



Nielsen
Media Research

Susan D. Whiting
President & CEO
United States

770 Broadway
New York, NY 10003

t: 646-654-8855
f: 646-654-8989
e: susan.whiting@nielsenmedia.com

September 28, 2005

To our clients:

During the month of September, Nielsen continued to make substantial progress in implementing our broad range of client initiatives. I want to take the opportunity to update you again on advances we have made in these areas. In particular, I would like to highlight:

- **The Council for Research Excellence** – After establishing the first three research topic areas to be pursued – Media Consumption of Video Programming, Non-Response and Valid Use of Data – members of the working groups met in September to examine and discuss key issues. They will present their findings to the full Council when it reconvenes early in October. **Any client who is interested in participating on one of these working committees should send an email to info@researchexcellence.com.** Transcripts of the Council for Research Excellence meetings can be found on the Council's website: www.researchexcellence.com.
- **MRC Commitment** – Nielsen is working with the Media Rating Council on its Voluntary Code of Conduct, and we have provided the MRC with a copy of our thoughts and suggestions. We are meeting with the MRC Board of Directors today to discuss the Code further.
- **A/P Meter Roll Out** – As previously reported, in July Nielsen began installing A/P Meters in the National and Local People Meter samples. As of September 16, we have 80 non-DVR A/P homes contributing to the NPM sample -- 33 of which are LPM homes. In December, Nielsen will start installing A/P Meters into the NPM and LPM homes with DVRs and we will begin reporting data from these households starting in January. The NPM and LPM roll out is in addition to the 863 A/P (DVR and non-DVR) households already installed in local Set Meter homes.
- **DVR Measurement** – As noted above we are on schedule to bring installations of A/P Meters in DVR households in the National and Local People Meter samples starting in December with reporting to start in January. National clients will receive three streams of NPM data (Live, Same Day and Live Plus Seven Days) effective December 26.
- **Advertiser Advisory Council** – During their inaugural meeting in Chicago on August 4, Council members shared ideas and information about ways Nielsen can better meet the needs of advertisers. The successful gathering set the groundwork for what we intend to be a more effective channel of communication between Nielsen and our advertisers. The next meeting is scheduled for November 18. Nielsen is currently compiling a preliminary list of priorities that were communicated in the first meeting for the Council's review.



Nielsen
Media Research

- **National Respondent Level Data** – Our **National Respondent Level Data File** is on schedule for an October launch. In addition, **NPOWER 4.0** continues to perform very well with processing and queue times averaging less than one minute per report in recent weeks.
- **Local Market Quality** – We continue to make great progress with the quality initiatives set forth in our LPM, Set Meter and Diary markets.
 - **LPM** – The Personal Coaching Plus program continued to show improvement in fault rates among participating households throughout the summer months. As a result, we have begun an expansion of that program in New York and Chicago by extending this specialized coaching procedure to an additional 20 high-faulting households in each market.
 - **Set Meter** – As previously reported, we have fulfilled our commitment to hire 10 additional Membership Representatives for sample recruitment. Earlier in the summer we hired 5 Membership Reps in Sacramento, Cincinnati, Miami, Richmond and Albuquerque, and 5 more Membership Reps were hired in July in Cincinnati, Minneapolis, Tampa and Raleigh. We are currently evaluating additional markets for 2006.
 - **Diary** – In order to improve cooperation among younger households (head of house under age 35) we will increase diary incentives to \$15 effective with the November 2005 survey. Looking ahead, 2006 diary testing initiatives will evaluate further increase incentives to younger homes. We will share more details about these initiatives in future updates.
- **Arianna** – We remain on schedule for Arianna's launch in the first quarter of 2006. In addition, work is progressing on the development of the next module with a beta version of it expected in November.
- **Sub-minute Ratings Analysis** – The ANA Subcommittee on TV Measurement is in the process of completing their analysis of the 30-second study. Thereafter, the Committee will determine whether it will pursue an analysis of sub-minute ratings.

We are pleased to report this progress to date, and we plan to continue the momentum at a steady pace. As we do, I will update you regularly on our efforts and welcome your input if you want to discuss any of these client initiatives in more detail.

Sincerely,