



WPP Investor Day: Schematic Agency Overview

Friday, April 23, 2010

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H.264 decompressor
are needed to see this picture.

[Globe video showing our offices]

About Schematic

Founded in 1999 in Los Angeles

Part of WPP since September, 2007

350 staff with offices in the US, London, and Costa Rica

Key clients include Dell, Target, Bank of America, Nokia, and Microsoft

Strategic, creative, and technical

Known for User Interface/User Experience work

Many accolades, including:

- *Creativity's*: Ad Critic Top 20 for the Cannes Lions Touchwall
- OMMA's 2008 Web Design & Development Agency of the Year
- Three interactive television Emmys
- Three Target "Bullseye" awards for "best agency collaboration"

Key Clients



Digital Touchpoints



1'

Mobile Device



2'

Personal Computer

Personal Media
Experience



10'

Television

Personal/Family
Media Experience



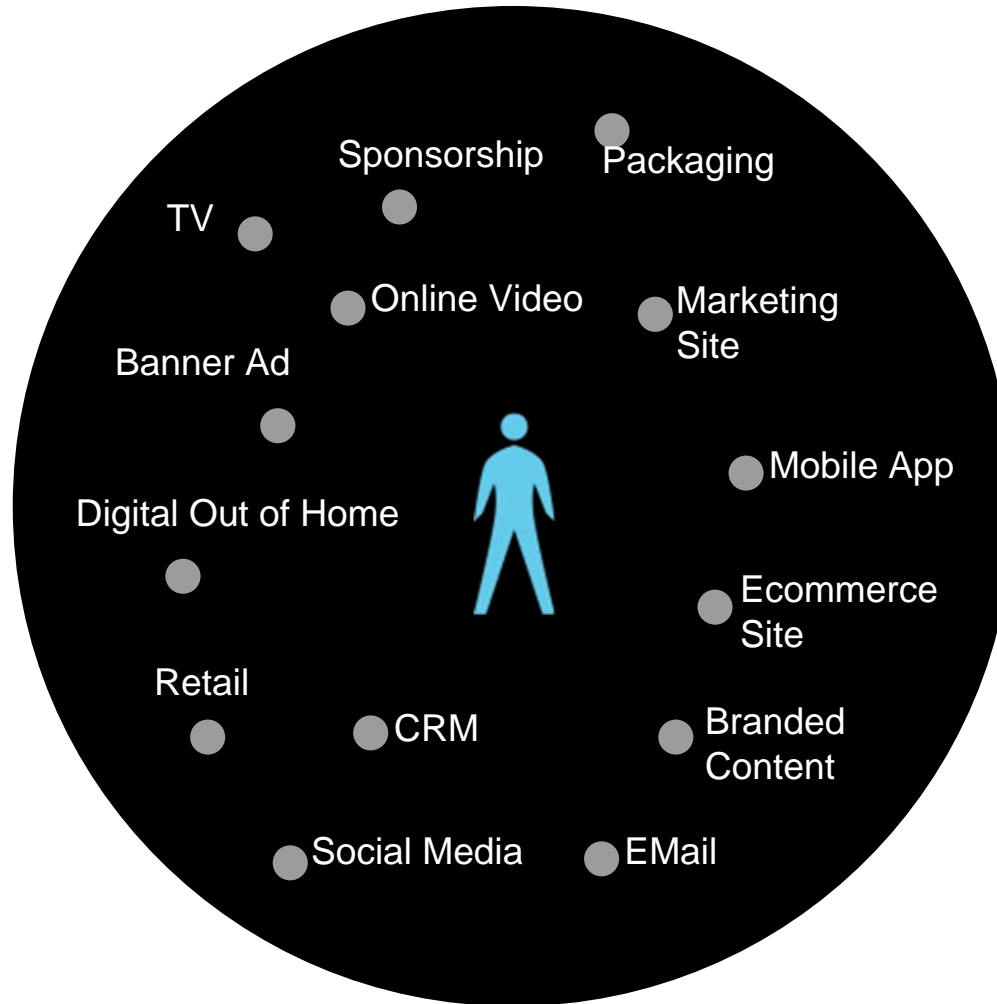
1-20'

