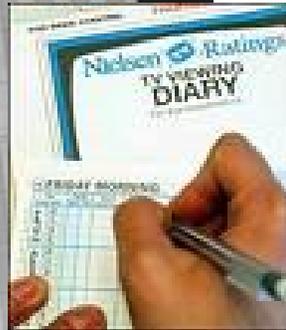
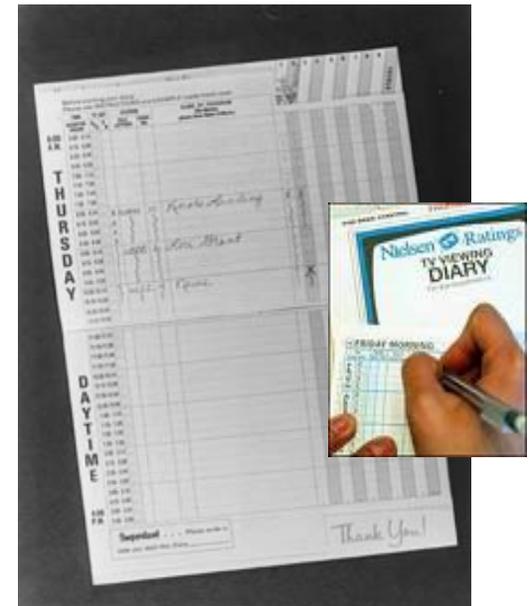

Buying Cable in a Meter-Diary Market



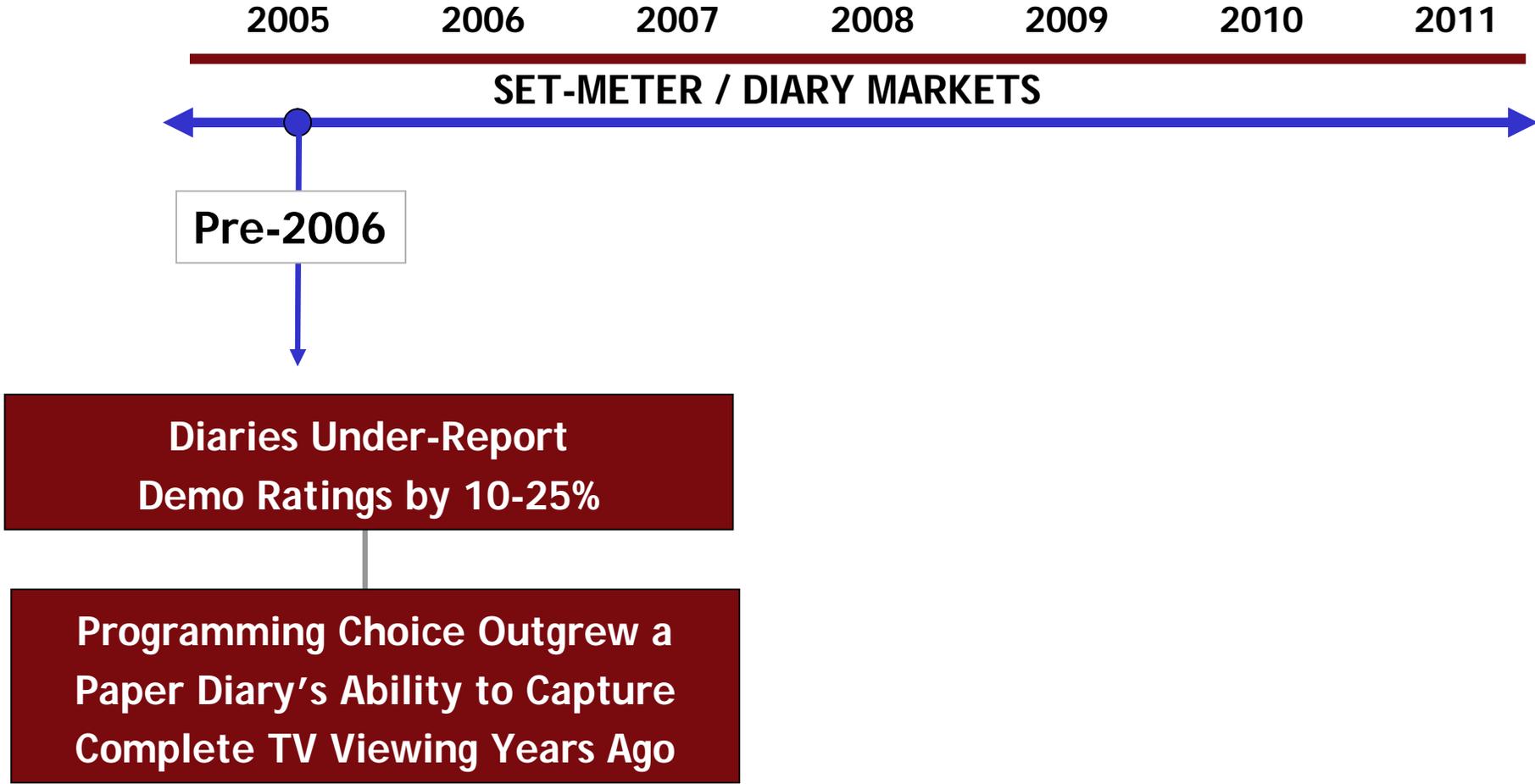
The Problems with the Nielsen TV Diary

TV Audience Measurement in *Markets With Diaries*

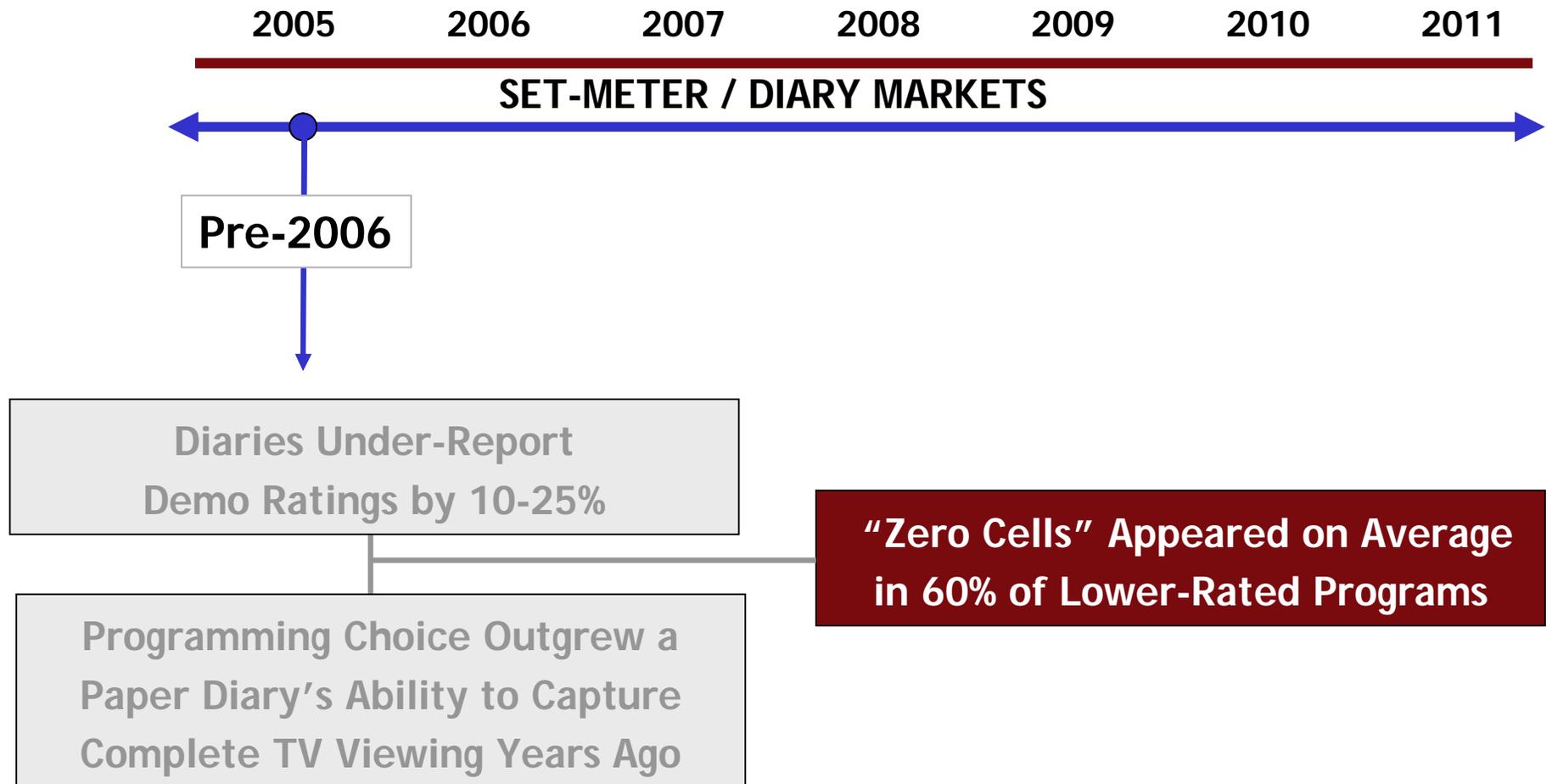
- What's The Problem with Diaries?
- Barometer of Real Performance
- Another View for the Future
- Industry Approved Local Cable Posting Guidelines



