

Haas & Deloitte partnership

Advertising in a changing media landscape:
Consumers have become key players in the game of
advertising

Patricio Simpson

Deloitte Consulting LLP

March 20, 2008

Introduction

YouTube - el mejor gol del mundo - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Search Favorites

Address <http://www.youtube.com/watch?v=CpuejfvOXg>

Hello, [gas888](#) | [My Account](#) | [History](#) | [QuickList](#) | [Help](#) | [Log Out](#)

Search

Videos Categories Channels Community Upload Videos

Looking for YouTube Groups? [Go to "YouTube Community"](#)

el mejor gol del mundo

Added July 03, 2006 From [germanzi](#) el mejor jugador, el mejor relator, e... (more) Category [Sports](#) Tags [futbol](#) [maradona](#) [gol](#) [inglaterra](#) (more) URL <http://www.youtube.com/watch?v=CpuejfvOXg> Embed `<object width="425" height="360"><param name`

Director Videos

[Card Magic - by Chris Brown](#) (Myspace.com/orbitbrown) 03:06 From: [Orbitbrown](#)

[Playing with fire / blowtorch](#) 00:21 From: [contron](#)

Related More from this user Playlists

Showing 1-20 of 27 See All Videos

[Maradona gol historico a Inglaterra.](#) 01:13 From: [sullivanmi](#) Views: 66060

[Gol Maradona Mundial Mexico 86 - argentina vs Inglaterra](#) 00:35 From: [vagonetta](#) Views: 14662

[Gol de Maradona mexico](#)

Rate this video: ★★★★★ 31 ratings

[Save to Favorites](#) [Share Video](#) [Add to Groups](#) [Post Video](#) [Flag as Inappropriate](#)

Internet

Today's topics

- **Changing customer needs are driving interactivity**

- Trends toward increased customer empowerment
- Demands for ease of use, personalization and choice

- **Traditional media is finally catching on**

- Repositioning and growing new media propositions
- Growth of alternative approaches and mediums

- **New world of media and advertising**

- New business models
 - Case study – Video game advertising
-

Customers are taking control

Power shift: Consumers are seeing more and remembering less – and they have taken control of when, where, and how they interact, via Web channels, interactive media and on-demand devices

What They Want

- One-third of consumers prefer to receive product info from friends and specialists rather than from ads.¹
- Ninety-two percent of shoppers conduct research online before purchasing a product.²
- A Web search for “Product Review” generates roughly 500 million pages of results.

When They Want It

- Almost all consumers want to block unwanted ads, online and offline.³
- Ninety-seven percent of U.S. digital cable subscribers will have video on demand by the end of 2006.⁴
- One in ten consumers own multiple on-demand devices (DVR, TiVo, iPod, etc.).⁵

1 “Brand Blogs Capture the Attention of Some Companies,” The New York Times, October 24, 2005.

2 “Attention Internet Shoppers: The Web's Best Product-Comparison Sites,” TopTechNews.com, November 1, 2005.

3 Forrester study with Intelliseek (May 2004).

4 “BtoB's Interactive Marketing Guide 2005,” BtoBOnline.com, 2005.

5 Ibid, fn. 1.

Talk about vying for attention!

Aqua Teen Hunger Force (Adult Swim) – strikes again and shuts down Boston due to bomb scare!



Starbucks – coffee cup hitches a cab ride and fools Boston motorists

Nike – ball squashes BMW!!
Thailand?



Consumers value personalization and convenience and are driving new commercial opportunities and more content choices

Ease of Access

Ubiquitous IP networks will allow for hub centric content delivery, and content access cross-platform

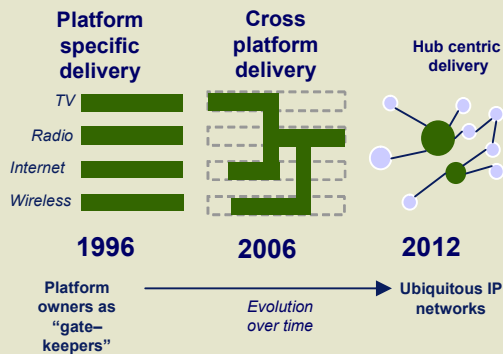
Personalisation

The personalisation dimension adds complexity to the traditional content versus distribution competitive struggle

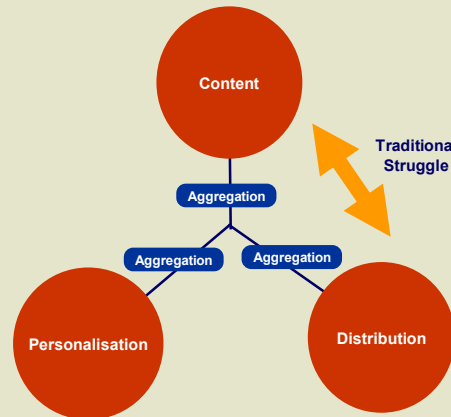
Proliferation of Supply

Supply of content proliferates, consumer choice and commercial opportunities expand, and the powerful customer sits at the centre of all this

