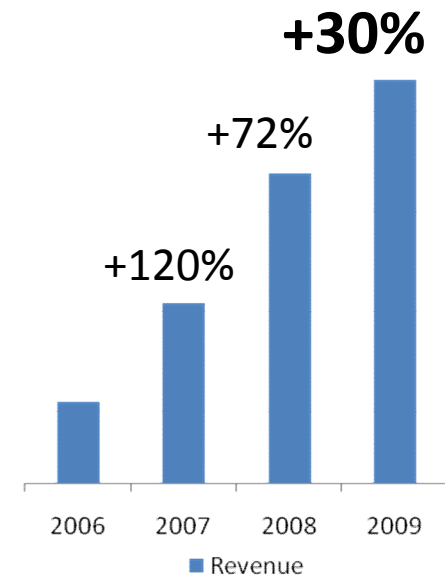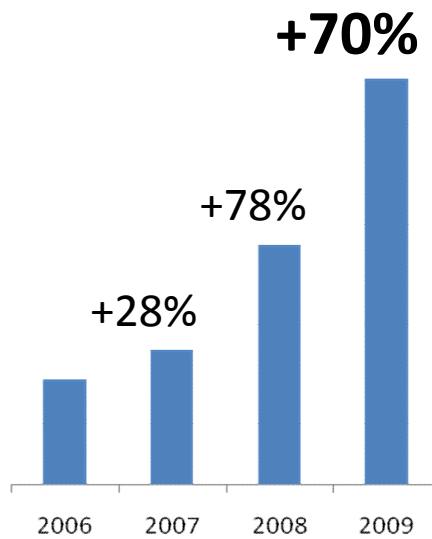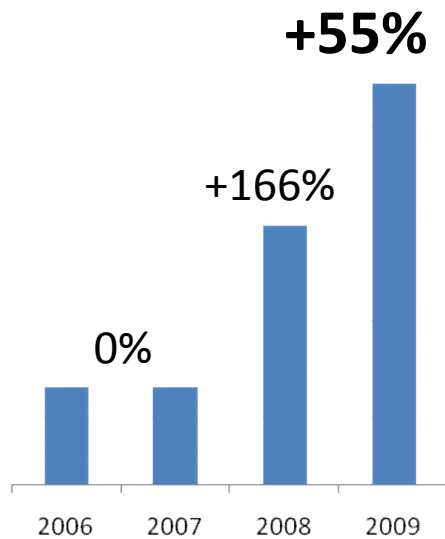
■ Revenue

$30MM
Revenue

Challenge Y09 : Don't Repeat 2007
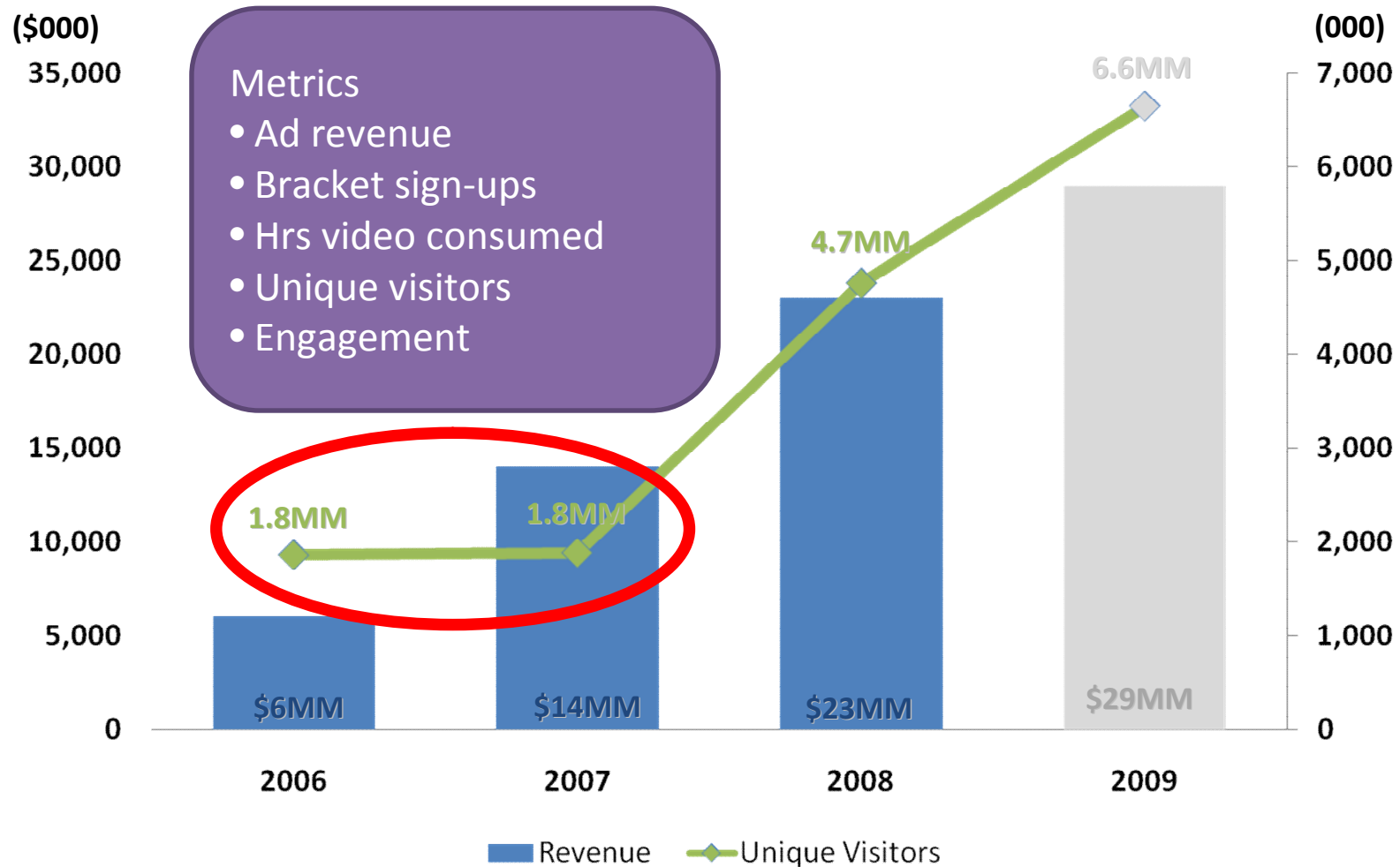
Key Strategic Partnerships for 2009

