Knowledge
N E T W O R K S

Field Report

Colorado Tax Policy Survey

Conducted for
Resource Systems Group, Inc.

Submitted to Nelson Whipple
June 25, 2010

Knowledge Networks Deliverable Authorization			
Printed Name	Signature	Date	Title
J. Michael Dennis	Mike Dennis	Date: 06/25/10	EVP, Government and Academic Research

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Colorado Tax Policy Survey

Introduction

Knowledge Networks conducted a study on knowledge and perceptions regarding Colorado tax policy issues on behalf of the Resource Systems Group, Inc. There sample for the survey consisted of Colorado residents aged 18+. The sample was screened for eligibility based on selected retail behavior criteria. The survey was fielded in two waves, a pilot which took place between June 2 and June 10, 2010 and a main study which took place between June 11 and June 21, 2010.

The initial and resulting sample size, and completion rate for the survey are provided below, by wave.

Sample Size and Completion Rate

Wave	Number Sampled	Number Screened	Screener Completion Rate	Number Eligible and Completing
Pilot	159	107	67.3%	64
Main Study	550	392	71.3%	268
TOTAL	709	499	70.4%	332

An additional 687 surveys were obtained via an external survey vendor, to supplement the KnowledgePanel® sample available for this group. This increased the total number of completed to 1,019.

Data File Deliverables and Descriptions

Data are provided in SPSS format, and sampling weights are included in the final file. Along with the data from the survey, selected demographic variables from the existing Knowledge Networks panel profiles for respondents completing the Colorado Tax Policy Survey are included. These profile variables are owned by Knowledge Networks and licensed to Resource Systems Group, Inc. for analysis and reporting. The table on the following page shows the name and description of standard supplemental and profile variables included with the survey data.

Supplemental and Profile Variables

Variable Name	Variable Description
CaseID	Unique Case Identification Number
weight2	Sample weights for qualified KN Panel respondents only
weight3	Sample weights for all qualified respondents
tm_start	Interview start time
tm_finish	Interview finish time
duration	Interview duration in minutes
ppgender	Gender
ppage	Age
ppagecat	Age - 7 categories
ppagect4	Age - 4 categories
ppethm	Race / Ethnicity
ppeduc	Education (highest degree received)
ppeducat	Education (categorical)
pphouse	Housing Type
pprent	Ownership Status of Living Quarters
ppincimp	HH Income (profile and imputed)
ppmarit	Marital Status
pphhhead	Household Head
pphhsize	Household Size (from Recruitment)
ppt01	Total number of HH members age 1 or younger
ppt1317	Total number of HH members age 13 to 17
ppt18ov	Total number of HH members age 18 or older
ppt25	Total number of HH members age 2 to 5
ppt612	Total number of HH members age 6 to 12
ppwork	Current Employment Status
ppstaten	State (numeric)
ppreg4	Region 4 (based on state of residence)
ppreg9	Region 9 (based on state of residence)
ppmsacat	MSA Status
ppnet	Household Internet Access

Key Personnel

Key personnel on the Colorado Tax Policy Survey include:

Mike Dennis – Executive Vice President, Government & Academic Research. M. Dennis is based in the Menlo Park office of Knowledge Networks.
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Knowledge Networks Methodology

Introduction

Knowledge Networks has recruited the first online research panel that is representative of the entire U.S. population. Panel members are randomly recruited by probability-based sampling, and households are provided with access to the Internet and hardware if needed.

Knowledge Networks selects households using random-digit dial (RDD) and address-based sampling methods. Once a person is recruited to the panel, they can be contacted by e-mail (instead of by phone or mail). This permits surveys to be fielded very quickly and economically. In addition, this approach reduces the burden placed on respondents, since e-mail notification is less obtrusive than telephone calls, and most respondents find answering Web questionnaires to be more interesting and engaging than being questioned by a telephone interviewer.

Panel Recruitment Methodology

Beginning recruitment in 1999, Knowledge Networks (KN) established the first online research panel (now called KnowledgePanel®) based on probability sampling that covers both the online and offline populations in the U.S. The panel members are randomly recruited by telephone and by self-administered mail and web surveys. Households are provided with access to the Internet and hardware if needed. Unlike other Internet research that covers only individuals with Internet access who volunteer for research, Knowledge Networks surveys are based on a dual sampling frame that includes both listed and unlisted phone numbers, telephone and non-telephone households, and cell-phone-only households. The panel is not limited to current Web users or computer owners. All potential panelists are randomly selected to join the KnowledgePanel; unselected volunteers are not able to join.

RDD and ABS Sample Frames

Knowledge Networks initially selects households using random digit dialing (RDD) sampling and address-based sampling (ABS) methodology. In this section, we will describe the RDD-based methodology, while the ABS methodology is described in a separate section below.

KnowledgePanel recruitment methodology uses the quality standards established by selected RDD surveys conducted for the Federal Government (such as the CDC-sponsored National Immunization Survey).