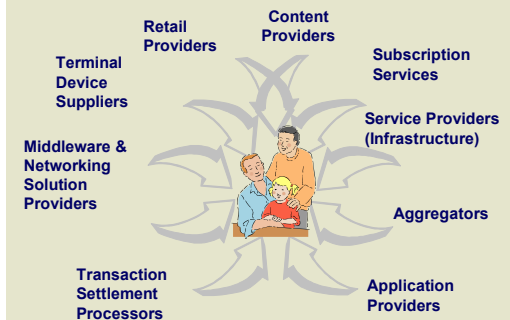
Fragmentation of the value chain



Three dimensions of competition in the digital age

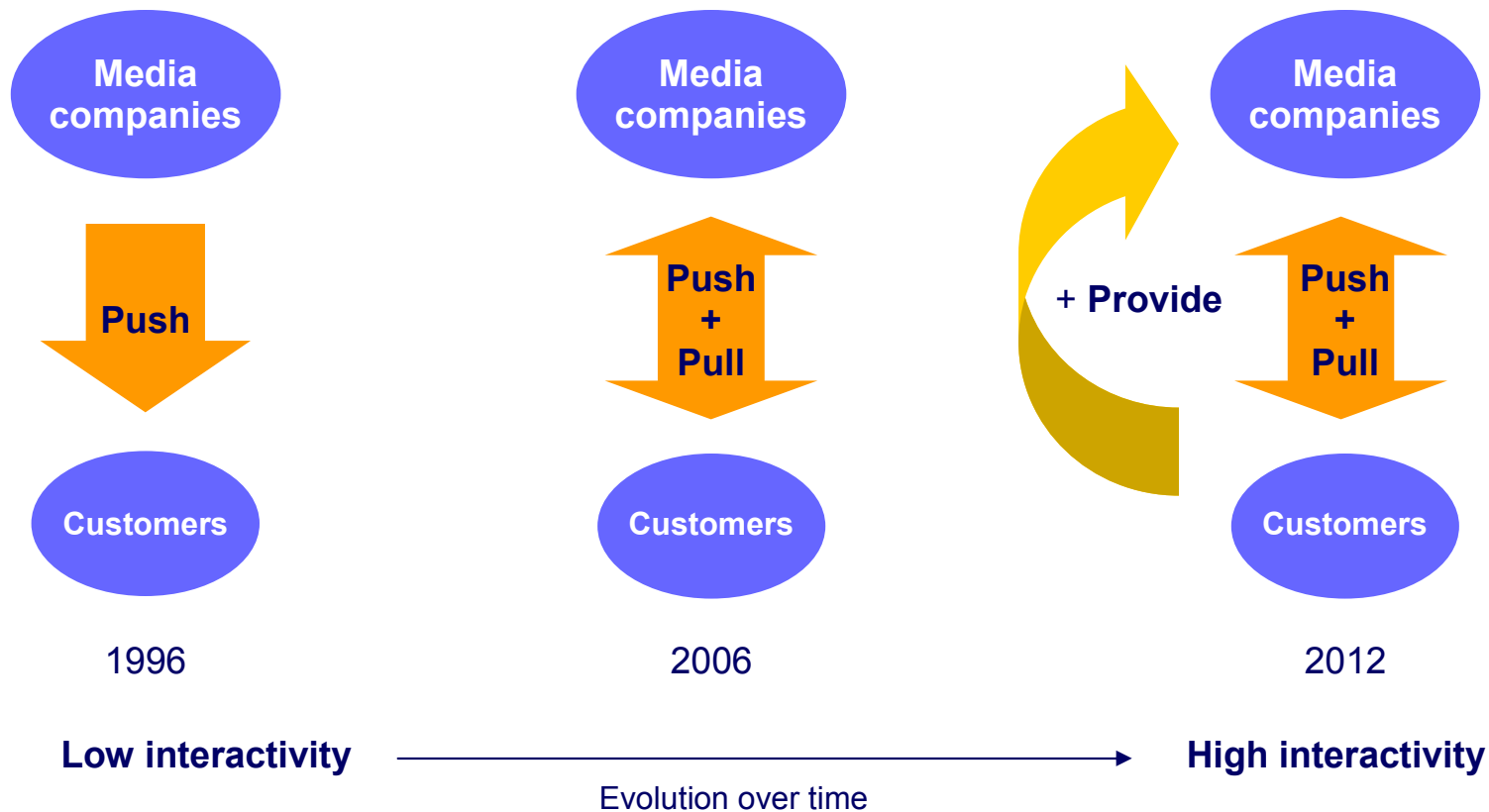


More choice, more opportunities to exploit content on more platforms, and ultimately more consumer power

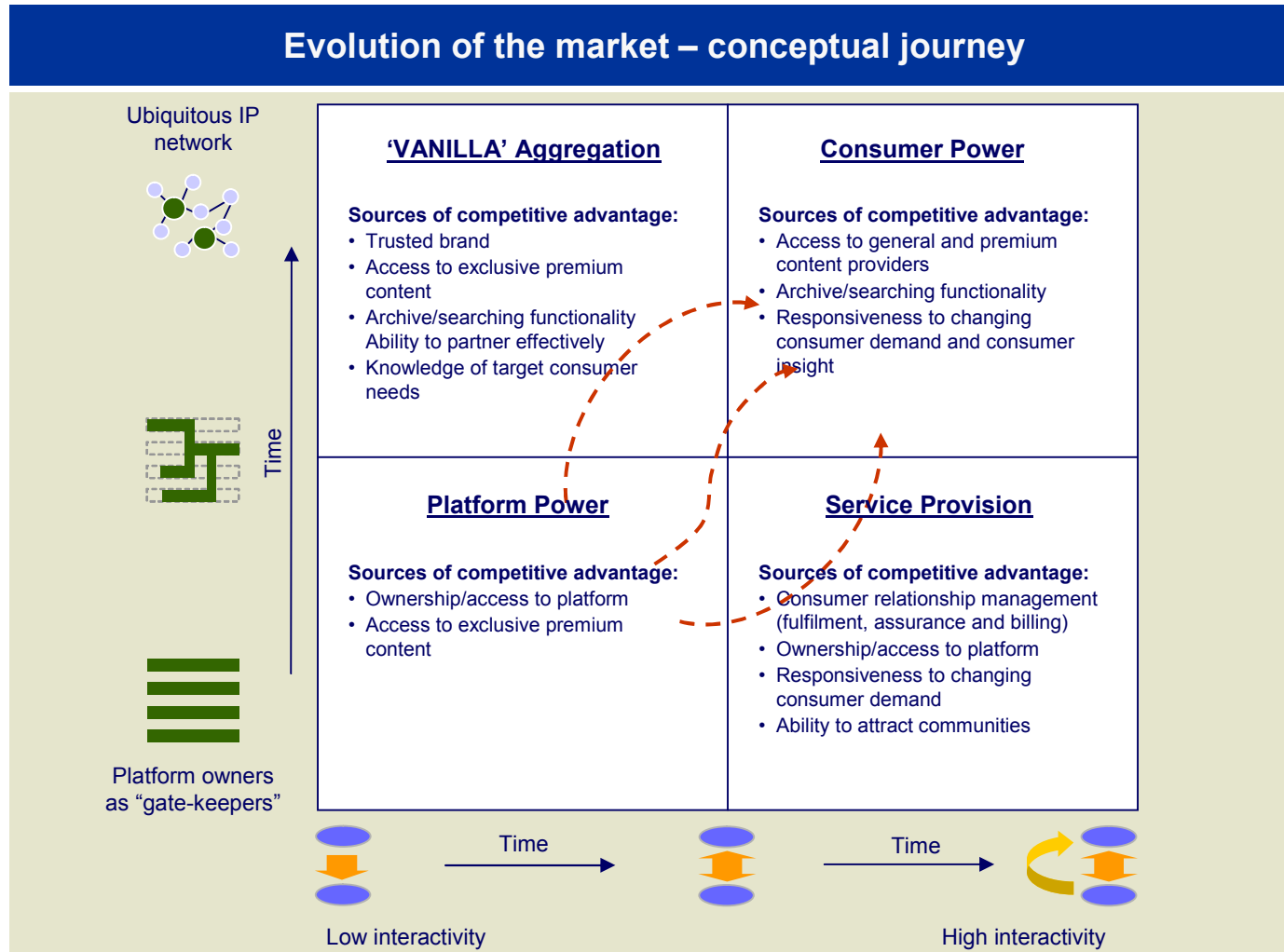


...and shifts towards enriched and interactive consumer experiences

Enriched consumer experience and greater interactivity



These shifts are driving towards a media environment where the consumer is a powerful decision-maker



Source: Deloitte analysis

Copyright © 2008 Deloitte Consulting LLP. All rights reserved.

Consumers also increasingly create and 'broadcast' content...

- People (especially Millennials and Xers) are increasingly creating their own entertainment
- Not only are they creating entertainment for themselves, but nearly one-in-three consider themselves to be "broadcasters" of their own media
 - Nearly half of Millennials feel this way too

Summary of Agree Strongly/Somewhat						
	1 st Edition %	2 nd Edition %	Millennials %	Xers %	Boomers %	Matures %
I am increasingly making my own entertainment through editing my own photos, videos and/or music.	40	54	69	62	45	30
With all the technology available to me today, I actually consider myself to be a "broadcaster" of my own media.	--	32	46	38	23	10

Generational Comparison by Survey Edition (Summary of Agree Strongly/Somewhat)						
	Millennials 1 st Edition %	Millennials 2 nd Edition %	Xers 1 st Edition %	Xers 2 nd Edition %	Boomers 1 st Edition %	Boomers 2 nd Edition %
I am increasingly making my own entertainment through editing my own photos, videos and/or music.	56	69	46	62	31	45

Q. Please indicate how much you agree or disagree with the following statements

And 'consume' content created by other users...

- There continues to be significant DEMAND for non-traditional media content – *and it is growing*
- Content creation also continues to grow

Internet Activities (Summary of Frequently/Occasionally)						
	1 st Edition %	2 nd Edition %	Millennials %	Xers %	Boomers %	Matures %
Watching/listening to content created by others (Web sites, photos, videos, music and blogs)	52	69	86	73	64	40
Creating personal content for others to see (web sites, photos, videos, music and blogs)	34	45	70	48	33	17

Q. How often would you say you are doing the following online activities in a typical 7-day week?

Class discussion

What are some examples of business models built on customer input and interactivity?



Wikimedia Foundation



del.icio.us



Digg this

 **Technorati™**



CarGurus™

Wine
Make It. Feed It. Drink It.

