

To: "Michael Adair" <madair@google.com>, "Tim Armstrong" <[REDACTED]>
 From: "Suzie Reider" <sreider@youtube.com>
 Cc: "Maureen Marquess" <marquess@google.com>
 Bcc:
 Received Date: 2007-05-19 03:57:02 GMT
 Subject: YouTube Latest 2007-2009 Forecasts for Search & In-Streaming

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Wanted to be sure you both had the same info as David as you (Tim) head out to Omid's offsite. I imagine there might be some discussion about YouTube and revenue.

Tim,

Jeff is our sales finance guy - on Adair's team. Came from Yahoo! and joined YouTube when I did. He's got a good sense of Yahoo! #s. His model/thinking is attached. (he's outstanding). Have a good trip.

-Suzie

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 Protective Order at
 Request of Defendants

From: Jeff Dejele [mailto:jdejele@youtube.com]
 Sent: Friday, May 18, 2007 8:57 AM
 To: 'David Elin'

Hi David,

Per your request attached is the most recent 2007-2009 projections for search results and in-streaming monetization. At the bottom of the email, I provided some assumption details. The total 3-year revenue for these opportunities is almost [REDACTED] for search results and [REDACTED] for partner / CYC content)

As you may have guessed, we're not going to hit [REDACTED] after 18 months with search and in-streaming (well, maybe after 30 months). To get there, we would have to include forecasts for PYV (I see plenty of upside here) programs / contests (~\$[REDACTED] to \$[REDACTED] per year), front-page sales ([REDACTED] to [REDACTED] per year) and direct sales from international. After I get back from vacation (starting May 24, ending June 2), the team will begin work on re-forecasting Q3 and Q4 (currently, the forecast is [REDACTED] and [REDACTED], respectively) as well as 2008 revenues. #1) We'll need it for our business review with Tim and #2) Tracy will need to upload our 2008 forecasts in the system by mid-June.

DATE: 2-12-09 EXHIBIT# 21
 DEPONENT: KARDESTANI
 CASE: Viacom, et al., v. YouTube, et al., The Football Association Premier League, et al., v. YouTube, et al., Case Nos. 07-CV-2203 and 07-CV-3582.

A. Ignacio Howard, CSR, RPR, CCR, CLR, No. 9830

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P.S. I did a little bit more investigation on Yahoo and its \$20.00 CPM (per Dave Goldberg). Please be aware that this is the *gross CPM* that does NOT take into account % monetizeable videos (i.e., 60%) and % sell thru rates (i.e., 60%). Also, this price represents the *traditional 15-30 pre-roll with companion banners near the player*. Therefore, Yahoo's eCPM for in-streaming ads for video is over \$7.00 (the apples-to-apples driver in our model is eCPM of ██████ in 2009).

Partner Content Assumptions

Total 3-year revenue is ██████ (compared to ██████ in the previous version of the model). I projected that monetization using in-streaming begins October 2007. Also, I raised the eCPM to ██████ in 2009 and included the user revenue share program. As in the prior version of the model, we are assuming that ██████ are signed partners. The forecasted ██████ of total video views also includes CYC.

Search Results Monetization Assumptions

Total 3-year revenue is ██████M (compared to ██████M in the prior version of the model). While the inventory of search PVs decreased from my last version of the model (now represents ██████ of site video views), eCPM on search results pages increased to ██████ in 2009 (compared to ██████ prior version). Also, I adjusted upward some of the watch page assumptions to reflect the March-May numbers that we did not have previously. For details on CPM and STR assumptions by video and display, please see below.

As one way of sanity checking this ██████ over 3-years, I reverse-engineered the number of pods projected to sell YouTube. For Search on YouTube today, our team (Tress, Flaharty, Keri and Sam/Jen) have each averaged about ██████ per month selling search. Using this as a starting point, I sanity checked the revenue numbers by implying the number of pods selling YouTube. According to my assumptions, the number of pods in the field selling YouTube search is almost 40 after one-year. By end of 2009, the revenue numbers imply just over 100 pods selling YouTube. Based on the long-term Janus guidance that I've heard, this seemed reasonable to me. However, the implication is that the search PVs on the site will be almost ██████ sold out by the end of 2009 (the remaining ██████ to be monetized via remnant display).

PVA on search

- * ██████ STR after ██████ months of launch
- * After April 2008, ██████ STR increase per month as more and more agencies / marketers become accustomed to creating PVAs for the YouTube community

- * Reaches █████ by the end of 2009
- * Gross CPM starts at █████ (which is \$1.00 below rate-card), increasing █████ MoM due to better targeting
- * Reaches █████ by end of 2009 (this is the current target CPM on the rate-card after several tiers of targeting)

CTP on search

- * Assumed half the STR as the PVA █████ after 10 months of launch), due to limited inventory of CTP ads in the Google network
- * Reaches over █████ by the end of 2009
- * Gross CPM starts at █████ based on Google's site targeting statistics, increases █████ MoM
- * Reaches almost █████ by end of 2009