Environmental & Out of Home

Public Media
Experience

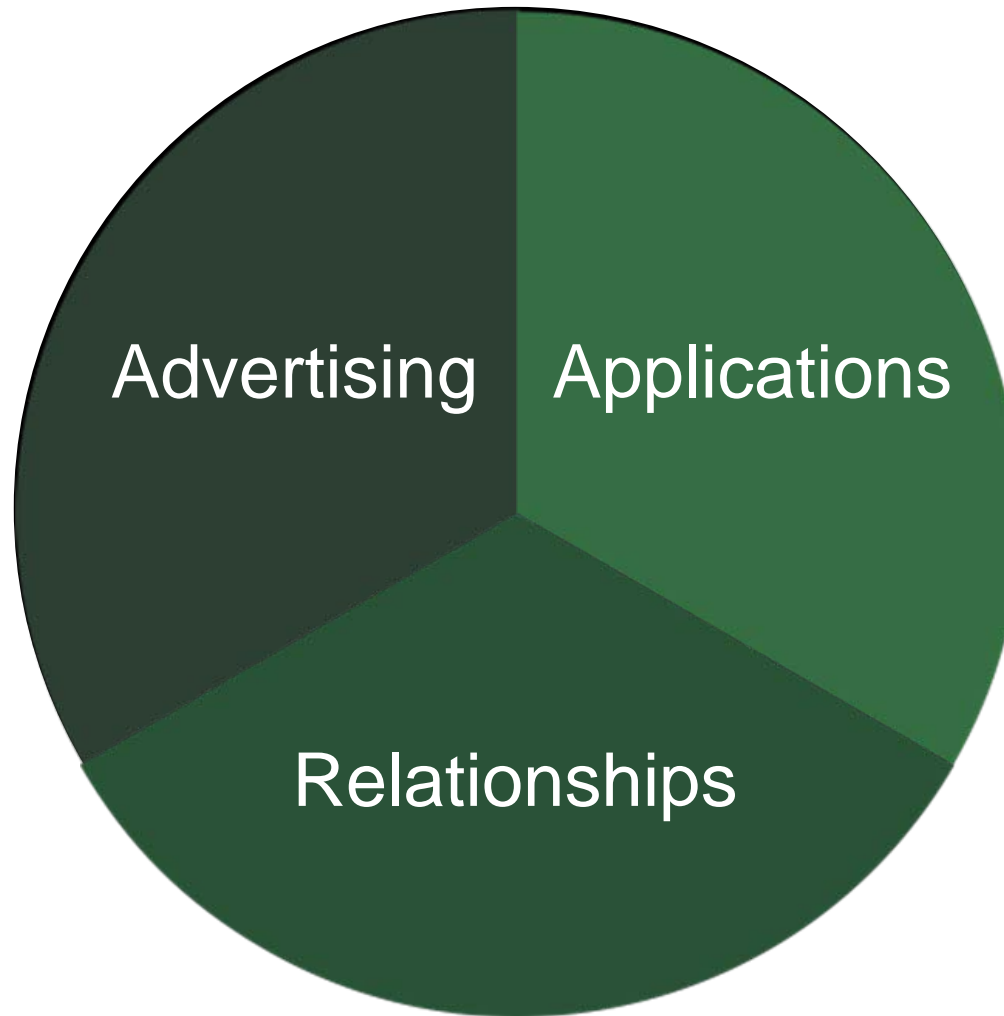
What is a digital specialist agency (to us)?

Brands reach customers through a network of brand touchpoints.

