

## Delivering the First Technology that Allows Advertising to Appear Only on Pages with Content Deemed by the Marketer to be Consistent with Brand Image and Corporate Philosophy, AdSafe Media, LLC is Reinventing Online Marketing

Technology  
Risk Management  
(Private)

AdSafe Media, LLC

37 East 18<sup>th</sup> Street, Floor 7  
New York, NY 1003  
Phone: 646-278-4871  
adsafemedia.com

Scott Knoll  
Chief Executive Officer

### BIO:

Mr. Scott Knoll has been the Chief Executive Officer and President of AdSafe Media, Inc. since May 2011. Mr. Knoll founded and served as President of Aperture, a Datran Media company that provides audience targeting and measurement technology to blue chip brands, agencies and online publishers. Prior to joining Datran Media, he was Chief Executive Officer of BlackFoot, a digital advertising solutions company. He co-founded and served as the Chief Operating Officer of Verified Person, Inc. He has over 15 years experience in technology and information services. He spent 6 years at DoubleClick Inc., where he worked with a large number of Fortune 500 clients in several senior roles including: Vice President/General Manager of Marketing Solutions, Managing Director DoubleClick Asia Pacific and Vice President, Operations of Technology Solutions. Prior to DoubleClick, he held management roles at Time Warner Inc. and Andersen Consulting. Mr. Knoll holds an MBA degree from Harvard University and a Bachelor of Arts degree from Princeton University.

### Company Profile:

AdSafe Media, LLC provides online advertising brand protection solutions in the United States, Europe and Asia. The company offers a suite of products and services for brands, such as content management, viewability measurement, fraud measurement and protection, and brand safety. AdSafe enables agencies to manage and protect their client's brands, and it allows ad networks to certify, endorse, moderate and classify their inventory. For publishers, AdSafe enables third-party certification of site content and safety. Its rating system provides a neutral third-party content rating and certification platform to help standardize and control the online advertising ecosystem. The company's firewall product enables marketers' advertising to appear only on pages with content deemed by the marketer to be consistent with brand image and corporate philosophy. It protects brand equity by mitigating risk of damaging brand adjacencies. AdSafe Media, LLC was incorporated in 2009 and is based in New York, New York.

Interview conducted by:  
Lynn Fosse, Senior Editor

**CEOCFO:** Mr. Knoll, what attracted you to AdSafe Media?

**Mr. Knoll:** I have been in the online advertising industry for a long time and I had seen a confluence of factors in the industry changing the future of online advertising. I saw AdSafe as a great platform from which to continue to build solutions that would help to facilitate this change.

**CEOCFO:** What was AdSafe like when you joined and how has it changed under your leadership?

**Mr. Knoll:** When I joined, AdSafe was a small innovative company with a group of individuals who were highly motivated to change the way advertising was done. I would say that today we are a much bigger company and, even though it has only been about a year and a half, we have tripled in size, and we have done our best to maintain that same culture of innovation, excitement, and passion around solutions. As a result, we have been able to continue to grow and outperform our competition who are made up of both private and public companies.

**CEOCFO:** You are innovators with first-to-market products and solutions. What is it you are actually providing?

**Mr. Knoll:** The original solution was a technology that protected brands from pages of content on the web deemed inappropriate such as adult content, profanity, or some sort of illicit activity like illegal downloading. The way that internet advertising has changed over the last several years has led to a situation where marketers and agencies as well as many aggregators like networks, target cookies or consumers based on internet behavior like sites they have visited or purchases they have made. Often Brands have no idea where their advertisement is going to end up because they are blindly targeting a cookie on a browser. We came in with the first technology to prevent this from happening. If an ad was about to appear on a page that was deemed inappropriate by an advertiser, we would make sure that we stopped the ad from actually appearing on that page.

**CEOCFO:** What was the biggest chal-

lenge in being able to put it all together?

**Mr. Knoll:** One of the biggest challenges was that we had to analyze every page on the web that had an ad on it, which is over five billion pages. We had to look at every page individually because if we were going to block it, we needed to make sure we only block the pages that had inappropriate content and not all pages. There are some sites out there that have 99% good content but 1% that would be deemed inappropriate, and we needed to be able to pinpoint just that 1% that did not meet the criteria of an advertiser. Secondly, there is a great deal of technology that goes into understanding at that scale what is appropriate and what is not. Every advertiser has its own view of what is appropriate, so we had to create a scale somewhat like a FICA score of 0-1000 (with zero being the worst and a thousand being the best) to allow advertisers to set the dial. A good example of this is a brand like Calvin Klein or Axe Body Spray would have more leniency around mild profanity or mild nudity than a brand like Disney.

**CEOCFO:** How do you keep up with the changing technology and the tricky people that are looking to circumvent what you do every day?

**Mr. Knoll:** For the most part, I would say people do not try to make it happen. In many cases, it is a problem for both the buyers and sellers of online media. One of the differences in the industry and where we have made a big impact is that we work with both the buy side and the sell side to prevent this from happening. Many times the content might be user generated where the actual publisher has no control or it just may be an aggregator who does not realize that some of this content is not appropriate. We have since moved into other areas one of which is fraud detection. There is a great deal of fraud in the industry where a few unlawful players are purposefully faking clicks or faking impressions. The bad guys are constantly innovating so in order for us to beat them we need to do be

even more innovative. So we have beefed up a large data science team to meet the challenge. Similar to how credit cards have used data science to look for clues of fraud, we do the same thing. We have a big team doing nothing but analyzing information to try to detect irregular behavior. We build machine learning models and once we have a large set of fraud that we can learn from, these models can then look at any new potential activity and make a decision on the likelihood of fraud.