Diaries Under-Report Demographic Ratings



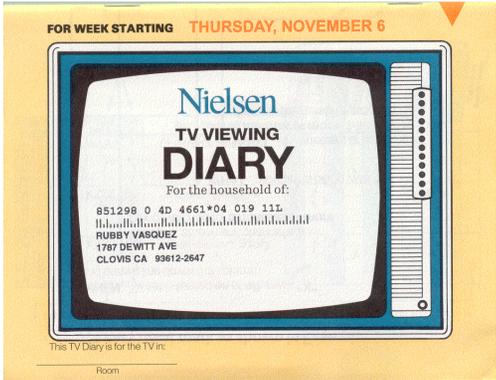
“Zero Cell” Was a Contributing Factor



What is a Zero Cell?

Two Types of Homes in Markets 14 - 60

Diary Homes



FOR WEEK STARTING THURSDAY, NOVEMBER 6

Nielsen
TV VIEWING
DIARY

For the household of:

851298 0 4D 4661*04 019 11L
RUBBY VASQUEZ
1787 DEWITT AVE
CLOVIS CA 93912-2647

This TV Diary is for the TV in:
Room _____

Used for
Demographics

Set Meter Homes



Used for
HH Audience

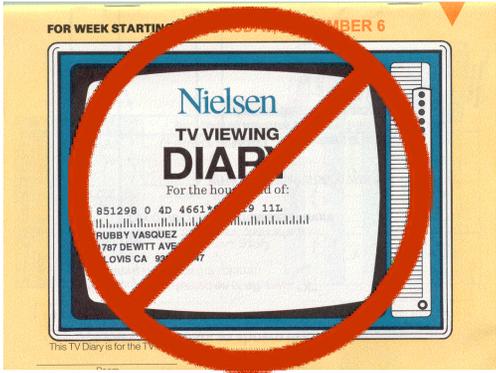


Demographic Audience Estimates

Example of Zero Cell Rating Phenomenon

Feb 29, 8:15 - 8:30 pm, ESPN

Diary Homes



Used For Demographics

The image shows a Nielsen TV Viewing Diary for a household. It includes a barcode, a unique ID (851298 0 4D 4661), and household information: RUBBY VASQUEZ, 1787 DEWITT AVENUE, LOUIS CA 92551. A large red 'X' is drawn over the entire diary image.

Set Meter Homes



Reports Television Tuned to ESPN

The image shows a black set-top box with various ports on the front: SAT, 120V, HOLD, AC, ON, PORT 1, PORT 2, PORT 3, PORT 4, PORT 5, PORT 6, ETHER, PHONE, TELCO, and OFF. A red 'X' is also present over the top of the box.



“Zero” Diary + Meter Tuning = *Zero Cell*

45% - 75% of Quarter-Hours Reporting Zero Viewing Due to Diary Zero Cell

Example Market

All Reportable Cable - Zero Cell Percentage by Daypart		
Daypart	% Zero Cells	
M-F 5-9am	72.1	
M-F 7-10pm	45.9	
M-F 10p-2a	74.8	
Sa-Su 12-10pm	48.3	

**Set Meter Viewing (HH) with No Diary Record (Persons)
Yields Missing Viewers - 'Zero Viewer Cells'**



Zero cell ascription model is being used for both broadcast and cable stations. The majority of demo rtg. changes by individual network between 0.1 to 0.9 range; most 0.1 or 0.2 increase. Some zero cells remain; this is statistically appropriate.

Source: Nielsen Media Research.



Nielsen “Models” Out Some of the Zero Cell Problem



Nielsen Implements Zero Cell
Ascription Model

Used to Reduce Effect of Missing
Diary Numbers by “Modeling” Data
from Similar Quarter Hours

**So We've Solved
Zero Cell?**

Zero Cell Ascription Model Lessens Incidence of Missing Diary Data - - Beginning July 2006

Local Market Name Market

All Reportable Cable - Zero Cell Percentage by Daypart		
Daypart	% Zero Cells Before Ascription	% Zero Cells After Ascription
M-F 5-9am	72.1	49.1
M-F 7-10pm	45.9	23.5
M-F 10p-2a	74.8	47.2
Sa-Su 12-10pm	48.3	26.9

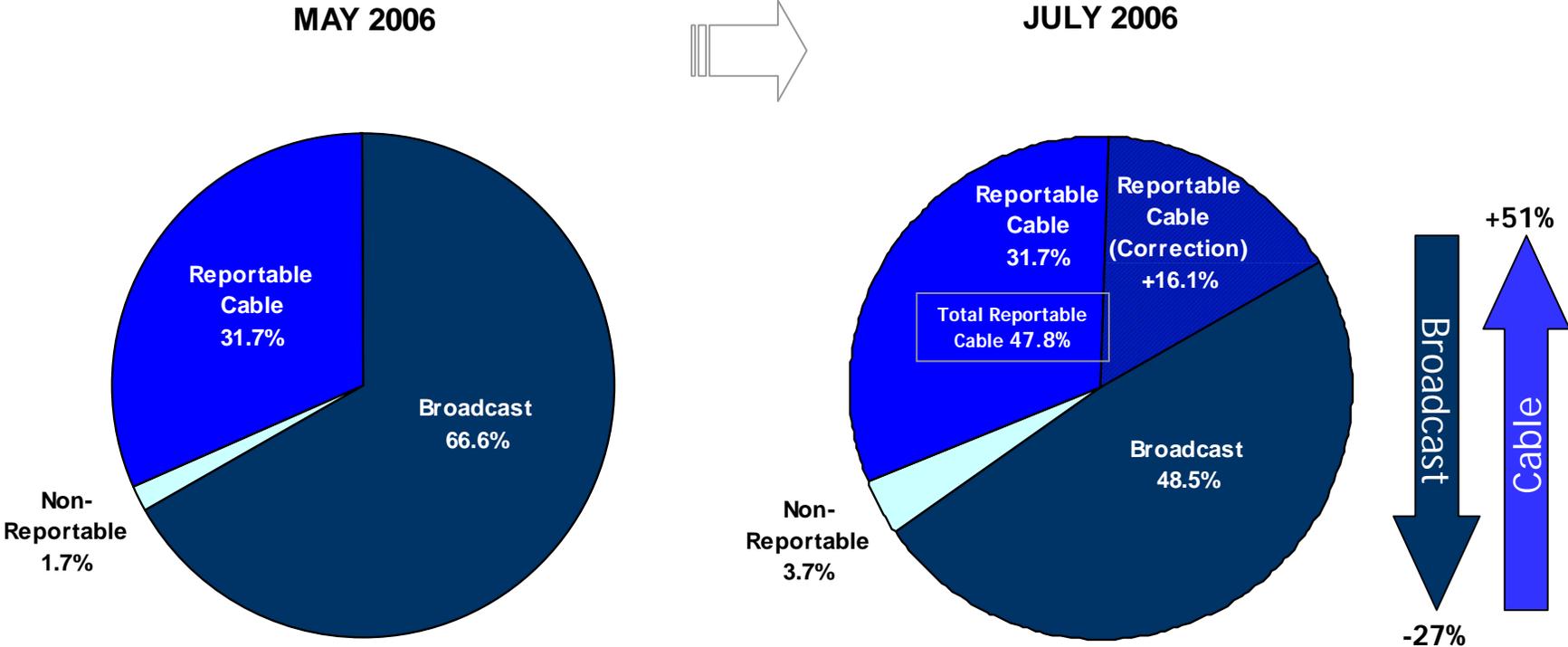
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Source: Nielsen Media Research. Data is for demonstration purposes only; Cannot be used for sales purposes.

