

# EXHIBIT H



**Members Area With Exclusive Content**  
 Already a member? [> Enter Here](#)  
 Learn about the benefits: [> Learn More](#)

## Departments & Info

[Home](#)  
[Latest Stories From SEW](#)  
[SEW Blog](#)  
[News From SEW & Beyond](#)  
[SEW Forums](#)  
[Come Discuss Search!](#)  
[Search Engine Submission Tips](#)  
[Web Searching Tips](#)  
[Search Engine Listings](#)  
[Search Ratings & Stats](#)  
[Search Engine Resources](#)  
[SearchDay](#)  
[Our Daily Newsletter](#)  
[Search Engine Report](#)  
[Our Monthly Newsletter](#)  
[All Newsletters & Feeds](#)  
[XML RSS](#)  
[SEW Members Area](#)  
[Exclusive Content](#)  
[About The Site](#)

## >> Search

☒ Members Area  
☒ Free Area

[> go](#)

[Internet.commerce](#)

[Data Recovery](#)  
[Online College Degree](#)  
[Promotional](#)  
[Register Domain Name](#)  
[Best Digital Camera](#)  
[Televisions](#)  
[Dental Insurance](#)  
[Compare Products](#)  
[New Car Prices](#)  
[Custom Websites](#)  
[Web Hosts](#)  
[Discount Hotels](#)  
[Desktop Computers](#)

[MarketPlace II](#)

[Google](#)

[Cash in on your content with Google AdSense](#)

# Local Search Part 3: Google Gets Local With AdWords

By [Danny Sullivan](#), Editor  
 October 28, 2003

**A longer version of this article speculating on future regional targeting refinements, issues with national ad competition, viewing regional or country-targeted ads from outside target regions and other topics is available to Search Engine Watch members.**  
[Click here to learn more about becoming a member](#)

In my earlier parts of this series on local search, I covered Overture's new local paid listings and crawler-based methods from Google and Mablemaps as attempts to improve local searching on general purpose search engines.

Today, I had planned to examine new local search moves by CitySearch, as well as the great content available from online yellow pages. However, I'll instead be stepping back into the world of Google, because of a new paid local product it launched on Friday.

I did a short write-up of the new product in last Friday's SearchDay. Now I've had a chance to talk with Google more about the program and have added some additional details, especially for those of you reading the [version](#) of this story for Search Engine Watch members.

I'll be moving forward with CitySearch and yellow pages next week, with the series now set to continue into a fourth part on November 6 and perhaps even a fifth part to follow the week after.

## Google's New Regional Targeting

Google has long allowed ads to be targeted on a country-specific basis. For example, it's easy to make your ads only be seen by those in the United Kingdom, if you want to target the

**Search Engine STRATEGIES CONFERENCE & EXPO.**

Search Engine Watch's conference on marketing comes to:

- August 8 - 11, 2005 San Jose, CA
- October 19 - 20, 2005 Stockholm, Sweden
- December 5 - 8, 2005 Chicago, IL
- February 27 - March 2, 2006 New York, N.Y.
- March 30 - 31, 2006 Munich, Germany
- April 25 - 26, 2006 Toronto, Canada
- April 2006 Tokyo, Japan
- May 31 - June 2, 2006 London England

**Search Engine Watch & iRellian**

**GUARANTEED Inclusion & Increased Keyword Research**

**BRUCECLAY.COM**  
 Search Engine Optimization Tools and Services

**Need Targeted Search Traffic? Ask Genieknows.com**

**Free Search Marketing Report Get Your Site MoreVisibility**

**WebSourced's KeywordRanking.com**  
 Search Engine Marketing Services Free Report

**Increased Eng**

**Find qual**

**YAH**  
 Reach 8 Yahr

**mc**  
 Geo-ta campaign

**Wel**  
 Optimize qual

## articleinsider

Information for a world filled  
with questions



Search Engine  
Optimization Inc.  
Search Engine Optimization



MetricsDirect.  
\$150 search advertising credit  
at MetricsDirect



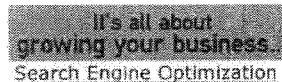
Search Engine Marketing and  
Technology



Drive targeted traffic to your  
web site



Shopping Cart



Monetize your website with  
ePilot



Extend your reach.  
Special: \$25 in free clicks.

audience there.

