



10th October 2008

CLIVE GARDINER VP of Digital Music Great Music - FREE WINNER!

We7 overview

- Pioneering ad-funded business model
- Music is 'free' but rights owners get paid
- 1) Free Ad-Funded Streaming
 2) A La Carte MP3 Sales
 3) Free Ad-Funded Downloads
- Web to Widget delivery
- Advertising Innovation

 a) Dynamic Targeting
 b) Linked Audio Ads with Visuals



www.we7.com





We7 'value triangle'





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kudos records

Red Wharf

absolute

RBOR

African sunset African Tribal Orchestra ...IIIIIIII we7.com free music service Buy Track

Great Music - FREE

• Listen Online : On Demand : Anytime

We7 website





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We7 advertising

2) Targeted Linked Audio Ads with Visuals

1) Display Advertising





NB Ads are targeted according to the user not the artist Two users downloading the same track may receive different ads



We7 beta insights

Users accept audio ads preceding tracks

served millions of downloads & streams with ads
high click-thru rates from linked A+V campaigns

On-demand streaming very popular

traffic increased 800% since streaming launched
free streams outnumber free downloads 6:1
average logged in dwell time 19 minutes

Long-tail applies

- 80% of licensed catalogue downloaded or streamed
 Top 50 streamed tracks only 10% of total streams
- Lots of music being played a few times by lots of people
- All age groups want free legal music
 - 70% of UK registered users over 24
 - 50% of registered users ABC1



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We7 keys to success

1. Targeting

2. Customer Relationships



"What people forget about is that ad-funded isn't meant to be replacing the iTunes download - it's meant to be as well as."





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Thank you... Any questions clive@we7.com