Today's topics

- **Changing customer needs are driving interactivity**

- Trends toward increased customer empowerment
- Demands for ease of use, personalization and choice

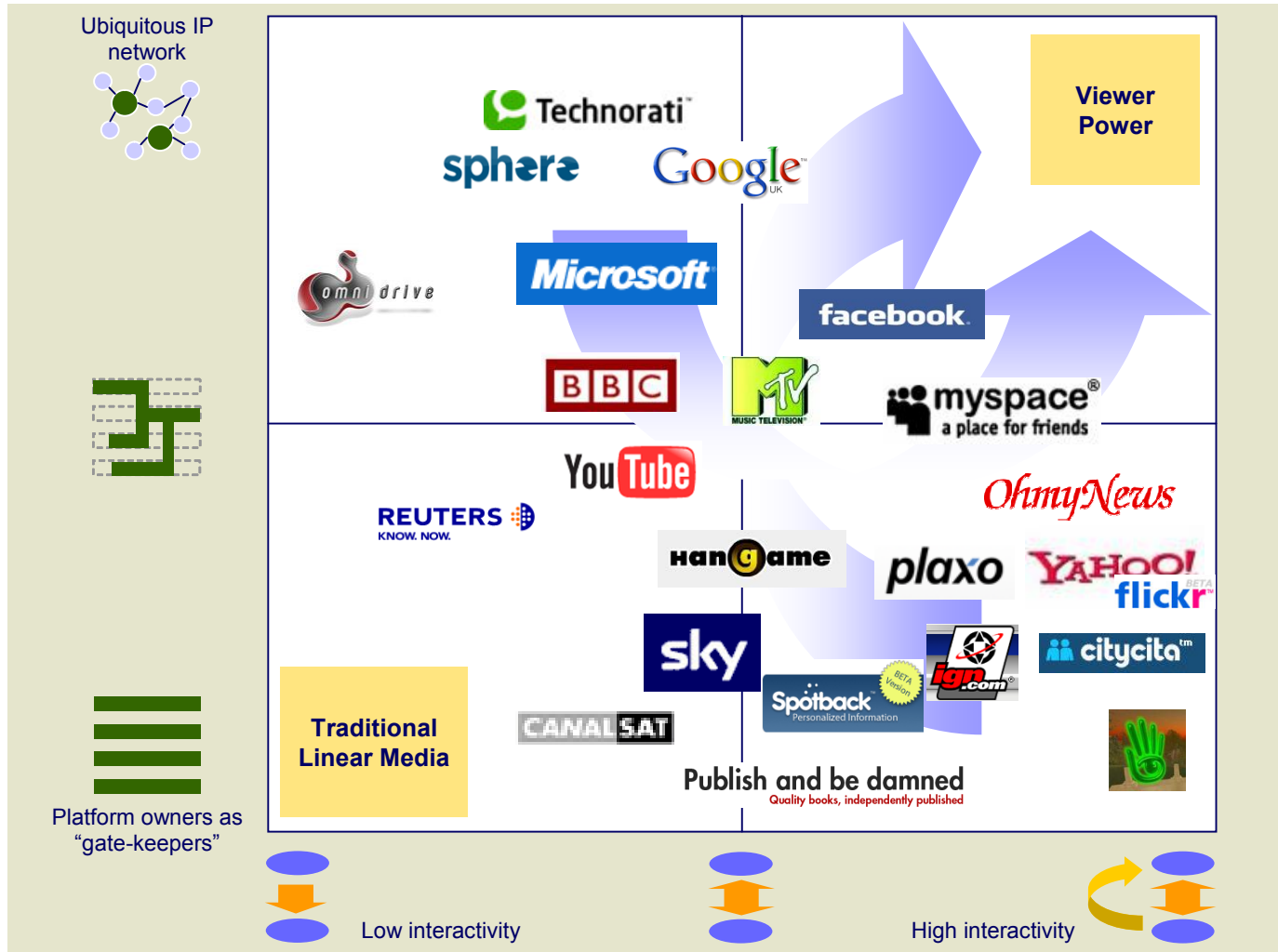
- **Traditional media is finally catching on**

- Repositioning and growing new media propositions
- Growth of alternative approaches and mediums

- **New world of media and advertising**

- New business models
 - Case study – Video game advertising
-

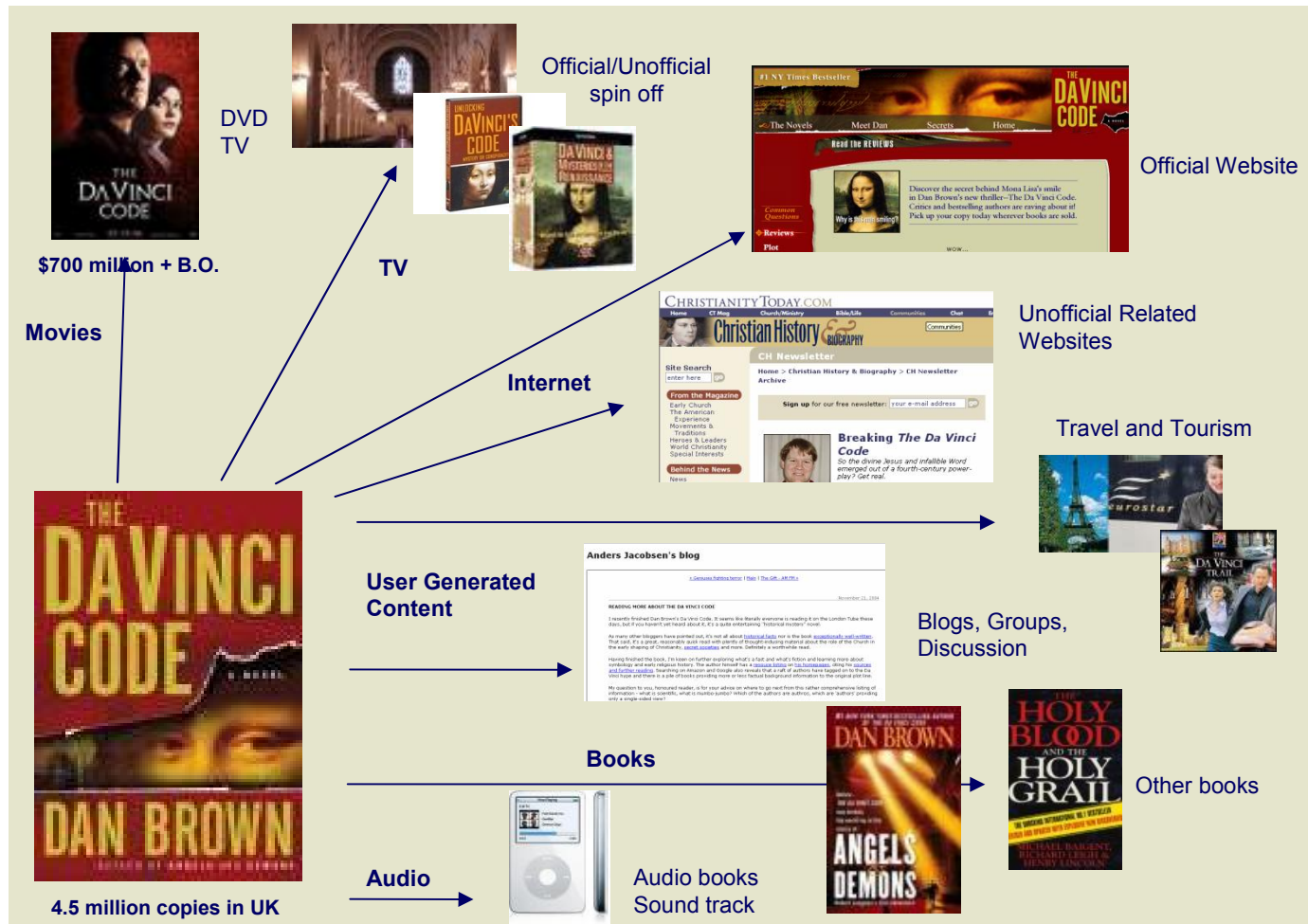
Traditional media companies, internet and technology players are positioning/repositioning



Source: Deloitte analysis

Copyright © 2008 Deloitte Consulting LLP. All rights reserved.