Knowledge Networks utilizes list-assisted RDD sampling techniques based on a sample frame of the U. S. residential landline telephone universe. For efficiency purposes, Knowledge Networks excludes only those banks of telephone numbers (a bank consists of 100 numbers) that have less than 2 directory listings. Additionally, an oversample is conducted among a stratum telephone exchanges that have high concentrations of African-American and Hispanic households based on

Census data. Note that recruitment sampling is done without replacement, thus numbers already fielded do not get fielded again.

A telephone number for which a valid postal address can be matched occurs in about 70% of the sample. These address-matched cases are all mailed an advance letter informing them that they have been selected to participate in KnowledgePanel. For efficiency purposes, the unmatched numbers are under-sampled at a current rate of 0.75 relative to the matched numbers. Both the oversampling mentioned above and this under-sampling of non-address households are adjusted appropriately in the panel's weighting procedures.

Following the mailings, the telephone recruitment begins for all sampled phone numbers using trained interviewer/recruiters. Cases sent to telephone interviewers are dialed for up to 90 days, with at least 14 dial attempts on cases where no one answers the phone, and on numbers known to be associated with households. Extensive refusal conversion is also performed. The recruitment interview, about 10 minutes long, begins with informing the household member that they have been selected to join KnowledgePanel. If the household does not have a computer and access to the Internet, they are told that in return for completing a short survey weekly, they will be provided with a laptop computer (previously a WebTV device was provided) and free monthly Internet access. All members in a household are then enumerated, and some initial demographic and background information on prior computer and Internet use are collected.

Households that inform interviewers that they have a home computer and Internet access are asked to take their surveys using their own equipment and Internet connection. Incentive points per survey, redeemable for cash, are given to these "PC" respondents for completing their surveys. Panel members who were provided with either a WebTV earlier or currently a laptop computer (both with free Internet access) do not participate in this per survey points incentive program. However, all panel members do receive special incentive points for select surveys to improve response rates and for all longer surveys as a modest compensation for burden.

For those panel members receiving a laptop computer (as with the former WebTV), prior to shipment, each unit is custom configured with individual email accounts, so that it is ready for immediate use by the household. Most households are able to install the hardware without additional assistance, though Knowledge Networks maintains a telephone technical support line. The Knowledge Networks Call Center contacts household members who do not respond to email and attempts to restore both contact and cooperation. PC panel members provide their own email addresses and we send their weekly surveys to that email account.

All new panel members are sent an initial survey to both welcome them as new panel members but also to familiarize them with how online survey questionnaires work. They also complete a separate profile survey that collects essential demographic information such as gender, age, race, income, and education to create a personal member profile. This information can be used to determine eligibility for specific studies, is used for weighting purposes, and operationally need not be gathered with each and every survey. This information is updated annually with each panel member. Once completed new member is "profiled," they are designated as "active" and ready to be sampled for client studies. [Note: Parental or legal guardian consent is also collected for conducting surveys with teenage panel members, ages 13-17.]

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Once a household is contacted by phone—and additional household members recruited via their email address—panel members are sent surveys linked through a personalized email invitation (instead of by phone or mail). This permits surveys to be fielded quickly and economically, and also facilitates longitudinal research. In addition, this approach reduces the burden placed on respondents, since email notification is less obtrusive than telephone calls, and allows research subjects to participate in research when it is convenient for them.

Address-Based Sampling (ABS) Methodology

When KN started KnowledgePanel panel recruitment in 1999, the state of the art in the industry was that probability-based sampling could be cost effectively carried out using a national random-digit dial (RDD) sample frame. The RDD landline frame at the time allowed access to 96% of the U.S. population. This is no longer the case. We introduced the ABS sample frame to rise to the well-chronicled changes in society and telephony in recent years. The following changes have reduced the long-term scientific viability of the landline RDD sampling methodology: declining respondent cooperation to telephone surveys; do not call lists; call screening, caller-ID devices and answering machines; dilution of the RDD sample frame as measured by the working telephone number rate; and finally, the emergence and exclusion of cell-phone-only households (CPOHH) because they have no landline phone.

According to the Center for Disease Control, approximately 25% of U.S. households cannot be contacted through RDD sampling: 22% as a result of CPOHH status and 3% because they have no phone service whatsoever. Among some segments of society, the sample noncoverage is substantial: more than one-third of young adults, ages 18-24, reside in CPOHHs.

After conducting an extensive pilot project in 2008, we made the decision to add an address-based sample (ABS) frame in response to the growing number of cell-phone only households that are outside of the RDD frame. Before conducting the ABS pilot, we also experimented with supplementing our RDD samples with cell-phone samples. However, this approach was not cost effective for you our clients and raised a number of other operational, data quality, and liability issues (e.g., calling people's cell phones while they were driving).

The key advantage of the ABS sample frame is that it allows sampling of almost all U.S. households. An estimated 98% of households are "covered" in sampling nomenclature. Regardless of household telephone status, they can be reached and contacted via the mail. Second, our ABS pilot project revealed some other advantages beyond the expected improvement in recruiting adults from CPOHHs:

- Improved sample representativeness for minority racial and ethnic groups
- Improved inclusion of lower educated and low income households
- Exclusive inclusion of CPOHHs that have neither a landline telephone nor Internet access (approximately 4% to 6% of US households).

