# Tremor Video

## Fourth Quarter 2014 Earnings Conference Call

## February 19, 2015

## CORPORATE PARTICIPANTS

**Andrew Posen**, *Senior Director, Investor Relations*

**Bill Day**, *President and Chief Executive Officer*

**Todd Sloan,** *Senior Vice President and Chief Financial Officer*

## CONFERENCE CALL PARTICIPANTS

**Yoni Yadgaram**, *Credit Suisse,*

**Sachin**, *Jefferies*

**Michael Graham**, *Canaccord*

**Jason Helfstein**, *Oppenheimer*

**Murali Sankar**, *Janney Capital Markets*

## PRESENTATION

**Operator:**

Greetings ladies and gentlemen and welcome to the Tremor Video Fourth Quarter 2014 Earnings Conference Call. At this time, all participants are in a listen-only mode. A question-and-answer session will follow the formal presentation. If anyone should require Operator assistance during the conference, please press star, zero on your telephone keypad. As a reminder, this conference is being recorded. I would now like to turn the conference over to your host, Mr. Andrew Posen. Thank you, sir. You may begin.

**Andrew Posen:**

Good afternoon. Welcome to Tremor Video's fourth quarter 2014 earnings call. Joining me today to discuss our results are Bill Day, President and CEO and Todd Sloan, CFO.

Before we begin, I would like to take this opportunity to remind you that during the course of this call, Management will make forward-looking statements, which are subject to various risks and uncertainties. Actual results and the timing of certain events may differ materially from the results or timing predicted or implied by such forward-looking statements and reported results should not be considered as an indication of future performance.

Further information regarding the factors that could affect the Company's financial results is included in filings it makes with the Securities and Exchange Commission from time-to-time, including the section entitled Risk Factors in the Company's 10-K filed with the SEC on March 28, 2014, 10-Q filed with the



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SEC on June 20, 2014, 10-Q filed with the SEC on August 14, 2014, and 10-Q filed with the SEC on November 14, 2014, as well as future filings and reports by the Company including its Form 10-K for the period ended December 31, 2014.

Also I would like to remind you that during the course of this conference call, we will discuss non-GAAP measures in talking about the Company's performance. Reconciliations to the most directly comparable GAAP financial measures are provided in the tables in the press release, which is available on our website. This conference call is also being broadcast on the Internet and is available through the Investor Relations section of the Tremor Video website.

Now, I'll turn the call over to Bill Day, Tremor Video's President and CEO.

**Bill Day**:

Thanks, Andrew, and welcome to our fourth quarter 2014 earnings call. I am pleased with the results that we're reporting today, the progress we've made with our Managed Service business and the momentum we've generated in our Programmatic offerings. Revenue of $159.5 million represents an increase of 21% from last year driven by strong performance in our Managed Service business while Adjusted EBITDA was a loss of 10.9 million compared to an Adjusted EBITDA loss of 2.1 million last year reflecting the investments in our Programmatic self-service platforms.

As we look back at 2014, we completed the final elements of our evolution from a video ad network to a leading premium video marketplace for buyers and sellers that increasingly want to drive their business programmatically. The two key initiatives in this effort were, a demand side platform differentiated by robust analytics and premium supply ad scale. Our DSP uniquely serves the premium end of the market going past GRPs and completions to optimize Programmatic buys for advanced brand performance metrics such as engagement, brand lift and view ability, and a supply site platform designed for premium video publishers that have not typically been willing to work with open exchanges. Our SSP provides publishers with powerful monetization tools and private marketplaces that help them control and maximize the value of their inventory across platforms and devices. Together our DSP and SSP form a complete Programmatic solution that connects sources of demand to a diverse quality inventory pool, no matter how each side wants to transact to meet their goal.

In the second half of the year, we started seeing real momentum with these initiatives. Our Programmatic revenue derived from a combination of our managed and self-service offerings increased to 14% of our total revenue in Q4, up from 10% in Q3.

Last quarter, we crossed a significant milestone when we announced that Varick Media had selected our DSP as the preferred partner. This quarter, we brought our SSP to market and more than 50 publishers have already signed on including premium brands such as Ad Networks, Bonnier, USA TODAY Sports and Young Hollywood. We believe that premium supply is a key differentiator which will continue to attract demand partners as brand advertisers seek the high performance and high view ability characteristics associated with premium content. We added Adap.tv, the Trade Desk and Conversant this quarter to the growing list of demand sources that are directly integrated with our SSP.

