

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN**

**WISCONSIN INTERSCHOLASTIC ATHLETIC
ASSOCIATION, AMERICAN-HIFI, INC.**

Plaintiffs,

Case No. 09-cv-0155

v.

**GANNETT CO., INC., and
WISCONSIN NEWSPAPER ASSOCIATION, INC.,**

Defendants.

AFFIDAVIT OF DOUGLAS E. CHICKERING

I, Douglas E. Chickering, hereby declare,

1. I have personal knowledge of the facts stated herein and, if called upon to do so, could and would testify competently thereto.
2. I am the former Executive Director for the Wisconsin Interscholastic Athletic Association (“WIAA”). I was the Executive Director from January 1, 1986 to July 31, 2009, which includes the period during the events giving rise to this litigation. As Executive Director, I was responsible for the overall operations of the WIAA. I reported to the Board of Control of the WIAA, and was authorized by the Board of Control to make decisions as necessary for the proper operation of WIAA business. Among my responsibilities was responsibility for the budget, revenue and expenditures of the WIAA, and I was authorized to enter into contracts for the benefit of the WIAA and its members.
3. The WIAA is a private, voluntary, unincorporated and non-profit association that has been in operation since 1896. The WIAA is a member-based organization comprised of 506 participating public and private high schools and 117 Junior High/Middle Level school members.

The WIAA is membership directed. The members develop the rules that govern the association, and, at an Annual Meeting each April, the membership approves any changes to the Constitution, Bylaws, and Rules of Eligibility.

4. The WIAA seeks to develop, direct and control an interscholastic athletic program to promote the ideals of its membership and opportunities for participation by its members. These opportunities include member participation in post-season WIAA-sponsored, controlled, and funded sports tournaments.

5. An overwhelming majority of the WIAA's budget is derived from revenues generated by the State Tournament Series, which WIAA organizes, sponsors, and administers. Those tournament revenues come primarily from ticket sales. I was responsible for the WIAA's 2007-2008 budget, and in that year the tournaments brought in \$6,202,963, which was 86% of the WIAA's total operating revenue of \$7,177,115. The remaining 2007-2008 WIAA revenue comes from: membership dues, which amount to .5% of revenue; sports fees, which amount to 5.5% of revenue; officials dues, which amount to 5% of revenue; and miscellaneous revenue such as subscriptions and rule book orders, which amount to 3% of revenue. Attached hereto and incorporated herein by reference as Exhibit A is the WIAA's 2007-2008 budget.

6. All of WIAA's revenue is used to support its programs and the administration thereof, including paying for the expenses of operating the tournaments in all WIAA recognized sports.

7. Some of the WIAA recognized sports generate a profit, and others generate a loss for the WIAA. The profits from one sport are used to offset deficits in other sports.

8. In 2008, the WIAA subsidized the following sports (meaning expenses for a sport exceeded revenues for that sport, so WIAA revenues from other sports covered the deficit):

Baseball, Cross Country, Golf, Gymnastics, Softball, Swimming and Diving, Tennis, and Track

& Field. Throughout the years, it has usually been the same sports that are not revenue producers that require subsidization. The WIAA member schools desire their students to be able to play sports and have the same exposure for the sports even where a commercial market would not otherwise support such exposure. Thus, the WIAA provides those opportunities for its members' students through the revenue that comes from the commercially viable sports.

9. The WIAA has had long experience with exclusive contracts. Fox Sport Network Wisconsin ("Fox") has had the exclusive contract to transmit the seven state football finals since 2001. The WIAA receives \$20,000 annually from Fox for that exclusive contract. Attached hereto and incorporated herein by reference as Exhibit B is the Fox contract.

10. The WIAA has had an exclusive video transmission contract for boys basketball games with Quincy Newspapers, Inc. ("QNI") since 1968. In the 1980s, the QNI contract expanded to include rights to exclusively broadcast WIAA's Boys and Girls Basketball Tournaments and Hockey Finals. QNI owns and operates five different television stations, (collectively called "The WIAA State Network"), that broadcast the WIAA tournaments and finals pursuant to the contract.

11. Beginning in about 2003, at which time the QNI contract required QNI to pay the WIAA an annual rights fee of \$140,000, I was informed by Laurin Jorstad of QNI that QNI could no longer afford to offer a competitive product for the contract price of \$140,000. QNI prepared an analysis of the costs of producing a WIAA event, which factored in personnel costs, satellite time and rental agreements with the production trucks who were subcontractors. Thus we negotiated a reduction in the annual fee: In 2002, QNI paid the WIAA \$140,000 under the contract; in 2003, QNI paid \$125,000; in 2004, QNI paid \$75,000.

12. In 2004, with two years left on the contract, QNI said it could not guarantee that it would enter into a successor agreement unless the WIAA was willing to alter its price. Thus, the WIAA and QNI negotiated a reduction in price down to \$40,000 per year, and secured an extended contract with QNI, operating as The WIAA State Network, until 2010. Attached hereto and incorporated herein by reference as Exhibit C is the 2004-2010 Agreement between the WIAA and the WIAA State Network. QNI paid an annual fee of \$40,000 to the WIAA until 2008, at which time upon mutual agreement of the parties, the QNI payment to the WIAA increased to \$75,000 annually.

13. In 2004, due to the loss of revenue from QNI, the WIAA began to look for other sources of revenue.

14. At that time, no television station carried games other than the Football Finals (which was carried by Fox), and the Hockey Finals and Boys and Girls Basketball Tournaments (which were carried by QNI), except that in some instances local community access channels would broadcast tape-delayed local games. In fact, in 2005 the vast majority of our sports were not carried by any media organization either on television or the internet.

15. At about the same time as we lost the QNI revenue, we were hearing from the coaches committees that they were questioning why their sports were not being broadcast on TV, and that they had a strong interest in getting their sports on TV. This was especially true of volleyball and wrestling. They wanted the same exposure for their sports and athletes that basketball, hockey and football were receiving. The WIAA staff was anxious to get as many sports publicly distributed as possible.

16. We inquired whether our existing contractual partners might be interested in broadcasting these events, but they expressed concern over whether they could implement a feasible financial model from which they could profit by the expansion, so declined to pursue the opportunity.

17. Meanwhile, in the fall of 2003, I met Tim Eichorst of When We Were Young Productions (“WWWY”) after a football tournament. He expressed interest in mass distribution of WIAA sports events. We agreed to meet in December to discuss this further.

18. In December of 2003, the WIAA Director of Communications, Todd Clark, and myself met with Tim Eichorst. At that meeting, he discussed his idea of producing and distributing as many WIAA sporting events as possible. He explained this was an opportunity to get more sports on TV. He also talked about other platforms for distribution, such as streaming over the internet. He wanted to get all state finals tournaments distributed, and also work on producing and distributing some sectional and regional events. At that point, we did not have any sectional or regional events that were available to the public through any media, except if a local access channel aired an event in their locality, but even then those were tape-delayed broadcasts, not live.

19. Based on that meeting, in May of 2004, we signed a letter of intent with WWWWY to further discuss and develop a contractual arrangement for WWWWY to produce and distribute WIAA athletic events. The contract would provide exclusivity to WWWWY (except for sports already covered under other contracts), and would require WWWWY to pay a fee to the WIAA. The letter of intent was signed at the same time as we were engaged in discussions with QNI about renegotiating their contract for a reduced fee, so the prospect of a contractual arrangement with another partner to provide revenue to the WIAA, while at the same time satisfying our goals and interest in expanding distribution of athletic events, was of great interest to the WIAA.

20. As these discussions continued, Mr. Eichorst came to the WIAA and made a presentation to the Board of Control explaining his proposal and his business model in more detail. He proposed delivering broadcast quality video production of WIAA events, and distributing these products through all physical, electronic, and broadcast media. His company would be responsible for all filming in the field. The events would be live streamed from the venue. He would then also create tapes and DVDs of the events, which would be produced at his studio, which would then be distributed through various media platforms.

21. Under his proposal, the WIAA and its members would have no financial commitment to the venture, but would have the opportunity to earn royalties based upon distribution revenues. As I understood it, WWVY expected to make profits on “broadcast media,” including such things as real-time game feed, broadcast TV highlight feeds, and studio production of weekly TV shows.

22. Based on this proposal, WWVY and the WIAA entered into a Production Rights And Distribution Agreement (“the Agreement”). Attached hereto and incorporated herein by reference as Exhibit D is the Agreement. The Agreement was fully executed in May of 2005, and lasts for a term of ten (10) years.

23. Under the WWVY contract, WWVY has the right to transmit via internet all WIAA Tournament Events except Football and Hockey State Finals, and the entire State Boys and Girls Basketball Tournaments. WWVY paid \$60,000 to the WIAA in 2008 for these rights.

24. The Agreement substantially benefits the WIAA and its members. The WIAA’s broadcast partners pay for the exclusive transmission rights to state tournaments, and that revenue helps to fund the WIAA’s state tournaments. The Agreement thus allows the WIAA to obtain revenue that it uses to organize and operate its programs and tournaments. The WIAA

keeps all of that revenue from its contract partners for its own internal operations, and does not transfer any of that revenue to the State of Wisconsin, to any state agency, or to general state funds. Further, that revenue benefits the WIAA membership because it allows the WIAA to expand athletic program opportunities for its members for all WIAA-recognized sports, including providing revenue for those sports that the WIAA typically subsidizes or for those sports without significant public attendance.

25. The Agreement further benefits the WIAA membership as it allows the WIAA to expand transmission of athletic events that might not otherwise be transmitted due to the level of public interest or commercial appeal. Through the contract with WWVY granting WWVY exclusive transmission rights, the WIAA has achieved additional distribution and streaming of tournaments that were not transmitted before, including all state tournaments, and regional and sectional competitions.

26. The Agreement is also beneficial to the WIAA because WWVY provides approximately \$500,000 in service to the WIAA that the WIAA does not have to pay for. These services provide a cost savings to our member schools, and have been the most cost-effective way for the WIAA to serve its membership while at the same time increasing participation. It also allows us to ensure that we are returning money to the schools that host events so that they are not losing money on hosting an event. WWVY's services have also increased the WIAA's exposure to the public and the public's participation in the WIAA, by making available WIAA meetings and events on wiaa.tv at no cost to the WIAA.

27. Finally, the Agreement allows the WIAA to fulfill its purpose to promote the broad educational aims of the WIAA's member schools and to cultivate the high ideals of good

citizenship and sportsmanship by controlling the association of high school sports with inappropriate goods and services (such as gambling, alcohol, tobacco, and adult entertainment).

28. The WIAA hosts and administers 25 State Championship Tournaments, which includes both boys and girls sports, and individual and team competition. The WIAA secures the facilities for the WIAA-hosted State Tournaments. Throughout the years, the WIAA has done this through leases of appropriate facilities or venues for the athletic competition at issue. To provide stability and continuity, the WIAA has multi-year contracts with the sporting venues. The minimum length of a contract is three years and we often have five-year contracts (except the WIAA does not have leases with the venues for cross country or gymnastics). When the WIAA uses the venues, it uses them solely for its athletic competitions. The WIAA has use of the facilities or venues for the duration of the athletic competition as specified in the leases, and does not otherwise have any control over or obligation with respect to the management or operation of the facilities or venues when not used by the WIAA for its athletic events.

29. The State Tournaments are held in sixteen different athletic facilities throughout the State of Wisconsin. The WIAA tries to find the best facility available to showcase the athletic event, provided the facility is available and affordable, and offers good value for the WIAA's money. Each of the venues was designed for the specific athletic tournament being held there. Thus, for example, the boys and girls golf tournaments are held at University Ridge golf course in Madison, a venue solely designed for golf; the football tournaments are held at Camp Randall stadium in Madison, a facility used for football games; boys and girls soccer tournaments are held at Uihlein Soccer Park in Milwaukee, which was designed specifically for soccer games; swimming and diving tournaments are held at the UW Natatorium in Madison, a facility with pools and a diving well; girls and boys tennis tournaments are held at the Nielsen Tennis

Stadium in Madison, a facility containing indoor and outdoor tennis courts and squash courts; and softball tournaments are held at the Goodman Diamond in Madison, which is a facility designed and used for softball games. The WIAA also hosts venues at several private facilities: baseball tournaments are held at Fox Cities Stadium in Appleton, which is a privately owned minor league baseball park; the boys volleyball tournament is held at Wisconsin Lutheran College in Milwaukee, a privately owned college; and the cross country tournament is held at the Ridges Golf Course in Wisconsin Rapids, a privately owned golf course (which is not leased). Other WIAA tournaments are also held at the Lincoln Field House in Wisconsin Rapids (which is not leased), the UW Field House in Madison, the Memorial Stadium in LaCrosse, the Resch Center in Green Bay, the Kohl Center in Madison, and the Alliant Energy Center in Madison, all of which are venues used for different athletic events.

30. The WIAA establishes a fee for admission to its tournaments. The public is permitted entry to the tournament upon payment of the fee. The WIAA provides for free admission for certain categories of people, such as cheerleaders, school staff members, game officials and credentialed media, but no other person beyond those identified may be provided complimentary admissions. The WIAA sets its admission fee so that the event is an affordable outing for families.

31. The WIAA has not denied a legitimate media organization entry to a tournament.

32. From 2001-2003, the WIAA contracted to grant the nonexclusive right to Visual Image Photography, Inc. (“VIP”) to sell photos and images of all state tournament finals. In 2004, the WIAA contracted to grant the exclusive right to VIP to sell photos and images of all state tournament finals only. The contract was for a 1-year term and expired in 2005. In 2005, the WIAA contracted to grant the exclusive right to VIP to sell photos and images of all state

tournaments including quarterfinals and semifinals. The contract was for a 3-year term and expired in 2008. Restrictions on the sale of tournament images helped the WIAA limit its association to products and advertising consistent with the WIAA's mission.