Before & After Impact in Local Market Name DMA

Total Day (M-Su 6a-12m)
Persons 25-54

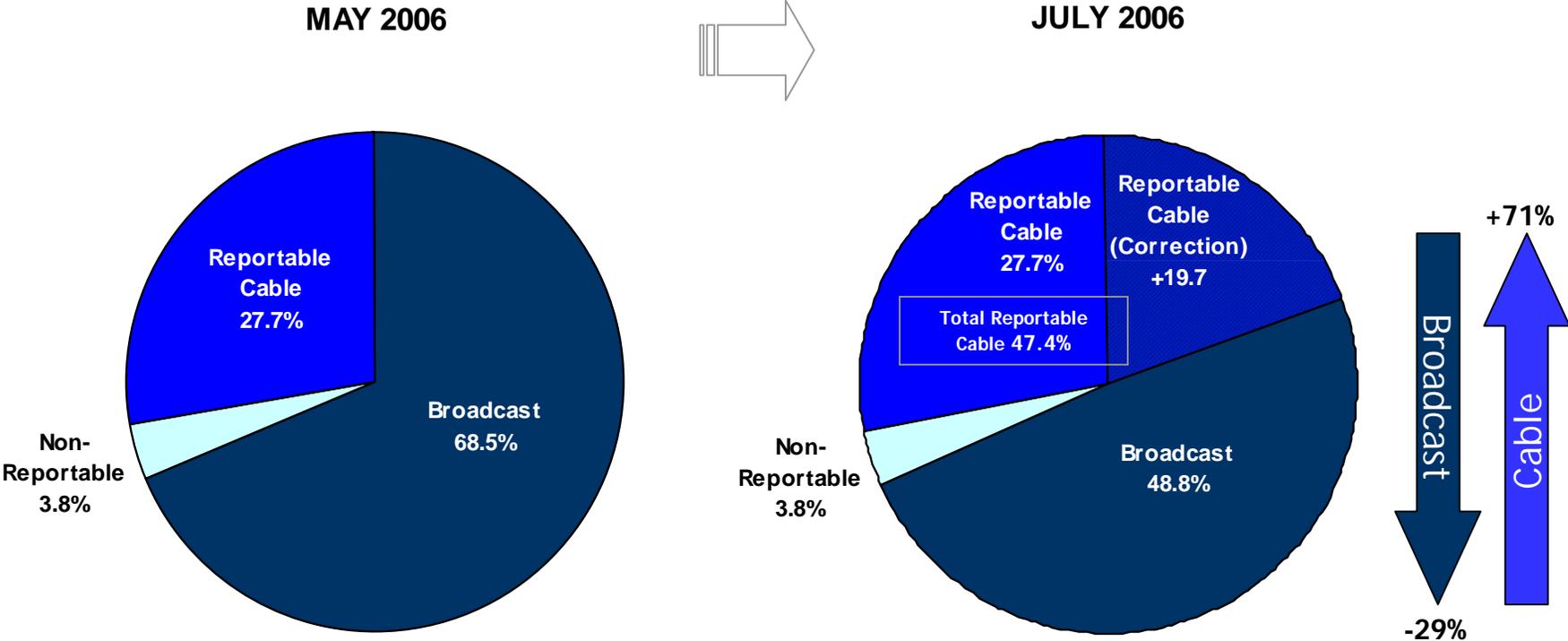


Source: Nielsen Media Research, Albuquerque-Santa Fe DMA, Persons 25-54 Aggregate Share%, May'06 vs. Jul'06, M-Su 6a-12m.
Reportable cable shares includes viewing via cable television or satellite dish program delivery.

The number of cable homes receiving advertisements on any network is an estimate and may vary by geographic areas and other factors. Any statement of the number of cable homes receiving an advertisement as well as cable audience estimates are based on a Nielsen Interconnect Universe Estimate and adjusted on a pro rated basis by internal subscriber counts by zone [See also Nielsen ViP report]. Total number of cable homes include viewing to cable networks via technologies we do not represent for sales purposes. Package good for 10 days based on availability. Rates based on package only. Any deviation from package may result in renegotiation. The information provided will be periodically updated by the Company. For more information please contact your Advertising Sales Executive.

Before & After Impact in Local Market Name DMA

Prime Time (M-Su 7p-10p)
Persons 25-54



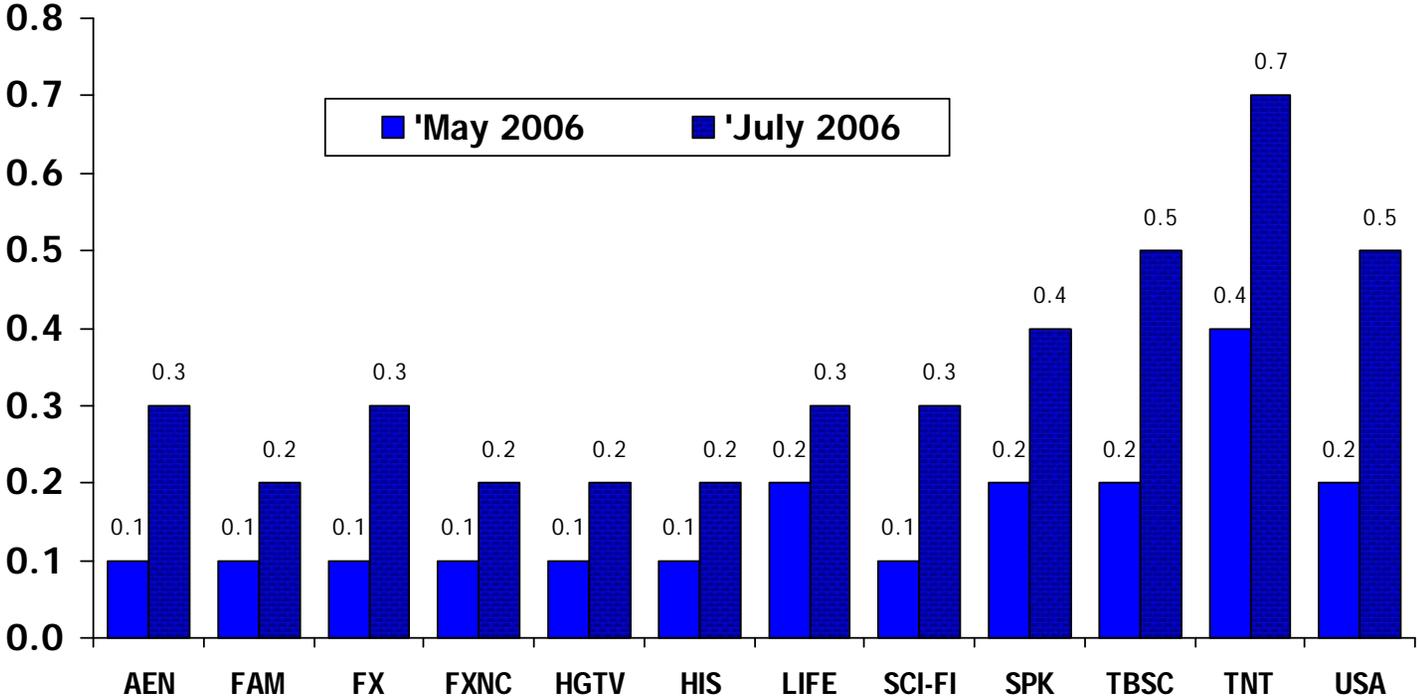
Source: Nielsen Media Research, Albuquerque-Santa Fe DMA, Persons 25-54 Aggregate Share%, May'06 vs. Jul'06, M-Su 6a-12m.
Reportable cable shares includes viewing via cable television or satellite dish program delivery.