**CEOCFO:** Who is using your services?

**Mr. Knoll:** Because we are a solution for the whole infrastructure, we work with people who buy advertising and

**The way that internet advertising has changed over the last several years has led to a situation where marketers and agencies as well as many aggregators like networks, target cookies or consumers based on internet behavior like sites they have visited or purchases they have made. Often Brands have no idea where their advertisement is going to end up because they are blindly targeting a cookie on a browser. We came in with the first technology to prevent this from happening. If an ad was about to appear on a page that was deemed inappropriate by an advertiser, we would make sure that we stopped the ad from actually appearing on that page. - Scott Knoll**

that would be brands directly or agencies, and we work with all the major holding companies. We also work with the sellers, the publishers, and the networks and exchanges out there in the marketplace.

**CEOCFO:** Are there still companies that do not realize the need for Ad-Safe or is it pretty well known?

**Mr. Knoll:** I definitely feel that the majority of people realize there is a problem. Having said this, I also think that there are some brands out there that are very focused on direct response and ultimately if they end up on pages that are inappropriate, they feel it is probably less damaging to them. However if they saw how bad some of the content is out there, they would likely change their opinion. The

other solution that we have invented is the detection if the ad is actually seen or not. There are a large number of ads in online advertising that actually never appear within the screen of view, so if you are looking at a browser maybe above or below your browser, it may never come into view. Even the advertisers who do not care if their brand is next to adult content definitely care if their ad is never viewed. Whether you are branding or you are looking for direct response, if your ad is not within the user's browsing window, it will do absolutely no good.

**CEOCFO:** What is your revenue model?

**Mr. Knoll:** We typically charge on a usage basis and it is tied to the number of impressions so it is a CPM similar to how you would buy advertising or ad serving. It is something that matches nicely with the revenue models of both the buyers and sellers.

**CEOCFO:** Are all your people in place?

**Mr. Knoll:** We are growing quickly so we are constantly expanding the team and will continue to do so. I brought in some key senior-level people, some of which I worked with in the recent past, so I feel good about our team. We are expanding internationally and domestically so we are going to continue to have to grow.

**CEOCFO:** Your website shows you have had industry award recognition. How helpful is the acclaim in pursuing new clients?

**Mr. Knoll:** It is always nice to be recognized, but ultimately the way we measure ourselves is how many clients we are working with and how much value we are adding for those clients. Some of that is based on revenue, some of it is based on feedback we get, while some is based on referrals. Right now a majority of our business comes through referrals, so we always feel that it is a good sign when an advertising agency introduces us proactively to somebody else and when one of our supply side,

or one of the network partners introduces us to someone else. Ultimately, that is what makes us the happiest and makes us feel the best about what we are doing.

**CEOCFO:** Are there new products and services that you are working on that you are able to discuss?

**Mr. Knoll:** We are focused now on creating more data to help advertisers find quality media while buying online. Therefore, due to a confluence of factors like brands focused on targeting users rather than sites and the fragmentation of the number of websites out there right now that take advertising as well as generating content, there is a need for us to not only help advertisers stay off the content that is inappropriate, but to actually help them understand what content will perform better for them either from a branding or from a direct response perspective. We are also focused on understanding what kinds of pages on the web will perform well for specific advertisers. It has to do with the quality of the page as well as the number of ads on a page. If there are too many ads on a page, each ad has trouble standing out. Our team is also focused on fraud measurement and protection as well as ad collisions. This has to do with solving an issue where many times an advertiser does not realize this but they might have the same ad on the same page three or four times. We recently came out with the technology that prevents that from happening. We will make sure that if an advertiser only wants one ad on a page, that is what happens.

**CEOCFO:** You mentioned international as an area of growth. What are your plans there?

**Mr. Knoll:** We are already in London and we have a growing presence in Europe. We are in the process of launching in Japan as we speak. Because we support about ten different languages and continue to add new languages every month, we expect that we will have quite a presence throughout both Europe and Asia by early next year.

**CEOCFO:** Do you find that other countries typically have the same concerns and the same approach or does it change from country to country?

**Mr. Knoll:** It is definitely different in terms of the companies involved and the infrastructure country to country, but in general, online advertising across the world has moved to behavioral targeting methods, which means targeting the consumer. The same issue that got us started in the US, ad safety, is a problem around the globe. Some of the innovations we are focused on in terms of helping advertisers understand the content they are on and making sure that they are on content that is not only good quality but performs well for their specific goals. Again that is a universal challenge that we feel we can help a lot with. Definitely how we structure the company and who we partner with will change as we grow internationally.

**CEOCFO:** How is business?

**Mr. Knoll:** Business is great. We tripled our team from over a year and a

half ago. Our business has grown six times on the top line and we feel like we are just at the tip of the iceberg of opportunity. We are really excited. We think it is especially positive because we are not only growing in terms of the number of customers but we are growing in terms of the revenue of our customers.

**CEOCFO:** AdSafe Media did a funding back in April. Will that take you where you need to go?

**Mr. Knoll:** Absolutely! With any business, you have decisions around how fast you want to grow and how many different markets or potential opportunities you want to pursue at one time. We are excited because we believe the money that we raised will allow us to be aggressive yet allow us to have enough capital to do everything we want to do.

**CEOCFO:** Why should investors and people in the business community look at AdSafe Media?

**Mr. Knoll:** First of all, we are working with a large group of the most important constituents in the industry. Secondly, we are focused on reinventing online advertising and I think you will see that over the next year or two we will continue to innovate and change the way people buy advertising and become one of the most important players in the space.

**AdSafe Media, LLC**  
**37 East 18<sup>th</sup> Street, Floor 7**  
**New York, NY 1003**  
**Phone: 646-278-4871**  
**[adsafemedia.com](http://adsafemedia.com)**