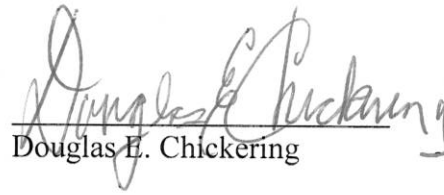
33. In 2007, a controversy arose over the WIAA's right to limit the Wisconsin Newspaper Association's member newspapers from selling photographs taken at tournament games through their website. The WIAA suspended its enforcement efforts that summer and decided that it would wait to see the outcome of similar disputes in other states. A similar dispute in Illinois was later settled when the Illinois High School Association agreed to rescind its exclusive-rights photography policy. I notified the media in about July of 2007 that the WIAA would not enforce its photography policy, and the WIAA did not enforce that policy at any time thereafter.

34. Effective with the 2009-2010 Media Policies, the WIAA changed its photography policy consistent with the earlier suspension in July of 2007.

35. Without the revenue from its exclusive contract partners, the WIAA would not be able to afford to subsidize all of its recognized sports, thereby depriving its members and their student athletes of athletic opportunities. The WIAA would have to increase the cost of admission for tournaments, undermining its goal of making the events an affordable, family-friendly outing. The WIAA membership would also lose control over the message that was associated with their voluntary athletic association and its ability to promote the members' ideals as stated in the constitution. The WIAA would not be able to provide the cost-effective services to its members that it receives for free from WWVY.

36. I declare under penalty of perjury, under the laws of the United States, that the foregoing is true and correct to the best of my knowledge.

Dated this 21st day of January, 2010.


Douglas E. Chickering

Subscribed and sworn to before me
this 21st day of January, 2010.

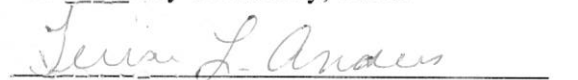

Notary Public, State of Wisconsin
My commission expires: 12-2-2012

EXHIBIT A

WISCONSIN INTERSCHOLASTIC ATHLETIC ASSOCIATION



ORGANIZED 1896

85TH ANNUAL WIAA YEARBOOK (Reviewing the 2007-08 School Year)

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MEMBER OF
NATIONAL FEDERATION OF STATE HIGH SCHOOL ASSOCIATIONS

WIAA General Account



Liabilities And Net Assets July 31, 2008

LIABILITIES AND NET ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES		
Accounts payable.....	\$ 55,812	\$ 110,646
Deferred revenue.....	539,945	533,037
Current portion of post-retirement benefits payable	<u>17,927</u>	<u>25,948</u>
Total current liabilities	613,684	669,631
POST-RETIREMENT BENEFITS PAYABLE.....	<u>279,613</u>	<u>254,082</u>
TOTAL LIABILITIES	893,297	923,713
NET ASSETS.....	<u>3,016,068</u>	<u>3,096,492</u>
TOTAL LIABILITIES AND NET ASSETS.....	<u>\$ 3,909,365</u>	<u>\$ 4,020,205</u>

STATEMENT OF ACTIVITIES

Changes in unrestricted net assets:		
Operating revenues		
Membership dues.....	\$ 405,785	\$ 402,080
Tournaments	6,202,963	5,922,052
Registration of officials	336,261	340,162
Miscellaneous	<u>232,106</u>	<u>138,130</u>
Total operating revenues	7,177,115	6,802,424
Operating expenses		
Tournaments.....	4,346,253	4,157,095
Administrative & general	2,490,268	2,439,571
Rule books	189,637	179,571
Committees & rule helpers	38,392	46,243
Clinics & conferences.....	22,237	2,903
Audio visual.....	350	7,176
Depreciation of property & equipment.....	71,446	74,706
Publications printing	<u>53,311</u>	<u>58,631</u>
Total operating expenses	<u>7,211,894</u>	<u>6,965,896</u>
Increase (decrease) in unrestricted net assets from operations.....	(34,779)	(163,472)
Other revenues		
Investment gain - net of related expenses	(47,764)	134,870
Miscellaneous	<u>2,119</u>	<u>1,222</u>
Total other revenues	<u>(45,645)</u>	<u>136,092</u>
Increase (decrease) in unrestricted net assets before effect of adoption of FASB Statement No. 158	(80,424)	(27,380)
Effective of adoption of recognition provision of FASB Statement No. 158	—	62,017
INCREASE IN UNRESTRICTED NET ASSETS.....	(80,424)	34,637
Unrestricted net assets at beginning of year	<u>3,096,492</u>	<u>3,061,855</u>
Unrestricted net assets at end of year	<u>\$ 3,016,068</u>	<u>\$ 3,096,492</u>

STATEMENT OF CASH FLOWS

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Increase in unrestricted net assets for the year.....	\$ (80,424)	\$ 34,637
Adjustments to reconcile the increase in unrestricted net assets to net cash provided by operating activities		
Depreciation of property & equipment.....	71,446	74,705
Gain on sale of property and equipment.....	(3,000)	-
Net appreciation in market value of marketable securities.....	111,018	(73,238)
Post-retirement benefits expense, net of payments.....	17,510	(48,150)
Changes in operating assets & liabilities:		
Accounts receivable.....	(8,930)	(13,742)
Prepaid expenses.....	(10,171)	4,721
Accounts payable.....	(54,834)	14,133
Deferred revenue.....	<u>6,908</u>	<u>33,812</u>
Net cash provided by operating activities.....	49,523	26,878
Cash flows from investing activities		
Purchase of investments.....	(34,444)	(275,739)
Proceeds from sale of investments.....	-	241,601
Proceeds from sale of property and equipment.....	3,000	-
Purchase of property & equipment.....	<u>(29,095)</u>	<u>(16,727)</u>
Net cash used in investing activities.....	(60,539)	(50,865)
Cash flows from financing activities.....	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(11,016)	(23,987)
Cash & cash equivalents at beginning of year.....	<u>1,523,211</u>	<u>1,547,198</u>
Cash & cash equivalents at end of year.....	<u>\$ 1,512,195</u>	<u>\$ 1,523,211</u>

TOURNAMENT REVENUE, EXPENSE AND EXCESS (DEFICIT)

	2008			2007		
	Revenue	Expense	Excess (deficit)	Revenue	Expense	Excess (deficit)
Basketball.....	\$2,785,650	\$1,237,832	\$1,547,818	\$2,674,118	\$1,176,404	\$1,497,714
Wrestling.....	800,356	477,086	323,270	814,029	447,460	366,569
Football.....	988,884	549,331	439,553	901,098	531,476	369,622
Hockey.....	289,079	223,457	65,622	249,030	216,693	32,337
Baseball.....	83,715	193,472	(109,757)	96,551	180,732	(84,181)
Volleyball.....	536,133	410,531	125,602	514,083	401,276	112,807
Track.....	122,679	318,788	(196,109)	125,240	307,883	(182,643)
Swimming.....	70,953	116,448	(45,495)	69,595	113,977	(44,382)
Tennis.....	51,430	107,664	(56,234)	52,634	107,001	(54,367)
Gymnastics.....	23,544	54,697	(31,153)	20,293	51,824	(31,531)
Cross Country.....	58,078	136,424	(78,346)	56,934	132,535	(75,601)
Softball.....	48,233	169,548	(121,315)	47,446	157,827	(110,381)
Golf.....	-	51,755	(51,755)	-	48,336	(48,336)
Soccer.....	<u>344,229</u>	<u>299,220</u>	<u>45,009</u>	<u>301,001</u>	<u>283,671</u>	<u>17,330</u>
Total.....	<u>\$6,202,963</u>	<u>\$4,346,253</u>	<u>\$1,856,710</u>	<u>\$5,992,052</u>	<u>\$4,157,095</u>	<u>\$1,764,957</u>

Subsidized Sports



	Revenue	Expenses	Subsidy
Baseball			
Spring.....	\$ 69,149	\$ 156,697	\$ 87,548
Summer.....	14,565	36,774	22,209
Cross Country	56,528	136,423	79,895
Golf			
Boys	- - -	33,162	33,162
Girls	- - -	18,591	18,591
Gymnastics.....	23,543	54,696	31,152
Softball	48,233	169,548	121,314
Swimming & Diving			
Boys	32,319	57,062	24,743
Girls	38,633	59,575	20,941
Tennis			
Boys Team & Individual	26,137	54,907	28,770
Girls Team & Individual.....	25,292	53,492	28,200
Track & Field.....	<u>122,429</u>	<u>318,788</u>	<u>196,359</u>
Totals.....	\$456,828	\$1,149,715	\$692,884

Non-Subsidized Sports



	Revenue	Expenses	Balance
Basketball			
Boys	\$1,737,486	\$ 713,951	\$1,023,535
Girls	1,048,188	522,692	525,495
Football	990,158	549,291	440,867
Hockey			
Boys & Girls.....	289,079	223,457	65,621
Soccer			
Boys	191,512	151,858	39,653
Girls	152,716	147,361	5,355
Volleyball			
Boys	53,127	44,887	8,239
Girls	483,006	365,643	117,362
Wrestling Team & Individual	<u>800,659</u>	<u>477,053</u>	<u>323,605</u>
Totals.....	\$5,745,931	\$3,196,193	\$2,549,732

Figures reflect receipts & expenditures reported for regional, sectional & state tournaments.

Subsidy Figures Since 1958-59



1958-1959	\$ 20.7M	1971-1972	\$ 88.0M	1984-1985	\$274.0M	1997-1998	\$413.3M
1959-1960	28.3	1972-1973	101.3	1985-1986	300.4	1998-1999	466.7
1960-1961	39.8	1973-1974	67.1	1986-1987	299.1	1999-2000	484.9
1961-1962	47.6	1974-1975	112.1	1987-1988	314.5	2000-2001	589.3
1962-1963	50.6	1975-1976	152.1	1988-1989	307.5	2001-2002	568.2
1963-1964	52.5	1976-1977	162.4	1989-1990	325.9	2002-2003	563.4
1964-1965	58.8	1977-1978	170.8	1990-1991	312.9	2003-2004	609.9
1965-1966	64.1	1978-1979	179.2	1991-1992	310.0	2004-2005	619.9
1966-1967	68.0	1979-1980	191.4	1992-1993	320.7	2005-2006	602.2
1967-1968	65.3	1980-1981	212.8	1993-1994	336.7	2006-2007	639.2
1968-1969	69.8	1981-1982	232.6	1994-1995	391.5	2007-2008	692.8
1969-1970	78.8	1982-1983	263.7	1995-1996	400.5		
1970-1971	80.3	1983-1984	265.5	1996-1997	388.7		

EXHIBIT B

TELECAST RIGHTS AGREEMENT

THIS TELECAST RIGHTS AGREEMENT (the "Agreement"), dated as of August 1, 2007, is by and between the WISCONSIN INTERSCHOLASTIC ATHLETIC ASSOCIATION ("WIAA") and FOX SPORTS NET NORTH, LLC ("FSNN") (collectively, the "Parties").

1. RIGHTS GRANTED.

(a) Games. WIAA hereby grants to FSNN the sole and exclusive license and right throughout the universe, in perpetuity, to produce and Telecast (as defined below), and to sublicense for Telecast, in any and all languages, the seven (7) Wisconsin High School Football Championship Games to be played during each of the 2007-08, 2008-09 and 2009-10 academic years (individually and collectively, the "Game(s)"), on a live and/or delayed basis, in FSNN's sole discretion. All Games are currently scheduled to be played at Madison Camp Randall Stadium at the University of Wisconsin (the "Site"). All references to the Site herein shall apply to any replacement site; *provided, however*, that the site may only be changed by mutual written agreement of the Parties; *provided further, however*, that if the Parties cannot agree on a changed site, WIAA's decision regarding the site shall control, provided that FSNN shall have the right, in its sole discretion, to elect not to produce and Telecast any Games played at a changed site, or to terminate this Agreement with no continuing obligations to WIAA. The dates and times of the Games shall be mutually determined by the Parties; *provided, however*, that if the Parties cannot agree, WIAA's decision regarding the dates and times of the Games shall control; *provided further, however*, that if the Parties cannot agree on the dates and times of any of the Games, FSNN shall have the right, in its sole discretion, to elect not to produce and Telecast such Games pursuant to this Agreement, or to terminate this Agreement with no continuing obligations to WIAA. In the event that FSNN elects not to produce and Telecast any Games after the site, dates and times of the Games have been determined, FSNN shall notify WIAA in writing of such election no later than September 1 of the applicable Contract Year (as defined below). In the event that the site, dates and/or times of any of the Games change for any reason after FSNN has made its initial election to produce or to not produce such Games, WIAA shall promptly notify FSNN of such changes, and FSNN shall have ten (10) business days following such notification to elect to either produce and Telecast such Game(s) or to not produce and Telecast such Game(s), in FSNN's sole discretion.

(b) Telecasts. For purposes of this Agreement, Telecast shall mean any transmission of a video signal and/or audio signal, by any means of technology, whether presently existing or hereafter developed, including, without limitation, via standard television (free over-the-air television) and non-standard television (including, without limitation, basic, tier and/or premium cable distribution, direct broadcast satellite television ("DBS"), subscription television ("STV"), multi-point distribution systems ("MDS"), multiple multi-point distribution systems ("MMDS"), local multi-point distribution systems ("LMDS"), satellite master antennae television systems ("SMATV"), open video system ("OVS"), television receive-only ("TVRO"), closed-circuit television, radio, online (including, without limitation, Internet, www, cable modem and all other forms of online distribution now known or

hereafter developed), internet protocol television ("IPTV"), mobile/wireless, all interactive forms of distribution now known or hereafter developed, airline, theater, restaurant and hotel/motel distribution, narrow and broadband services, compact disc, CD-I, videocassette (including exclusive commercial distribution), videodisc, videogram, video dial tone, pay-per-view, high-definition format, video on demand ("VOD"), subscription video on demand ("SVOD"), via Fox Sports Net's video programming service currently known as "Fox College Sports" (or any successor network), and by any other manner or system. The foregoing shall include, without limitation, FSNN's right to use portions of the Games ("Clip(s)") and to Telecast the Games, from time to time, as filler programming (any Game Telecast in less than its entirety). In connection with Clip rights and filler programming, FSNN shall have no obligation to WIAA with regard to advertising inventory. The exclusive rights granted to FSNN herein shall preclude WIAA and its member schools, individually and collectively, from licensing or otherwise granting to any person, corporation, partnership, or other entity (collectively, a "Person") any right to produce and/or Telecast, whether live or on a delayed basis, any portion of any Game at any time. FSNN shall be entitled to one (1) live Telecast and unlimited re-Telecasts of the Games in perpetuity. FSNN shall also have the right, in perpetuity, to use excerpts of the Games for promotional purposes as set forth herein.