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Before & After Impact in Local Market Name DMA

Change in Ratings
Persons 25-54; Total Day
Local Market DMA

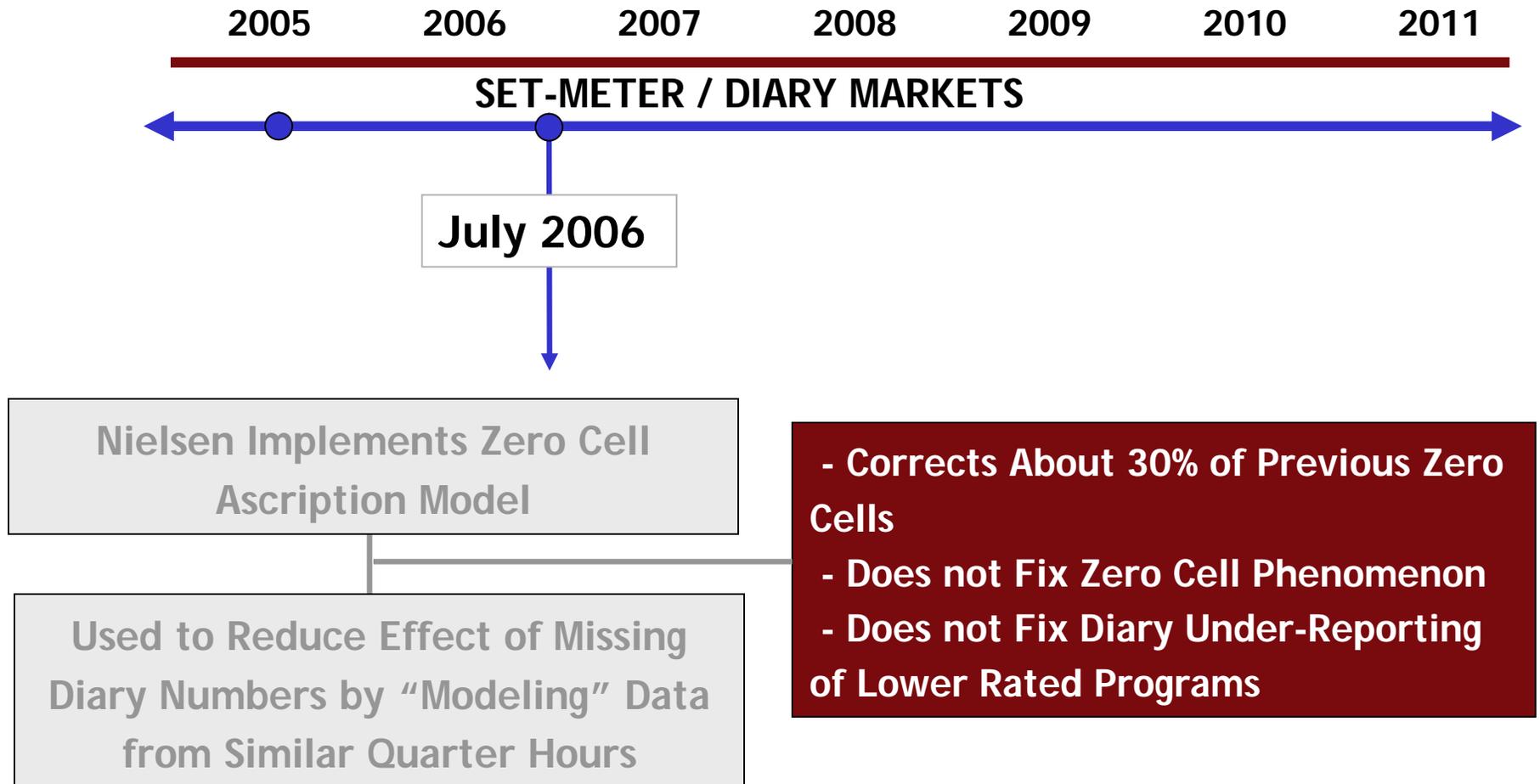


Source: Nielsen Media Research, Albuquerque-Santa Fe DMA, Persons 25-54 Aggregate Share%, May'06 vs. Jul'06, M-Su 6a-12m.
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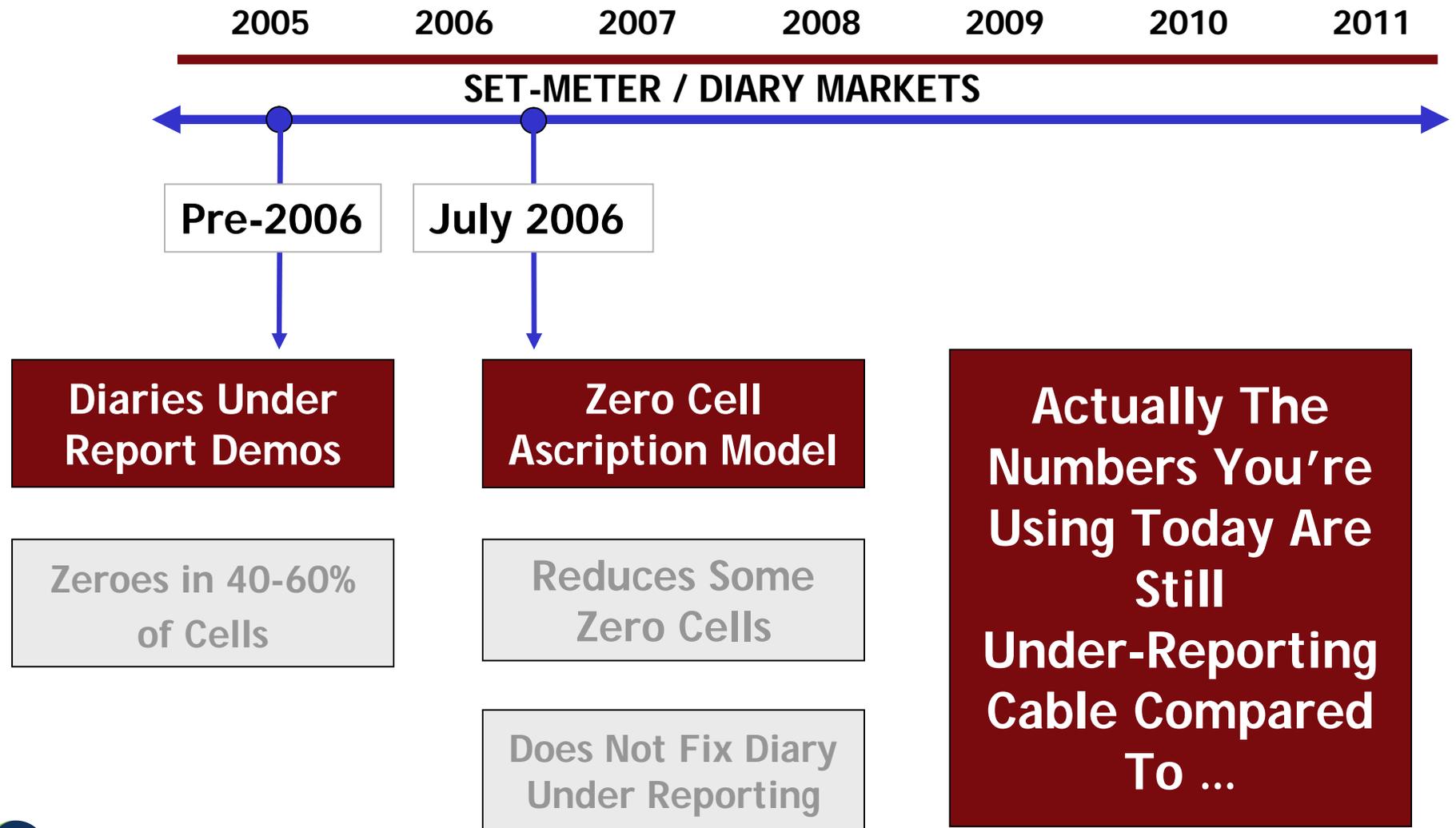
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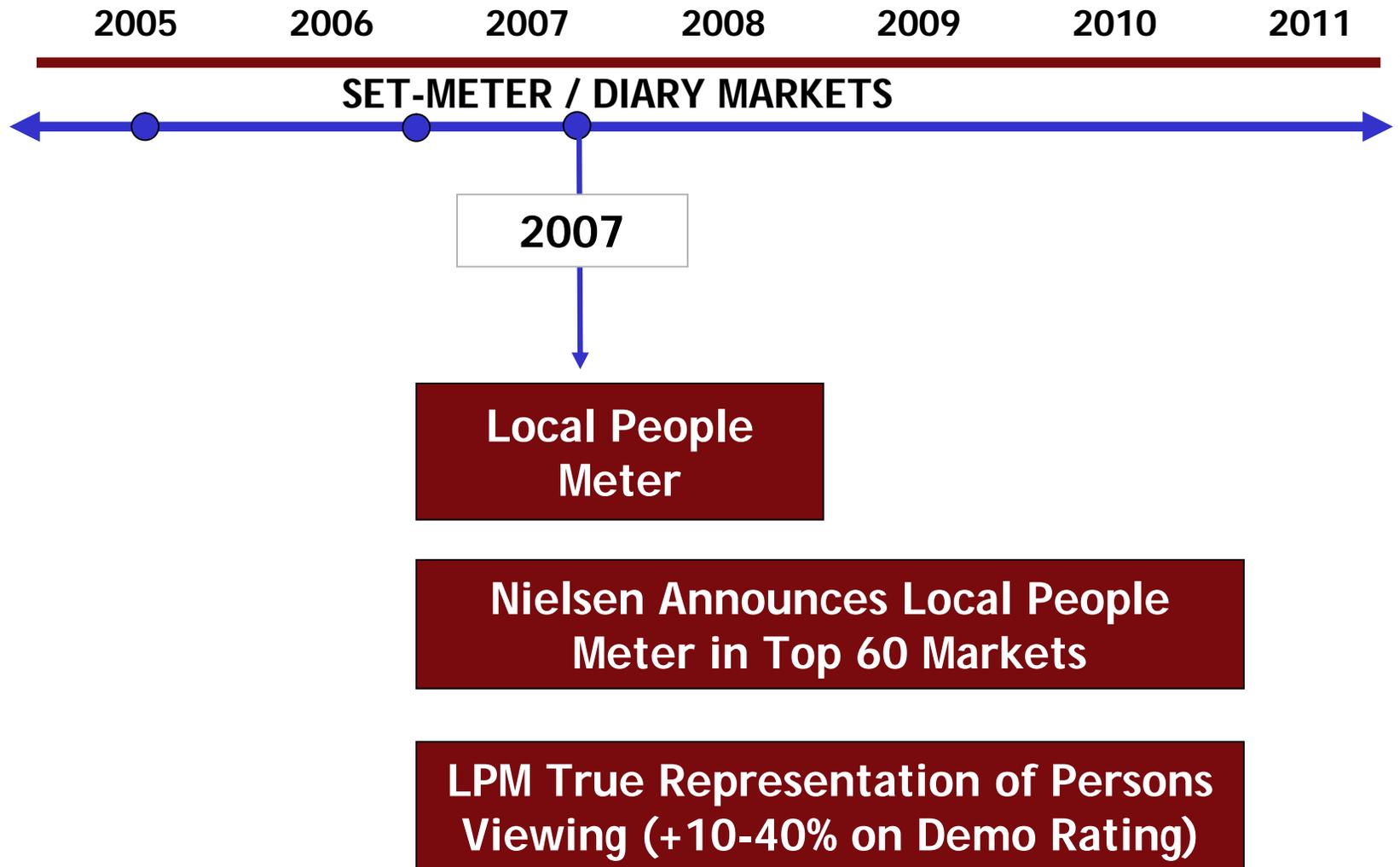
Nielsen “Models” Out Some of the Zero Cell Problem