A long history and successful track record of working with premium video content make us the ideal partner for premium publishers as they increasingly embrace Programmatic channels. The Programmatic opportunity is growing at a rapid pace and we've invested into technology to capture that spend. At the same time, we expect our Managed Service business to continue to grow and constitute a significant portion of our revenue mix.

As a reminder, our Managed Service business uses the same optimization technology to deliver results to clients. However, in this business we turn the dials instead of the clients turning the dials directly. Our all-screen product accounted for 40% of our revenue in the fourth quarter, up from 21% when it was first introduced in Q2. Performance-based products also increased as a percentage of revenue in Q4 up to



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32% from 28% in Q3 as TV buyers continue to move beyond GRPs. These solutions have clear appeal for brand advertisers as they greatly simply the buying process and ensure that advertisers are only paying for what works. We also continued our multi-year success of working closely with premium publishers often exclusively. We renewed exclusive relationships with Viacom and Warner Brothers as well as signed AMC as the new publisher.

Behind all of our solutions is an ongoing commitment to transparency, brand safety and view ability. We believe that view ability is the most important current issue facing our industry. We have long been a leader in this area with robust analytics that give brand marketers deep transparency into the workings of their campaigns so that they know where their ads are running and can ensure that they are being viewed.

We were the first video advertising Company to be accredited by the MRC for video ad view ability and we offer guaranteed view ability through several new performance-based pricing models. This means that much like CPE, marketers can now buy a Managed Service Solution and pay only when the ad is completely viewable throughout the entire play of the ad. In addition, our DSP clients can optimize campaigns directly towards maximizing view ability. We believe that we are uniquely positioned to leverage this important industry pain point to increase client adoption and stickiness of our products

. Our 2014 results mark two consecutive years that our Managed Service business has grown at greater than 20% rate. We expect to see similar growth in this business in 2015, as well, as advertisers continue to seek out a trusted partner to handle all the complexity and simply deliver on their brand performance results.

In addition, we believe that programmatic spend will grow at a faster rate in 2015 and we are now fully positioned to capture this revenue whether through our own DSP or through other DSPs that are directly integrated into our SSPs. As our Programmatic business ramps throughout the year, we expect this revenue to contribute incrementally to our results and positively impact our growth rate. In conclusion, as we begin 2015, I remain excited by the opportunity ahead. We believe, we are in a strong position to grow our share of the video ad market. Tremor Video is now the premium video marketplace. With that, I would like to turn the call over to Todd who will walk you through the financials in more detail.

**Todd Sloan:**

Thanks Bill and thanks to everyone for joining us today as we share our Q4 highlights and financial results. Let me spend a few minutes walking you through the drivers of the quarter before I go into our outlook for 2015. We made great progress in 2014. Investments in our self-service offerings are showing traction while our Managed Service business continues to grow reflecting the strength of our relationships and the quality of our team and technology. More than 50 premium publishers have signed on to our SSP and we recently announced that Varick Media has selected our DSP as a preferred demand platform. The trends we saw last quarter, including the success of our all-screen product, and the further adoption of our performance-based products continued this quarter which had a positive impact on our gross margin. Revenue and Adjusted EBITDA for 2014 were in line with guidance that we set earlier this year and maintained throughout the year demonstrating our ability to consistently deliver on our expectations.

Our revenue for the full year was 159.5 million up 21% from last year. For the quarter we reported revenue of 41.9 million, an increase of 15% compared to 36.3 million in Q4 last year. Our gross margin for the quarter increased in Q4 2014 to 38%, compared to 34% in Q4 2013.

Our increased margins in Q4 were driven by an improved product mix including the impact of all-screen and performance-based products. In the fourth quarter, our all-screen product represented 40% of our total revenue, a substantial increase from last quarter's 33%. Performance-based buying also increased in the quarter sequentially representing 32% of our revenue compared to 28% last quarter.



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Adjusted EBITDA for the full year was a loss of 10.9 million compared to a loss of 2.1 million in 2013.

Net loss for the year was 23.5 million compared to a net loss of 13.5 million in 2013. The decrease in our bottom line results both our Adjusted EBITDA and net loss reflect a planned technology investments we made in our Programmatic platforms, as we discussed in the beginning of the year. In the fourth quarter Adjusted EBITDA was a loss of 1.8 million compared to a loss of 1.5 million in Q4 2013.

Net loss in the fourth quarter was 5.4 million compared to a net loss of 5.8 million in Q4 2013.