'Old' media is catching on... example of traditional content being aggressively exploited across channels



The original IP owner does not necessarily receive all the revenue his/her idea generates

Major media entities are responding to establish new business units and grow/acquire new media propositions

Motivations:

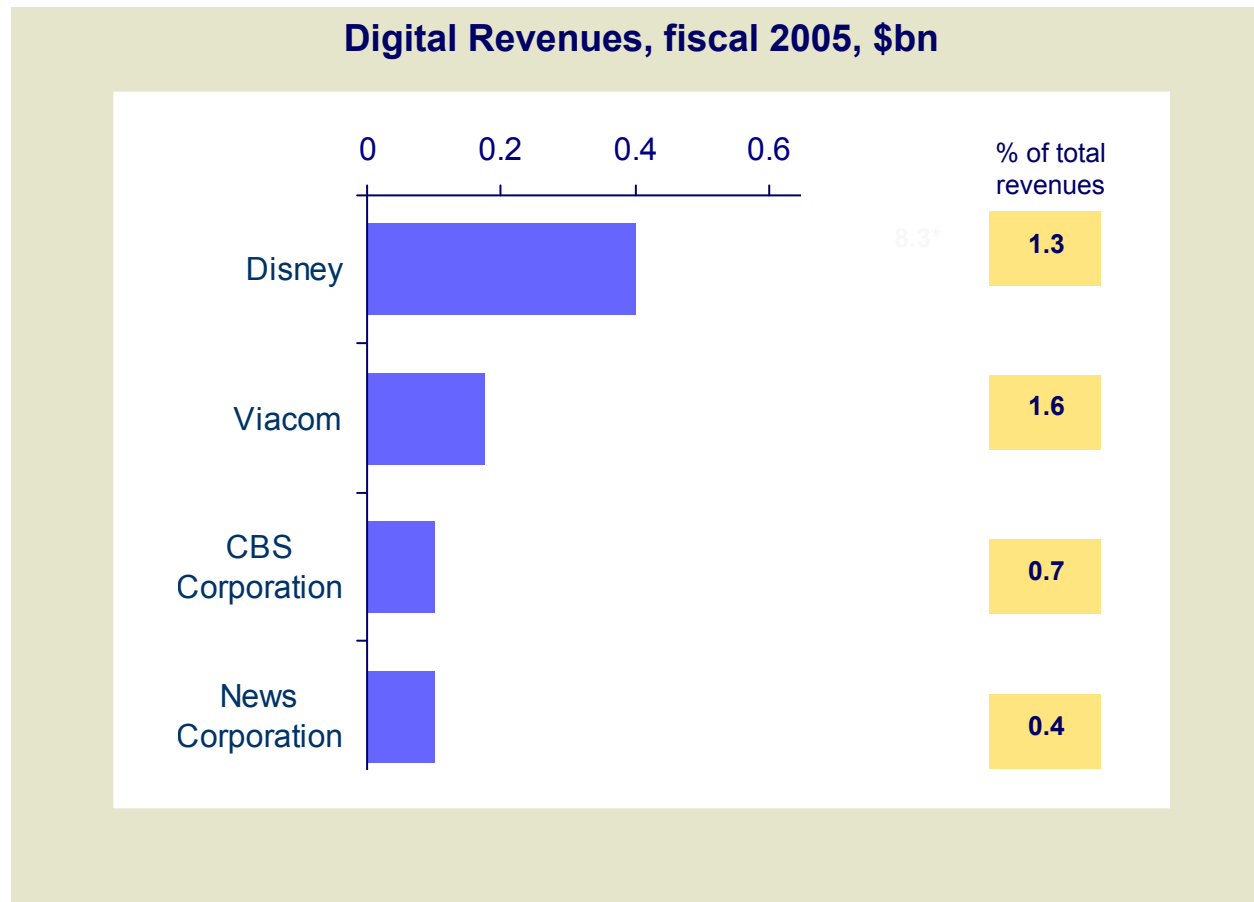
- Exploit existing IP
- Extend brand/ attract eyeballs/ customers
- Generate additional revenue
- Multiple platform ad bundling
- Be seen to be doing *something!*



Challenges:

- Org structure
- Incentives
- IT systems (CRM, IPRM, Billing etc.)
- Processes
- Content and repurposing
- Cultural – B2B to B2C

Yet most studios receive less than 2% of their revenue from digital sources*

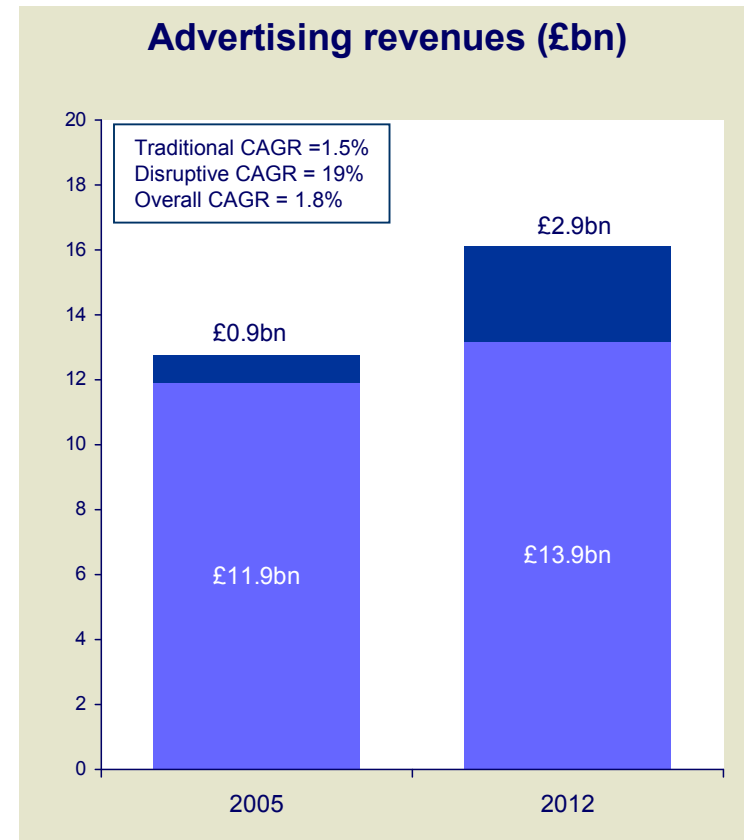
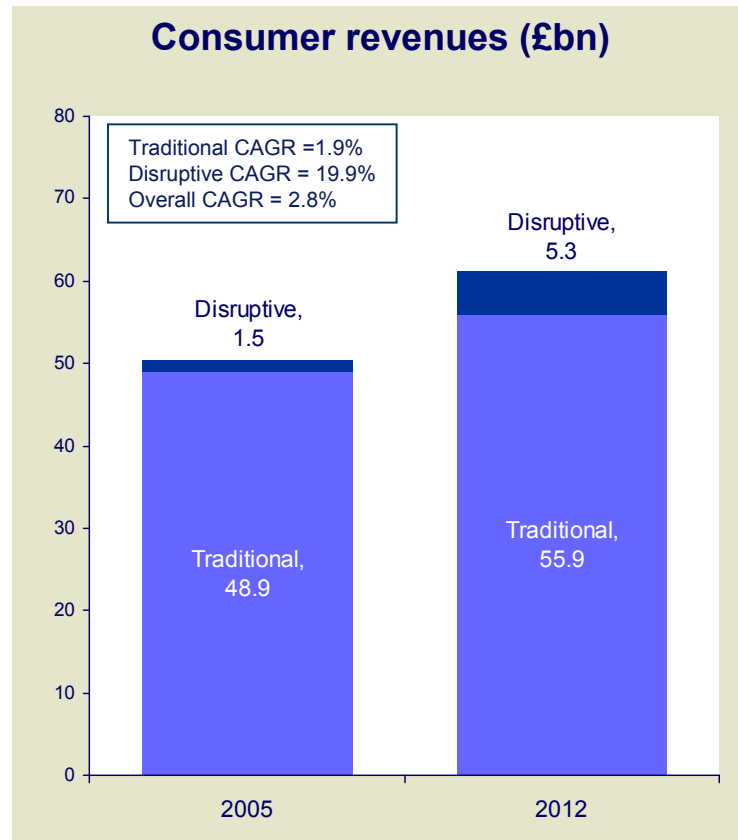


- These revenues represent money from both advertising and paid for content via the internet, phone and digital home entertainment services such as PPV/ VOD.
- Deloitte expects these numbers to at least quadruple by 2012.