So Where Do We Stand Today?



Today's Gold Standard in Television Measurement



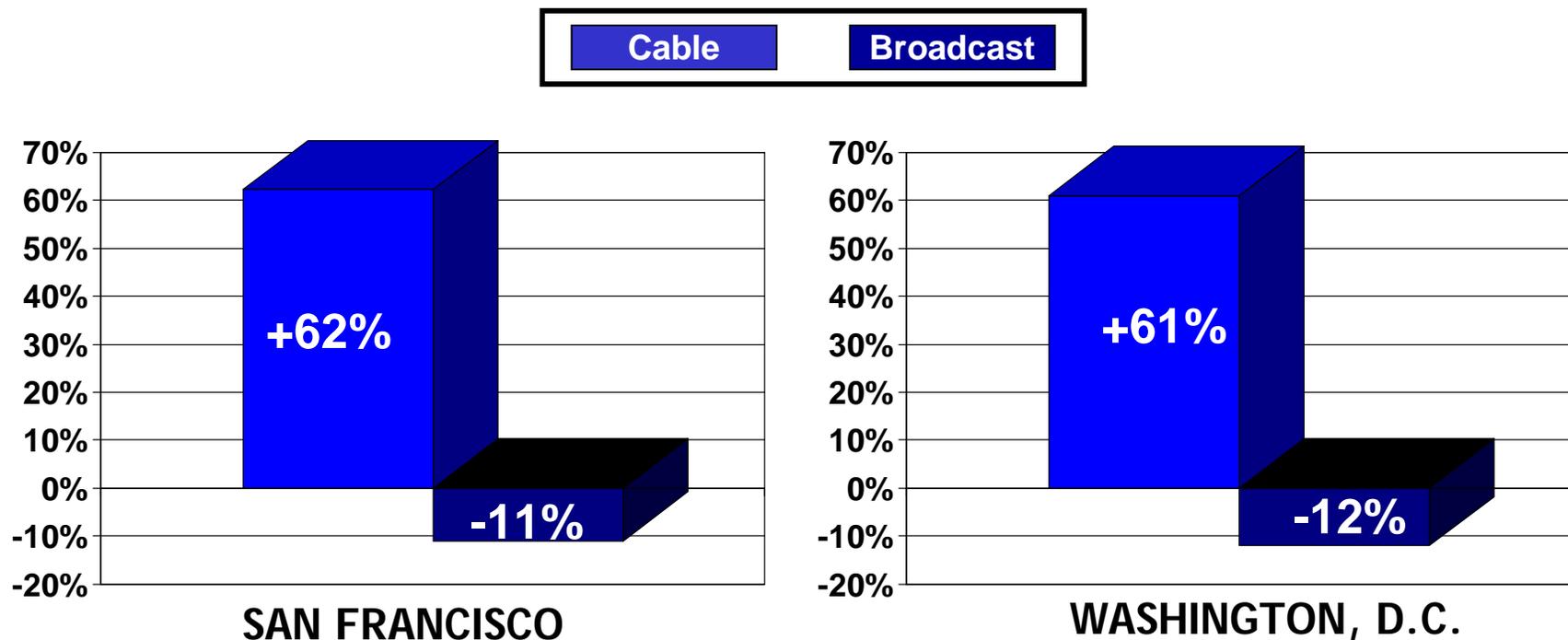
What Happens When a Market Gets Local People Meters?

The Game Changes...

Local People Meters Uncover Real Viewing Missing in Diaries

Every Time Nielsen Flips the Switch and Replaces the Diary System with LPM-
Broadcast Declines and Cable Increases.