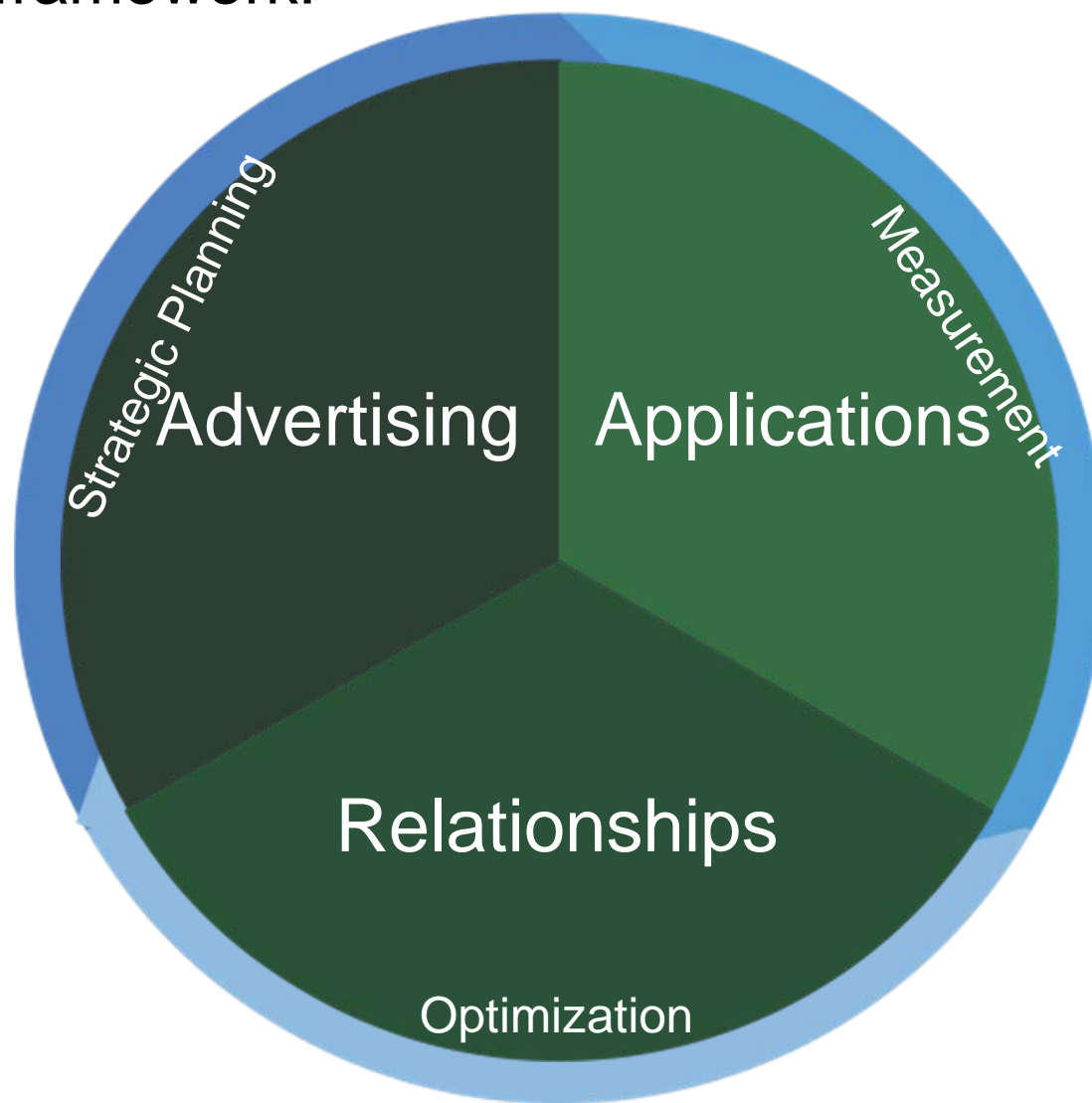


As communication and technology become increasingly intertwined, more and more of those touchpoints are becoming digital.

