From: "Leeds, Steve" </O=SIRI/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=SLEEDS>
To: "Blatter, Steve" <SBlatter@siriusradio.com>
Subject: Where we stand.....
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I noticed you were surprised when I described some of the label's attitude toward satellite radio---SIRIUS in particular.

Given the horrible state of things at almost all the labels; its hard for them to focus on anything other than what they know and to keep their job. The traditional tried and true avenues of exposure...television, cable, print, retail exposure and websites provide a comfort level that most veteran label marketers can relate to.. AOL has spent several years building their music franchise and their reach and global nature have made them an addition to artist launches.(I pioneered the first urban and latin artists with Nelly and Paulina Rubio) The more adventuresome souls or I rather call 'em enlightened seem to come from the indie and/or urban sector. Given the reduced marketing/promo budgets; most labels attempt to analyze or "research" how and where to spend their money and place manpower. Artist availability and willingness to work forces a need for setting priorities Since we don't fit into a established box--its difficult to quantify in their world exactly what our impact is.

SWR is the first baby step.

Right now we are offered the more newer baby acts. Eventually we get the "A" level acts as we continue to wear down the excuses. The goal is for SIRIUS to become "top of mind" at not just some of the labels ; but everywhere! As our subscriber base grows this will happen.

XM has key outside relationships that they pay for which provides them with a continuous flow of live concerts. I believe we beat them everytime when it comes to the major acts.....Stones, Gilmour, Nelly, Springsteen etc. Our relationships are stronger.

To help eliminate some of the label excuses and clearly show our strength as a marketing partner; we need to provide basic, broad overview data that quantifies our reach and potential impact. (I realize that some of this info may be difficult to provide currently)

- **Ranking in order of our most listened to music channels (top 10?)**
- **Interactivity-requests ..how we gauge listener feedback-perhaps a request chart?**
- **Extrapolation of audience numbers. Age and gender**
- **Geographic hotspots where we have concentrated listeners**
- **A question that is frequently asked is: if we have the technology, like cable, to address subscriber's radios--why don't we use that technology to learn more about our subscribers musical preferences? (why is that not part of our business plan?)**

The above data, if provided in a simple one page bullet form document, will help resolve concerns at those labels who want to know more about our audience. The other area we need to focus in on is how we can get full fledged reporting status @ R&R. While it seems almost foolish--much of the music industry does still look at those charts. When our ability to spins songs impacts those charts (like it does @ BDS); the senior promo execs will be forced into treating SIRIUS on a level playing field. The goal here is to accelerate the timetable.

Ultimately we **will** succeed !

FINAL

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