% Difference in A25-54 Ratings Between Diary & LPM

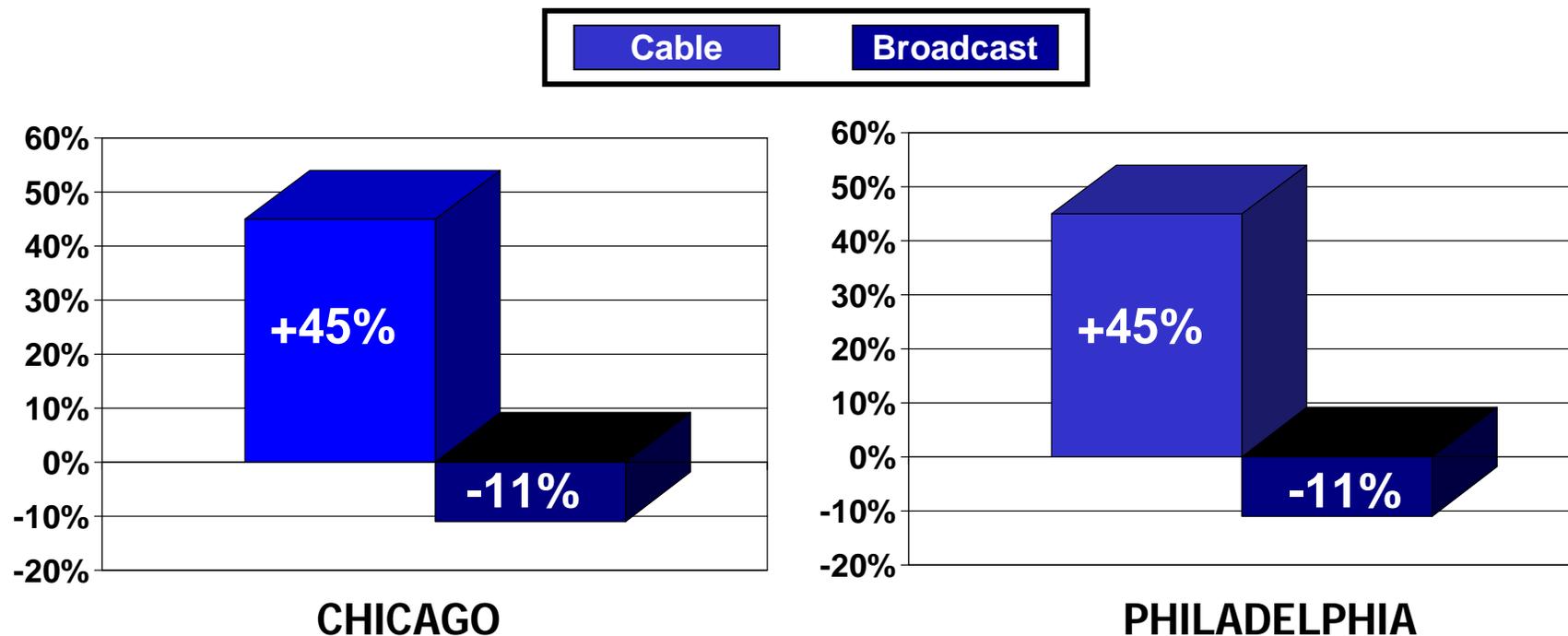


Source: Nielsen Media Research – San Francisco and Washington, D.C. DMA's. San Francisco: difference between Nov '03 TVS (Meter-Diary) data and Nov '04 LPM data. Washington, D.C.: difference between Jul '04 TVS (Meter-Diary) data and Jul '05 LPM data. Based on aggregate A25-54 ratings, M-Su 6a-6a.

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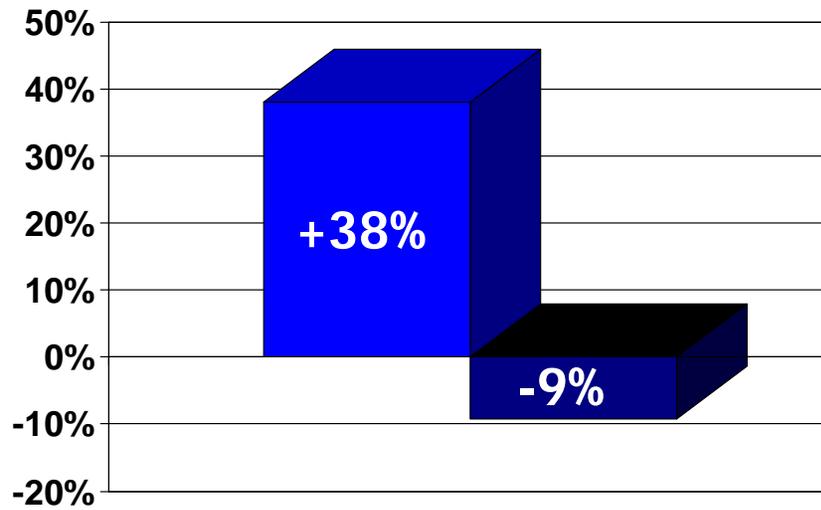
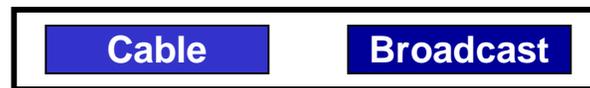


Source: Nielsen Media Research - Chicago and Philadelphia DMA's. Chicago: difference between Nov '03 TVS (Meter-Diary) data and Nov '04 LPM data. Philadelphia: difference between Jul '04 TVS (Meter-Diary) data and Jul '05 LPM data. Based on aggregate A25-54 ratings, M-Su 6a-6a.

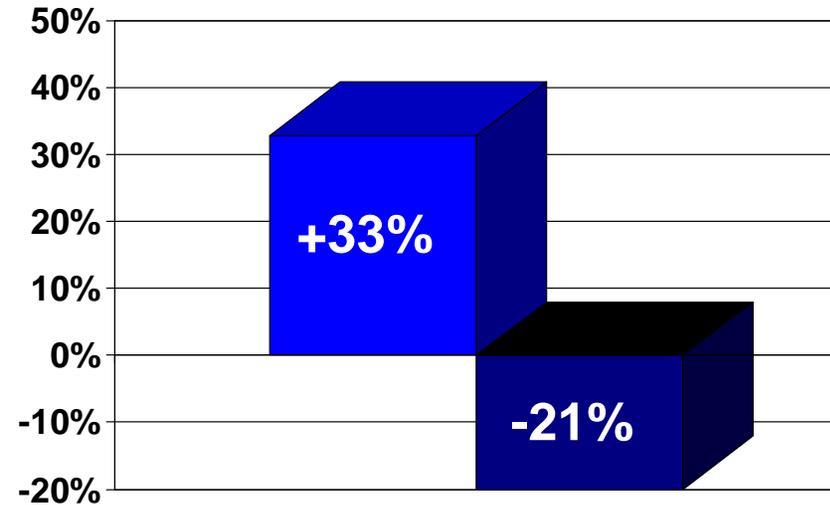
Local People Meters Uncover Real Viewing Missing in Diaries

Every Time Nielsen Flips the Switch and Replaces the Diary System with LPM-
Broadcast Declines and Cable Increases.

% Difference in A25-54 Ratings Between Diary & LPM



NEW YORK



LOS ANGELES

LPM Increases Total Audience Across Most Demos

Differences in People Watching Television

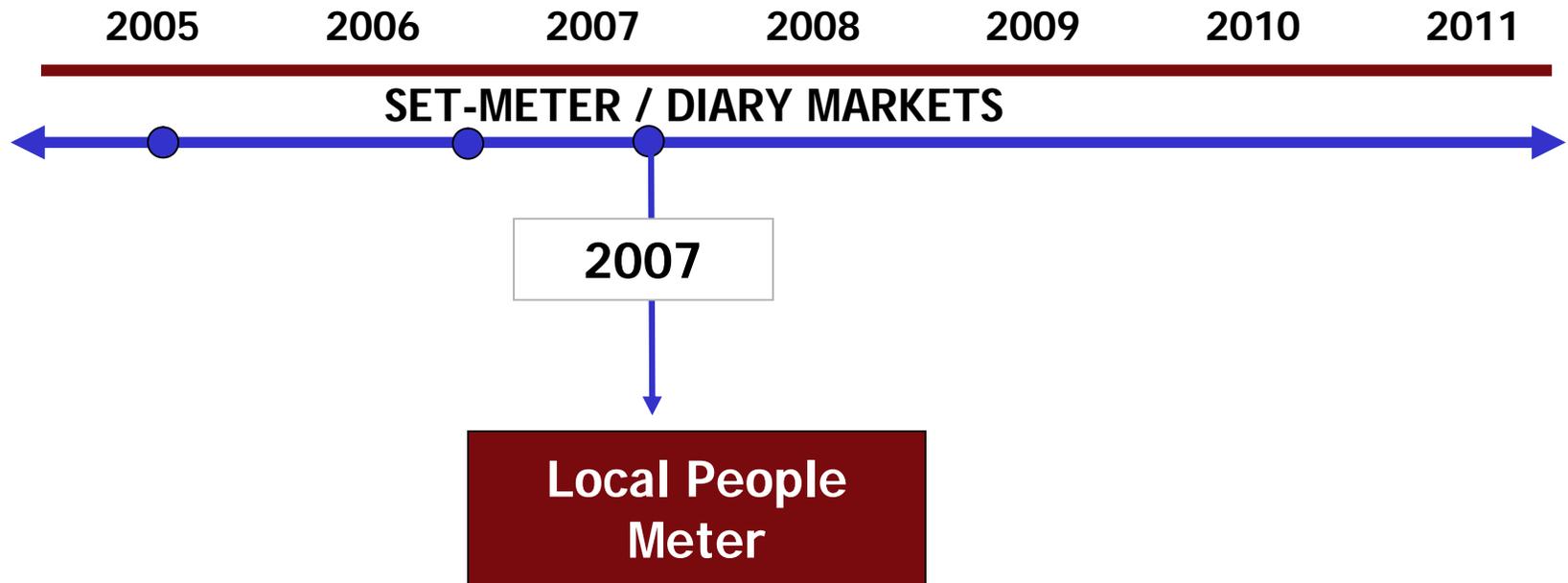
Percent Difference - Current Sweep

LPM Sample Compared to Set Meter/Diary Sample

Washington, DC Example	P2+	P18+	P18-34	P18-49	P25-54
	% Diff.				
M-F 5-7am	+9%	+3%	+43%	+14%	+5%
M-F 7-9am	+1%	+3%	+49%	+24%	+27%
M-F 9a-4pm	+35%	+29%	+144%	+80%	+80%
M-F 4-6pm	+2%	+1%	+21%	+13%	+18%
M-F 6-8pm	-4%	-5%	+10%	-5%	+1%
M-Sun Prime 8-11pm	-3%	-5%	+4%	-3%	-2%
M-Sun 11-11:30pm	+20%	+15%	+46%	+31%	+26%
M-Sun 11:30pm-1am	+53%	+45%	+66%	+61%	+67%
M-Sun 7am-1am	+10%	+8%	+36%	+19%	+20%