ABS involves probability-based sampling of addresses from the U.S. Postal Service's Delivery Sequence File. Randomly sampled addresses are invited to join KnowledgePanel through a series of mailings and in some cases telephone follow-up calls to non-responders when a telephone number can be matched to the sampled address. Invited households can join the panel by one of several means:

- by completing and mailing back a paper form in a postage-paid envelope;
- by calling a toll-free hotline maintained by Knowledge Networks; or
- by going to a designated KN web-site and completing an online recruitment form.

After initially accepting the invitation to join the panel, respondents are then "profiled" online answering key demographic questions about themselves. This profile is maintained using the same procedures established for the RDD-recruited research subjects. Respondents not having an Internet connection are provided a laptop computer and free Internet service. Respondents sampled from ABS frame, like those from the RDD frame are provided the same privacy terms and confidentiality protections that we have developed over the years and have been reviewed by dozens of Institutional Review Boards.

Large-scale ABS sampling for our KnowledgePanel recruitment began in April, 2009. As a result, KnowledgePanel will be improving its sample coverage of CPOHHs and young adults.

Because we will have recruited panelists from two different sample frames – RDD and ABS – we are taking several technical steps to merge samples sourced from these frames. Our approach preserves the representative structure of the overall panel for the selection of individual client study samples. An advantage of mixing ABS frame panel members in any KnowledgePanel sample is a reduction in the variance of the weights. ABS-sourced sample tends to align more true to the overall population demographic distributions and thus the associated adjustment weights are somewhat more uniform and less varied. This variance reduction efficaciously attenuates the sample's design effect and confirms a real advantage for study samples drawn from KnowledgePanel with its dual frame construction.

Survey Administration

For client surveys, samples are drawn at random from among active panel members. Depending on the study, eligibility criteria will be applied or in-field screening of the sample will be carried out. Sample sizes can range widely depending on the objectives and design of the study.

Once assigned to a survey, members receive a notification email letting them know there is a new survey available for them to take. This email notification contains a link that sends them to the survey questionnaire. No login name or password is required. The field period depends on the client's needs, and can range anywhere from a few hours to several weeks.

After three days, automatic email reminders are sent to all non-responding panel members in the sample. If email reminders do not generate a sufficient response, an automated telephone reminder call may be initiated. The usual protocol is to wait at least three-four days after the

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email reminder before calling. To assist panel members with their survey taking, each individual has a personalized "home page" that lists all the surveys that were assigned to that member and have yet to be completed.

Knowledge Networks also operates an ongoing, modest, incentive program to encourage participation and create member loyalty. Members can enter special raffles or can be entered into special sweepstakes with both cash and other prizes to be won.

The typical survey commitment for panel members is one survey per week or four per month with a duration of 10-15 minutes per survey. Some client surveys exceed this time and in the case of longer surveys an additional incentive may be provided.

Survey Sampling from KnowledgePanel

Once Panel Members are recruited and profiled, they become eligible for selection for specific client surveys. In most cases, the specific survey sample represents a simple random sample from the panel, for example, a general population survey. Customized stratified random sampling based on profile data may also be conducted as required by the study design.

The general sampling rule is to assign no more than one survey per week to members. Allowing for rare weekly exceptions, this limits a member's total assignments per month to 4 or 6 surveys. In certain cases, a survey sample calls for pre-screening, that is, members are drawn from a subsample of the panel (such as, females, Republicans, grocery shoppers, etc.). In such cases, care is taken to ensure that all subsequent survey samples drawn that week are selected in such a way as to result in a sample that remains representative of the panel distributions.

Sample Weighting

The design for a KnowledgePanel® sample begins as an equal probability sample that is self-weighting with several enhancements incorporated to improve efficiency. Since any alteration in the selection process is a deviation from a pure equal probability sample design, statistical weighting adjustments are made to the data to offset known selection deviations. These adjustments are incorporated in the sample's **base weight**.

There are also several sources of survey error that are an inherent part of any survey process, such as non-coverage and non-response due to panel recruitment methods and to inevitable panel attrition. We address these sources of sampling and non-sampling error using a **panel demographic post-stratification weight** as an additional adjustment.

Lastly, a set of **study-specific post-stratification weights** are constructed for the study data to adjust for the study's sample design and survey non-response.

A description of these types of weights follows.

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The Base Weight

In a KnowledgePanel sample there are seven known sources of deviation from an equal probability of selection design. These are corrected in the Base Weight and are described below.

1. Under-sampling of telephone numbers unmatched to a valid mailing address

An address match is attempted on all the Random Digit Dial (RDD) generated telephone numbers in the sample after the sample has been purged of business and institutional numbers and screened for non-working numbers. The success rate for address matching is in the 60-70% range. The telephone numbers with valid addresses are sent an advance letter, notifying the household that they will be contacted by phone to join KnowledgePanel. The remaining, unmatched numbers are under-sampled as a recruitment efficiency strategy. Advance letters improve recruitment success rates. Under-sampling stopped between July 2005 and April 2007. It was resumed in May 2007 with a sampling rate of 0.75.

2. RDD selection proportional to the number of telephone landlines reaching the household

As part of the field data collection operation, information is collected on the number of separate telephone landlines in each selected household. A multiple line household's selection probability is down weighted by the inverse of its number of landlines.