Basic and diluted net loss per share for the year was $0.46 per share compared to $0.47 per share in 2013. In Q4 2014 basic and diluted net loss per share was $0.11 compared to $0.12 in Q4 2013.

For the year non-GAAP basic and diluted Adjusted EBITDA per share was a loss of $0.22 per share compared to $0.07 per share in 2013. In Q4 2014 Adjusted EBITDA per share was a loss of $0.03 which was consistent with Q4 2013.

I'd like to highlight a few operating metrics that impact our financial results.

A rolling 12-month basis ended Q4 2014, our retention rate for existing clients was 84% and average spend per account was in line with the same 12-month period last year. Our effective CPMs in Q4 2014 increased by 12% compared to the prior year quarter. Total operating expenses during the year including stock-based compensation increased on an absolute dollar basis to 81 million from 67.4 million in 2013 over a consistent as a percentage of revenue at 51%.

For the quarter, our total operating expenses also increased on an absolute dollar basis to 21.4 million from 18.1 million an increase slightly as a percent of revenue to 51% in Q4 2014 from 50% in Q4 2013. The increase in our operating expenses was predominantly driven by the investments in our technology as well as increases in head count to support our growing business and new product offerings.

I'd like to finish our call with our thoughts regarding Q1 and our expectations for 2015. We expect that our Q1 revenue will be in the range of 39 to 41 million and that non-GAAP Adjusted EBITDA will be in the range of a loss between 5 and 6 million. We expect that our full year revenue will be in the range of 195 to 200 million and that non-GAAP Adjusted EBITDA will be a loss for the year of 3 to 7 million.

Weighted average basic share count is estimated to be 51.2 million for Q1 and 51.7 million for the year. Our guidance for 2015 reflects our belief that as our Programmatic business gains adoption throughout the year, we will see a growing impact on both our revenue growth and bottom line and we expect to achieve positive Adjusted EBITDA as the year progresses.

In summary, 2014 was a year of consistent execution and strategic investment. Our Managed Service business grew throughout 2014 reflecting the strength of our products, relationships and technology while we continued to invest and make strides in our self-service business. We believe that we have built a premium video marketplace with a strong and diversified business that enables us to touch all aspects of digital video advertising spend, however it presents itself.

We will now open the line for questions. Operator?

**Operator:**

Thank you. Ladies and gentlemen, we will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up the handset before pressing the star keys. One moment please while we poll for questions. Our first question comes from the line of Yoni Yadgaram with Credit Suisse. Please proceed with your question.



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**Yoni Yadgaram**:

Hey, guys, this is Yoni on for Steven. Two questions if I may. The first is so with respect to the mix shift towards performance-based campaigns and obviously the higher margin that comes with that, what are you guys doing to promote that among, I guess among your advertisers, and with respect to that adoption, is it more a function of customer education or is it some of this more along the lines of mix shift in terms of the type of advertisers that are purchasing inventory on your platform and the second—I'll ask the second one after I guess.

**Bill Day**:

Okay, that's right and so, and yes, you're entirely allowed to ask two questions, it's Bill Day.

**Yoni Yadgaram**:

Thanks a lot.

**Bill Day**:

So, it's a factor of the growth of the market. Our team has been selling performance-based pricing for years now and as I've said, we've now essentially launched a few new models that are centered around view ability that extend the product suite that we have to sell. So some of it speaks to the ability to hit marketer's sweet spot, some marketers care about engagement, we have a product for them. Now marketers care about view ability, we have a product for them, and the other—so are expanding that product suite has been instrumental, how it's been able to expand the overall performance-based adoption.

The other aspect really is timing and as you say sort of education. Particularly the big factor here is still is with TV dollars merging with online video buying, gross rating points GRPs are still a predominant factor of how people measure and buy video and so we have no problem with them measuring that way, we just think it's not the right way to buy and so we sell pretty aggressively against that and continue to measure GRPs but buy on a performance basis so you can measure and deliver results that go well beyond just the targeting or campaign to a specific demographic and depending on the client that may take a while, right. We believe very strongly that over time that's going to resonate with more and more clients. That's why we continue to believe strongly that performance-based pricing will eventually be 40% to 50% of the overall revenue in our Managed Service business but it does take a while. What's your second question?

**Yoni Yadgaram**:

Got it, great and I guess the second question is with the rollout of your Programmatic offerings both on DSP and SSP side, can you just remind us in terms of how you guys are thinking about pricing that. I am assuming there is some level of take rate but is there a licensing component as well and how do you think that'll play out over the next couple of years as you kind of reach maximum adoption of that product?