(c) Preemption. FSNN may preempt any Game Telecast in order to Telecast a news event or an event or program deemed by FSNN to be of public importance or significance. In addition, in the event that any Game Telecast conflicts with FSNN programming commitments, including, without limitation, national programming commitments, professional team commitments, collegiate programming commitments and/or live event programming, FSNN shall have the unlimited right, in FSNN's sole discretion, to Telecast such Game on a delayed basis, and/or to cease a Game Telecast prior to completion of such Game and/or begin a Game Telecast after such Game has commenced, as applicable, in order to honor such FSNN commitments, and FSNN shall use best efforts to replay such preempted Game Telecast within seven (7) days of preemption. Notwithstanding the foregoing, in the event that FSNN intends to initially Telecast any Game on a delayed basis due to a scheduling conflict, WIAA and FSNN shall work together to attempt to secure alternate live distribution for such Game, the selection of such alternate live distribution outlet to be approved by FSNN, such approval not to be unreasonably withheld; *provided, however*, that FSNN shall not incur any additional costs for such alternate live distribution, and in the event that alternate live distribution is secured for such Game, the applicable alternate live distribution outlet shall pay to FSNN a mutually agreed upon share of FSNN's production and transmission costs for such Game Telecast, and FSNN shall retain the right, but no obligation, to Telecast the applicable Game in FSNN's sole discretion.

(d) Use of Marks. WIAA hereby grants FSNN the right, without payment, to use, for purposes of the promotion of the Telecast of the Games and promotion of the FSNN and/or Fox Sports Net ("FSN") programming services, the name, logo, trademark, symbol, seal, emblem, insignia and other identity of WIAA and each of its member schools and the likenesses, voices and biographical information of the players, managers, coaches, officials and other persons of WIAA and its member

schools; *provided, however*, that FSNN shall not undertake, or shall immediately cease, such use if notified by WIAA in writing that WIAA reasonably believes that such use is contrary to the best interests of WIAA or its member schools.

(e) Copyright. Anything in this Agreement to the contrary notwithstanding, FSNN shall own, in perpetuity, all right, title, interest and copyrights in and to the Game Telecasts, and each of them (and all elements thereof), and all reproductions, excerpts and/or footage created in the process of producing the Game Telecasts or derived from the Game Telecasts, together with the performances embodied thereon. WIAA shall not redistribute, use or exploit, in any manner, any aspect of the footage contained in or created in connection with the production of the Game Telecasts without FSNN's prior written consent; *provided, however*, that WIAA shall be permitted, without the prior written approval of FSNN, to (i) use Game Telecast footage for internal, non-commercial use, which is not in conflict with the rights granted hereunder (e.g., highlight tapes, recruiting videos, in-house productions and advertising needs, etc.), and (ii) duplicate and distribute copies of the Game Telecasts for home-video and home-DVD distribution only (*i.e.*, no other form of Telecast), provided that in each case WIAA shall provide FSNN with on-screen courtesy credit and shall not alter the screen or otherwise cover any FSNN or Fox Sports Net bug, graphic identifier or "Fox Box" appearing thereon. FSNN shall provide WIAA with one (1) Betacam SP copy of each Game Telecast within ten (10) business days of the conclusion of each Game.

2. TERM; EXCLUSIVE NEGOTIATION PERIOD; RIGHT TO MATCH.

(a) Unless otherwise terminated pursuant to the provisions hereof, the term of this Agreement shall be for a period of three (3) years, commencing on August 1, 2007 and ending on July 31, 2010 (the "Term"). Each year of the Term from August 1 through July 31 shall be deemed a "Contract Year."

(b) Commencing on May 1, 2010 and continuing through July 31, 2010 (the "Exclusive Negotiation Period"), WIAA shall negotiate exclusively and in good faith with FSNN with respect to the terms and conditions upon which WIAA shall grant FSNN the exclusive production and Telecast rights throughout the universe to the Wisconsin High School Football Championship Games to be played after the expiration of the Term, and WIAA shall use good faith efforts to enter into an agreement as soon as is practicable. Prior to the end of the Exclusive Negotiation Period, WIAA shall not negotiate with any other party with respect to such rights. If, at the end of the Exclusive Negotiation Period, the Parties have not reached agreement, WIAA shall then have the right to negotiate with other parties; *provided, however*, that FSNN shall have the right to match any other offer to telecast the Wisconsin High School Football Championship Games to be played after the expiration of the Term by providing written notice to WIAA within ten (10) business days of receiving written notice from WIAA of any such offer, *provided further, however*, that FSNN shall not be required to match any terms that cannot be met easily by one television entity as compared to another, and FSNN shall not be required by WIAA to Telecast any Game on any network or programming service

other than FSNN. Any non-cash items included in any such offer shall be allocated a monetary value for purposes of FSNN's right to match.

(c) The obligations of WIAA under this Section shall survive any termination of this Agreement for any reason other than a material breach by FSNN.

3. EXCLUSIVITY.

FSNN's license for the production and Telecast of the Games shall be exclusive in all media throughout the universe in perpetuity. WIAA agrees that there shall be no other live and/or delayed Telecast whatsoever (in over-the-air, cable, online/Internet distribution, or any other form of media on a local, regional or national basis) of any Game, or of any portion thereof. No other party shall have any other rights or ownership interest in the Games, or any portion thereof. For purposes of clarity only, and without limiting any other term of this Agreement, the rights granted to FSNN hereunder prevent any party, other than FSNN, from making available any of the Games, or portions thereof, on an internet website.

4. PRODUCTION FOR GAMES TO BE TELECAST.

(a) Personnel. FSNN will provide production staff and other personnel, facilities and services as FSNN determines, in its sole discretion, are required to produce the Game Telecasts. FSNN shall select, retain and compensate all on-air talent in connection with all Game Telecasts, including any and all Game play-by-play announcers, hosts and color commentators, in FSNN's sole discretion; *provided, however,* that FSNN shall consult with WIAA prior to selecting such on-air talent; *provided further, however,* that FSNN's decision regarding selection of on-air talent shall control.

(b) Access. WIAA shall provide to FSNN, its agents and personnel, as well as all FSNN production vehicles, complimentary access to all elements of the Games, including, without limitation, the Site, the participants, the coaches, the officials, and all contiguous activities, excluding player locker room access. FSNN shall receive proper working credentials, and a mutually agreed upon number of parking spaces as close to the Site as possible provided that, at a minimum, FSNN shall be provided with no less than a number of parking spots sufficient to accommodate all FSNN and FSNN-authorized personnel involved in support of each applicable Game Telecast.

(c) Format. WIAA shall (i) consult and coordinate with FSNN's coordinating producer prior to the Games to integrate the Game formats with FSNN's commercial format, and, if applicable, (ii) appoint a liaison officer to be responsible for and cooperate in calling time-outs and other structured interruptions so that FSNN's commercial format is satisfied and commercial and promotional announcements are properly spaced.

(d) Production Standards. WIAA shall provide FSNN, without charge, with suitable space and locations, as FSNN may determine at the time of its advance technical survey of the Site, for its announcers and for the installation and operation of all microphones, television cameras and related equipment to be used by FSNN in

connection with its production and transmission (including without limitation, if applicable, satellite uplink or fiber optic equipment) of the Game Telecasts. WIAA shall arrange for all electrical power as is necessary to operate all FSNN production equipment, including, if necessary, a generator, and shall reimburse FSNN for any FSNN out-of-pocket costs in connection therewith. In the event that the Site does not have sufficient lighting for FSNN-caliber broadcasts, as determined by FSNN in its sole discretion, WIAA shall supply such additional lighting at WIAA's sole cost. FSNN shall have the right to install, maintain in and remove from the Site and the surrounding premises such wires, cables and equipment as may be necessary for its coverage of the Games. FSNN shall have the right to bring into or adjacent to the Site mobile units for the transportation of equipment and personnel.

(e) Display. FSNN shall have the right to display its name and trademark on its equipment, and any platform or broadcasting booth used at the Site in such a manner and location as to be reasonably and readily apparent to both the spectators at the Site and the viewers watching the Game Telecasts as distributed by FSNN.

(f) Creative Control. At all times, FSNN has the sole and exclusive right to exercise creative control over the production and format of the Game Telecasts. The foregoing shall include, but is not limited to, on-air talent (subject to Section 4(a) above), television producers, directors, any production companies selected for the Game Telecasts and the placement of all in-Game elements, including, but not limited to, billboards, features, squeezebacks, live reads, etc. FSNN has the unlimited right to edit, augment and otherwise adapt the Game Telecasts, subject to the rights granted to WIAA herein to have included in the Game Telecasts certain WIAA-designated promotional inventory.

5. CONSIDERATION

(a) Rights Fees. FSNN shall pay an annual rights fee to WIAA in the total amount of Twenty-Thousand Dollars (\$20,000.00) during each Contract Year (the "Annual Rights Fee") for a total of Sixty Thousand Dollars (\$60,000.00) during the Term. Payment of the Annual Rights Fee shall be made by September 1 of each Contract Year of the Term. Notwithstanding the Annual Rights Fee set forth above, in the event that FSNN is not able to Telecast any of the seven (7) Games during any Contract Year, for any reason, FSNN shall be entitled to a 1/7 reduction in the Annual Rights Fee payable during such Contract Year for each such Game that FSNN is not able to Telecast, and in the event this Agreement is terminated pursuant to the terms hereof, FSNN shall not be obligated to pay the Annual Rights Fee for Contract Years following such termination.

(b) WIAA Commercial Inventory. In consideration of all rights granted in this Agreement, and subject to availability, WIAA shall receive a combination of one minute and thirty seconds (1.30) of promotional spots during each Telecast of each Game to be used solely for the promotion of WIAA (i.e., no resale or other provision to advertisers or WIAA sponsors and no third party sponsor affiliation or tags); *provided, however,* that WIAA agrees that such promotional inventory shall not promote any other national, regional or local sports distribution outlet, including any network, channel or Internet programming service (e.g., ABC, ESPN, ESPNU, ESPN2, ESPN.com, ESPN Radio, CSTV, TNT, TBS, Comcast, etc.). The promotional inventory shall be produced by WIAA at no cost to FSNN. To ensure inclusion within the Game Telecasts, all WIAA promotional spots must satisfy FSNN's technical delivery requirements, and must be delivered to FSNN no later than five (5) days prior to the applicable Game Telecast. In the event WIAA promotional spots are not properly delivered in a timely manner, FSNN shall have no obligation to Telecast such spots. The promotional inventory shall be reasonably acceptable to FSNN.

(c) FSNN Commercial Inventory. FSNN shall retain all remaining commercial inventory, including, without limitation, all national, regional and affiliate commercial inventory, all billboards and features, all remaining national, regional and affiliate promotion time, and all national direct response advertising time during each Telecast of each Game. FSNN shall have the right to insert into the Game Telecasts sponsorships, commercials, advertising, billboards and sponsored features of any kind or nature, by any means now known or hereafter devised, including, without limitation, virtual signage; *provided, however,* that FSNN shall be prohibited from selling any commercial inventory or sponsorship in the alcohol (including malt beverage), tobacco and gaming advertising categories. As between FSNN and WIAA, FSNN shall be entitled to retain all revenue derived from the sale of commercial inventory.

(d) FSNN Banners. At no cost to FSNN, FSNN shall be permitted to place a mutually agreed upon number of promotional banners, but in any event no fewer than two (2) banners promoting FSNN, FSN, or FSN national or regional news or other related programming at the Site during each Game so that they are readily apparent to the spectators at the Site and within camera angles. In addition, WIAA shall use best efforts to obtain similar banner placement at the site of all other WIAA championship events during the Term. All of such banners will be provided by FSNN.

(e) Game Programs. WIAA shall provide to FSNN, at no additional cost to FSNN, two (2) full-page advertisements (promoting FSNN, FSN and/or FSNN sponsors (in FSNN's sole discretion)) in each game program distributed at every WIAA championship event during the Term (including, without limitation, each Game), with artwork to be provided by FSNN; *provided, however,* that in each game program distributed at every WIAA championship swimming, golf, track, tennis and gymnastics event during the Term, WIAA shall use best efforts to provide to FSNN, at no additional cost to FSNN, a ¼ page, ½ page or full-page advertisement (promoting FSNN, FSN and/or FSNN sponsors (in FSNN's sole discretion)), with artwork to be provided by FSNN.

(f) Game Tickets. WIAA shall provide to FSNN, at no charge to FSNN, a minimum of twelve (12) lower-level tickets to each of the Games.

6. ACCESS AND FACILITIES.

(a) Access. Neither WIAA nor its member schools shall grant access to the Site to any other crews for purposes of obtaining game coverage, other than as specifically set forth herein or to a local news crew for purposes of a local newscast to be aired only after each Game has ended, and WIAA shall ensure that local news crews shall not interfere in any way with FSNN's camera positions at the Games. Press credentials issued to crews not affiliated with FSNN or the schools competing will restrict the use of Game footage to excerpts of two (2) minutes or less during news or sports programs, and will prohibit such crews from authorizing use of such footage by third parties.

(b) Still Photographer Access. WIAA agrees to provide FSNN's staff photographers with photographer's credentials equivalent to the highest grade of credentials given to print media and other photographers covering the Games.