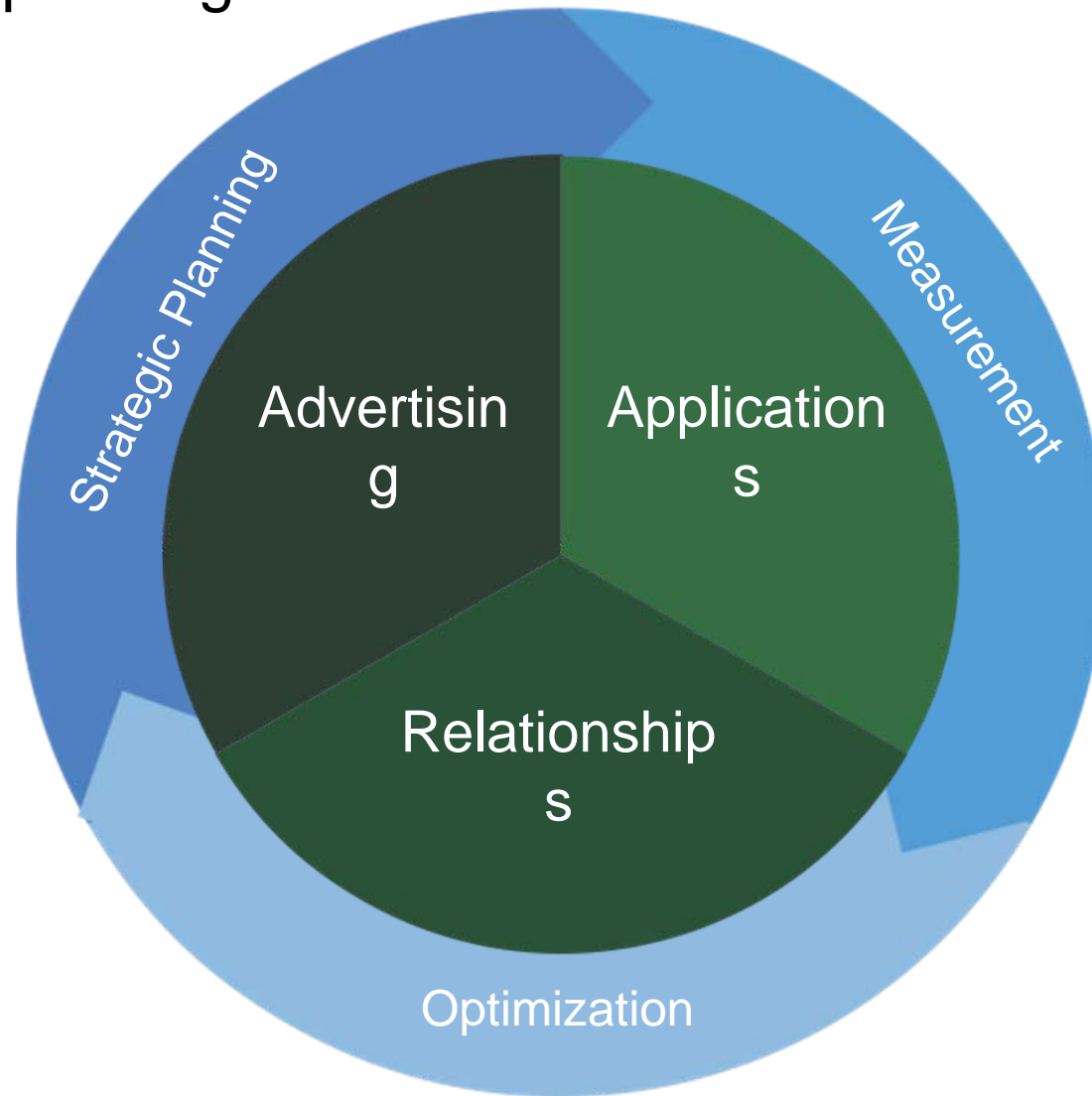
These touchpoints can be categorized under three channels:



And all channels need to be aligned in a common strategic and measurement framework:



Traditionally, agencies have only captured part of the Advertising slice of client spending...