➢ Technology and Product Features

- MLBAM
- Microsoft
- Akamai
- Facebook
- Gorilla Spot

➢ Marketing and Distribution

- Yahoo
- Microsoft
- ESPN
- Facebook
- Developer Platform

"Partners" Drive Mass Referrals

Developer Platform & MMOD Widget

- Enables publishers to launch the MMOD player from any site with a single click
- Mass referrals driven by wide distribution
  - ESPN, Yahoo! Sports, SportingNews.com, Comcast.net & USAToday.com among top referring domains

- NCAA March Madness To Go MMOD widget (new!)
  - Embedded across CBSi (CBSnews.com, GameSpot, Maxpreps) and thousands of 3rd party domains

More than 3,500 sites linked to MMOD via Deve
Platform & MMOD widget

MMOD 2009 Firsts

- Completely Free
  - No premium subscriptions, waiting rooms, etc.

- HQ Stream offering
  - 1st MMOD with HQ Silverlight @ 1.5Mbps

- Largest YTY Growth to date:
  - Peak BW: + 162%
  - Peak Concurrent: +62%
  - Peak Hits: +155%
  - GB Usage: +186%
  - Predicted Growth (+40%)

Final NCAA March Madness on Demand
2009 Stand Outs

➢ In 2009, CBSSports.com gives NCAA March Madness on Demand users the option to view all the action from the NCAA Division I Men's Basketball Championship on a **high-definition quality video player**. CBSSports.com selects the Microsoft Silverlight video player to deliver the enhanced video stream. By downloading the Silverlight player, users can upgrade their NCAA March Madness on Demand experience from the standard player (approx. 550 kb/s) to one delivering up to 1.5 mb/s of high-definition quality video. Both the standard video player and the high-definition quality option are offered free of charge.

➢ In 2009, CBSSports.com returns **the Developer Platform** to distribute NCAA March Madness on Demand across the Internet. The Developer Platform now includes USAToday.com, CBS Interactive properties including TV.com, CNET.com and GameSpot.com, as well as other partners across the CBS Audience Network and sites for CBS Television and Radio stations and affiliates. Additionally, the NCAA March Madness on Demand Developer Platform has added **an open suite of widgets and applications** allowing developers to choose from an array of professional content from CBS Sports and add it to their site or blog. Options include applications dedicated solely to brackets, live scores, news or each of the Division I Men's Basketball programs, all offering links that give direct access to the NCAA March Madness on Demand video player.

Final NCAA March Madness on Demand 2009 Stand Outs continued

➢ The NCAA March Madness on Demand "**Boss Button**", which was clicked over 2.5 million times during the 2008 tournament, will be sponsored by Comcast in 2009. The "Boss Button" has been hailed as the "NCAA Tournament Superhero" and a "National Treasure" by the media.

➢ CBS Sports Mobile launches a **NCAA March Madness on Demand application for the iPhone and iPod touch** that will provide fans live streaming video and audio from the 2009 NCAA Division I Men's Basketball Championship over a Wi-Fi connection. The NCAA March Madness on Demand iPhone and iPod touch application provides live video of all 63 games from the tournament through the semifinal and final games of the Men's Final Four, as well as access to tournament brackets updated in real-time with up-to-the minute scores, and the ability to click directly from brackets into live video.

Video Player 2009

Video Player 2009