3. Some minor oversampling of Chicago and Los Angeles due to early pilot surveys

Two pilot surveys carried out in Chicago and Los Angeles when the panel was first being built increased the relative size of the sample from these two cities. With natural attrition and growth in size, the impact is disappearing over time. It remains part of our base adjustment weighting because of a small number of extant panel members from that nascent panel cohort.

4. Early oversampling the four largest states and central region states

At the time when the panel was first being built, survey demand in the four largest states (California, New York, Florida, and Texas) required over-sampling during January-October 2000. Similarly, the central region states were over-sampled for a brief period. These now diminishing effects still remain in the panel membership and thus require weighting adjustments for these geographic areas.

5. Under-sampling of households not covered by the MSN® TV service network

Certain small areas of the U.S. are not serviced by MSN®, thus our MSN®TV units cannot be used for recruited non-Internet households. In some of these cases, we use other Internet Service Providers for Internet access via the member's personal computer.

Overall, the result is a small under-sample of these geographic areas thus requiring a minor weighting adjustment.

6. Oversampling of African- American and Hispanic telephone exchanges

As of October 2001, we began over-sampling telephone exchanges with a higher density of minority households (specifically African American and Hispanic) to increase panel membership for those groups. These exchanges are oversampled at approximately twice the rate of other exchanges. This over-sampling is corrected in the base weight.

7. Address-based sample phone match adjustment

Towards the end of 2008, Knowledge Networks began recruiting panel members using an address-based sample (ABS) frame in addition to RDD recruitment. Once recruitment through the mail, including follow-up mailings to ABS non-respondents was completed, a telephone recruitment was added. Non-responding ABS households where a landline telephone number could be matched to an address were subsequently called and a telephone recruitment initiated. This effort resulted in a slight overall disproportionate number of landline households being recruited in a given ABS sample. A base weight adjustment is applied to return the ABS recruitment panel members to the sample's correct national proportion of phone-match and no phone match households.

The Panel Demographic Post-stratification Weight

To reduce the effects of any non-response and non-coverage bias in the overall panel membership, a post-stratification adjustment is applied using demographic distributions from the most recent data from the Current Population Survey (CPS). Benchmark distributions for Internet Access among the U.S. population of adults are obtained from KnowledgePanel recruitment data since this measurement is not collected as part of the CPS.

The post-stratification variables include:

- Gender (Male/Female)
- Age (18-29, 30-44, 45-59, and 60+)
- Race/Hispanic ethnicity (White/Non-Hispanic, Black/Non-Hispanic, Other/Non-Hispanic, 2+ Races/Non-Hispanic, Hispanic)
- Education (Less than High School, High School, Some College, Bachelor and beyond)
- Census Region (Northeast, Midwest, South, West)
- Metropolitan Area (Yes, No)
- Internet Access (Yes, No)

This weighting adjustment is applied prior to the selection of any client sample from KnowledgePanel. These weights constitute the starting weights for any client survey selected from the panel.

Study-Specific Post-Stratification Weights

Once all the study data are returned from the field, we proceeded with a post-stratification process to adjust for any survey non-response and also any non-coverage due to the study-specific sample design. For the current study, demographic and geographic distributions for the population ages 18+ based on KnowledgePanel members residing in the area of interest were used as benchmarks in this adjustment.

For the Colorado Tax Policy Survey, the following benchmark distributions were utilized for this post-stratification adjustment:

- Gender (Male/Female)
- Age (18-29, 30-44, 45-59, 60+)
- Race/Hispanic ethnicity (White/Non-Hispanic, Non-White or Hispanic)
- Education (Less than High School/High School, Some College, Bachelor and beyond)
- Metropolitan Area (Yes, No)

Comparable distributions are calculated using all completed cases from the field data. Since study sample sizes are typically too small to accommodate a complete cross-tabulation of all the survey variables with the benchmark variables, an iterative proportional fitting is used for the post-stratification weighting adjustment. This procedure adjusts the sample data back to the selected benchmark proportions. Through an iterative convergence process, the weighted sample data are optimally fitted to the marginal distributions.

After this final post-stratification adjustment, the distribution of the calculated weights are examined to identify and, if necessary, trim outliers at the extreme upper and lower tails of the weight distribution. The post-stratified and trimmed weights are then scaled to the sum of the total sample size of all eligible respondents.

An additional step was implemented for the current survey, because of the use of sample from an external vendor. Benchmarks were produced for the target group based on qualifying on-panel respondents. Then, qualified respondents from the combined on- and off-panel samples were weighted to these benchmarks and weights were trimmed and scaled to the sum of the sample size of total qualified respondents.

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Appendix A: Programming Specifications

[KN PANEL CASES ONLY]
[DISPLAY1]
Thank you for continuing to be a valued member of KnowledgePanel.

We'd like to invite you to participate in a survey about purchasing decisions. To complete this survey, you will connect with a partner company of Knowledge Networks. Please be assured that even though you will be connected with a partner survey, your answers will be kept completely confidential as they are in all Knowledge Networks surveys. Your privacy continues to be our top priority and, as always, you can contact us at 1-800-782-6899 or support@knowledgepanel.com.