Source: Company Reports – reported in the Economist
* Exception AOL TimeWarner

But this will change... Digital technologies and platforms are severely disrupting traditional ways of making money...

Consensus forecasts predict evolution not revolution



A 'disruptive' consumer service or product is defined as "A recent digital or IP-based service that challenges existing ways of making money by giving consumers greater freedom and control over the media content they consume and the communications they use."

Already, the Internet is the second most important advertising medium

- All consumers rate TV advertising as the most impactful
- Overall, online advertising is now in a virtual tie for #2 with magazines
 - Xers most open to online
 - Matures place print in the #2 and #3 spots – with newspapers in a virtual tie with TV for #1
- Millennials and Xers more impacted by other types of advertising

Advertising Types with Impact					
	Total %	Millennials %	Xers %	Boomers %	Matures %
TV	85	85	85	86	86
Online	65	66	71	64	53
Magazines	63	58	60	68	69
Newspapers	56	39	48	66	85
DVDs	12	17	15	8	4
In-theater advertising (pre-movie)	12	20	14	5	3
Video Games	7	15	8	3	-

Q. When you encounter ads in the following media, which have the most impact on your buying decision?

Advertising in “traditional” media... e-mail!

From: FierceGameBiz [editors@fiercgamebiz.com]
To: Simpson, Patricio (US - San Francisco)
Cc:
Subject: | 03.02.07 | Interview with GDC director Jamil Moledina: Friday Feature

FierceGameBiz
DAILY NEWS FOR GAMING INDUSTRY INSIDERS

Today's Top Stories

1. [Sony, Immersion settle patent suit](#)
2. [Analyst: Wii will outsell competition](#)
3. ["Madden" creator forms D2C games](#)
4. [Nokia, Glu ready to N-Gage](#)
5. [Take-Two's "Hot Coffee" incident near settlement](#)

Also Noted: Spotlight On... Video game aids research of Productions re-launches brand; DAM opens California office;

Friday Feature: The potential of in-game advertising

Editor's Corner

As the breaking news concerning Sony and Immersion's patent lawsuit settlement shows (see today's top story), it's more than possible for different sectors of the video game industry to play fair, and by doing so, everybody wins. In this case, Immersion gets the damages it's due, and Sony gets to bring back the rumble feature its audience so loved.

It is in this spirit of amicable reconciliation and mutual understanding that we gear up for the 2007 Game Develop

Slide 15 of 0 ... 38 Deloitte report

03.19.07 | Google buys in-game advertiser AdScape...
File Edit View Insert Format Tools Actions Help

From: FierceGameBiz [editors@fiercgamebiz.com] Sent: Mon 3/19/2007 11:30
To: Simpson, Patricio (US - San Francisco)
Cc:
Subject: | 03.19.07 | Google buys in-game advertiser AdScape Media

FierceGameBiz
DAILY NEWS FOR GAMING INDUSTRY INSIDERS

March 19, 2007
Sign up for free:
www.FierceGameBiz.com

This week's sponsor is Greystripe.

Want to advertise in mobile games for free? GREYSTRIPE

Reach mobile consumers with full-screen interactive advertisements.
[Sign up today](#) and receive a \$50 credit.

Today's Top Stories

1. [Google buys in-game ad firm AdScape Media](#)
2. [Take-Two considering sale of company?](#)
3. [Fils-Aime on Nintendo Wii, rival Xbox 360](#)
4. [Take-Two sues Jack Thompson](#)
5. [Debate over violent game ads on public transport grows](#)

Also Noted: Spotlight On... Schilling's studio changes names; Three versions of "Halo 3" this fall; System 3 secures Ferrari game rights; and **much more...**

Events:

- > [Global Games Summit - May 7-9, Seattle, WA](#)
- > [Premier Networking at CTIA*- "From Orlando with Love" - Wed. March 28](#)

Marketplace:

- > [Free White Paper: Making the Case for Social Media Strategy](#)

Alternatives to traditional advertising are multiplying and gaining traction...

“Nearly 90 percent of all U.S. companies polled in a new study will use part of their marketing budgets to advertise in new media like video games or virtual communities”

– The survey by the American Advertising Federation Feb 2007

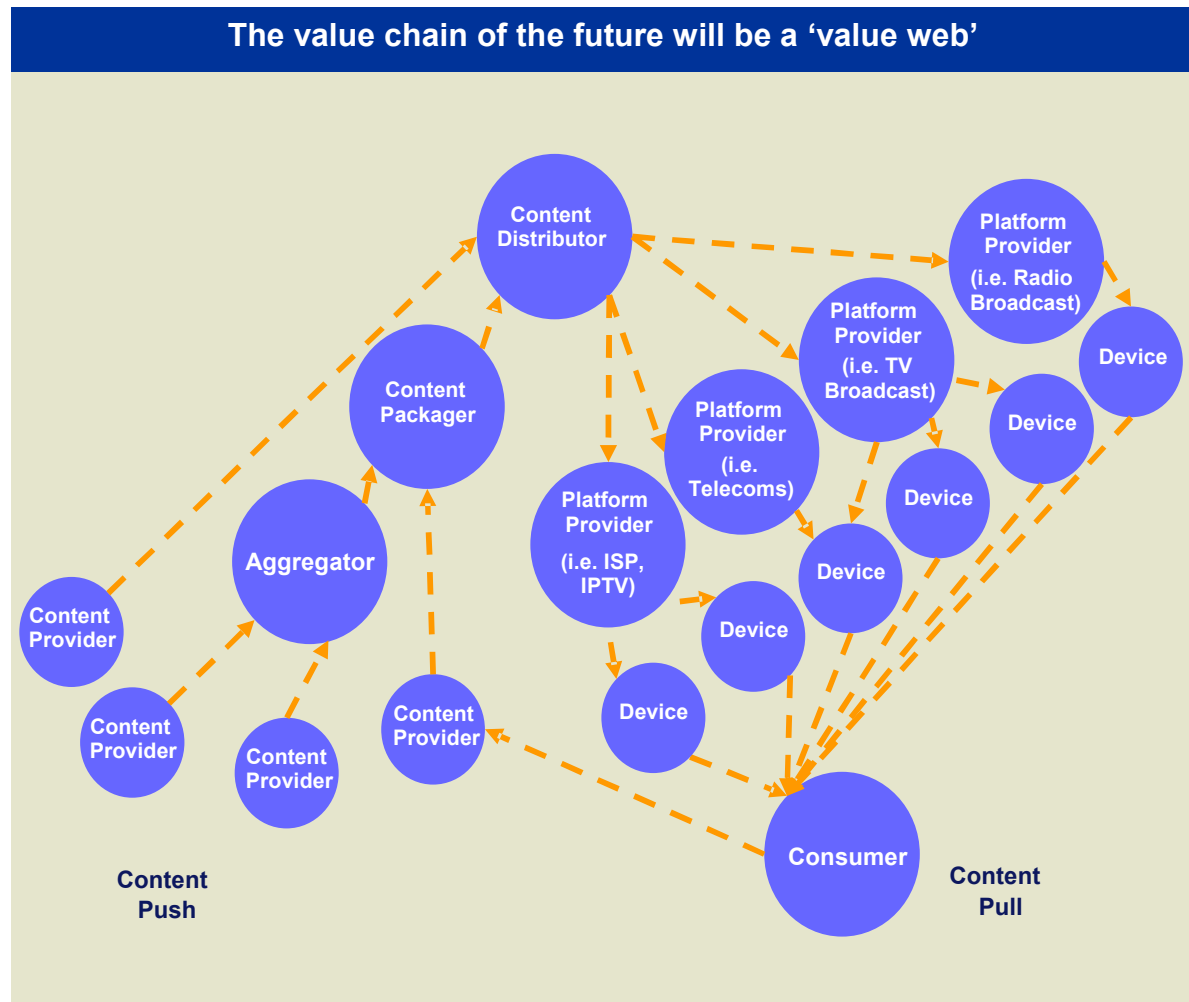
“Internet advertising revenue has grown upward of 30 percent for the last three years, causing many in the print and television businesses to shudder. Traditional media companies have watched advertisers and consumers increasingly move online, and the change has crimped their revenue and bruised their stock prices.”