7. ARRANGEMENTS; NAME AND LIKENESS.

WIAA shall be solely responsible for making all arrangements (including any compensation) with the owner(s) of the Site, and with all competitors, officials and other persons participating in or otherwise connected with the Games. Those arrangements shall accord to FSNN's rights under this Agreement including, without limitation, all name and likeness rights of all participants, officials, institutions and any other persons connected with the Games, necessary for FSNN's Telecast of the Games and the promotion and advertising thereof.

8. INTERVIEWS; FSNN EMPLOYEE ADMITTANCE.

Upon appropriate prior notice, WIAA agrees to use reasonable efforts to provide FSNN with access to WIAA's administrative officers, officials, players, coaches, and other appropriate personnel for the purpose of providing FSNN with material for use in promoting the Games and its half-time, pre-game and post-game interviews, and for use in connection with FSNN's news or similar programming. Employees and agents of FSNN shall be admitted to the Site free of charge to the extent necessary to accomplish any of the above purposes, and WIAA shall provide FSNN, free of charge, any necessary working media credential(s) (exclusive of parking).

9. INDEMNIFICATION.

Each Party agrees to hold harmless, defend, and indemnify the other against all claims, suits, actions, liens, debts, damages, costs, charges, and expenses, including court costs and reasonable attorneys' fees, and against all liability, losses, and damages of any nature whatever (a "Claim" or "Claims"), that the other Party shall or may sustain because of any material breach of any representation, warranty, agreement or other provision hereof, or out of any use of rights or material that were furnished by such Party in connection with this Agreement, or resulting from any

Party acts or omissions or any officer, employee, agent or subcontractor of such Party in the performance of this Agreement, on the condition that the indemnitee shall give prompt notice to the indemnitor of the applicable Claim or Claims. WIAA agrees to indemnify FSNN and hold FSNN harmless from all expenses, costs, and liabilities (including, but not limited to, legal fees and expenses) arising directly or indirectly out of suits, claims, or actions for libel, slander, copyright infringement, plagiarism, or misappropriation of rights resulting from the acts or omissions of WIAA or any officer, employee, agent, or subcontractor of WIAA in the performance of this Agreement. The provisions of this Section shall survive the termination of this Agreement.

10. ASSIGNMENT

Neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party without the prior written consent of the other Party; *provided, however*, that FSNN may, without such consent, assign this Agreement or any or all of its rights or obligations hereunder to its parent company, or any affiliate, subsidiary, or partnership in which it or its parent company has an ownership interest, or to any entity that acquires at least fifty percent (50%) of the assets of FSNN or the FSN North programming service. Subject to the foregoing, this Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns, and no other person shall have any right, benefit or obligation under this Agreement as a third party beneficiary or otherwise.

11. CANCELLATION; POSTPONEMENT; FORCE MAJEURE

If the staging, production or Telecast of any Game is prevented, canceled or interrupted due to any act of God, inevitable accident, strike or other labor dispute, fire, riot or civil commotion, threat or act of terrorism, government action or decree, inclement weather, failure of technical, production or television equipment, loss or blackout of the Telecast, or for any other reason beyond the reasonable control of WIAA or FSNN, then neither WIAA nor FSNN shall be obligated in any manner to the other with respect to such Game, but all other rights FSNN may have in this Agreement shall remain in effect and shall not be affected in any manner. If, however, any Game should be postponed, delayed or interrupted due to an act of force majeure, then FSNN shall have the right, in its sole and absolute discretion, to elect to produce and Telecast such Game on its rescheduled or continued date in accordance with all the terms hereof or to not produce and Telecast the rescheduled or continued Game, in which case FSNN shall not be obligated in any manner.

12. REPRESENTATIONS AND WARRANTIES

(a) Each Party represents and warrants to the other, as to itself, that:

(i) it has the full and unrestricted right, power and authority to enter into this Agreement and to grant the rights and privileges granted herein;

- (ii) the individual executing this Agreement on its behalf has been duly authorized, empowered and instructed to do so; and
 - (iii) neither this Agreement, nor the performance of any duty or obligation set forth herein, violates or shall constitute a breach of or default in any judgment, decree, contract, agreement, covenant, or understanding by which it is bound or is a party.
- (b) WIAA represents and warrants to FSNN that all member schools have assigned all appropriate and necessary rights in and to the Games to WIAA.
- (c) WIAA represents, warrants and covenants to FSNN that for each Game it has obtained any and all necessary rights, clearances and/or permissions to Telecast such Game, including, but not limited to:
- (i) any necessary fees to any of the Game organizers;
 - (ii) any and all clearances and/or permissions necessary for each of the participants in the Game to play in and/or appear in the Game Telecast, including, without limitation, any required clearances or permissions from any regulatory, governing or organizing body;
 - (iii) securing all music master, mechanical, performance and synchronization rights as necessary for music played during the Game; and
 - (iv) any and all rights, clearances and/or permissions necessary to use all names, likenesses, trademarks and service marks of all teams, individuals and entities participating in or otherwise associated with the Games, including, without limitation, the right to use the name, logo, symbol, seal, emblem, and insignia of WIAA and each of its member schools for purposes of the promotion of the Telecast of the Games and promotion of the FSNN and/or the FSN programming services.

Upon request, WIAA shall furnish FSNN with copies of all such licenses, clearances and permissions.

13. FINANCIAL DISCLOSURE

WIAA shall conform with Title 47 of the United States Code Sections 508 and 317 concerning broadcast matter and disclosures required thereunder, insofar as those Sections apply to persons furnishing program material for television broadcasting. Without limiting the foregoing, WIAA hereby certifies and agrees that it has no knowledge of any information relating to the Games that is required to be disclosed by it under Sections 508 and/or 317, that it will promptly disclose to FSNN any such information of which it hereafter acquires knowledge and that it shall not, without FSNN's prior written approval, include in the Games any matter for which any money, service, or other valuable consideration (as such terms are used in Sections 508 and/or 317) is directly or indirectly paid or promised to them by a third party, or accepted from or charged to a third party by them.

13. NO COMPETING PROMOTIONAL ELEMENTS.

WIAA agrees that neither it nor any of its member schools shall promote (*e.g.*, provide camera visible signage at the Site, or any public address announcements, jumbotron, videoboard or matrix messages, etc.) any national, regional or local full-time or majority of the time sports distribution outlet (*e.g.*, ABC, ESPN, ESPNU, ESPN2, ESPN.com, ESPN Radio, CSTV, TNT, TBS, Comcast, etc.) or any affiliated entities, other than FSNN or FSN at the Games or during any Game Telecast.

14. MISCELLANEOUS.

(a) Headings. Section and paragraph titles contained in this Agreement are inserted solely as a matter of convenience and for reference and in no way shall define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

(b) Notices. Any notices with respect to this Agreement shall be made by prepaid certified mail, return receipt requested, overnight courier service (for next day delivery), by facsimile or by personal delivery and shall be addressed to the Parties at their addresses herein contained or to such other address as a Party shall give notice to the other Party:

(i) As to WIAA:

Doug Chickering
Executive Director
Wisconsin Interscholastic Athletic Association
5516 Vem Holmes Drive
P.O. Box 267
Stevens Point, WI 54481
Telephone: (715) 344-8580
Facsimile: (715) 344-4241

(ii) As to FSNN:

Mike Dimond
Senior Vice President/General Manager
Fox Sports Net North
One Main Street, SE, Suite 600

with a copy to:

Vice President, Business and Legal Affairs
c/o Fox Cable Networks
10201 W. Pico Blvd.
Building 103, Room 3152
Los Angeles, CA 90064
Telephone: (310) 369-0474
Facsimile: (310) 969-5698

(c) Agreement Not Contrary to Law. To the best knowledge and belief of the Parties hereto, this Agreement contains no provision that is contrary to any federal, state, or local ruling or regulation; *provided, however*, that if any provision of this Agreement, or any part hereof, shall at any time be finally determined to be invalid or unenforceable in whole or in part, under any applicable federal, state, or local law, ruling, or regulation by a court of competent jurisdiction, or by an administrative agency of the federal, state, or local government, or by an arbitrator with proper jurisdiction, then such provision or portion thereof, as appropriate, shall remain in effect only to the extent permitted, and the remaining provisions thereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

(d) Governing Law. This Agreement and the rights and obligations of the Parties under this Agreement will be governed by and construed in accordance with the internal laws of the State of California, without reference to conflict of law provisions. Each Party irrevocably and unconditionally: (i) submits to the general jurisdiction of the federal and state courts located in Los Angeles County, California; (ii) agrees that any action or proceeding concerning this Agreement will be brought exclusively in such courts; and (iii) waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding in any such court was brought in an inconvenient court and agrees not to claim or plead the same.

(e) Separate Entities. The Parties hereto are independent contractors. As to either Party, this Agreement does not create, nor shall be construed to create, an employer-employee, agency, partnership, or other representational relationship. No officer, employee, agent, servant, or independent contractor of either Party hereto shall be deemed at any time to be an employee, servant, or agent of the other Party hereto for any purpose whatsoever, and the Parties shall use best efforts to prevent any misrepresentation of said relationship.

(f) Waiver. The waiver of any breach of this Agreement by either Party hereto shall in no event constitute a waiver as to any future breach, whether similar or dissimilar in nature.

(g) Termination. In addition to FSNN's and WLAA's other rights at law and in equity, either Party may terminate this Agreement if the other Party has materially breached this Agreement and fails to cure such material breach within thirty (30) days after notice of the breach is sent by the non-breaching Party.

(h) Entire Agreement. This Agreement contains the entire understanding among the Parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements, or conditions, expressed or implied, whether oral or written. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by a writing signed by both Parties.

(i) Member Schools. In all instances in this Agreement in which WIAA has incurred an obligation, it shall be understood that, if such obligation is performable only by a member school, or by another institution, WIAA shall use best efforts to cause such school or other institution to perform such obligation.

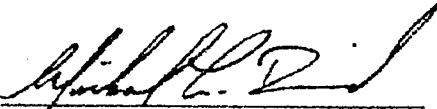
(j) No Other Payment by FSNN. Except as specifically provided in Section 5(a) of this Agreement, FSNN shall not be obligated to make any payment to WIAA or anyone else related to the Games (e.g., participants, the Site, etc.).

(k) Approval of FSN Logo. Any use by WIAA of the FSNN or FSN logo in connection with any Game Telecast or any use of the FSNN and/or FSN name in connection with any publicity or marketing of the Games, including, without limitation, all press releases related to the Games, must receive FSNN's prior written approval no less than ten (10) days prior to any such intended use or distribution.

(signature page follows)

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement the day and year first above written.

FOX SPORTS NET NORTH, LLC

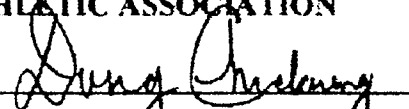
By: 

Name: Mike Dimond

Title: Senior Vice President/General Manager

Date: 7/20/07

**WISCONSIN INTERSCHOLASTIC
ATHLETIC ASSOCIATION**

By: 

Name: Doug Chickering

Title: Executive Director

Date: 7-13-07

EXHIBIT C

**TELEVISION BROADCAST RIGHTS AGREEMENT
BETWEEN WISCONSIN INTERSCHOLASTIC ATHLETIC
ASSOCIATION AND THE WIAA STATE NETWORK**

This is an agreement ("Agreement") among WKOW Television, Inc., WAOW - WYOW Television, Inc. and WXOW - WQOW Television, Inc. (hereafter collectively referred to as "The WIAA State Network") and the Wisconsin Interscholastic Athletic Association (hereafter referred to as "WIAA").

1. Length of Agreement.

1.1 This Agreement shall be effective July 1, 2004 and shall end on June 30, 2010. Unless either party gives notice of termination to the other in writing prior to June 30, 2008 or June 30 of each subsequent year thereafter, this Agreement shall be extended by one additional year and shall be extended each subsequent July 1 thereafter on the terms and conditions described herein. The intent of the parties as expressed above is to preserve a three year "rolling horizon" agreement and that the procedure described above will provide a minimum of two (2) years' prior notice of cancellation by either party.

1.2 Notwithstanding anything else in this Agreement to the contrary, both parties understand that the obligations of The WIAA State Network are conditioned on the approval of the broadcast network(s) having an affiliation relationship with The WIAA State Network (which presently is ABC television network) to broadcast the championship events described in this Agreement.

2. **Grant of Broadcast Rights and Fees.**

2.1 The WIAA State Network will pay WIAA a total of \$40,000.00 for each year of this Agreement. Payment of each annual rights fees of \$40,000.00 to be submitted in full by The WIAA State Network to the WIAA by May 1 of each of the contract years.

2.2 WIAA hereby grants for the above annual fees to The WIAA State Network the exclusive telecast rights for any type of live video (including internet and cyber casting) and for television broadcasting of the girls and boys state championship hockey games and the girls and boys state championship basketball games. These telecasts would include:

- (i) the Saturday hockey championship games for both girls and boys from approximately noon to 4:00 p.m., and
- (ii) the entire girls and boys (Thursday to Saturday) quarter final, semi-final and championship games (16 girls and 16 boys) Thursday and Friday approximately 9:00 a.m. to 12:30 p.m.; 1:30 p.m. to 5:00 p.m. and 6:30 p.m. to 10:00 p.m. with Saturday championship telecast approximately noon to 4:00 p.m. and 6:30 p.m. to 10:00 p.m.

3. **Television/Cable Markets.**

3.1 The WIAA State Network shall provide "live" telecast coverage in the Madison, Wausau, Rhinelander, LaCrosse and Eau Claire markets. The WIAA State Network will use best efforts in providing live telecast coverage in the Milwaukee and Green Bay markets. In the event "live" telecast coverage is unavailable in the

Milwaukee or Green Bay markets, The WIAA State Network may substitute on a "best effort basis" cable coverage or delayed television coverage in the Milwaukee and Green Bay markets. The WIAA State Network will provide satellite transmission to those television stations and cable systems in other areas of the State of Wisconsin that wish to participate in accordance with terms established by The WIAA State Network.