...while digital agencies can capture revenue in all of these fee areas.

What Makes Us Different?

At Schematic, we deliver transformative business results through **marketing innovation**.

We prioritize innovation because:

- Innovative experiences get noticed and encourage engagement better than the same old thing
- Innovative production approaches save our clients money
- In a word-of-mouth, link-heavy, blog-heavy world, doing things differently provides tremendous lift to our activities

Successful innovation requires both strategy and craft.

Five examples:

What we mean by marketing innovation

Example One: **Target**

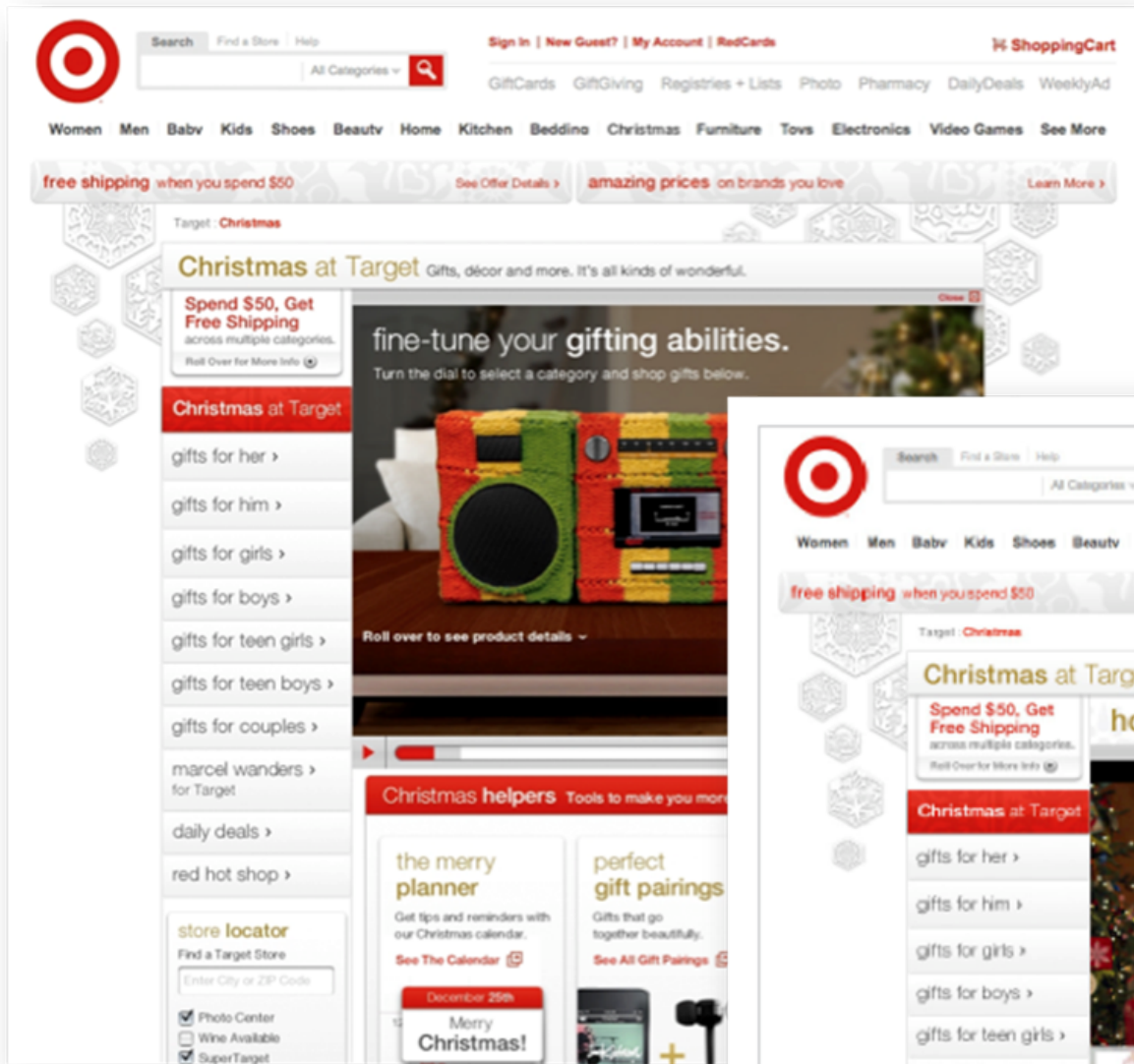
Schematic has been one of Target's primary agencies since 2006.