– Advertising; Marketers Demanding Better Count Of the Clicks
New York Times, October 2006

- There's a lot at stake. Parks Associates predicts in-game advertising will be worth \$400 million by 2009, up from the \$80 million in 2005. Yankee Group estimates in-game ads will be worth \$732 million by 2010.
- Current film ad placements in United States, he explained, are approximately \$1.5 billion a year. James Bond films, he said, make upwards of \$70 million in ad revenue before the movies even hit theaters.

In turn, relationships between media players are becoming more and more complex

- The characteristics of the future landscape are translating the value chain of today into a complex value web with the **need for flexible business models** to cater to the relationship complexities
- A new role of aggregator will emerge, to collate content from multiple sources, act as a content trader and manage rights
- The content packager will generate value through quality management and filtering
- The content distributor must be responsible for providing searchable and personalized content, priced appropriately and must differentiate their brand
- The platform providers, now commoditized as content can be distributed cross platform, will benefit through the ownership of consumer data



And the race for online advertising dominance is becoming more intense

The industry is rapidly consolidating.

Consolidation in the online advertising industry is primarily driven by 3 things

Scale	<ul style="list-style-type: none">• Traffic or unique number of visitors a site attracts - primarily determined by site content• Google leads with 125 M and MSFT had 123 M unique visitors in December• The Big 4 (Google, Yahoo, MSN, AOL) have 85% and top 10 players have 99% of online ad revenue
Features	<ul style="list-style-type: none">• Applications and services a Web site can deliver• Google is a clear leader with tools and applications released continuously in beta versions on its site
Analytics	<ul style="list-style-type: none">• Google has superior analytics which started with search-based advertising and is now expanding into extensive data mining of millions of search patterns and user profiles• Traditional advertising is focused on <i>content</i>, search analytics influences the buyer at the point of purchase <i>intent</i>

Wooing Yahoo!

- **Background:**

- Google is the leader in online advertising. It has 42% share of the entire online ad revenues and 66% share in search related advertising
- Display advertising is expected to grow faster than search advertising
- Google bought Doubleclick to become a leader in display advertising
- Yahoo is the leader in online display advertising (banner ads etc)
- Microsoft made an unsolicited \$31/share bid for Yahoo on Jan 31
- Yahoo rejected the offer as an undervalued offer.
- Microsoft's options are to wage a proxy fight or raise the offer
- Google and News corp have proposed alternatives to Yahoo which allow it to continue as an independent entity

- **Question:**

- What should Yahoo do?



Bargaining in coalition formation

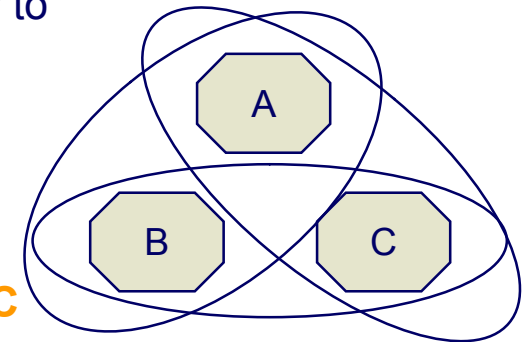
Rules

- 3 Players – A, B, C
- Goal is to join a coalition that maximizes payoff
- Only 2 parties are allowed to negotiate at a time with no interruption from the other player

Possible Outcomes

- Negotiation power of a player in a coalition depends on the value they bring to that coalition and the value they can bring elsewhere
- At first glance, the value add of each of these players may appear to be: A – 71, B – 37, C – 3 i.e. (71,37,3)
- C is the weakest player – or is it?
- **A offers B 40 - Should B accept the offer? (78, 40, 0)**
- **B can enter into agreement with C (0, 46, 4)**
- **A can try to break the agreement by forming a coalition with C (79, 0, 5)**

Coalition	Payoff
A alone	0
B alone	0
C alone	0
A, B, C	121
A, B	118
B, C	50
A, C	84



Offers that cannot be refused

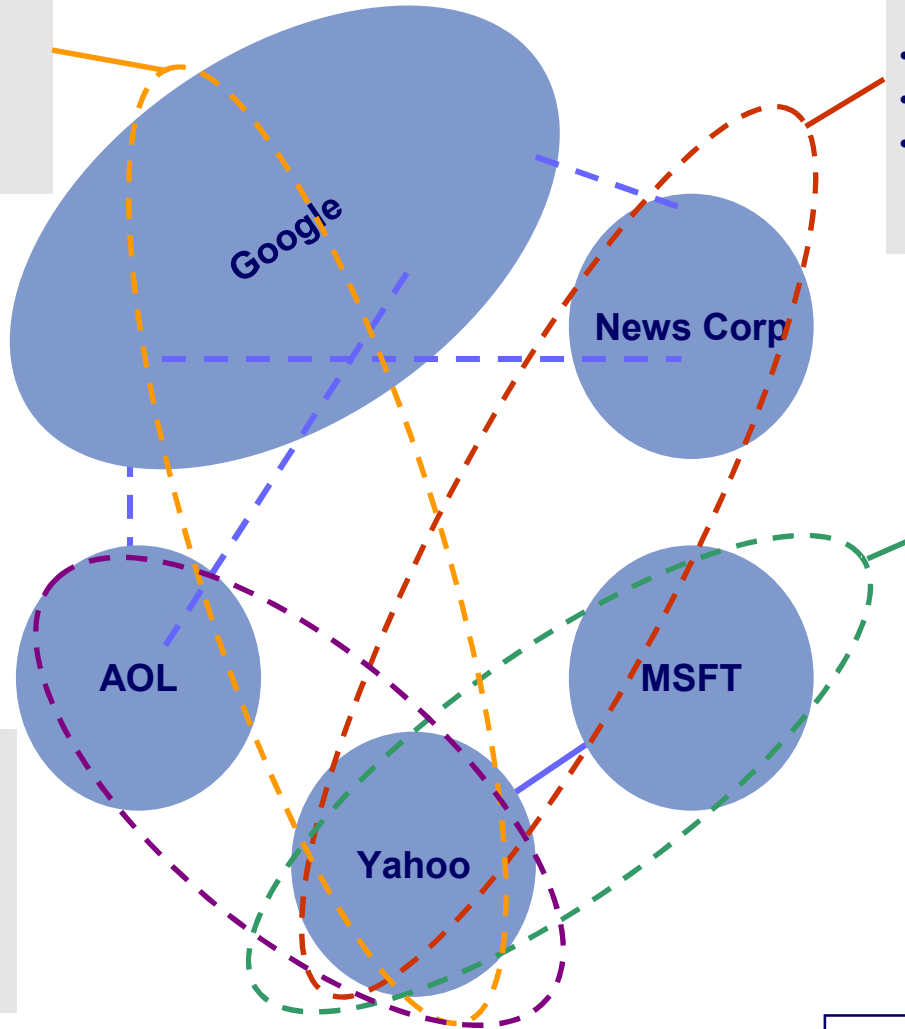
- (76, 42, 0), (76, 0, 8) or (0, 42, 8)

$76 + 42 + 8 = 126$
(Note : $126 > 121$
Grand coalition value)

Yahoo's bargaining options

- Yahoo will outsource search advertising to Google
- Yahoo will get part of search revenues
- Yahoo will remain independent

- News Corp will buy 20% stake in Yahoo
- Yahoo will remain independent
- Yahoo will get MySpace
- News Corp will get access to Flickr and Yahoo News



- Yahoo gets \$31/share
- MSFT and Yahoo combined will be the largest visited portals, largest IM network and largest web email accounts
- MSFT will get Yahoo's online display advertising

- Time Warner would sell AOL to Yahoo
- Yahoo will remain independent
- Time Warner gets a stake in the combined company

Today's topics

- **Changing customer needs are driving interactivity**

- Trends toward increased customer empowerment
- Demands for ease of use, personalization and choice

- **Traditional media is finally catching on**

- Repositioning and growing new media propositions
- Growth of alternative approaches and mediums

- **New world of media and advertising**

- New business models
- Case study – Video game advertising

We are seeing more creative and flexible advertising models...