3.2 The WIAA State Network owns the intellectual property rights in the mark "The Magic of March." WIAA agrees no use of the mark "The Magic of March" will be granted without the authorized written permission of The WIAA State Network.

3.3 No personal home or other business satellite reception will be provided by The WIAA State Network or granted by the WIAA except for those stations in The WIAA State Network that provide programming from time to time to direct broadcast signal providers ("DBS") (for example, Echostar or Direct TV).

3.4 The WIAA State Network retains the exclusive copyright to the WIAA State Tournaments for duplication of all boys and girls state championship hockey and basketball telecasts. No television station not participating with the WIAA State Network may use any video coverage until 20 minutes following the completion of any "live" broadcast coverage. Stations that are not participating with The WIAA State Network may only use up to two (2) minutes of footage of the above delayed coverage. The WIAA will notify all television stations of this restriction.

4. Production Television Requirements.

4.1 The WIAA State Network will provide and assume all costs of production fees, equipment fees and appropriate insurance for its equipment and personnel for the length of this Agreement.

4.2 The WIAA agrees to "broadcast TV time outs" within all championship telecasts that preserve the integrity of the games and meets the telecast objectives of The WIAA State Network. WIAA will notify The WIAA State Network of any significant changes the WIAA elects to impose that would alter the existing format of any championship telecast at least one year prior to the first telecast of any proposed altered WIAA championship event.

4.3 The WIAA will allow complete facility access to The WIAA State Network for all "live" coverage without management obstacles or associated fees.

4.4 WIAA will grant The WIAA State Network first right or preference for all technical set up of all live championship telecast coverage.

4.5 Live transmissions by any broadcaster that is not part of The WIAA State Network for news gathering are to be cleared and approved by The WIAA State Network in advance.

4.6 WIAA and The WIAA State Network championship telecast "play by play" announcers and game analysis (color announcers) will mutually be agreed upon by the WIAA and The WIAA State Network.

4.7 All nonbroadcast videotaping and coverage of any WIAA championship telecast event covered under this Agreement is prohibited.

5. **Non-Broadcast Related Terms.**

5.1 The WIAA agrees to provide The WIAA State Network the following at no charge for each year of this Agreement:

- a. One full page color ad in all championship series programs.

- b. Inclusion in The WIAA State Network major sponsors and participating television station logos in the annual wall planner submitted to all WIAA member schools.
- c. Sixty (60) "all session" tickets to girls championship basketball series and eighty (80) "all session" tickets to boys championship series. Additional tickets to any WIAA championship event may be purchased directly through the WIAA.

5.2 The WIAA State Network agrees to provide the WIAA the following at no charge for each year of the agreement:

- a. Ten (10) 30 second WIAA public service announcements per month (120 annually) on each of the following stations: WKOW TV, WAOW - WYOW TV, and WXOW - WQOW TV. These announcements would be scheduled in the "best time available" and subject to each station's scheduling and preemption policy. These announcements cannot be accumulated or transferred from one month to another. All announcements will be WIAA endorsed and must be submitted to each individual station which is part of "The WIAA State Network" in a timely manner. The stations in The WIAA State Network are to provide the WIAA with monthly verification of schedule placement.
- b. Two (2) one hour wrap up anthology programs to highlight spring/summer WIAA championship events and fall/winter WIAA championship events to be aired at a time and date to be

determined (most likely August and December of each year in an 11:00 a.m. to 12:00 midnight time period). These programs to air on WKOW TV, WAOW - WYOW TV and WXOW - WQOW TV only.

- c. Provide commercial production time and services for WIAA annual board of control meeting above one hour program and public service announcements.

6. Amendments. This Agreement contains the essence of the exclusive "live" video and television broadcast rights agreement granted by WIAA to The WIAA State Network. From time to time either party may request a meeting with the other party to discuss mutual beneficial changes to any of the above terms upon 90 day written notice to the other party.

This Agreement was executed by the parties on the dates indicated below.

Dated: 3/18/04

WKOW Television, Inc., WAOW - WYOW Television, Inc. and WXOW - WQOW Television, Inc. ("The WIAA State Network")

By: Ralph M. Oaker

Print Name Here: Ralph M. Oaker

Its VP

Dated: 3/20/04

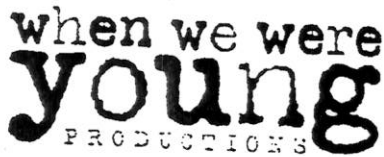
Wisconsin Interscholastic Athletic Association ("WIAA")

By: Doug Chickering

Print Name Here: Doug Chickering

Its Executive Director

EXHIBIT D



Production Rights and Distribution Agreement between the Wisconsin Interscholastic Athletic Association (WIAA) and American-HiFi, Inc. dba When We Were Young Productions (WWWYP)

General Terms of Agreement

I. RIGHTS

- (a) American-HiFi/When We Were Young Productions will be granted the exclusive right to produce, sell, and distribute all WIAA tournament series and championship events for all WIAA sports with the exception of existing contracts as of the date of this contract. These rights also include the existing WIAA film library housed in Stevens Point.
- (b) American-HiFi/When We Were Young Productions will be granted the joint right to produce, sell, and distribute, on a delayed basis, all WIAA tournament series and championship events for all WIAA sports under an existing contract as of the date of this contract. These joint rights require approval from both the WIAA and the existing contract holder as of the date of this contract.
- c. American-HiFi/When We Were Young Productions will be granted the right to market this partnership and to use the WIAA trademark, logo, and name to promote these efforts.
- d. American-HiFi/When We Were Young Productions will be granted the right to establish an online property containing the name WIAA for use of marketing and distributing WIAA tournament series and championship content.
- e. American-HiFi/When We Were Young Productions will be granted the right to legally enforce any violation of these production, sale, and distribution rights by a third party.
- f. American-HiFi/When We Were Young Productions will be granted the right to authorize affiliate production partners for the production of WIAA tournament series and championship events.

II. CONTENT PRODUCTION

- a. American-HiFi/When We Were Young Productions will agree to produce directly or through an affiliate all WIAA tournament series and championship events. Our production goals would be as follows for all sports:
 - i. 100% of all state tournaments
 - ii. 50 % of all sectional events
 - iii. 25 % of all regional events
- b. Event production will vary and may include any of the following:
 - i. Single camera high location
 - ii. Single camera low location
 - iii. Multiple camera mixed
 - iv. Special edit

Production enhancements may include play-by-play commentary, slow motion replay, and special graphics. Each event strategy will be spelled out in advance and budgeted out as noted in the **Revenue** section of this contract.

- (c) American-HiFi/When We Were Young Productions will act as an agent of the WIAA in the event that a third party expresses interest in the production, sale, or distribution of any WIAA tournament series or championship event that American-HiFi/When We Were Young Productions holds rights to.

- d. American-HiFi/When We Were Young Productions will agree to actively seek out and affiliate all qualified production resources that have a history of producing WIAA tournament series or championship events.
- ✓ e. American-HiFi/When We Were Young Productions will agree to actively involve local student resources in our production efforts, whether directly by us or through an affiliate, to ensure educational and cooperative benefits for the individual students and their schools.

III. CONTENT DISTRIBUTION

- a. American-HiFi/When We Were Young Productions will agree to establish a multi-platform distribution strategy and will agree to directly distribute or contract with a distribution agent for all WIAA tournament series and championship events. These agreements would include live production, live or delayed streaming, video on demand, tape delayed production, and physical media. Examples of distribution platforms are as follows:
 - i. Internet based video on demand (web streaming)
 - ii. DSL/Broadband based video on demand
 - iii. Cable based video on demand
 - iv. Satellite based video on demand
 - v. Cable (live or delayed)
 - vi. Satellite (live or delayed)
 - vii. Network (live or delayed)
 - viii. Physical Media
- Ⓛ The WIAA will reserve the right to review, modify, or reject any terms of these distribution agreements, which do not support the purpose and mission of the WIAA and our mutual partnership.

IV. SPONSORSHIPS

- a. American-HiFi/When We Were Young Productions will be granted the right to solicit and contract with sponsors that adhere to the WIAA guidelines as published.
- b. American-HiFi/When We Were Young Productions will be granted the right to place and promote these sponsors on all forms of content distribution and market them as joint WIAA and WWWYP sponsors.

V. REVENUE

- a. American-HiFi/When We Were Young Productions agrees to pay the WIAA a rights fee based on the following formula:
 - i. WWWYP will establish a tournament/event production cost that encompasses all business related expenses to produce the tournament or event.
 - ii. WWWYP will receive 100% of all revenues generated by the distribution of the tournament/event up until all of the costs have been recaptured.
 - iii. All revenues generated after the tournament/event cost has been recaptured will be split 50% to the WIAA and 50% to WWWYP with the exception of physical media sales.
 - iv. All sales of physical media after the initial cost has been recaptured will be split 20% to the WIAA and 80% to WWWYP.
- b. The WIAA shall be the sole overseer of any funds distribution (if any) to participating schools.
- c. American-HiFi/When We Were Young Productions will be responsible for the collection and clearing of revenues generated for content distribution.

when we were
young
PRODUCTIONS

- d. Monthly status reports will be delivered to the WIAA. Collected funds will be distributed to the WIAA on a monthly basis.
- e. All revenues generated by solicitation of sponsor contracts will be split 30% to the WIAA and 70% to WWWYP. Funds will be distributed immediately upon collection.

VI. MISCELLANEAUS

- a. American-HiFi/When We Were Young Productions will agree to provide video production resources to the WIAA upon request and at no additional cost to the WIAA. These would include:
 - i. Taping and duplication of WIAA meetings and corporate events
 - ii. WIAA promotional videos
 - iii. Tournament highlight trailers
 - iv. Video board content
- b. The WIAA will agree to provide free advertising in all tournament materials and verbally promote our partnership and products at all venues and the WIAA website.
- c. The WIAA will agree to provide preferred credentials and access to American-HiFi/When We Were Young Productions at all WIAA tournament series and championship events and venues.
- d. The term of this agreement will be for 10 years from the date of signing.

Please signify your acceptance of these General Terms of Agreement by signing below.

Acknowledged and agreed:

By: TEA Date: 5/25/05
Tim Eichorst
President
American-HiFi/
When We Were Young Productions

BY: Doug Chickerling Date: 4-26-05
Doug Chickerling
Executive Director
WIAA

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN**

**WISCONSIN INTERSCHOLASTIC ATHLETIC
ASSOCIATION, AMERICAN-HIFI, INC.**

Plaintiffs,

Case No. 09-cv-0155

v.

**GANNETT CO., INC., and
WISCONSIN NEWSPAPER ASSOCIATION, INC.,**

Defendants.

AFFIDAVIT OF TODD C. CLARK

I, Todd C. Clark, hereby declare,

1. I have personal knowledge of the facts stated herein and, if called upon to do so, could and would testify competently thereto.
2. I am the Director of Communications for the Wisconsin Interscholastic Athletic Association (“WIAA”), where I have been employed since 2000. The principle job responsibilities of the Communications Director include production and supervision of the Bulletin, membership publications and State Tournament souvenir programs; as well as coordination of media relations; Web site maintenance; State Tournament-related coverage; all public relations and sportsmanship efforts and initiatives; and assisting in marketing and sponsorship relationships.
3. The WIAA is a voluntary, unincorporated and nonprofit organization that seeks to develop, direct and control an interscholastic athletic program to promote the ideals of its membership and opportunities for participation by its members. These opportunities include participation in post-season WIAA-sponsored, controlled, and funded sports tournaments. The

tournaments, which are separate from and in addition to regular season games, are the WIAA's major source of operating revenue. I have reviewed the WIAA's 2007-08 budget, and in that year the tournaments brought in \$6,202,963 of the WIAA's operating revenues, which totaled \$7,177,115. Ex. 1.

4. In 2004, I was informed by Douglas Chickering, the then Executive Director of the WIAA, that Quincy Newspapers, Inc. ("Quincy"), the carrier of the WIAA's Boys and Girls Basketball Tournament and Hockey State Finals, could not afford to continue to pay the amount included in the rights agreement. After this, the WIAA began to explore other sources of revenue.

5. At that time, no television station carried games other than the Football State Finals (which was carried by Fox), Boys and Girls Basketball State Tournaments, and Hockey State Finals (which were carried by Quincy). However, in some instances local community access channels would broadcast local games. The WIAA received no direct revenue from these local community access broadcasts. In 2005, I was unaware of any internet streaming of WIAA events by any party. Therefore, the only rights fees I am aware of the WIAA receiving at that time were from the transmission of videos of its tournament events for Football State Finals, Boys and Girls Basketball State Tournament, and Hockey State Finals.

6. In fact, in 2005 the vast majority of our sports were not carried by any media organizations. The participants in the WIAA's volleyball and wrestling events had requested that these events be broadcast. We inquired whether our existing rights holders might be interested in broadcasting these events, but the existing rights holders expressed concerns regarding production costs and network preemption agreements and declined. In addition, Quincy had expressed to the WIAA an interest in expanding coverage of WIAA state hockey

events to include state semifinal games, but ultimately decided not to make this expansion due to network preemption concerns and cost.

7. In 2005, we were approached by When We Were Young Productions (“WWWY”) with the idea of transmitting WIAA games over the internet. At no time prior to WWWW do I recall any media or production company expressing any interest in transmitting WIAA events via internet. Furthermore, I am unaware of any inquiries or requests to the WIAA by media organizations to transmit the then-underexposed and less visible sports such as cross country and tennis. The WWWW agreement therefore both provided new and needed revenue for the organization and an opportunity for the WIAA to promote less visible WIAA sports and participants.