Now Google has rolled out regional targeting to the local level within the United States. For instance, an advertiser could choose to have their ad for "dentists" appear only in front of those searching from within the San Francisco Bay Area (San Francisco-Oakland-San Jose). Outside this region, the ad would not be seen.

The change will be a real relief to some advertisers. Imagine the dentist based in Daly City, just south of San Francisco. They may wish to target those seeking dentists in surrounding areas. Before this system, the only choice was to ensure they keyword-targeted the names of nearby cities along with the word "dentists," such as:

- san francisco dentists
- oakland dentists
- daly city dentists
- pacifica dentists
- san bruno dentists

With the change, they can simply target the word "dentists" and restrict to the San Francisco region. Then they'll come up for any search involving the word "dentists" by someone in the San Francisco area (assuming they don't modify from the default broad match option).

### Not Solution For Everyone

Regional targeting won't eliminate the need to do keyword-based local targeting for some advertisers. Google offers up the example of real estate agents who sell in one area but want to reach those in another.

"You can imagine in real estate an agent whose base is local but they also want to attract people from outside the area," said Salar Kamangar, director of product management at Google. "To reach those, they need to buy the regular geographic keywords as they did before."

In other words, picture someone selling homes in the San Francisco Bay Area. By using the new regional targeting feature, it's now easy to make their ads show up for anyone in the Bay Area searching for a phrase containing "new homes." However, a person in Dallas thinking of moving to the area would never see these ads, if they did a local search such as:



#### Event Info

San Jose, CA  
Aug. 8 - 11, 2005

Email Updates

Featuring  
renowned  
search engine  
expert, Danny  
Sullivan &  
speakers from  
major search  
engines.



>> Search Engine New

**FREE!**

Over 150,000 readers depend on our f  
keep up with search engines. To join  
email below:

☒ Daily ☒ Monthly

Learn more about the news

>> Jupiterresc

### Online Search Industry

Get deep analysis and actionable adv  
analysts

- san francisco new homes
- new homes in oakland
- prices of new homes in san bruno

[> More Information](#)

Instead, the Bay Area real estate agent will still need to target all the regionally-specific terms, as well.

## >> Search Engine Research

Search Engine Watch publisher Jupiter research reports and briefing papers about search engines

[> More Information](#)

## Dealing With Targeting Inaccuracies

Google's system works by identifying the IP address of a user, a system it has long employed to allow advertisers to target ads to specific countries. The US targeting matches the 210 "designated market areas" that are used to define television markets.

## Jupiterimage

The Premier Destination for Creative  
Featuring Comstock.com, Photos.com,  
PhotoObjects.net, and Animapix.com

IP matching usually works, but it is not perfect. I live in the United Kingdom, for example. Occasionally in the past, Google's IP detection has gone haywire and forced me to a Germany site because my ISP has assigned me an IP associated with a German phone number. And currently, Google shows me ads targeted to those in the US. I connect through a proxy and Google thinks I'm in the US.

Google's solution is that if it can't identify a person's location, it will serve up "national" regionally targeted ads instead. Unfortunately, among the group it currently can't identify, are the millions of AOL subscribers, Google said.

There's also a chance that someone's location will be misidentified, Google admits. This is usually a case where they are shown ads for a nearby geographic area, rather than a place well removed from their location.

"In those cases, often we aren't mapping them to a region like opposite coasts but to a nearby area," Kamangar said.

Determining a person's geographical location is also an issue for where Google shows its own network of web sites. For instance, AOL and others have their own search engines and incorporate Google's paid listings. Only at some of these will regional targeting work. It will be disabled because the Google partner doesn't pass along enough information for regional targeting to be accurate, Google said.

AOL Search is an example of one of Google's syndication partners where regional targeting is being used, but the company hopes this will change over time.

"We want all the syndication partners to work with this, and generally they are very responsive to it," Kamangar said.

How about local targeting outside the United States? At the moment, Google says it isn't good enough for this, but it may come if the data quality improves.