- Advertising is integral to virtually every business model. The traditional business models are being challenged by the development of new platforms, cheaper digital content technologies and the growing demand for user generated content and interactivity
- In an attempt to shift from the fixed fee arrangement that currently exists with today's agency (instead of the 15% of marketing spend of the past), the cost pressure is forcing agencies to pursue the following emerging business models:

Emerging Ad Models	Description
Subscription to advertising services	Continuously updated advertising, requiring meta-tagging and demand quasi intelligence of the storage devices
Advertising and consumer marketing consultancy	Share information, market research on consumer preference, cultural preferences and how to appropriately target
Content development, part ownership of IP	Agencies to develop content to target a niche demographic. Content can take the form of music, video clips (short or long and engaging), photos
Product sponsorship and placement	Advertisers pay a fee in order for branded products to be prominently displayed in a media production, or for sponsorship to be advertised – TV, films, music, games and editorial
Interactive advertising	Mini-website behind broadcast screen for consumers to interact with
Mobile advertising	Broadcasted ads over mobiTV, advertising on mobile click-through, positioning-based ads

Pricing in Advertising

As business models evolve, so has pricing:

- From the traditional CPM (cost per thousand impressions) amount, we now have
- CPC (cost-per-click) – or prices for each click-through... or even
- CPA (cost-per-action) – price paid when a user completes a certain action

• Now... where should you go if your blog or MySpace is generating a lot of traffic?



Microsoft® adCenter



• You should sign-up at Google AdSense, or Yahoo! Search Marketing or Microsoft adCenter, and determine if you should get paid by:

- Content (typically on CPM basis)
- Search (adding a search tool within your site!)

• Now... where should you go if your startup company needs a little targeted advertising?



The mobile phone should not be overlooked as a valuable platform for media revenue generation

Advertisers will be driven to mobile by its interactivity, ubiquity and locality as they seek to engage with rather than interrupt consumers

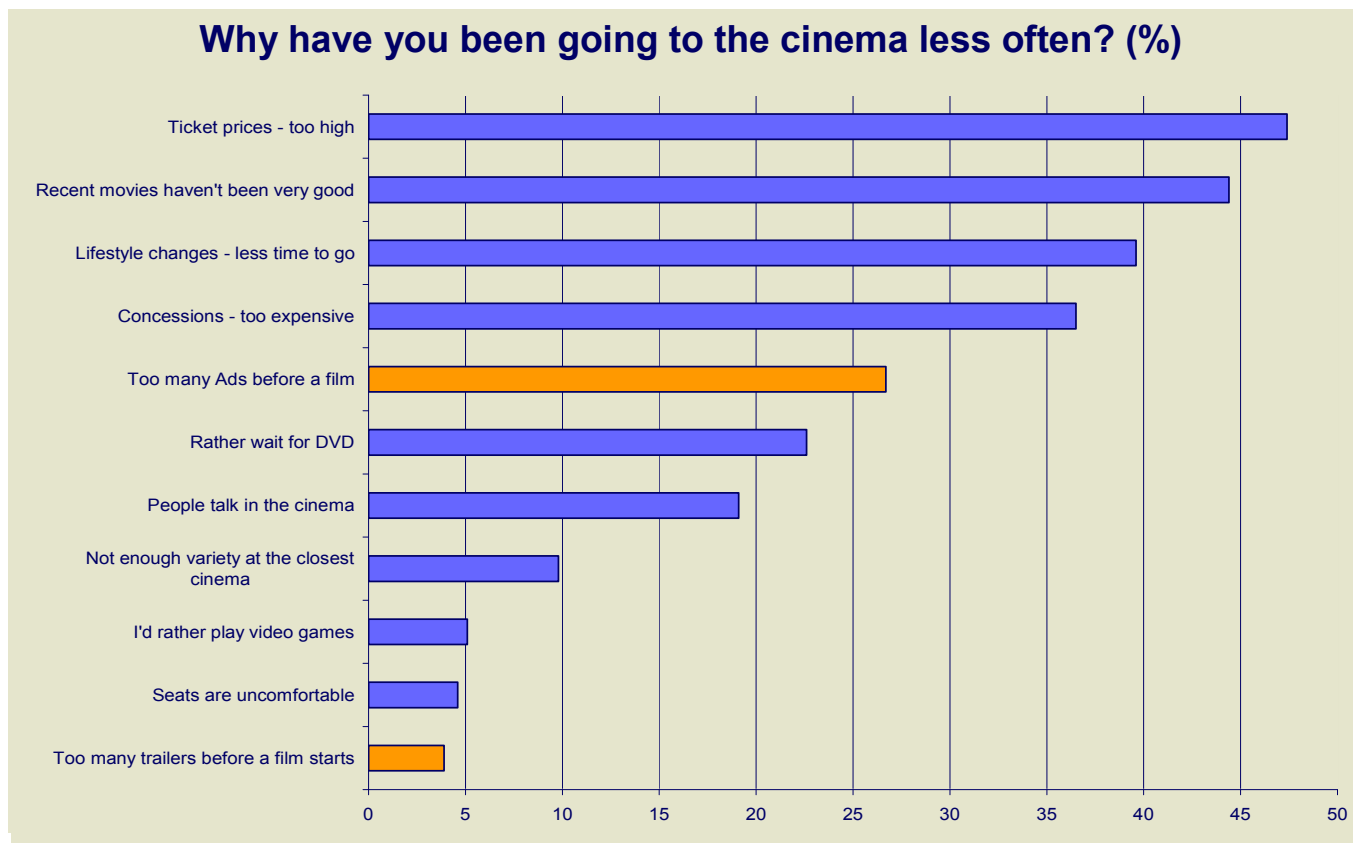
Model	Examples
Free (with Ads)	<ul style="list-style-type: none">• Yahoo! Daily weather update• Google SMS search with ads inserted• AOL's role as platform connecting agencies and publishers*• Location based coupons
Subscription	<ul style="list-style-type: none">• VeriSign's Jamster content plans• EA's Jamdat• mobiTV• Brew-developed games like The Incredibles and Duke Nukem
Purchased a la carte	<ul style="list-style-type: none">• Wireless carrier-originated ringtones• iTunes mobile

Message: People ARE willing to pay for the kind of convenience and accessibility that content via mobiles provides

*AOL is in talks to acquire Third Screen Media, a marketing technology company that enables advertising for mobile phones and wireless devices

The key is the right message, at the right time, in the right place. Mixing paid for content with advertising can be unpopular...

Movie goers complained about being subjected to intrusive adverts in cinemas – 54% of respondents said they “disliked them a lot” but only 27% said adverts had kept them from going to the cinema



Source: Nielsen Analytics

Copyright © 2008 Deloitte Consulting LLP. All rights reserved.