8. Under the WWWW contract, WWWW has the right to transmit via internet all WIAA Tournament Events except Football State Finals, the Boys and Girls Basketball State Tournament, and Hockey State Finals. In addition, WWWW has a separate distribution agreement with Fox, which allows Fox to air some of these games on FSN. Such games are then transmitted via internet on a delayed (as opposed to live) basis. Both live and delayed WWWW games are available to any person with a computer and internet access on wiaa.tv (<http://wiaa.tv/>), a web portal that allows access to WIAA events. As a result, although in 2004-05 no WIAA events were offered on the internet, in 2008-09 the WIAA web portal transmitted 82 live WIAA events on wiaa.tv and 182 offered on archived stream and DVD. Ex. 2. Of these events, approximately 134 were under the WWWW contract with WIAA, while approximately 48 were Football State Finals, Boys and Girls Basketball State Tournament, and Hockey State Finals. Ex. 2. WWWW paid \$60,000 to the WIAA in 2008 for these rights, while Quincy paid \$75,000 for its rights agreement, and Fox paid \$20,000. Ex. 3.

9. The value of the contract with WWY productions, however, far exceeds the amount paid in royalties from WWY. In addition to providing internet transmission of games, WWY provides additional services to WIAA. These services include video production, audiovisual and graphics support for tournament games such as producing video programming for scoreboards at tournament sites. In addition, WWY also provides web transmissions for mandatory WIAA sport rule meetings, which allows members, officials, and coaches to view these mandatory meetings at their convenience remotely thereby avoiding travel and added costs to member schools. The WIAA does not pay for these services. While I am not aware of the exact value, in my experience such services are costly, and, without WWY, WIAA would likely not be able to afford them. The specific services that WWY provides to the WIAA are:

- a. WWY films, edits, and makes available on wiaa.tv, the WIAA's sports meetings, such as the WIAA's seasonal rule interpretation meetings, so that members and the public can access such meetings without attending in person. This saves members time and expense, and allows increased public access to WIAA information, thereby promoting the visibility of the WIAA, and supporting the marketing and branding of the WIAA.
- b. WWY films, and makes available on wiaa.tv live, the WIAA's Annual Meeting, so that members and the public can access such meetings without attending in person. This saves members time and expense, and allows increased public access to WIAA information, thereby promoting the visibility of the WIAA, and supporting the marketing and branding of the WIAA.
- c. WWY produces an annual video that compiles highlights of all state WIAA tournaments throughout the year.

- d. WWY films, edits, and makes available on wiaa.tv, the annual scholar athlete award ceremony held in the spring in Wausau, Wisconsin. WWY gives the award winners a DVD copy of the event.
- e. WWY films, edits, and makes available on wiaa.tv, the annual WASC Spirit of Excellence Award ceremony. WWY films interviews of the presenters which it includes in the final production of the award ceremony tape. WWY helps promote the award ceremony at tournaments by showing the tape on the video board at various venues.
- f. At venues where the WIAA hosts championship tournaments, WWY provides live game feed to the video board.
- g. WWY produces highlight segments from other WIAA sponsored sectionals or tournaments, and does recaps with video from other WIAA state championship tournaments, that WWY presents and feeds to the video board at WIAA championship tournaments.
- h. WWY films starting line-up introduction videos and/or team videos that it shows on the video board at all tournaments that have video board capability.
- i. WWY creates public service announcements that the WIAA and member schools can display on video boards at events and that are displayed on wiaa.tv.

10. In addition, in 2008 WIAA received \$80,000 from a sponsorship partner, a portion of which value comes from advertising in programming produced by WWY. The overall amount associated with the contract with WWY is therefore substantially above and beyond the \$60,000 paid for the internet transmission rights.

11. In the fall of 2003, I developed the first WIAA Media Policies Reference Guide to address ownership and distribution issues documenting our practices in a definitive written guide

that we could distribute to the media. This guide was discussed with the 2003 Media Advisory Committee, who reviewed and approved the policies and language. (The Media Advisory Committee was a standing committee made up of media representatives). The WIAA agreed at the Committee meeting that it would produce and disseminate the guide to all media on the WIAA mail list.

12. I have a close working relationship with the staff of WWY, and since the WIAA entered into a contract with WWY in 2005, I have interacted with WWY's owner, Tim Eichorst, or other WWY staff on an almost daily basis. We regularly discuss the high school sports industry, communications issues related thereto, and production and distribution of WIAA sports events.

13. I worked with Mr. Eichorst to develop the affiliate program through which television stations, web sites, other media outlets or production companies can become affiliates with WWY for purposes of producing and distributing WIAA events. The WIAA did not have a method or resources for policing its media policies. Further, the WIAA was concerned about the quality of production of its events, and the images that were associated with its events. Through our relationship with WWY, the affiliate program became the vehicle through which WIAA could monitor compliance with the WIAA's media policies, as WWY acts as the policing agent for WIAA and ensures quality control.

14. I worked with Mr. Eichorst to determine the fee for affiliate production of an event that WWY declined to produce. I am familiar with other state's high school athletic association's policies and practices with respect to the production and distribution of games, including what they charge for video production or internet streaming.

15. The WIAA decided on a fee structure that requires a person or entity to pay \$250 to live internet stream a game produced with one camera, and \$1,250 to live internet stream a game produced with multiple cameras.

16. This fee was determined based on a number of factors. First, it was consistent with or lower than the fees charged by other state athletic associations. Second, we looked at the value of the production and the resources devoted to the production: a one-camera production with no announcer is much different than a multi-camera production, which usually involves a mobile television broadcast truck and announcer, and requires more resources at the venue itself (there is a cost to the host venue to have to accommodate the extra individuals and to provide power for the production truck which is much different than for an individual cameraperson). We also considered the medium, whether internet or TV, and how wide the distribution would be, whether local or world-wide. We determined that the multi-camera production lends itself to a wide internet distribution platform that people are able to see world-wide, whereas a single camera local PEG station production is shown only through the television medium for distribution to the local community, and is transmitted on a tape-delayed basis and not live.

17. To my knowledge, WWVY has not denied any request for affiliate production of pre-State tournament events, and has not charged anything other than what the WIAA has determined to be the appropriate fee.

18. Since we first began discussing the role of WWVY in producing and distributing WIAA events, I realized that internet streaming was an important technological development that would need to be addressed with respect to distribution of WIAA events. In fact, in my first Media Policies Reference Guide, I addressed internet streaming as a distribution platform. Since then, Mr. Eichorst and I have had regular discussions about internet video streaming as a distribution platform.

19. As part of his plan to produce and distribute WIAA events, Mr. Eichorst had proposed that internet video streaming would be one of the distribution platforms. To do this, we needed a vehicle through which we could launch and stream the video of WIAA events. We considered using the WIAA's own website, but did not believe the server would have sufficient bandwidth capacity to handle the streaming. Mr. Eichorst also had proposed that as part of WWVY's distribution efforts, he would create an online property containing the name WIAA for use in marketing and distributing WIAA tournament series and championship content. I agreed with Mr. Eichorst's position that it was important that the WIAA name be associated with the video distribution platform, and that the WIAA should be the destination point for its own events.

20. Based on these considerations, Mr. Eichorst and I created the web portal known as "wiaa.tv," which is located at <http://wiaa.tv/>. A web portal presents information from diverse sources in a unified way, and provides a way for an organization to provide a consistent look and feel with access control and procedures for multiple applications and databases. The wiaa.tv web portal contains all live and archived videos of WIAA events for all WIAA recognized sports that WWVY produces, and all live and archived videos for WIAA meetings that WWVY produces, such as sports meetings (meetings for specific sports such as basketball or wrestling), rules meetings, press conferences, and the annual meeting. The portal contains the WIAA logo and a link to the WIAA website, clearly identifying its connection to and cementing its relationship with the WIAA. WWVY operates and manages the wiaa.tv web portal for WIAA as part of its contractual responsibilities and at no cost to the WIAA.

21. The WIAA has control over the content that is placed on wiaa.tv, including what is displayed, when, and how. There is limited advertising on wiaa.tv, and the WIAA has control over the advertising on the website. Thus, if any video content or advertising were not consistent

with the members' ideals and the mission of the organization, we would have the ability to restrict its display.

22. The WIAA has begun a pilot program to use the wiaa.tv portal to the benefit of WIAA members by using the portal as a vehicle for member schools to live stream their own video of their own athletic events during the regular season at no charge to them. The agreement requires participating schools to stream all WIAA Tournament Series athletic events hosted by the participating school where and when available. Currently as part of the pilot program, to encourage schools to participate and use the portal, WWVY is paying pilot schools a minimum of \$500 this year to implement the program. We anticipate the wiaa.tv portal to have great potential for our members. Another specific benefit of the portal is that it provides member schools with a safe haven to place its video content, and member schools do not have to worry about negative advertising or images associated with their video content.

23. In mid-2007, the WIAA suspended enforcement of its photography policy for credentialed media that prohibited the sale of photographs taken at tournament games.

24. In 2008, the WIAA entered into a contract with Visual Image Photography, Inc., for a term of five years. In that contract, the only item of "exclusivity" that the WIAA guarantees to VIP is with regard to "the sale of any products using images from Covered Events." Ex. 4

25. Effective with the 2009-2010 Media Policies, the WIAA changed its photography policy to be consistent with the July 2007 enforcement suspension and the 2008 VIP contract. The 2009-2010 policy allows the sale or resale of still photography by WIAA-credentialed media. The policy prohibits the sale of "any products using images from WIAA Tournament Series events" without written permission from the WIAA.

26. The WIAA's Media Policies Reference Guide addresses issues of play-by-play and "blogging." If media or websites wish to use transmissions of play-by-play descriptions of

action/statistics of a WIAA tournament game, they need WIAA consent through transmission rights and fees. The Media Policies Reference Guide specifies that the media do not have to pay a fee for “live report updates” provided no play-by-play is done. Otherwise the media can apply for play-by-play rights and pay the appropriate fee. Live report updates are airing/streaming updates on results or general information about the competition or event, but contain no play-by-play description of live contests. The WIAA permits a “blog” (a contraction of the term “web log”) where the blog is simply commentary of the athletic event or status updates. Blogs are not subject to rights fees, unless they are considered to be a live depiction of event action. The WIAA does prohibit “play-by-play,” without payment of the fees, whether such play-by-play appears on a blog, website, or otherwise. Play-by-play is live and detailed, spoken or written, regular entries of descriptions, or depictions of the sports events as they are happening, or the actual action as it occurs, including the continuous sequential detailed description of play, of events, or other material such as graphics or video regarding any WIAA tournament game, so that it approximates a video or audio transmission that allows the recipient to experience the game as it occurs. A live transmission means inserting play-by-play at any point during the contest. (For example, play-by-play can not be posted until the completion of the game).

27. Following the 2008 Football State Finals, I discovered after the fact that two media organizations, Madison.com (Wisconsin State Journal and Capital Times together) and the Milwaukee Journal-Sentinel, had engaged in live play-by-play blogging. Thus, I sent both organizations an invoice to pay the appropriate play-by-play fee. Neither media organization paid the fee.

28. This prompted discussions with the media about the blogging policies. In early December of 2008, I had e-mail discussions about this issue with Adam Mertz, the Sports Editor of the Capital Times, who copied Robert Hernandez of The Wisconsin State Journal and other

editors in on the e-mail. I informed them that the WIAA was willing to work with the media to develop an agreement as to what would be permitted on a real-time blog from tournament series events. I pointed out that the issue of blogging had been discussed at the last two Media Days (an annual meeting that the WIAA hosted with members of the media to discuss media policies), and I felt confident that those discussions had led to a clear understanding of what the WIAA would permit. Mr. Mertz contacted other sports editors suggesting the “ball rests in our court now,” and that they present suggestions for a definition of live blogging to the WIAA. I agreed to drop the invoices for the play-by-play with the expectation based on these discussions that the media would reach consensus on the issue and present those suggestions to the WIAA.

29. In mid and late December of 2008, I had discussions in person and by e-mail with Peter Fox, the President of the Wisconsin Newspaper Association, about the blogging issue. I forwarded the transcripts of the blogs in question to him for his review, and informed him that the WIAA was willing to discuss a reasonable definition of the threshold for a live depiction of action in blogs. He agreed that Mr. Mertz and his colleagues were a good group to begin looking at the issue, and commented that he did not believe it would be “an easy subject to get a handle on.”

30. I received no further communication from any editor or media organization on the issue of blogging or play-by-play. They presented no proposal or draft policy to me to define the parameters of permissible blogging. Thus, the WIAA has not changed its policy, and the WIAA is comfortable based on the lack of input from the media that its blogging policy is understood and reasonable. The WIAA has, however, reduced the fee for play-by-play texting to \$30 at State tournament events and \$20 for pre-State tournament events. I am aware of one other instance in the Fall of 2009 where someone blogged play-by-play. Upon my contacting the

entity, they removed the forum containing the play-by-play. Other than that, I am not aware of any other instances of violation of this policy.

31. I did not authorize on behalf of the WIAA or WWVY, any media organization to live video stream any WIAA-sponsored tournament without paying the required rights fee for such streaming, including the four WIAA-sponsored football tournaments that *The Post-Crescent* says it transmitted by live internet streaming in October and November of 2008.

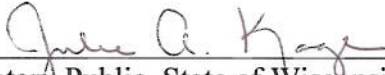
32. I declare under penalty of perjury, under the laws of the United States, that the foregoing is true and correct to the best of my knowledge.

Dated this 19 th day of January, 2010.



Todd C. Clark

Subscribed and sworn to before me
this 19th day of January, 2010.