## Search By Location To Get Ads?

As previously written, Google has a map-based local search product, where results are shown from crawling the web. Will the new regional ads be integrated into that product, or will it be a separate site for free? Not immediately because of low volume, Google says.



If the Google Search By Location product were to gain traffic or emerge from beta service, similar to the existing Web, Images, Groups, Directory and News search service, the issue of bringing in ads would become more likely.

The challenge is that there's no way Google's new regional targeting will allow ads on the map that Search By Location creates as a centerpiece, in the way that Overture product allows. This is because Google's regionally targeted ads don't include physical locations. However, the regionally targeted ads could run alongside the map.

"What we'd likely do is the same thing with a normal search results page," Kamanga says. On a regular Google web search, paid listings appear above and to the side of the organic results from crawling the web.

In particular, Google might look at the city used in a local search's address box, such as "San Francisco," and add that to the search term used, such as "dentist," to bring back a mix of those words. Ironically, this means it wouldn't use the new regional targeting but traditional keyword targeting.

## Still In Beta

Google stressed that its regional targeting is still in beta. The program was already used by about 10 advertisers over the past two months, but last Friday's release is still keeping the beta moniker because the final product is likely to change now that thousands of advertisers are trying it for the first time.

"We expect things to change, and that's why we are calling it beta still," Kamanga says.

## Coming Up Next

In my next part of this series on local search, I'll return as planned to a close-up look at editorial and paid products offered by CitySearch. I'll also be recapping the excellent pages resources that are available. Many major search engines offer good, yellow pages listings already, but users may be unaware of these. I'll guide you to these options and how the search engines themselves are looking to make local search magically happen should, without the user doing anything special.

**A longer version of this article speculating on future regional targeting refinements, issues with national ad competition, viewing regional or country-targeted ads from outside target regions and other topics is available to Search Engine Watch members. [Click here to learn more about becoming a member](#)**

## Search Headlines

NOTE: Article links often change. In case of a bad link, use the publication's search engine, most have, and search for the headline.

### **Search buy pushes ValueClick into profit...**

[Netimperative](#) Oct 28 2003 12:57PM GMT

### **Yahoo! Buys BT Music Site...**

[Forbes](#) Oct 28 2003 12:34PM GMT

### **How to Google Hack...**

[WebTalkGuys Radio](#) Oct 28 2003 11:24AM GMT

**Google Studies Creation of Book Database...**

New York Times Oct 28 2003 6:55AM GMT

**AOL's Happy Secret...**

New York Times Oct 28 2003 6:54AM GMT

**Motor industry portal drops online catalogues...**

Computer Weekly Oct 28 2003 2:07AM GMT

**Google rhymes with bubble...**

globetechnology.com Oct 28 2003 1:51AM GMT

**Google Acquires Sprinks, Consolidates Contextual Ad Market...**

Media Post Oct 27 2003 11:16PM GMT

**Ask Jeeves shares fall after Barron's report...**

Reuters Oct 27 2003 6:35PM GMT

**Google: the challenges of the proposed IPO...**

IT-Analysis.com Oct 27 2003 3:29PM GMT

**With cable at MIT, who needs Napster?...**

CNET Oct 27 2003 1:50PM GMT

**Yahoo Holds Free Listing Day Promotion for 99-Cent Auctions...**

Auctionbytes.com Oct 27 2003 12:43PM GMT

**Top 10: 'Portal' sites...**

Netimperative Oct 27 2003 12:33PM GMT

moreover  
PUBLIC

SearchDay Archives



Email this article to a colleague



Go to a printable version of this story

---

Search Engine Watch

www.searchenginewatch.com

Danny Sullivan, Editor; Chris Sherman, Associate Editor

---

Having trouble? Tell us about technical questions or bug reports.

Let us know about newsletter problems or issues.

**Jupitermedia is publisher of the ClickZ Network.**

**JupiterWeb networks:**

**Internet.com**

**EARTHWEB**



**ClickZ**

**graphi**

Search JupiterWeb:

Jupitermedia Corporation has four divisions:

JupiterWeb, JupiterResearch, JupiterEvents and JupiterImages