Once you complete the partner survey, you will be returned to Knowledge Networks. You will have an opportunity to tell us any additional thoughts you may have about your survey experience.

Thank you in advance for your time and participation.

ENTRY & REDIRECT TO OUTSIDE SERVER

Redirect the panel member to URL provided by client:
http://www.rsgsurvey.com/dma10095/intro.asp?sname=PASSWORD

- Where the *return* value is the URL to return to the shell KN Dimensions interview.
- Where the *id* value is a unique respondent identifier.
- Additional values may be passed as necessary. For example, if the hosted survey needs to know the respondent's state of residence for survey logic, this can be passed.
- The parameter names can be anything that works for the partner, do not assume it will be called *return* and *id*.
- At the end of the returning URL, include the parameter "&_QSTATUS=" indicating if the respondent is a qualified or non-qualified respondent.
  - Note: if more than just _QSTATUS is to be returned, then the parameters must be of the format: _QPG_QSTATUS, _QPG_QEXAMPLE1, _QPG_QEXAMPLE2, etc.
  - The pre-pend of _QPG is necessary as a page collection for the multiple variables.

Return URL will be of the generic form:
```
http://surveys.knowledgenetworks.com/mriweb/mriweb.dll?I.Engine=<ENGINE
>&I.Project=<PROJECT>&I.Session=<SESSIONKEY>&I.SavePoint=redirect&I.Ren
derer=HTMLPlayer&_QSTATUS=<STATUS>
```
where everything up to "&_QSTATUS=<STATUS>" is the *return* URL and the STATUS is provided by the partner site. The URL will be passed in escaped format.

RETURN FROM OUTSIDE SERVER TO KN SERVER

Partner will redirect, upon completion, to the return URL list appending a _QSTATUS value with a completion status. Status example:

Qualified.. 1
Not Qualified 2

[SP]
QFLAG   DATA ONLY: Qualification Flag

Qualified.. 1
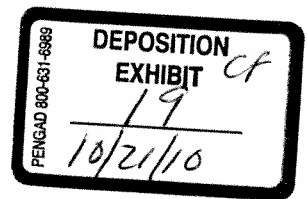Not Qualified 2

[NOTE: THE ITEMS BELOW ARE ASKED FOR WEIGHTING/CALIBRATION PURPOSES]
[GRIDS; SP]
QE3. Please tell us how much you agree or disagree with each of the following statements.

I usually try new products before other people do
I often try new brands because I like variety and get bored with the same old thing
When I shop I look for what is new
I like to be the first among my friends and family to try something new
I like to tell others about new brands or technology

1. Strongly agree
2. Agree
3. Disagree
4. Strongly disagree

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Knowledge
N E T W O R K S

Client: ☐ Send invoices to this address.	Tom Adler **Resource Systems Group, Inc.** 205 West Wacker Drive, Suite 615 Chicago, IL 60606	Phone: (802) 295-4999 Fax: _____ Email: tadler@rsginc.com
Client Accounts Payable Contact ☐ Send invoices to this address.	Contact:	Phone: _____ Fax: _____ Email:
Project Name	**CO Tax Policy**	

Description of Project	This is a sample-only project for Resource Systems Group, Inc. The end-client is a non-partisan industry group.
	
	Target Population
	  • The survey sample will target the following population: adults, age 18+, who live in CO and have purchased products from an online or catalog retailer in the past six months
	     o Incidence rate of 90% (pilot will determine incidence rate and will guide contract modification, if necessary)
	        ■ A screener of one (1) minute or less will determine eligibility into the survey
	
	Interview Sample Sizes
	  • A total of 1,000 completed interviews from the Main Study.
	     o Sample will come from both the Knowledge Networks web-enabled panel and an opt-in panel. KN will maximize the number of completed interviews it can achieve on-panel.
	
	Questionnaire
	  • Survey will take 10 minutes on average for participants to complete.
	  • The client will program the survey and conduct full quality control testing
	  • KN will screen respondents on our server then re-direct to client's system to take the survey. At the end of the survey, the respondents will be automatically redirected to KN server. For KN interviews, the survey will end. For off-panel interviews, KN will collect standard demographics.
	
	Data Collection
	  • The client would like to run a pilot of n=250. This pilot will be comprised of both on- and off- panel cases.
	  • The Main Study data collection will commence only after receiving the approval from the Client.
	  • The survey field period will be a minimum of 10 calendar days.
	  • With the Client's approval, the survey field period will be 14 to 21 days to maximize the survey completion rate.
	  • Up to 2 email reminders will be sent to non-responders to encourage response
	
	Deliverables
	  • Sample for the project
	  • General demographic profile data (listed in Attachment A: Standard Demographic Profile Variables) provided for all interviews (including both on and off panel)
	  • Statistical weights incorporating the probabilities of selection and population benchmarks from US Census Current Population Survey
	
	Project Schedule: TBD
	  • Final survey program received from Client
	  • Pilot field period
	  • Main survey field period
	  • Deliverables sent electronically to Client	

Period of Performance	Project Start Date:6/1/2010 Project End Date:7/31/2010	
Format of deliverables	ELECTRONIC	
Survey Research Projects: (if applicable)	# of Qualified Completes: 1,000 Incidence Rate: 90% among CO residents Interview Length: 10 minutes	
Fee	$11,860.00	

