

4 Entertainment/Streamwaves Sponsored Music Delivery System

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Components of a Successful Enterprise

- Music Licenses
- Music Download Distribution & Subscription Technology that Provides Content-Advertising-Profile ddb relationship and delivery capability
- Sponsors
- Promotional pipeline for entertainment content owners
- → Offline retail partnerships (music retailers, national franchisers)
- Online community partnerships (Friendster, Match.com, other lifestyle sites)
- Relationship with content owners, creative community
- → Relationship with entertainment broadcasters and distributors
- → Real-time online auction capabilities for sponsors



What We Provide to Sponsors

- Targeted advertising/marketing dollars
- Opportunity to create a one-to-one rapport with consumers
- Access to where 90% of the music downloading occurs
- Extensive market research, consumer data
- Real-time access to targeted groups
- Cachet of being associated with music and artists that consumers like
- Cachet of giving consumers what they want, when they want, where they want
- Opportunity to direct/drive consumers to Sponsor's online or offline properties
- Opportunity to sponsor music related to specific consumer demographics, artists, and/or music concerts and promote corporate tie-ins.



What We Provide to Consumers

- → Sponsored (free) music to:
 - Those who won't purchase
 - College students
 - Consumers who don't quite understand current copyright laws
 - Consumers who disagree with current copyright laws
 - People who don't have access to a credit card
 - College students
 - Kids under 18
 - Families that make cash-only purchases for various reasons
 - Current purchasers of digital music (iTunes, etc. customers)
 who don't mind ads in exchange for free and legal songs



What We Provide to Artists, Music Labels and Publishers

- Opportunity to create an income stream where none or little currently exists (from consumers who are illegally downloading music)
- Opportunity to extend online sponsorship to other media sponsorships (TV, radio, concerts, etc.)
- Promotional opportunities
- Opportunity to get paid for promotional downloads
- Opportunity to promote new artists by sponsoring popular artists
- Access to research data
- Opportunity to spend less money prosecuting illegal downloaders
- Opportunity to eliminate the need for illegal file servers



What We Provide to Artist Managers, Merchandisers, Ticket Sellers

- → Opportunity to promote...
 - ticket sales
 - merchandise
 - media appearances



Single: Black Math

Artist: White Stripes

CD: Elephant

Label:

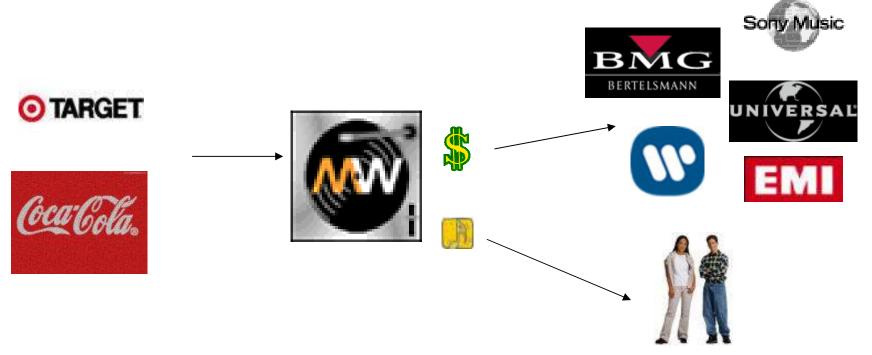


presented by...





A New Revenue Stream



Consumers get the song they want, when they want, where they want



Data Enables Targeted Branding Campaigns







Aggregated demo & download reports,











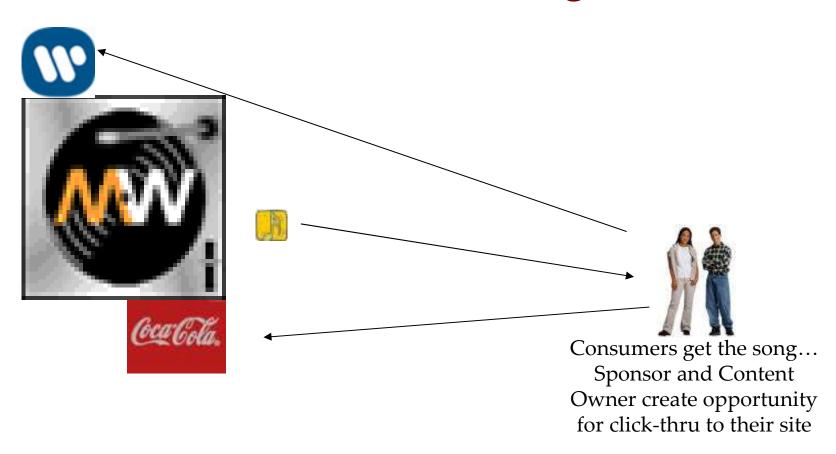


Consumers provide demographic info

"Actionable" data is provided to Sponsors and Content Owners that correlate demos & downloads/sales, enabling future targeted branding and marketing strategies

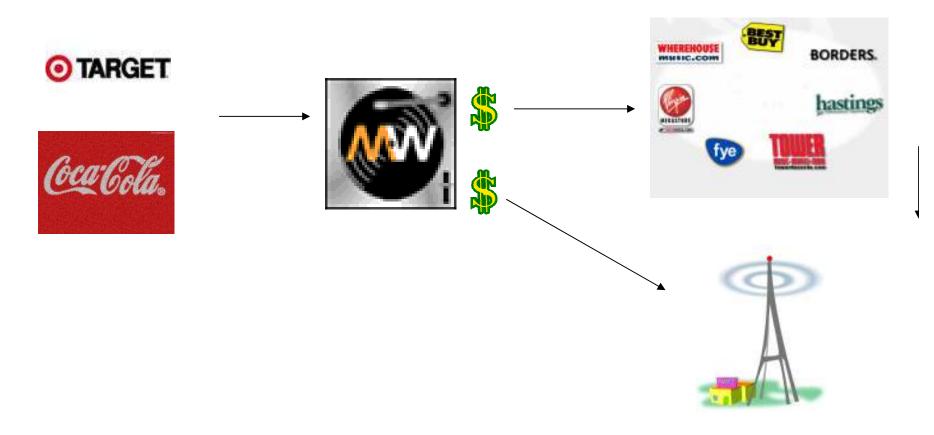


One-to-One Marketing





Additional Revenue for Radio & Retail Additional Branding for Sponsors





Providing a Vital Music & Advertising Role

- → Positions the company into a vital role affecting and revitalizing the entire music industry
- → Defeats the illegal P2P's by diminishing consumers' desire to use them for downloading music
- → Enables advertisers to reach consumers on a one-to-one basis in an emotionally-charged new channel of communication
- → Pays music companies royalties for their digital intellectual creative works where none or little compensation exists today
- → Enhances its image as the ultimate digital music brand by providing sponsored music to consumers.



Music Labels Can Refocus on Marketing instead of Litigating

- → Music labels' goal of creating the largest possible audience for an artist remains the same, but through another new channel
- → Music labels continue to focus on their expertise: Making Music, developing Stars, and driving demand for songs
- → The artist's brand and the music continues to be the focus of the labels' marketing and promotional efforts
- → The P2P Piracy and CD "rip & burn" all become less worrisome for the industry
- → The focus remains on the music as the real source of value