**Todd Sloan:**

Well this is Todd. I think if you look at what's going on in the market and how people are pricing the product and how people are referring to whether you call it margin or take rate, I think that for us, our offering is certainly differentiated, I think our technology will certainly underpin how some of the take rates and margins play out over time but I think generally as you look at how people have been speaking to it in the market is probably fairly reflective of what would happen for us as well.

**Yoni Yadgaram**:



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Got it, thanks a lot guys.

**Operator:**

Thank you. Our next question comes from the line of Brian Fitz with Jefferies. Please proceed with your question.

**Sachin**:

Hi guys it's Sachin (ph) sitting in for Brian. Can you guys give us an update around the—sort of the engagement pricing format so within the piece that is performance-based just what kind of formats are you selling now and how has that kind of changed over the last few quarters and as you move towards trying to capture more programmatic demand services, can you really sell performance-based engagement to a programmatic channels? Thanks.

**Bill Day**:

It's a good question because it actually reflects I think a fairly complex understanding of our business, so the true performance-based pricing is really tailored for Managed Service business, it represents a client, as I said again, not turning the dial but allowing us to turn the dial to deliver results but the good new that our clients are not doing the work and they are also not paying unless the results are delivered. Now over time this really goes back to 2011, we have expanded that product suite that started with engagement, expanded to completions, expanded to brand lift and brand shift and now it's expanded to viewable impressions and viewable completions that allows in a Managed Service environment a client to pay a price only when those are delivered and our technology is so strong around doing that that it's a win-win, it's a win for the client, it's a win for us because I think as Todd mentioned in the past, we were very successful with these campaigns and they generate above average margins.

The key thing is understanding how this plays into the Programmatic space and it's really important because again as we said, we think most people use products right now in the video space that are derivative of display advertising and so they're, still they are buying Programmatically, but they are optimizing against say a completion or against a click, which makes no sense for video. So while we can't optimize, say the brand lift in a Programmatic sense, we can optimize the brand impact, we can optimize to engagement, we can optimize the view ability. So in the Programmatic world, we take those same metrics and allow buyers to turn the dials and optimize towards them, it's not a cost per model if you will, it's more the ability simply to optimize to those metrics which again we believe we're the only player out there doing that right now.

**Sachin**:

Okay and then if I could ask Todd, a follow up, Todd. It looks like from your guidance, you are implying a meaningful expense or investment in Q1, right so you're talking about a loss of 5.5 million at the midpoint. Then for the year roughly at the midpoint about a 5 million net loss so it seems like going into Q3—Q2, Q3 and Q4 there's not really much of an uplift. Can you just sort of give us a sense to what sort of the puts and takes are there and—the sort of the investment in Q1 in particular?

**Todd Sloan:**

Yes sure, so Q1 when you think —so it's always a seasonal quarter for revenue so from a sequential basis it's always, you always take a bit of a dip because we are subjected to traditional seasonality of media spend in Q1, so that takes a little bit of a dip and we, as you know in 2014, we invested in our Programmatic initiatives, so when you look at our Q4 run rate for op ex that's carrying into Q1 of 2015 where it was probably a smaller op ex number in Q1 2014. So you are picking up the run rate of the op ex and you are dealing with the usual seasonality of revenue in Q1. So that results in that type of an EBITDA forecast for now.



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**Sachin**:

Okay all right, thank a lot. Yes, on the, I guess on the, it was just on the full year sort of, the kind of the—seems like at least for the midpoint not much of a—sort of EBITDA contribution into the back half I guess?

**Todd Sloan:**

Well actually if you think about what Q1's EBITDA number is and you look at the full year EBITDA number, it actually does show that there's, the math simply works that there is going to be positive EBITDA contribution as you move throughout the course of the year.

**Sachin**:

Okay, all right thanks a lot.

**Operator:**

Thank you. Our next question comes from the line of Michael Graham with Canaccord. Please proceed with your question.

**Michael Graham**:

Thanks, hi guys, just a follow-up on the last question. What are you, can you just help us on what you are expecting from gross margin next year, I mean, it expanded nicely from the trough in Q2, in Q3 and Q4, just you know what you are thinking there and then as you, as the business shifts more towards programmatic, does that help your visibility or hurt it, just comment on you gave this year you know full year outlook of a dip in Q1 which is seasonal and then ramping throughout the year, like help us with how much visibility you have or not now? Thank you.