After signing this document, please fax to Knowledge Networks at 650-289-2001 [ATTN: Mike Dennis] or email PDF image to
mdennis@knowledgenetworks.com   May 27, 2010

	Client agrees that the Fee may be increased if the incidence is lower than anticipated, if the questionnaire length is longer than indicated above, or if material changes to the project are requested by Client. Client shall be responsible for all taxes, charges or duties including, without limitation, sales, use, value added, royalty or withholding taxes, imposed by a governmental entity on deliverables or services provided under this Project Statement, excluding taxes based on Knowledge Networks' net income. If Knowledge Networks is obligated to collect taxes, then the appropriate amount will be added to Client's invoice.
Payment Schedule or Special Invoicing Instructions	Unless otherwise noted above, fifty percent (50%) of the Fee is due and payable upon signing of this Project Statement. Final deliverables (i.e., data files, codebooks, reports, presentations, workshops, etc) will be supplied only after Knowledge Networks has received payment of the first invoice.
Terms Master Contract # _____ (if any):	1. This Project Statement incorporates and is governed by the "Standard Terms and Conditions" set forth on Knowledge Networks' web site http://www.knowledgenetworks.com/company/standard-terms_conditions.html), unless otherwise agreed in writing by Knowledge Networks and Client. 2. The Client and its directors, officers, employees, consultants and agents are expressly prohibited from using any information about KN survey respondents for the purpose of identifying the respondents. 3. The Client will use the delivered survey data only for analysis and reporting at the aggregate level without disclosure risk for the personal identification of research subjects, and for calibrating sample weights for statistical purposes. 4. The Client agrees to have any third parties who will have access to identifying information about KN survey respondents sign a nondisclosure agreement prohibiting disclosure of personal identifying information. 5. The Client will cite Knowledge Networks as the survey research firm that collected the survey data for the study, and the Client will cite KnowledgePanel® as the source of the survey sample. Attachment B contains the authorized language to use to describe KN as a company and its panel methodology which should be used in any press release, announcement, papers, articles, presentations or other publications. Prior to using the language, notify your Knowledge Networks representative.

Agreed And Accepted:

Knowledge Networks, Inc.　　　　　　　　　　　**Resource Systems Group, Inc.**

_____　　　　　　　_____
Signature　　　　　　　　　　　　　　　　　　　　Signature

J. Michael Dennis
SVP, Government & Academic Research

_____　　　　　　　_____
Print name and title　　　　　　　　　　　　　　　Print name and title

May 27, 2010
_____　　　　　　　_____
Date　　　　　　　　　　　　　　　　　　　　　　Date

Notices and Contracts to Knowledge Networks to be sent to:

J. Michael Dennis, Ph.D.
EVP, Government & Academic Research
Knowledge Networks, Inc.
1350 Willow Road, Ste. 102
Menlo Park, CA 94025
(650) 289-2160 office
(650) 289-2001 fax
mdennis@knowledgenetworks.com

After signing this document, please fax to Knowledge Networks at 650-289-2001 [ATTN: Mike Dennis] or email PDF image to mdennis@knowledgenetworks.com
May 27, 2010

RSG 00311

Attachment A: Demographic Profile and Other Supplemental Data Provided for Each Project

Variable	Values	Available for Teens?
Age	Actual age in years	Yes
Age, 7 categories	1 = 18-24; 2 = 25-34; 3 = 35-44; 4 = 45-54; 5 = 55-64; 6 = 65-74; 7 = 75+	Yes
Age, 4 categories	1 = 18-29; 2 = 30-44; 3 = 45-59; 4 = 60+	Yes
Education (14 categories)	1 = No formal education 2 = 1st, 2nd, 3rd, or 4th grade 3 = 5th or 6th grade 4 = 7th or 8th grade 5 = 9th grade 6 = 10th grade 7 = 11th grade 8 = 12th grade NO DIPLOMA 9 = HIGH SCHOOL GRADUATE - high school DIPLOMA or the equivalent GED) 10 = Some college, no degree 11 = Associate degree 12 = Bachelors degree 13 = Masters degree 14 = Professional or Doctorate degree	Yes
Education (4 categories)	1 = Less than HS 2 = HS 3 = Some college 4 = Bachelors degree or higher	Yes
Race/Ethnicity	1 = White, Non-Hispanic 2 = Black, Non-Hispanic 3 = Other, Non-Hispanic 4 = Hispanic 5 = 2+ races, Non-Hispanic	Yes