Traditionally, the internet is considered 'free' and few are willing to pay for Ad-free online experiences

- A significant minority indicate a willingness to pay for an ad-free online experience – and for ad-free TV shows
 - A majority of those that are willing to pay, are willing to pay \$25 or more (that nets to 22% of the total)

Summary of Agree Strongly/Somewhat

	Total %	Millennials %	Xers %	Boomers %	Matures %
I would rather pay for online content (news, information, sports, games, social interaction sites, movies, music, and TV) in exchange for not being exposed to advertisements.	37	42	43	32	25
	39	47	45	31	29
I would pay an annual subscription fee for my favorite TV shows to watch them without advertisements.	Total %	Male %		Female %	
	39	43		35	
\$25 or more is a reasonable fee to pay per year for online content in exchange for not being exposed to advertisements					
Among total population	41	43	46	37	36
Among those who agree they would rather pay for ad-free online content	60	62	65	57	55

Q. Please indicate how much you agree or disagree with the following statements

Q. If you were to purchase online content in exchange for not being exposed to advertisements, what would you consider to be a reasonable amount to pay over the course of the year?

The Internet has introduced several new online Ad Platforms: Social Networks, Virtual Communities, Online Gaming...

- Social networking is on the rise
- Over 1/3 of Millennials and a 1/4 of Xers are participating in online Virtual Worlds

Content-Generating Activities (Summary of Currently Do)						
	1 st Edition %	2 nd Edition %	Millennials %	Xers %	Boomers %	Matures %
Socializing (via social networking sites, chat rooms or message boards)	37	54	78	60	38	23
Maintaining a profile on a social networking site (MySpace.com, Facebook.com, Classmates.com, Friendster.com, Linked-in.com)	NA	45	71	51	30	10
Participating in online virtual worlds (i.e. Second Life, There.com, MTV's Virtual World, etc.)	NA	21	36	25	10	2

Q. Please indicate your experience with each of the following

However, all online ads are not created equal...

- The type of Internet ads that provide the greatest amount of targeting and relevance, do the best
 - Boomers and Matures most influenced by the “top 3”
- Millennials and Xers more responsive to product placement

Internet Advertising Influences					
	Total %	Millennials %	Xers %	Boomers %	Matures %
Search engine result ads	78	67	77	87	87
Ads I interact with that provide information/entertainment	62	55	58	68	73
Banner ads	60	53	59	63	71
Pre-roll ads (ones you must view first before viewing a video)	31	36	30	28	28
Post-roll ads (additional information that is provided after a video)	19	21	19	19	17
Ads embedded in videos (on the screen while a video is playing)	17	22	22	12	9
Ads or products placed within online virtual worlds (i.e. Second Life, There.com, MTV's Virtual World, etc.)	17	23	19	14	7
Ads or products placed within video games	15	23	16	8	8

Q. Thinking now about advertisements you encounter online, which type of online advertising influences you the most?

In-game advertising is predicted to generate significant revenue for games developers

The emergence of in-game advertising is beginning to provide an important new revenue stream for game publishers and will be a significant contributor to total revenues and margins by 2012

Product placement: In-game advertising

- Gaming audiences target the young – and audience is growing; the audience is attractive to advertisers
- The next generation of consoles will have built-in Internet functionality
- Gaming is becoming increasingly multiplayer/multi-channel
- By 2012 advertising will be fully integrated into the story itself – more appealing and relevant
- Choices and preferences can be tracked and monitored real time – e.g. which pair of jeans or which brand of cola....
- Levi Strauss and Proctor & Gamble appear in “NASCAR 2005: Chase for the Cup”



Customization of characters – Real-time information



Tiger Woods, Need for Speed, Second life are all examples of character customization with choices of clothing, eyewear, jewellery, cars, land, etc.

Emerging revenue models for video game advertising

Revenue from in-game advertising and downloadable content is expected to account for at least US \$5 million by 2008 – THQ

Model	Examples
In game advertising/product placement	<ul style="list-style-type: none">• Shanda (Chinese game provider)• Eyeblaster• Greystripe• Microsoft xBox – Burger King Game
Click through monetization	<ul style="list-style-type: none">• Sony's own Station Exchange, making transactions of virtual goods for real money a direct part of EverQuest II• Google's acquisition of Adscape• Micro-payments to reach \$833M by 2011
Luring traffic to targeted websites	<ul style="list-style-type: none">• Walt Disney's "Lost"• NBC's "Las Vegas"• Comcast's "Paradise City"• Onstream Media/Auction Video – social networking

Message: There is tremendous activity and positioning in the video game advertising space, by large and small players alike

Class discussion

“We’re the only ones holding this back...Advertisers want in, we know they want in, we just need to think about it. And if we do, I know with the level of brilliance and talent in all the teams out there, it can be easily accomplished.”

– Ubisoft, a game developer

Yet

“When ads become ubiquitous, do they undermine themselves?”

– New York Times Magazine, Feb 07

Some parting thoughts/ questions

Key challenges faced by media companies and advertisers preparing to embrace a more interactive media environment

For Media Companies

- How much to invest and when
- How to structure to best take advantage of and enable digital/ where to play in the value chain
- How to exploit and protect IP
- Which content over which channel/ device and cost of repurposing
- Who to partner with
- Cultural, organizational and people challenges

For Advertisers

- Optimal marketing mix
- Appropriateness of advertising across platforms
- Effective and accurate audience measurement
- Onus of effort for bundling across platforms, and for assessing ad effectiveness

- **If they have not yet developed a digital strategy they might not have missed the boat yet. But they need to develop one and begin experimenting soon.**
- **There will be less tolerance for experimentation and failure in the future than there is now**

Source: Deloitte

Copyright © 2008 Deloitte Consulting LLP. All rights reserved.

Questions/Comments?

Thank You!

For more information, please contact:



Patricio Simpson
Deloitte Consulting LLP

+1 (415) 606-2526 Mobile (preferred)

+1 (415) 783-5255 Work

psimpson@deloitte.com



Sree Chalasani
Deloitte Consulting LLP

+1 (408) 386-7994 Mobile (preferred)

+1 (415) 783-6538 Work

schalasani@deloitte.com

Or visit us at www.deloitte.com/us/pricing

Deloitte.

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu, a Swiss Verein, its member firms and their respective subsidiaries and affiliates. Deloitte Touche Tohmatsu is an organization of member firms around the world devoted to excellence in providing professional services and advice, focused on client service through a global strategy executed locally in nearly 140 countries. With access to the deep intellectual capital of approximately 135,000 people worldwide, Deloitte delivers services in four professional areas, audit, tax, consulting and financial advisory services, and serves more than 80 percent of the world's largest companies, as well as large national enterprises, public institutions, locally important clients, and successful, fast-growing global growth companies. Services are not provided by the Deloitte Touche Tohmatsu Verein and, for regulatory and other reasons, certain member firms do not provide services in all four professional areas.

As a Swiss Verein (association), neither Deloitte Touche Tohmatsu nor any of its member firms has any liability for each other's acts or omissions. Each of the member firms is a separate and independent legal entity operating under the names "Deloitte", "Deloitte & Touche", "Deloitte Touche Tohmatsu" or other related names.

In the United States, Deloitte & Touche USA LLP is the U.S. member firm of Deloitte Touche Tohmatsu and services are provided by the subsidiaries of Deloitte & Touche USA LLP (Deloitte & Touche LLP, Deloitte Consulting LLP, Deloitte Financial Advisory Services LLP, Deloitte Tax LLP, and their subsidiaries), and not by Deloitte & Touche USA LLP. The subsidiaries of the U.S. member firm are among the nation's leading professional services firms, providing audit, tax, consulting, and financial advisory services through nearly 40,000 people in more than 90 cities. Known as employers of choice for innovative human resources programs, they are dedicated to helping their clients and their people excel. For more information, please visit the U.S. member firm's Web site at www.deloitte.com

Copyright © 2007 Deloitte Development LLC. All rights reserved.

**Member of
Deloitte Touche Tohmatsu**