**Todd Sloan:**

Yes, sure. So, this is Todd again. So, we don't typically give gross margin guidance throughout the year. We give top line and EBITDA numbers and you've seen how we've actually achieved sort of a steady state in gross margin in the back half of 2014. But as you know we have lots of different products that have lots of different price points and lots of different margin characteristics and as you start to bring in new or the Programmatic platform starts to contribute to revenue more during the course of 2015, that has its own price points in margin characteristics. So, we feel pretty solid that we can still achieve certain levels where we've been achieving the back half of 2014 but each of these products contribute differently. So, it's going to play itself out over the course of the year but we're fairly comfortable with our overall top line expectations and bottom line expectations.

As far as visibility, I think you know, I got asked this question pretty much the same question exactly last year, "how do you have the confidence to project out for the full year"? We projected out for the full year and we hit exactly what we put out in 2014. We have very stable relationships with a lot of our advertisers in our Managed Service business and we feel pretty comfortable how the video spend is continuing to grow and how it'll contribute across each of our different products and that gives us the confidence to put out guidance expectations for the full year.

**Bill Day**:

Right and I think, it's Bill. I think it's a durable nature to Programmatic, Programmatic by itself, I think in my opinion, doesn't necessarily change the visibility in online advertising but the work we've gone through



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in 2014 to put the product in market to integrate into in the case of Varick and agency trading desk, in the case of other DSPs significant integrations that have taken a long time and to get built into their bidding process connected to our SSP. It is a significant barrier and so while there will be some variation it creates a lot more liquidity on the demand side and supply side to help run the business and that liquidity just provides more heft and scale to the business for us to scale revenue over time and I think there is still an issue, I mean, as you know some people who use Programmatic to spend at the last possible minute. But the fact that we can service more clients and more demand through our supply now to Programmatic complementing what we've traditionally done through Managed Service, I think helps our overall ability to scale the business to where we want to, to Todd's point.

**Michael Graham**:

Okay. That's helpful. Thanks a lot.

**Operator:**

Thank you. Our next question comes from the line of Jason Helfstein with Oppenheimer. Please proceed with your question.

**Jason Helfstein**:

Hey thanks. Is there any way to quantify what percentage of the business last year came through agencies and as you're thinking about kind of on the same theme 2015 and the visibility how much effectively more your assuming coming through the agencies, given the efforts around these integrations? Thanks.

**Bill Day**:

When you say so to clarify Jason, do you mean agency trading desks?

**Jason Helfstein**:

Yes correct.

**Bill Day**:

Got it, that's what I thought. So I think it can be clear when we talk about 14% in Q4 being problematically driven, a big chunk of that is through our Managed Service and that's directly that. It's agency trading desks spending with us on a Managed Service way. Some of those agency trading desks want to continue to do that, other agency trading desks want to drive towards more self-service over time and that's why the Programmatic platform side of our business is so important. We haven't quantified it specifically, but one would assume obviously for a 10% Q3, 14% in Q4 that that percent is going to continue to sequentially go up as we go through 2015 and the other lever there is that our Platform business will start to play a bigger role.

In 2014, as we said the Platform business really wasn't going to be contributory to revenue. That's the DSP, the SSP. It's contributory now in Q1 and so and will continue as I think as Todd said to scale out to have greater impact in the second half of the year. So agency trading desks, whether its through, working through our DSP, through other DSPs of which now we've been integrated with I think nine or ten of the top ones out there. Will be—or through our Managed Service business will I think be a growing part of our overall business.

**Todd Sloan:**



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So maybe way to think about is basically you have kind of the legacy growing call it low to mid teens and then you have basically these new products on top of it which is what builds up to that kind of implies low 20s percent revenue growth for the year.

**Bill Day**:

We've seen as I said the Managed Service business grow at 20 plus percent for two years in a row. Now there is clearly some aspect of Programmatic take share from Managed Service, but I think the mistake that people make is they assume everything is going Programmatic. The numbers we see from the big sort of marketing companies that are studying this suggest that maybe 50% of spends is going in Programmatic plus or minus, but 50% is still Managed Service, and so you have a business model that capitalizes on both sides of that. So we may quibble on numbers but I think your point is right, which is that at the Managed Service business is still a great business, it's growing, potentially could grow the same as did last year and then the Programmatic spend will tend to layer on top of that.

**Jason Helfstein**:

Thank you.

**Bill Day**:

Yes and we will see that as the year progresses.

**Operator:**

Thank you. Our next question comes from the line of Murali Sankar with Janney Capital Markets. Please proceed with your question.

