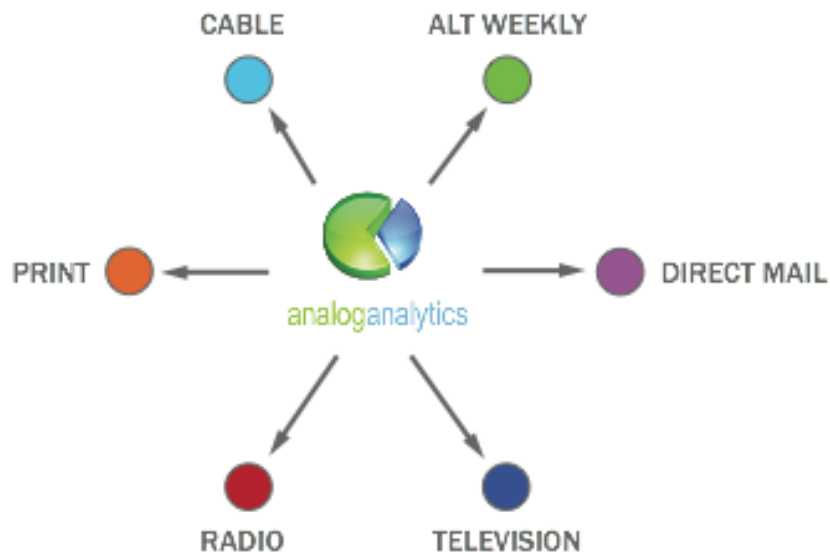


Analog Analytics Syndicated Daily Deal Distribution Model ^(TM)

Overview

The daily deal is fast becoming a primary driver in the advertising marketplace. Analog publishers and broadcasters in all types of media are taking advantage of their existing audience to feature daily deals. More importantly, each publisher or broadcaster sources their own deal through their existing sales team.

Publishers and broadcasters in the Analog network are currently confined to using their own sales teams and sales connections to feature daily deals. Daily deals are confined to the geographic and demographic audience for each publisher or broadcaster's market.

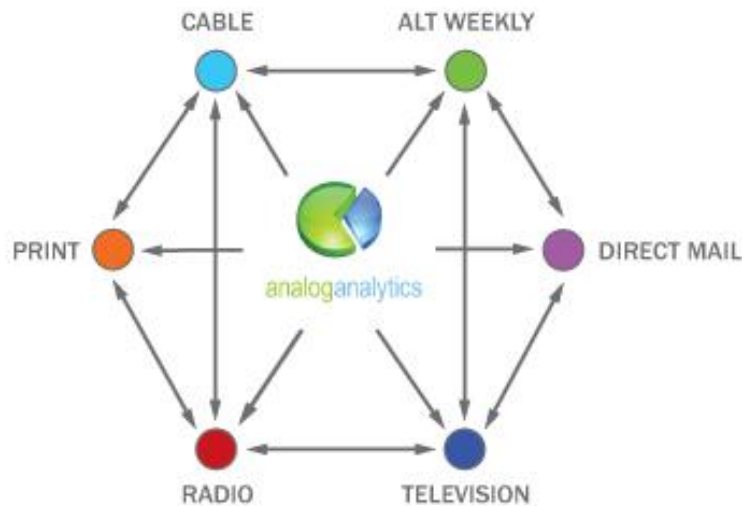


THE ANALOG ANALYTICS CURRENT DAILY DEAL DISTRIBUTION MODEL



Effective immediately, Analog Analytics presents an efficient solution to this problem with its syndicated daily deal network. With this syndicated daily deal network, publishers and

broadcasters in any media from across the country are given the option to feature or syndicate their daily deal to other publishers or broadcasters in the network. Analog Analytics' cutting edge technology and revenue-share model means publishers affiliated with Analog Analytics will access the largest advertiser-consumer deal network in the country and an inventory of thousands of deals nationwide.