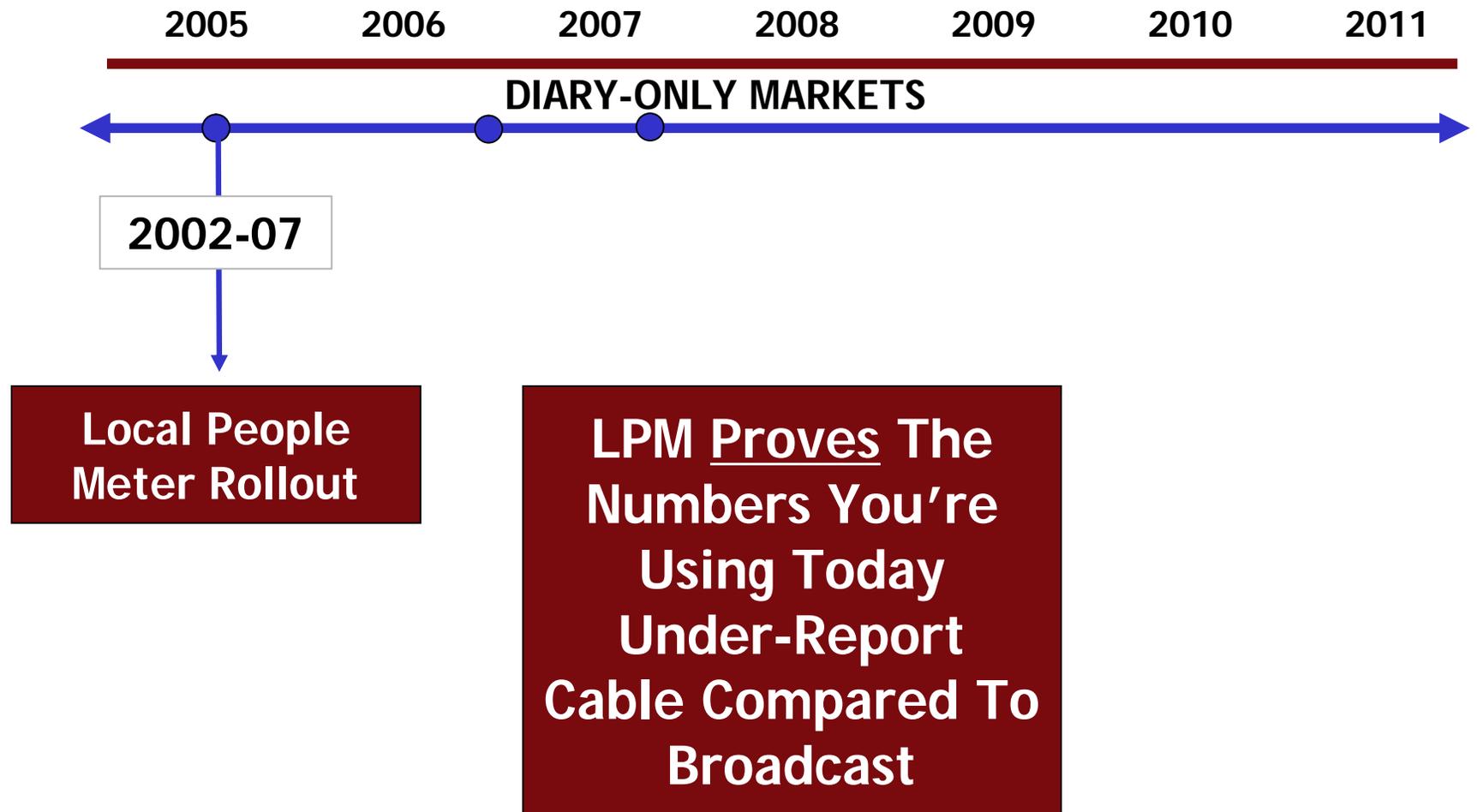
Source: Nielsen Media Research.

Today's Gold Standard in Television Measurement

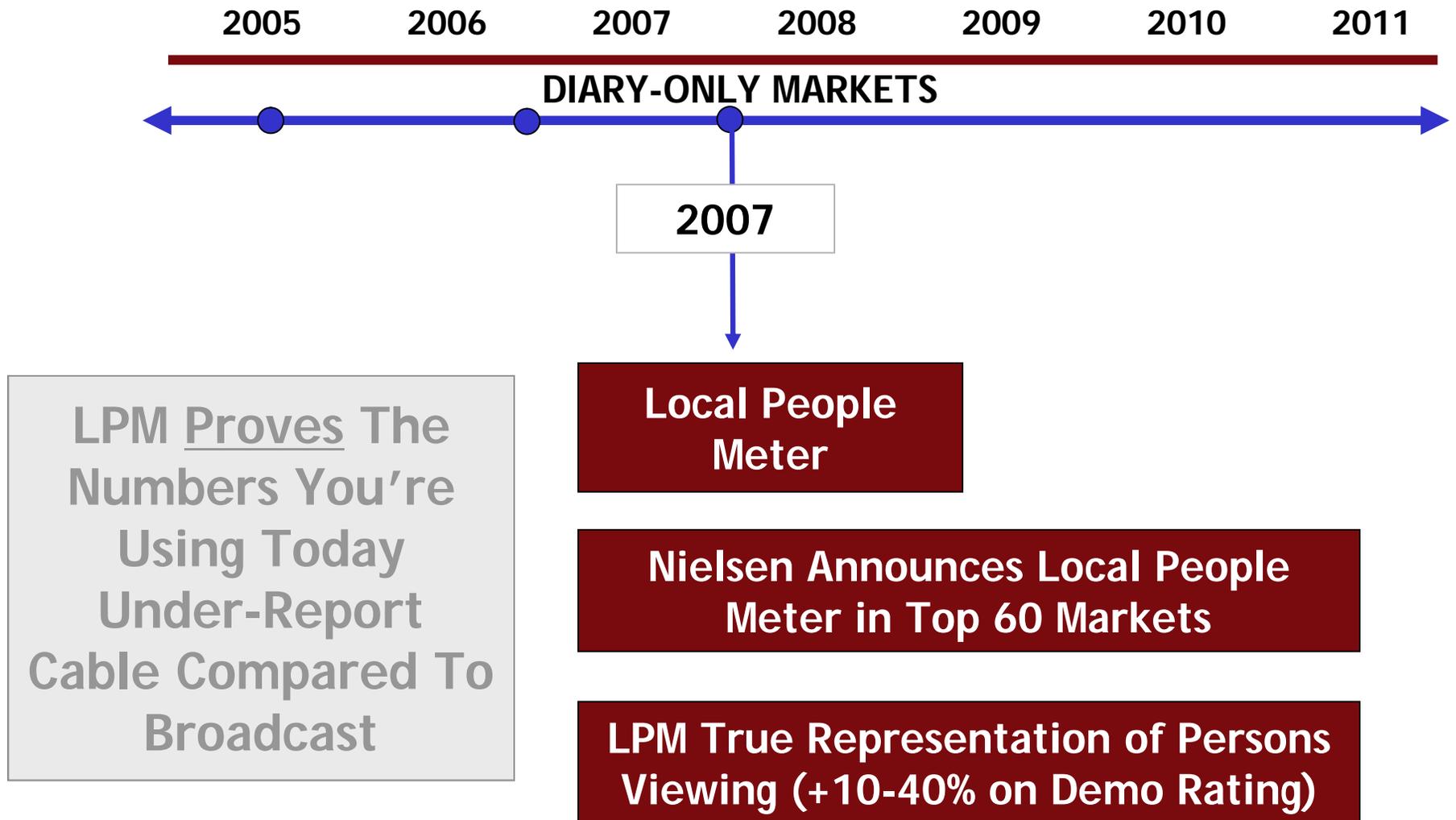


- Nielsen has been using People Meters in its National Sample since 1986
- In 2002 Boston became the first DMA to launch Local People Meter (LPM) service
- Now 13 Markets are using Local People Meters
- Eight more DMAs are scheduled to launch LPM service in 2008