Notary Public, State of Wisconsin

My commission expires: 2/17/13

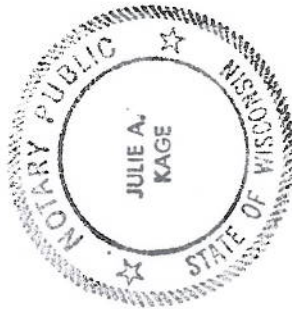
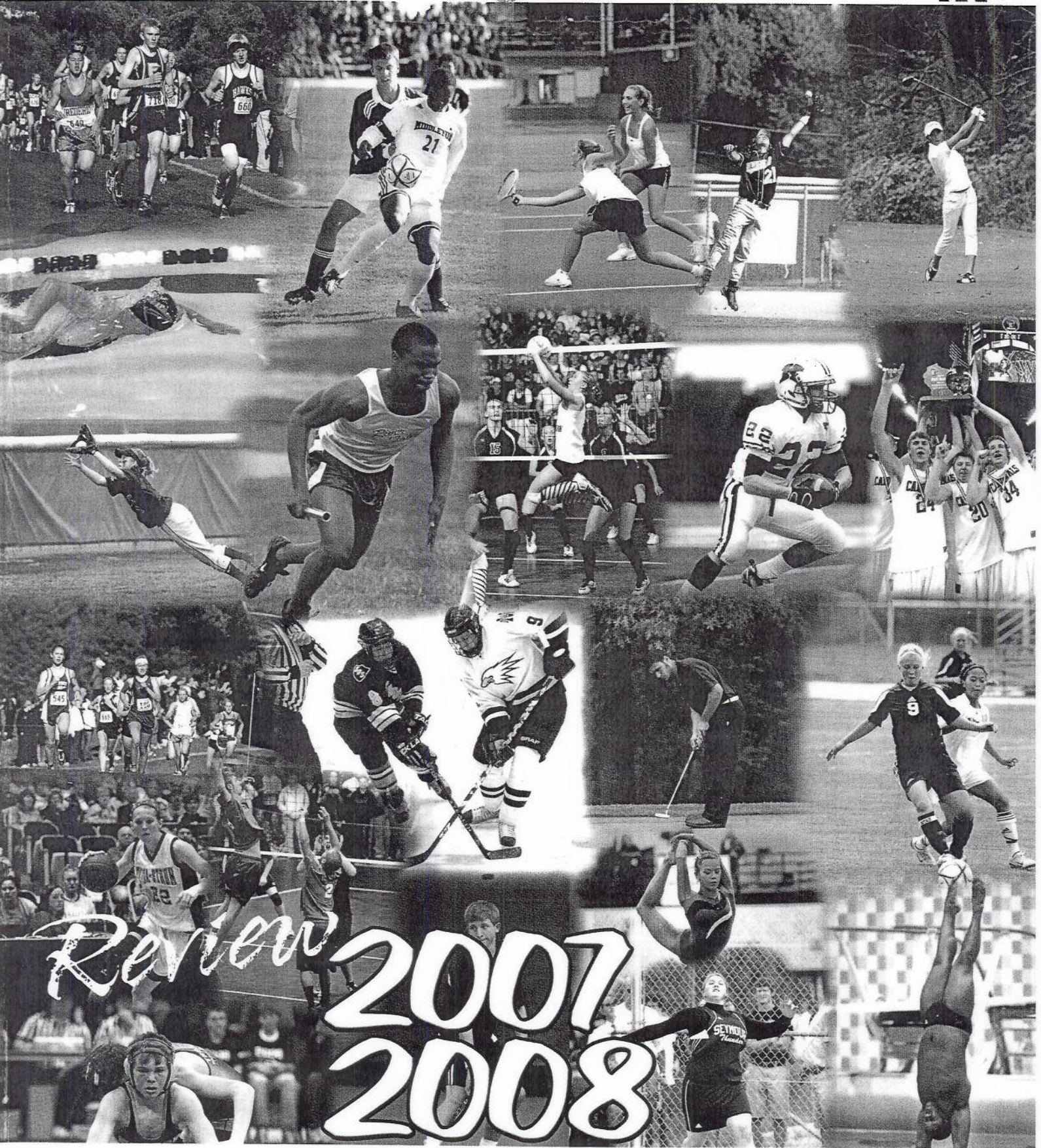


EXHIBIT 1

85th Annual Yearbook



Review 2007 2008

Wisconsin Interscholastic Athletic Association

Cover Photos by VIP

WISCONSIN INTERSCHOLASTIC ATHLETIC ASSOCIATION



ORGANIZED 1896

85TH ANNUAL WIAA YEARBOOK (Reviewing the 2007-08 School Year)

* * * * *

DOUGLAS E. CHICKERING, EXECUTIVE DIRECTOR
5516 VERN HOLMES DRIVE
P.O. Box 267
STEVENS POINT, WISCONSIN 54481-0267
TELEPHONE (715) 344-8580
FAX (715) 344-4241
e-mail info@wiaawi.org
website <http://www.wiaawi.org>

* * * * *

MEMBER OF
NATIONAL FEDERATION OF STATE HIGH SCHOOL ASSOCIATIONS

WIAA General Account



Liabilities And Net Assets July 31, 2008

LIABILITIES AND NET ASSETS

	<u>2008</u>	<u>2007</u>
CURRENT LIABILITIES		
Accounts payable.....	\$ 55,812	\$ 110,646
Deferred revenue.....	539,945	533,037
Current portion of post-retirement benefits payable	<u>17,927</u>	<u>25,948</u>
Total current liabilities	613,684	669,631
POST-RETIREMENT BENEFITS PAYABLE.....	<u>279,613</u>	<u>254,082</u>
TOTAL LIABILITIES	893,297	923,713
NET ASSETS	<u>3,016,068</u>	<u>3,096,492</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,909,365</u>	<u>\$ 4,020,205</u>

STATEMENT OF ACTIVITIES

Changes in unrestricted net assets:		
Operating revenues		
Membership dues.....	\$ 405,785	\$ 402,080
Tournaments	6,202,963	5,922,052
Registration of officials	336,261	340,162
Miscellaneous	<u>232,106</u>	<u>138,130</u>
Total operating revenues	7,177,115	6,802,424
Operating expenses		
Tournaments.....	4,346,253	4,157,095
Administrative & general	2,490,268	2,439,571
Rule books	189,637	179,571
Committees & rule helpers	38,392	46,243
Clinics & conferences.....	22,237	2,903
Audio visual.....	350	7,176
Depreciation of property & equipment.....	71,446	74,706
Publications printing	<u>53,311</u>	<u>58,631</u>
Total operating expenses	<u>7,211,894</u>	<u>6,965,896</u>
Increase (decrease) in unrestricted net assets from operations.....	(34,779)	(163,472)
Other revenues		
Investment gain - net of related expenses	(47,764)	134,870
Miscellaneous	<u>2,119</u>	<u>1,222</u>
Total other revenues	<u>(45,645)</u>	<u>136,092</u>
Increase (decrease) in unrestricted net assets before effect of adoption of FASB Statement No. 158	(80,424)	(27,380)
Effective of adoption of recognition provision of FASB Statement No. 158	—	62,017
INCREASE IN UNRESTRICTED NET ASSETS	(80,424)	34,637
Unrestricted net assets at beginning of year	<u>3,096,492</u>	<u>3,061,855</u>
Unrestricted net assets at end of year	<u>\$ 3,016,068</u>	<u>\$ 3,096,492</u>

STATEMENT OF CASH FLOWS

	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Increase in unrestricted net assets for the year.....	\$ (80,424)	\$ 34,637
Adjustments to reconcile the increase in unrestricted net assets to net cash provided by operating activities		
Depreciation of property & equipment.....	71,446	74,705
Gain on sale of property and equipment.....	(3,000)	-
Net appreciation in market value of marketable securities.....	111,018	(73,238)
Post-retirement benefits expense, net of payments.....	17,510	(48,150)
Changes in operating assets & liabilities:		
Accounts receivable.....	(8,930)	(13,742)
Prepaid expenses.....	(10,171)	4,721
Accounts payable.....	(54,834)	14,133
Deferred revenue.....	<u>6,908</u>	<u>33,812</u>
Net cash provided by operating activities.....	49,523	26,878
Cash flows from investing activities		
Purchase of investments.....	(34,444)	(275,739)
Proceeds from sale of investments.....	-	241,601
Proceeds from sale of property and equipment.....	3,000	-
Purchase of property & equipment.....	<u>(29,095)</u>	<u>(16,727)</u>
Net cash used in investing activities.....	(60,539)	(50,865)
Cash flows from financing activities.....	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	(11,016)	(23,987)
Cash & cash equivalents at beginning of year.....	<u>1,523,211</u>	<u>1,547,198</u>
Cash & cash equivalents at end of year.....	<u>\$ 1,512,195</u>	<u>\$ 1,523,211</u>

TOURNAMENT REVENUE, EXPENSE AND EXCESS (DEFICIT)

	2008			2007		
	Revenue	Expense	Excess (deficit)	Revenue	Expense	Excess (deficit)
Basketball.....	\$2,785,650	\$1,237,832	\$1,547,818	\$2,674,118	\$1,176,404	\$1,497,714
Wrestling.....	800,356	477,086	323,270	814,029	447,460	366,569
Football.....	988,884	549,331	439,553	901,098	531,476	369,622
Hockey.....	289,079	223,457	65,622	249,030	216,693	32,337
Baseball.....	83,715	193,472	(109,757)	96,551	180,732	(84,181)
Volleyball.....	536,133	410,531	125,602	514,083	401,276	112,807
Track.....	122,679	318,788	(196,109)	125,240	307,883	(182,643)
Swimming.....	70,953	116,448	(45,495)	69,595	113,977	(44,382)
Tennis.....	51,430	107,664	(56,234)	52,634	107,001	(54,367)
Gymnastics.....	23,544	54,697	(31,153)	20,293	51,824	(31,531)
Cross Country.....	58,078	136,424	(78,346)	56,934	132,535	(75,601)
Softball.....	48,233	169,548	(121,315)	47,446	157,827	(110,381)
Golf.....	-	51,755	(51,755)	-	48,336	(48,336)
Soccer.....	<u>344,229</u>	<u>299,220</u>	<u>45,009</u>	<u>301,001</u>	<u>283,671</u>	<u>17,330</u>
Total.....	<u>\$6,202,963</u>	<u>\$4,346,253</u>	<u>\$1,856,710</u>	<u>\$5,992,052</u>	<u>\$4,157,095</u>	<u>\$1,764,957</u>

Subsidized Sports



	Revenue	Expenses	Subsidy
Baseball			
Spring.....	\$ 69,149	\$ 156,697	\$ 87,548
Summer.....	14,565	36,774	22,209
Cross Country	56,528	136,423	79,895
Golf			
Boys	- - -	33,162	33,162
Girls	- - -	18,591	18,591
Gymnastics.....	23,543	54,696	31,152
Softball	48,233	169,548	121,314
Swimming & Diving			
Boys	32,319	57,062	24,743
Girls	38,633	59,575	20,941
Tennis			
Boys Team & Individual	26,137	54,907	28,770
Girls Team & Individual.....	25,292	53,492	28,200
Track & Field.....	<u>122,429</u>	<u>318,788</u>	<u>196,359</u>
Totals.....	\$456,828	\$1,149,715	\$692,884

Non-Subsidized Sports



	Revenue	Expenses	Balance
Basketball			
Boys	\$1,737,486	\$ 713,951	\$1,023,535
Girls	1,048,188	522,692	525,495
Football	990,158	549,291	440,867
Hockey			
Boys & Girls.....	289,079	223,457	65,621
Soccer			
Boys	191,512	151,858	39,653
Girls	152,716	147,361	5,355
Volleyball			
Boys	53,127	44,887	8,239
Girls	483,006	365,643	117,362
Wrestling Team & Individual	<u>800,659</u>	<u>477,053</u>	<u>323,605</u>
Totals.....	\$5,745,931	\$3,196,193	\$2,549,732

Figures reflect receipts & expenditures reported for regional, sectional & state tournaments.

Subsidy Figures Since 1958-59



1958-1959	\$ 20.7M	1971-1972	\$ 88.0M	1984-1985	\$274.0M	1997-1998	\$413.3M
1959-1960	28.3	1972-1973	101.3	1985-1986	300.4	1998-1999	466.7
1960-1961	39.8	1973-1974	67.1	1986-1987	299.1	1999-2000	484.9
1961-1962	47.6	1974-1975	112.1	1987-1988	314.5	2000-2001	589.3
1962-1963	50.6	1975-1976	152.1	1988-1989	307.5	2001-2002	568.2
1963-1964	52.5	1976-1977	162.4	1989-1990	325.9	2002-2003	563.4
1964-1965	58.8	1977-1978	170.8	1990-1991	312.9	2003-2004	609.9
1965-1966	64.1	1978-1979	179.2	1991-1992	310.0	2004-2005	619.9
1966-1967	68.0	1979-1980	191.4	1992-1993	320.7	2005-2006	602.2
1967-1968	65.3	1980-1981	212.8	1993-1994	336.7	2006-2007	639.2
1968-1969	69.8	1981-1982	232.6	1994-1995	391.5	2007-2008	692.8
1969-1970	78.8	1982-1983	263.7	1995-1996	400.5		
1970-1971	80.3	1983-1984	265.5	1996-1997	388.7		

EXHIBIT 2

Winter	Tournament	Location	Events	FS Wisconsin	Fox College Sports	WIAA TV Live Stream	WIAA TV Archive Stream	DVD
	SWIMMING & DIVING - BOYS	UW Natatorium - Madison	Division 1 Swim/Dive Final Division 1 Dive Prelims/Semis Division 2 Swim/Dive Final Division 2 Dive Prelims/Semis	1 - 1 -	1 - - -	- - - -	1 1 1 1	1 1 1 1
	WRESTLING (INDIVIDUAL)	The Kohl Center - Madison	Division 1 Finals Division 2 Finals Division 3 Finals All Divisions - Non-Final Sessions	1 1 1 -	1 1 1 -	- - 4 -	1 1 1 -	1 1 1 -
	WRESTLING (TEAM)	UW Field House - Madison	Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals	- - 1 - 1 - 1	- - 1 1 1 1	4 2 - 2 - 2 -	4 2 1 2 1 2 1	4 2 1 2 1 2 1
	*HOCKEY - BOYS	Alliant Energy Center - Madison	Quarterfinals Semifinals Finals	4 2 1	4 2 1	- - -	4 2 1	4 2 1
	*HOCKEY - GIRLS	Alliant Energy Center - Madison	Semifinals Finals	2 1	2 1	- -	2 1	2 1
	GYMNASTICS	Lincoln High School - Wisconsin Rapids	Tournament Highlight Show	1	1	-	1	1
	*BASKETBALL - GIRLS	Alliant Energy Center - Madison	Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals Division 4 Semifinals Division 4 Finals	- - 1 - 1 - 1 - 1	- - 1 - 1 - 1 - 1	- - - - - - - -	4 2 1 2 1 2 1 2 1	4 2 1 2 1 2 1 2 1
	*BASKETBALL - BOYS		Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals Division 4 Semifinals Division 4 Finals	- - 1 - 1 - 1 - 1	- - 1 - 1 - 1 - 1	- - - - - - - -	4 2 1 2 1 2 1 2 1	4 2 1 2 1 2 1 2 1
			Winter Titles Sub-Total	27	27	14	63	63