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Gender	1 = Male	Yes
	2 = Female	
Household Head	0 = No	No
	1 = Yes	
Household Size (from Recruitment)	Total number of members in household	Yes
Housing Type	1 = A one-family house detached from any other house	Yes
	2 = A one-family house attached to one or more houses	
	3 = A building with 2 or more apartments	
	4 = A mobile home	
	5 = Boat, RV, van, etc.	
HH Income (profile and imputed)	1 = Less than $5,000; 2 = $5,000 to $7,499	Yes
	3 = $7,500 to $9,999; 4 = "$10,000 to $12,499	
	5 = $12,500 to $14,999; 6 = "$15,000 to $19,999	
	7 = $20,000 to $24,999; 8 = $25,000 to $29,999	
	9 = $30,000 to $34,999; 10 = $35,000 to $39,999	
	11 = $40,000 to $49,999; 12 = $50,000 to $59,999	
	13 = $60,000 to $74,999; 14 = $75,000 to $84,999	
	15 = $85,000 to $99,999; 16 = $100,000 to $124,999	
	17 = $125,000 to $149,999; 18 = $150,000 to $174,999	
	19 = $175,000 or more	
Marital Status	1 = Married	No
	2 = Widowed	
	3 = Divorced	
	4 = Separated	
	5 = Never married	
	6 = Living with partner	
MSA Status	0 = Non-Metro	Yes
	1 = Metro (as defined US OMB Core-Based Statistical Area)	
Internet access	0 = No	Yes
	1 = Yes	
Ownership Status of Living Quarters	1 = Owned or being bought by you or someone in your household	No
	2 = Rented for cash	
	3 = Occupied without payment of cash rent	
Region 4 (U.S. Census)	1 = Northeast	Yes
	2 = Midwest	
	3 = South	
	4 = West	

Region 9 (U.S. Census)	1 = New England 2 = Mid-Atlantic 3 = East-North Central 4 = West-North Central 5 = South Atlantic 6 = East-South Central 7 = West-South Central 8 = Mountain 9 = Pacific	Yes
State	State of residence	Yes
Total no. of HH members age 1 or younger	Number of household members in age group	
Total no. of HH members age 2 to 5	Number of household members in age group	
Total no. of HH members age 6 to 12	Number of household members in age group	Yes
Total no. of HH members age 13 to 17	Number of household members in age group	
Total no. of HH members age 18 or older	Number of household members in age group	
Current Employment Status	1 = Working - as a paid employee 2 = Working - self-employed 3 = Not working - on temporary layoff from a job 4 = Not working - looking for work 5 = Not working - retired 6 = Not working - disabled 7 = Not working - other	Yes

Additional Data Provided for All Interviews

Variable	Description
Start Time	Date/Time respondent began taking survey
End Time	Date/Time respondent finished completing survey
Duration	The length of time in minutes for self-administration of the instrument for a respondent

Attachment B: Authorized Language for Client Communications Involving Descriptions of Knowledge Networks as a Company and KN Panel Methodology

METHODOLOGY
The survey was conducted using the web-enabled KnowledgePanel®, a probability-based panel designed to be representative of the U.S. population. Initially, participants are chosen scientifically by a random selection of telephone numbers and residential addresses. Persons in selected households are then invited by telephone or by mail to participate in the web-enabled KnowledgePanel®. For those who agree to participate, but do not already have Internet access, Knowledge Networks provides at no cost a laptop and ISP connection. People who already have computers and Internet service are permitted to participate using their own equipment. Panelists then receive unique log-in information for accessing surveys online, and then are sent emails throughout each month inviting them to participate in research. More technical information is available at http://www.knowledgenetworks.com/ganp/reviewer-info.html.

ABOUT KNOWLEDGE NETWORKS
Knowledge Networks delivers quality and service to guide leaders in business, government, and academia —
uniquely bringing scientifically valid research to the online space through its probability-based, online KnowledgePanel®. The company delivers unique study design, science, analysis, and panel maintenance, along with a commitment to close collaboration at every stage of the research process. Knowledge Networks
leverages its expertise in brands, media, advertising, and public policy issues to provide insights that speak directly to clients' most important concerns. For more information about Knowledge Networks, visit www.knowledgenetworks.com.

After signing this document, please fax to Knowledge Networks at 650-289-2001 [ATTN: Mike Dennis] or email PDF image to mdennis@knowledgenetworks.com   May 27, 2010

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Knowledge
N E T W O R K S

KnowledgePanel Calibration[SM]

Using KnowledgePanel® to Improve the Sample Representativeness and Accuracy of Opt-in Panel Data

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At Knowledge Networks, we recognize that your research needs at times require local geographies, particularly rare populations, and extremely large sample sizes. Because of these requirements, you may have considered a given project not suitable for KnowledgePanel®, despite recognition that KnowledgePanel provides the most accurate sample platform for conducting online surveys in the U.S., due to its foundation in probability sampling and subsequent national representativeness.

To address this, we have developed KnowledgePanel Calibration[SM]. When we cannot deliver the entire sample you need on KnowledgePanel, this approach will allow you to blend two sample sources and results in higher accuracy over the use of opt-in sample alone.

Advantages of KnowledgePanel Calibration

For some studies involving either exceptionally large sample sizes or the targeting of very small subpopulations, a blended-web sample approach is an effective methodology. Compared to conducting the survey exclusively with non-probability opt-in panels, the advantages of using **KnowledgePanel Calibration** are:

1. *Improved accuracy and sample representativeness.* The calibration weights are based on the nationally representative KnowledgePanel, providing a statistical means for projecting the opt-in panel data to the entire national population (for the surveyed group).

2. *Operational and analytic efficiencies.* Knowledge Networks manages the coordination and data collection from both samples, producing a single analytic deliverable with a single calibration weight.