THE ANALOG ANALYTICS SYNDICATED DAILY DEAL DISTRIBUTION MODEL



How It Works

In the old model each daily deal provider used their own sales team to find their daily deal. This means publishers in the same market are isolated from one another when it comes to finding and hosting the best deals every day. Conversely, when a publisher negotiates a deal with a merchant advertiser with a regional or national presence, they are isolated from other publications that may also have audiences relevant to the advertiser.

In the new Analog Analytics syndicated daily deal distribution model the capacity for each daily deal provider is exponentially expanded. Now, each publisher or broadcaster can source their daily deal from the network. If, for example, the NY Daily News has a great deal for the NY

Yankees, other local publishers and broadcasters such as Newsday or WOR710 radio can source their deal from the NY Daily News and use it as their own daily deal. This means that other publishers can leverage any fellow publishers' sales force. In a nationwide example, the Orange County Register might source a deal from Disneyland for a super summer half-off bargain. Now, the Orange County Register can publish this deal nationwide across the entire Analog Network where hundreds of publishers and broadcasters can opt in and use this deal as if it were their own deal of the day.

Revenue Share Model and Economics

In this new syndicated distribution model the economics are slightly different. As in most cases, the merchant advertiser will receive 50% of the gross for each deal. The publisher or broadcaster who sources the deal (i.e. uses their sales force to sign the merchant advertiser) will receive 15% of the gross. The publisher who sources the deal will also make 15% of the gross for each publisher or broadcaster who picks up the deal and presents it to their market audience for sale.

In the previous example, the NY Daily News would make 15% of the gross for all the deals sold by WOR710 radio, and 15% of the gross for all the deals sold by Newsday. Conversely, WOR 710 radio would make 20% of the gross revenue for selling the deal to their audience. Newsday would also make 20% of the gross for selling the deal to their respective audience. Analog Analytics, as the host network which facilitates both the buyer and the seller with instant inventory and distribution, receives 15% of the gross. The 3% credit card fees are passed on to the merchant advertiser. The reason these fees are passed along to the merchant advertiser is because there will be an increase in the number of transactions and revenue generated for the advertiser.

As in all cases, Analog Analytics handles the economic mechanics for revenue distribution to publishers or broadcasters regardless of whether they have sourced or sold the deal. Revenue is distributed once every two weeks. Audit trails are provided in real time.

Redirects and Email

What happens in Vegas, stays in Vegas. The idea is that for the publisher or broadcaster who sells the deal, even though it originated from another publisher, the entire sales transaction stays on the seller's web site and there is no re-direct. Equally true, the email registration also belongs to the seller of the deal. The logic behind this is simple. The deal seller receives 20% of the gross, however they retain the email registration which may have a lifetime value of \$200.00 to \$300.00. The traffic is also credited to the seller.

The deal originator, who sources the daily deal, gets paid 15% of the gross for each publisher or broadcaster who sells the deal on their web site. Interestingly, if a \$40.00 deal is distributed to 5 resellers who do 10 transactions each, the deal would generate \$300.00 for the publisher who sourced the deal. The ledger will tend to balance fairly on both sides.

Conclusion

Analog Analytics has built the world's first multi-media distribution network for daily deals with hundreds of publishers, broadcasters, direct mail and online media companies. The network includes Wick, LANG, Media News Group, Freedom, Journal Register, McClatchy, NY Daily News, Newsday, Post Newsweek, Entercom Radio, Entertainment.com and hundreds of soon-to-be-announced media companies across the globe.

The value to the publisher, broadcaster and merchant advertiser is enormous. There is an exponential revenue opportunity for each Analog Analytics partner. A local publisher or broadcaster can now leverage the sales organizations of every member of the network which currently numbers in the tens of thousands. Alternatively, local publishers can sell their local deal nationwide. For the local merchant advertiser, however, the economic tide has been reversed. The small and medium size business has an equally enormous opportunity to sell their products and services in multiple media venues with no out-of-pocket costs on one network in a single effortless no risk media buy.