Strategic Insight: Target wants to creatively combine the strong personality of their brand with relevant and convenient shopping opportunities.

The Result: A series of technical and creative executions that drive brand affinity and shopping behavior, and lead to increased sales.

QuickTime™ and a
decompressor
are needed to see this picture.

Craft. Schematic-produced video content, created for web and mobile experiences...



Craft. That leads to shopping opportunities on-site...

Christmas is served

gift exchange

D.I.Y. toys

crafty Christmas

timeless traditions?

ready for some new traditions?

Christmas at Target



Craft. And that can be leveraged in rich media units for web and mobile devices.

Example Two: **Microsoft**

Microsoft has been a client of Schematic's for the past six years.

Strategic Insight: The best way to market Microsoft is through communications that use their technologies in compelling ways.

The Result: Innovative experiences that show the power of Microsoft technologies in scalable, high-visibility environments.

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H.264 decompressor
are needed to see this picture.

Craft. Demonstrating the power of Silverlight to deliver the world's most-watched sporting event through live-streaming - over 70 million downloads



Innovation Example Three: **Nokia**

Schematic has worked with Nokia on infrastructure projects since 2006.

Nokia, competing head-to-head in the smartphone market, needed an app store for its smartphones.

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The Result. An online and mobile software store that's already reached one million downloads per day.

Innovation Example Four: Cannes Touchwall

Schematic created the Touchwall as our sponsorship of the 2009 Cannes Lions Festival.

Strategic Insight: While digital out-of-home is progressing, no one had yet created an application that would move the industry forward.

The Result: Twenty-three million people around the world viewed the most advanced out-of-home application yet created.

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Craft. A Schematic-built hardware and software platform that's now the state-of-the-art.



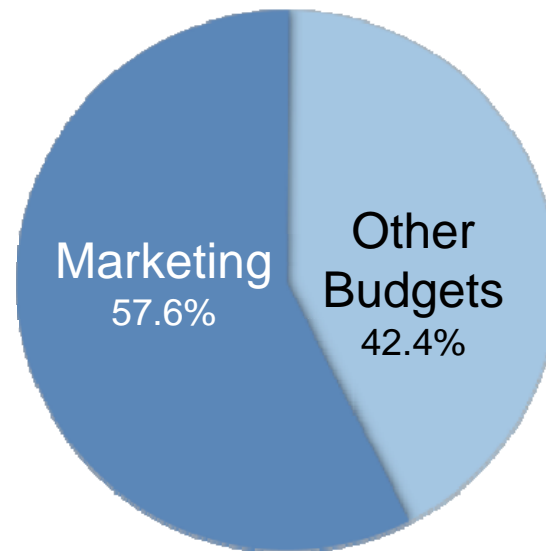
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*The Target Videogame Advisor: Now in 300
stores*



Indicators

- Schematic's revenue has grown from 39% from when we were acquired by WPP in 2007 to 2009.
- Of our 2009 fee revenue, almost half was from budgets outside of marketing departments.



Schematic 2009 Revenue