Spring/Summer Tournament	Location	Events	FS Wisconsin	Fox College Sports	WIAA-TV Live Stream	WIAA-TV Archive Stream	DVD
TENNIS (INDIVIDUAL) - BOYS	Nielsen Stadium - Madison	Tournament Highlight Show	1	1	-	1	1
TRACK & FIELD - BOYS & GIRLS	Veterans Memorial Stadium - UW-La Crosse	Division 1 Girls Track and Field Division 2 Girls Track and Field Division 3 Girls Track and Field Division 1 Boys Track and Field Division 2 Boys Track and Field Division 3 Boys Track and Field	1 1 1 1 1 1	1 1 1 1 1 1	- - - - - -	1 1 1 1 1 1	1 1 1 1 1 1
GOLF - BOYS	University Ridge - Madison	Tournament Highlight Show	1	1	-	1	1
TENNIS (TEAM) - BOYS	Nielsen Stadium - Madison	Tournament Highlight Show	1	1	-	1	1
SOCCER - GIRLS	Uitelin Soccer Park - Milwaukee	Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals	- - - 1 1 1 1	- - - 1 1 1 1	4 2 - - - 2 2	4 2 2 2 2 2 2	4 4 2 2 2 2 2
SOFTBALL	Goodman Diamond - Madison	Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals Division 4 Semifinals Division 4 Finals	- 1 1 1 1 1 1 1 1	- 1 1 1 1 1 1 1 1	4 2 - 2 - 2 2 - -	4 2 2 2 2 2 2 2 2	4 2 2 2 2 2 2 2 2
BASEBALL (SPRING)	Fox Cities Stadium - Grand Chute	Division 1 Quarterfinals Division 1 Semifinals Division 1 Finals Division 2 Semifinals Division 2 Finals Division 3 Semifinals Division 3 Finals Division 4 Semifinals Division 4 Finals	- 1 1 1 1 1 1 1 1	- 1 1 1 1 1 1 1 1	4 2 - 2 - 2 2 - -	4 2 2 2 2 2 2 2 2	4 2 2 2 2 2 2 2 2
BASEBALL (SUMMER)	Baykott Park - Stevens Point	Quarterfinals Semifinals Finals	- - 1	- - 1	4 2 -	4 2 1	4 2 1
		Spring/Summer Titles Sub-Total	21	21	40	61	61
		Total Annual Titles	76	76	82	182	182

* Reflects re-transmission of FS WI and ONT produced events.

EXHIBIT 3

09/28/2009 22:18 FAX 715 344 4241

WIAA

002/002

Fox Sports Net North, LLC

PO Box 900
Beverly Hills, CA 90213
Customer Service: 310-309-5550
Customer Service: fngap@fox.com

Bank of America Illinois
Bank of America Illinois
Chicago, Illinois 00597

00466

Check Number: **42313148**

Check Date: **09/29/08**

PAY EXACTLY

VOID IF NOT CASHED IN 90 DAYS

TWENTY THOUSAND AND 00/100

\$**20,000.00**

TO THE ORDER OF:

.....
Wisconsin Interscholastic Athletic
Assn.
P.O. Box 267
Stevens Point WI 54481-0267



REDACTED

RUB OR BREATHE ON THE PINK LOCK & KEY ICONS - COLOR WILL FADE AND THEN REAPPEAR ON AN AUTHENTIC CHECK - IF COLOR DOES NOT FADE DO NOT ACCEPT

OCT 6 - 2008

Football TV

Wisconsin Interscholastic Athletic Association

P. O. Box 267
 Stevens Point, WI 54481-0267
 Phone 715.344.8580
 Fax 715.344.4241
 Email dsankey@wiaawi.org

INVOICE
 080417DS

03355

*lr from
 WKOW-TV
 Madison*

To: Laurin Jorstad
 Quincey Newspapers Inc.
 WAOW TV 9
 Wausau, WI 54401

Date: April 17, 2008

DESCRIPTION	EACH	TOTAL
Television Broadcast Rights & Fees		
2008 <u>Boys & Girls Hockey</u> , <u>Girls Basketball</u> , <u>Boys Basketball</u>		75,000.00
5,000 30,000 40,000		
<p><i>4.25.08</i> <i>DC - Pymt rec'd</i> <i>How should we break it down?</i></p>		
Total Order		75,000.00
Credits		
Balance Due		75,000.00
<i>Pd 4.25.08 ck 15756</i>		
		<i>APR 28 2008</i>

Please make your check payable to Wisconsin Interscholastic Athletic Association [WIAA]

Include the invoice number with your payment.

AMERICAN-HIFI, INC.
501 Moravian Valley Road
Waunakee, WI 53597-9595
(608) 849-3200

STATE BANK OF CROSS PLAINS
79-495/759

04292

4337

7-31-09

PAY TO THE
ORDER OF

WIAA

\$ 60,000⁰⁰

Sixty thousand & 00/100

DOLLARS

MEMO



000 4337 REDACTED 0001-02861

AMERICAN-HIFI, INC.

4337

7-31-09

\$ 60,000 -

JUL 31 2009

08-09

EXHIBIT 4



VISUAL IMAGE PHOTOGRAPHY, INC.

**WISCONSIN INTERSCHOLASTIC ATHLETIC
ASSOCIATION**

2008-13 STATE CHAMPIONSHIPS

**AGREEMENT FOR CONCESSION RIGHTS TO
VEND SPORTS PHOTOGRAPHY PRODUCTS**

Prepared especially for :

WIAA

Presented To:

Doug Chickering

Executive Director

Todd Clark

Communications Director

WIAA

Presented By:

Tom Hayes – Owner & CEO

Bruce Brunner – Sales Manager

VIP, Inc.

Cedarburg, Wisconsin

Date Presented : October 8, 2008



VISUAL IMAGE PHOTOGRAPHY, INC.

Page 2

Obligations of VIP

- VIP shall perform all of its obligations under this Agreement at NO COST to the WIAA.
- VIP shall be solely responsible for providing, at VIP's expense, adequate photographic personnel at the venues ("Scheduled Venues) for the sports events listed below under the heading "Events Coverage" ("Covered Events"). VIP shall be solely responsible for any product displays and signage it desires to use at Scheduled Venues for the promotion of sales.
- VIP shall document the Covered Events by capturing (where practical and consistent with sound photographic practice) images of competitor action, crowd reaction, sponsors, sportsmanship, officials and awards presentations.
- VIP will provide CDs or DVDs to the WIAA containing all photos taken from Covered Events for use in WIAA printed materials and the WIAA website. CDs or DVDs will be sent within 45 days following the completion of each State Final season.
- VIP hereby grants the WIAA the right to use any photographs taken by VIP at Covered Events in WIAA ventures such as calendars, programs and bulletins even if such ventures are operated by the WIAA at a profit.
- VIP will provide the WIAA with complimentary photographs up to and including 20X30's in size for display at the WIAA corporate offices in Stevens Point, Wisconsin.
- VIP shall pay the WIAA a commission of ten percent of gross proceeds (net of sales taxes and shipping charges) from the sale by VIP of all products utilizing images captured by VIP at Covered Events, only to the extent such revenue exceeds \$1,000.00 for each of the Covered Events.
- VIP shall maintain an archive of at least three years of images while this Agreement is in force so images from prior years can be purchased.
- VIP shall handle all distribution arrangements and pay for all shipping and handling costs associated with the sale of photographic products.
- VIP shall post photographs taken on a vendor owned website in a timely manner and shall ship any purchased photographic products to customers in a timely fashion.
- VIP shall give prompt, courteous and efficient service to the public, perform work competently and be governed by the highest standards of honesty, integrity and fairness in all business dealings.
- VIP shall take no action that would reflect adversely on or injure the reputation of the WIAA. In the event the WIAA objects to any content produced by VIP, VIP shall immediately withdraw from public sale/distribution all products containing the objectionable content until such time as the WIAA's objections can be addressed and cured.



VISUAL IMAGE PHOTOGRAPHY, INC.

Page 3

- VIP shall indemnify and hold the WIAA harmless from all claims, loss and damage arising from VIP's negligent, reckless or intentional conduct in the performance of VIP's obligations under this Agreement. VIP shall be responsible for all loss or damage relating to the operation of its business.
- VIP shall maintain and pay the premiums for insurance for all aspects of VIP's business operation including insurance for public liability, product liability and personal liability.
- Nothing in this Agreement shall be construed to create an employment or agency relationship between the WIAA and VIP. VIP shall, at all times relevant herein, serve as an independent contractor to the WIAA and VIP shall not be considered an agent of the WIAA. VIP shall not act as an agent of the WIAA, nor represent directly or by implication that VIP is an agent of the WIAA or assume any obligation on behalf of the WIAA.
- VIP along with the assistance and cooperation of the WIAA, will police the activities of so-called rogue photographers who have not secured any concession rights to take State Championship photographs for sale to the general public. Each party will share any information gathered regarding any violators. The WIAA and VIP will issue a cease and desist letter to any violating parties.

Obligations of the WIAA

- The WIAA warrants and represents that it has full authority to enter into this Agreement.
- The WIAA shall maintain a website link between the WIAA web page and the web page of VIP.
- VIP shall be designated the "Official Photography Partner" of the WIAA for each year this Agreement is in force. The WIAA guarantees VIP "exclusivity" with regard to the sale of any products using images from Covered Events, whether captured by VIP or not. The WIAA agrees to work in VIP's best interest by denying media credentials to non-news media photographers who sell any products using any image of a Covered Event.
- The WIAA shall issue a press release to all member schools announcing the renewal of the photography partnership with VIP.
- The WIAA will allow the inclusion of marketing materials, to be designed and printed by VIP, in WIAA pre-championship mailings to Athletic Directors and coaches per WIAA deadlines.
- The WIAA shall provide all necessary media credentials and parking passes to Scheduled Venues of Covered Events for photographers and staff of VIP performing its obligations under this Agreement.



VISUAL IMAGE PHOTOGRAPHY, INC.

Page 4

- The WIAA will offer an advertisement in all State Championship programs for any Covered Events at no cost to VIP. Advertisement size may vary based on program book size and space availability. VIP shall be solely responsible for designing all advertisements and providing them to the WIAA in time for program deadlines.
- The WIAA agrees to provide at least six public address and/or video announcements per contest at each Covered Event promoting VIP and its products as official photography partners of the WIAA. VIP shall be responsible for providing the WIAA with copy of the announcement contemplated in this provision.
- VIP shall be permitted to set up onsite displays and signage during each Covered Event in accordance with WIAA approval.
- The WIAA shall assist VIP in coordinating and securing team photographs and awards ceremony photographs at all Covered Events. The WIAA shall provide VIP with team information, including team rosters, season results and other similar information for use on VIP products.
- The WIAA grants VIP the right to use WIAA's proprietary marks and indicia on VIP products and marketing materials. VIP acknowledges the validity of the proprietary marks and indicia of the WIAA and acknowledges they are the sole property of the WIAA. VIP shall use the proprietary marks and indicia only in the exercise of the rights granted under this Agreement, including sales made after the expiration or termination hereof.

Event Coverage

Fall Sports

Girls Golf

Girls Individual Tennis

Girls Team Tennis

Girls Cross country

Girls Volleyball

Girls Swimming & Diving

Boys Cross Country

Boys Soccer

Boys Volleyball

Boys Football



VISUAL IMAGE PHOTOGRAPHY, INC.

Page 5

Winter Sports

Girls Hockey

Girls Gymnastics

Girls Basketball

Boys Swimming & Diving

Boys Wrestling

Boys Hockey

Boys Basketball

Spring Sports

Girls Track

Girls Soccer

Girls Softball

Boys Individual Tennis

Boys Team Tennis

Boys Track

Boys Golf

Boys Spring Baseball

Boys Summer Baseball

Company Representatives Handling the Project

- Tom Hayes – President & CEO
- Michael Barton – CFO
- Bruce Brunner – Sales Manager
- Brian Hurley – Chief Photographer
- Jennifer Fredericks – Customer Service
- Meghan Blaney – Graphics Designer

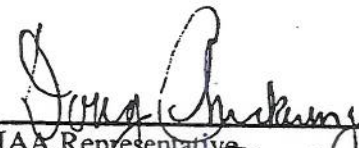
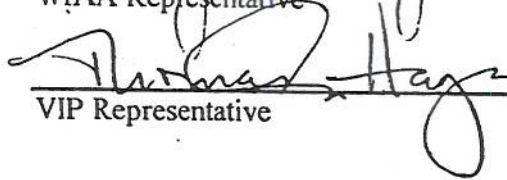


VISUAL IMAGE PHOTOGRAPHY, INC.

Page 6

Term of the Agreement

This document sets forth an Agreement between the Wisconsin Interscholastic Athletic Association ("the WIAA") and Visual Image Photography, Inc. ("VIP") regarding photography and related services to be provided by VIP beginning October 1, 2008 and ending September 30, 2013. This Agreement may be terminated without cause by either party upon written notice given not later than July 1 in any year during the term hereof, to be effective as of September 30 of such year.

	Executive Director	10-21-08
WIAA Representative	Position	Date
	President	11-12-08
VIP Representative	Position	Date