Direct display on search 300x250

- * Currently, STR for each of the 160x600 and 728x90 ad unit is █████
- * With the 300x250, there's now only 1 ad unit and a more desirable one for marketers
- * Reaches █████ STR by the end of 2007, reaches █████ by end of 2009
- * Yahoo's sell thru rate on its media properties for "Class 1" banners (like the 300x250) is currently between 40% and 65%.
- * Gross CPM starts at █████ (which is █████ below rate-card), increases █████ MoM
- * Reaches almost █████ by end of 2009

Remnant on 300x250 on search

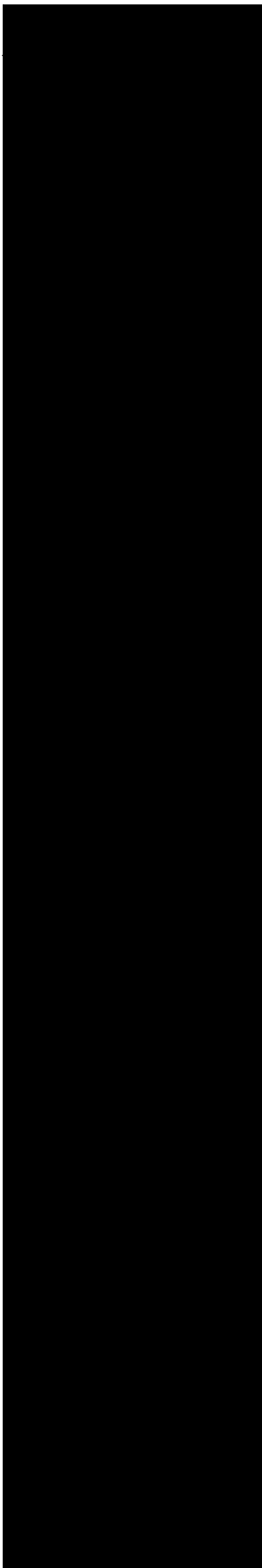
- * Averages █████K per month for domestic display
- * International inventory on .com includes run-of-site display and CTP

Attachments:

Monetization Meeting_Financial -5-17-07- v2.ppt



Financial Estimates for Scaleable Monetization Units



(\$ in mm)

2007 Quarterly
Q3 Q4

Annual
2008 2009

3-Year
Total

In-Streaming Revenue Opportunity

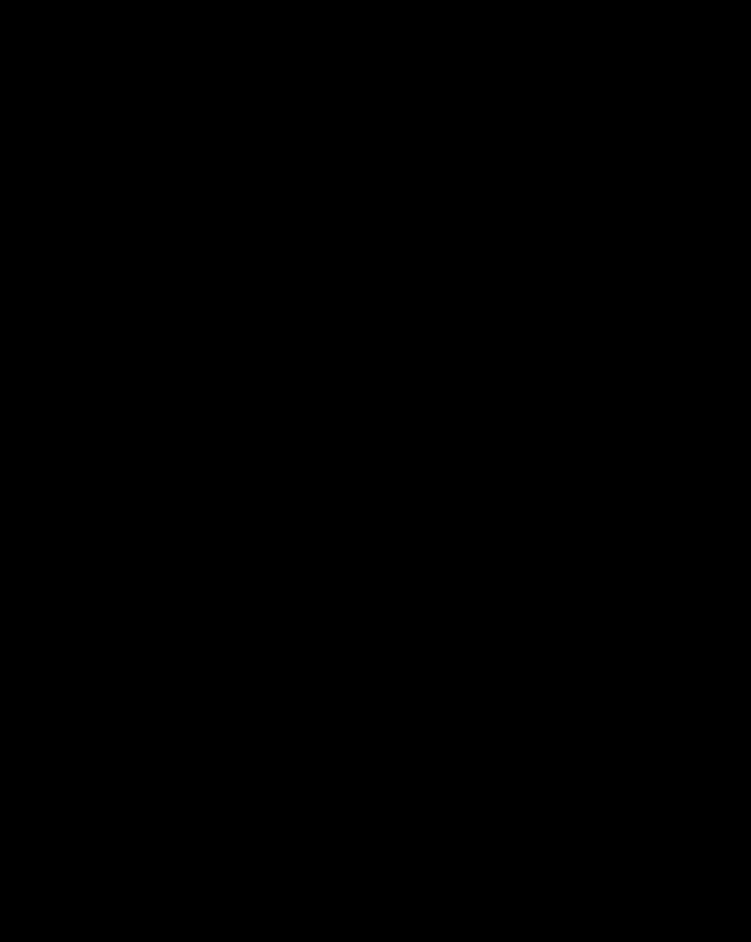
In Streaming Revenue Opportunity

Search Results Monetization Opportunity

Domestic Video Ads Revenue
Domestic Display Ads Revenue
Domestic Ads Revenue
International Ads Revenue (Remnant)
Search Results Monetization Opportunity

Key Metrics

Overall — avg. video views per day (in mm)
% Growth
Search Results — avg. page views per day (in mm)
% of Video Views (Site + Embedded)
Partner Content — avg. video views per day (in mm)
% of Overall
eCPM — In Streaming
eCPM — Search Results Monetization



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