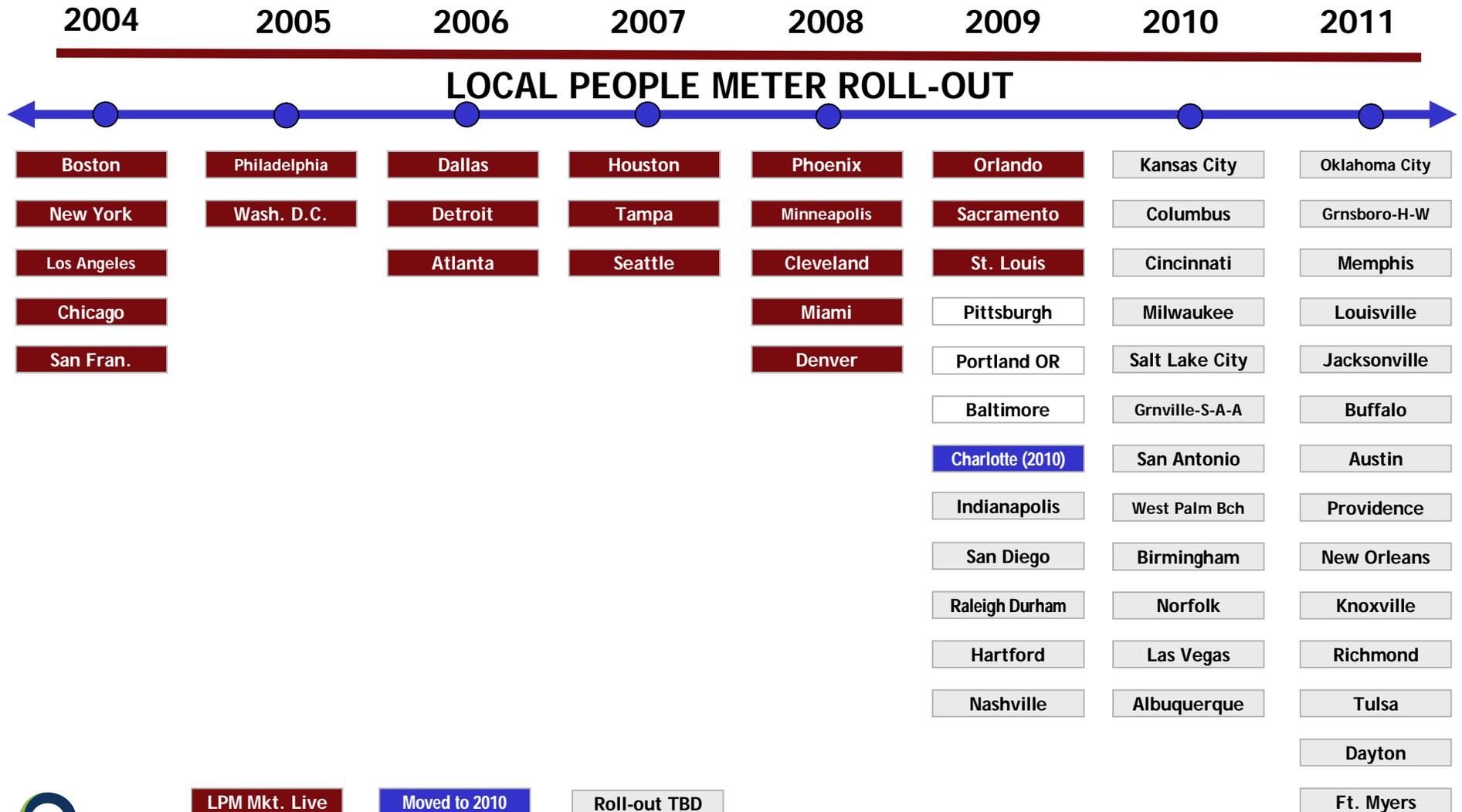
Today's Gold Standard in Television Measurement



LPM: Today's Gold Standard in Television Measurement



Local People Meters in Top 60 Markets by 2012?



LPM Mkt. Live

Moved to 2010

Roll-out TBD



What LPMs Mean for Future Measurement

1. More Reliable Sample

- The LPM sample is always larger than the previous set meter sample
- LPM sample is also more representative of the local population

2. No More Diaries

- LPMs collect both household *and* demographic data electronically, replacing a system that used paper diaries for demographic estimates
- Nielsen has estimated that diaries can underreport cable viewing by as much as 60%, depending on the network and daypart

3. Every Month's a Sweep Month

- Single-source collection means demographic audience estimates are no longer limited to the traditional sweep periods when broadcasters run their best programming
- Demo overnights also available

4. More People Watching More Channels

- On average LPM ratings for all persons watching TV in the DMA are higher than the meter/diary estimate
- Generally, non-prime dayparts and lower-rated networks enjoy the largest gains

The Future

- **Electronic Measurement in all Markets**
 - Nielsen's A2M2 measurement plan calls for electronic measurement in all markets by 2012

- **Set Top Box Data**
 - Set top box data is the only viable method to measure the fragmented audiences we have today.
 - Various issues need to be addressed before STB data can be used as a currency measure but is offering keen insight into viewing patterns today.

Local Cable Posting Framework

The Cabletelevision Advertising Bureau (CAB) and National Cable Communications (NCC) created the first industry-wide standard framework for posting local cable television. The new posting standards will provide advertising agencies and advertisers, across all markets and all MSOs guidelines for posting local cable. This new document was developed in partnership with the American Association of Advertising Agencies (AAAA) Local Television Committee and has received their approval for use.

The new guidelines offer both a recommended standard practice and an acceptable alternative for posting in each of the three local market types (Nielsen Local People Meter (LPM) Markets, Meter/Diary Markets and Diary Only Markets). The new framework also provides a recommended standard practice for posting by period (daypart rotation, fixed position/recurring and fixed position/specials & one-time-only (OTO) events). Additionally, a guideline for posting dependent upon schedule rating points is also available.

The CAB and NCC, working with all MSO members, drafted the new guidelines in an effort to insure greater accountability and common practices at the local level. This new framework offers local cable advertisers a standard approach across all markets eliminating the often raised questions about the proper way to post local cable.

More... 

Local Cable Posting Framework

Principles

- ✓ Posting requirements must be agreed upon prior to the start of the flight.
- ✓ Goal of stability, reliability, and sound business practice is paramount.
- ✓ Aim to reduce statistical error through aggregating ratings, expanding demographic targets, and lengthening posting periods.

Guidelines

1. Local Cable posting procedures apply to Interconnect buys only.
2. Guarantees are to be based on the aggregated performance of the entire flight/schedule - not on individual Network performance
3. The standard threshold of 90% should continue to be the minimum acceptable delivery. Directional broader threshold should be considered depending on TRP level, demo, scale of buy, market rank, etc. (Standard error ranges for ad-supported Cable viewing sources are regularly greater than +/-10%).

Local Cable Posting Framework

Guidelines (cont.)

4. Use wired-Cable-only impressions (i.e. non-ADS) from a C-DMA, FUSION, or NDM survey to project impressions delivered within the Interconnect; they may be Equivalized to the full DMA population.
5. Audience estimates should be based on electronic measurement which deliver the highest statistical reliability and should be the standard for all Local Cable posts.
6. No guarantees should be expected using any Diary-based data.

Local Cable Posting Framework

Survey Selection by Market Type

	Nielsen LPM Markets	Nielsen Meter/Diary Markets	Nielsen Diary-Only Markets
Recommended Standard Practice	TVS C-DMA* Live+7 Posted to Demo	NCC FUSION@ Live+7 Posted to Demo	NCC NDM** Live+7 Posted to Demo
Acceptable Alternative (Negotiated up front)	TVS C-DMA* Live Only Posted to Demo	TVS C-DMA* Live+7 Posted to HH only	Posting not recommended

Survey Selection by Market Type

	Daypart Rotation	Fixed Position/ Recurring	Fixed Position/ Specials & OTO Events
Recommended Standard Practice	Post based on minimum 4-week average data* for time period sold	Post based on min. 4-week avg. data for program and day of week sold; Full-season avg. for sports packages	Post based on Day/Date telecast average for event sold*

Weight of Schedule

Monthly GRPs in Demo	Posting Guideline
50+	Post upon request
25-49	Negotiable
< 25	Posting not recommended



* C-DMA or non-ADS impressions; ** NDM – National Data Modeling – Using all national data

* All averages should be based on Nielsen average quarter hour methodology.



Thank You!