3. *Cost effectiveness.* In most studies, the cost of the approach is only modestly different than conducting the study exclusively with opt-in web panel samples, yet the accuracy pay-off is high.

Importantly, KN has proven the technique in past KN studies. We have employed the calibration approach in dozens of studies during the past year for Federal and State government agencies, university researchers, industry associations, and consumer research firms, as well as for our custom market research projects.

We have seen the advantage KnowledgePanel Calibration brings in terms accuracy of results versus using only an opt-in sample for a study.

As shown below, Knowledge Networks examined the responses to five early adopter questions on both KnowledgePanel and an opt-in panel. We then applied our KnowledgePanel Calibration technique to the sample using the 200 KnowledgePanel cases, which represented one sixth of the total sample size.

As you can see, the top-2 box agreement results found in opt-in only sample changed between 21% and 42% as a result of applying the KnowledgePanel calibration weights. (Please note that this is percent <u>change</u> between the opt-in results compared to the calibrated result, not absolute percentage point difference.)

Agreement Rates for "Early Adopter" Measures
(Top 2 box) by Sample Source and with Calibration
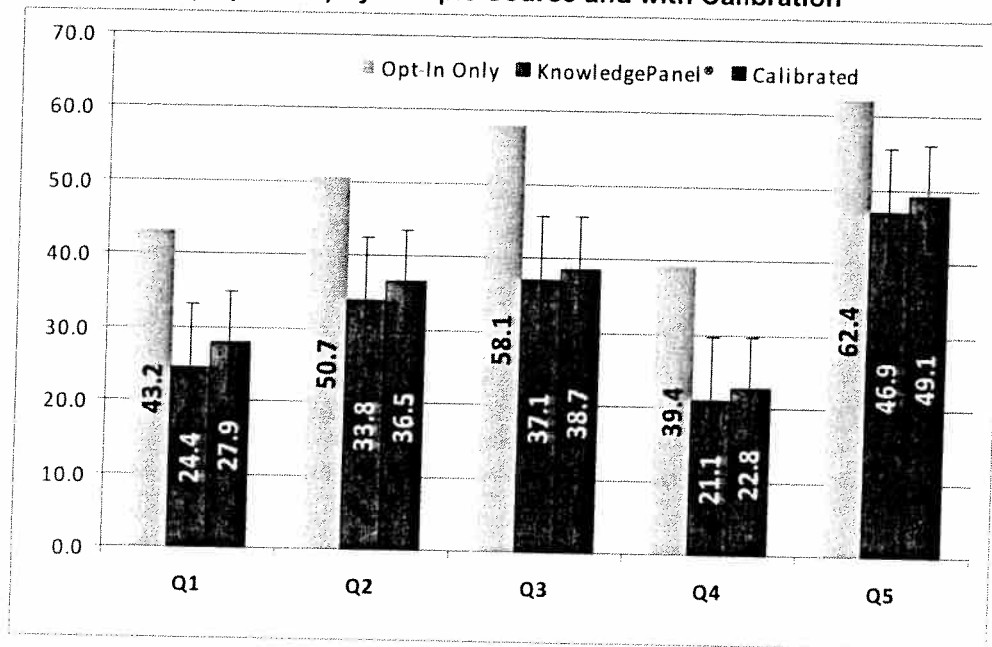
Sample sizes: n=1,000 Opt-in Panel, 200 KN Panel (1,200 Total)

If KnowledgePanel Calibration had not been used, agreement rates would have been overestimated by as much as 42%, a substantial difference that could have resulted in poor policy decision making.

In light of data like these, we believe that KnowledgePanel Calibration provides an advantage to your research findings in terms of accuracy of results versus using exclusively opt-in web panel sample for a study.

How KnowledgePanel Calibration[SM] Works

In the KnowledgePanel Calibration approach, we conduct the same survey with KnowledgePanel respondents as with a companion sample of respondents from an opt-in web panel. The same screening criteria are used for both sample sources to identify the eligible sample for the interview (e.g., customers of an energy company in a certain metro area, sufferers of certain medical conditions, consumers of certain products, etc.). The KnowledgePanel interviews serve an important function by providing the statistical information needed to calibrate the interviews from the non-probability sample source. We are, simply put, substituting KnowledgePanel benchmarks for the CPS and applying conventional post-stratification weighting using the control totals from KnowledgePanel.

The calibration is useful in correcting for sampling error and self-selection bias in the non-probability web panels: for instance, exclusion of non-Internet households and over-representation of hyper Internet users and of early adopters of new products and services, to name just a few. While the calibration approach cannot correct for all the error present in the opt-in panel interviews, the calibration will improve accuracy of study findings and insights, giving researchers more confidence in the data investments they have made.

To learn more about **KnowledgePanel Calibration**, please contact your Knowledge Networks representative or
- Mike Dennis, EVP, Government & Academic Research
  mdennis@knowledgenetworks.com or (650) 289-2160
- Jordon Peugh, VP, Health Care and Policy Research
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Please visit http://www.knowledgenetworks.com/ganp/ for a list of Knowledge Networks representatives and more information about KnowledgePanel.