**Murali Sankar**:

Hi yes I also had two questions, the first one related to the tech expenditures and with the Programmatic's products in the marketplace today. Do you think your technology spend is going to come down or is there more incremental kind of like big development work that you are targeting. If not are you at this point ready to pull the trigger on more international expansion. The second question would be more related to I guess your relationships in TV, so heading into the TV upfronts which you're starting pretty soon given that you work with lot of these networks, are you thinking you might see some of the similar dynamics that were the subject of cautionary comments at some point earlier last year or the year before regarding bundling of inventory between sort of the traditional TV inventory and like the video side of it? Thank you.

**Bill Day**:

Right so couple of different questions and the first part, I'll like to give a quick answer and Todd can jump in on tech spend. Tech spend, as a percent of our revenue should go down right, but the tech spend itself won't on an absolute dollar because as Todd pointed out, we've hired those people now they are here working for the full year. A different of saying that is there is no large new initiative we are planning to fund this year to the same scale and extent that we did in the 2014. Two thousand fourteen was pretty extraordinary. I noticed we signaled earlier in the year, it was strategically important that we step back and use some of the proceeds from the IPO to address the Programmatic opportunity and we did so, I mean that's one of the strongest statements from 2014 is sort of mission accomplished. We've got and again client's mouths to your ears, we've got some of the strongest platform products now in the market built for video and that's where sort of where that tech spent went and that is now cost structure that's built into our overall cost structure that sits behind guidance we just gave you but to your point, well we will continue. I think any company in our space is always investing, it's not going to be investing at the same level we did in 2014 and that's a lot of the reason how we start to drive stronger leverage in 2015. Anything to add to that Todd before I go on…



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**Todd Sloan:**

No, I think that's exactly right. We do think ourselves in terms of investing in technology, that is a critical part of what we have to do. We have to continue to innovate as we keep going forward. So as a percentage of revenue, I think it aligns itself and would be consistent from one year as a percent, consistent from one year to the next but of course that's off a high revenue base so it's an absolute dollar increase but it's relative to the right level of investment for us.

**Bill Day**:

Right and then secondly you asked about was international. I've always had a bias that and I think I'm not the only one to share this so like the big opportunity is here in the US and North America and oh by the way that only strengthened with what's going on with respect to television. That doesn't mean we don't operate outside the US. We have operations in the UK and parts of Europe right now, from the UK and we operate from a development standpoint in Singapore and we are selectively looking to expand that but I am not, our eyes on the ball here in the US, from both the Programmatic and Managed Service standpoint, we think there are big opportunities and frankly high margin opportunities, higher margin than other markets, so we'll take a selective approach to internationals so don't be surprised if we announced some new initiatives as the year rolls on, but it doesn't reflect a dramatic shift in our strategy.

I think the platform business affords us the opportunity to have a stronger international strategy, but it's really driven by market opportunity right now. When you look at market opportunity crossed with currency risk, crossed with the political risk and things like that it continues to point that focusing on where we're focused right now it's a way to go.

The TV upfronts are really interesting, almost a reverse of what you are saying though, because I think that the upfronts are probably the thing that works best in the TV environment right now and for many different ways maybe it's a longer conversation, but in any case, I think there are parts of the scatter market that what happened, I think as you know a year ago, is the scatter market started to get connected into online video through VCE, through OCR through the tools of Nielsen and comScore so that a buyer could look across video and scatter buying on television and start to unify the two and that's only continued. So now the question is, how that can be improved, right, and whether some of those things that we do in online videos can be extended into linear TV? Again it's not really linear TV from an upfront buying standpoint, but it's linear TV from a scatter buying standpoint and I fully believe they can both from a work flow and from an optimization stand point of view. If you think about our all-screen product which essentially takes things that are different screens like smartphones and tablets that has gotten adopted so quickly it's because it addresses a real pain point for buyers and if we an extend those capabilities to cover linear television there is no reason why buyers wouldn't be all over that is a sort of tool that they are very, very interested in so, it's a—that's a very logical place for us to invest and a place of great interest to us. Does that get to your questions?

**Murali Sankar**:

Yes absolutely, thank you.

**Operator:**

Thank you, ladies and gentlemen, I would now like to turn the floor back to Bill Day for closing comments.

**Bill Day**:

We are very, as I said again reiterate very excited about 2015, the opportunity to leverage all the investment we made in our Programatic platforms in 2014 to deliver superior results and take market share, thanks very much for tuning in.



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