1 2	KAMALA D. HARRIS Attorney General of California FRANCES T. GRUNDER	[EXEMPT FROM FILING FEES UNDER GOV. CODE § 6103]
3	Senior Assistant Attorney General SHELDON H. JAFFE, State Bar No. 200555	
4	Deputy Attorney General 455 Golden Gate Avenue, Suite 11000	ENDORSED
5	San Francisco, CA 94102-7004 Telephone:	Suberor Court of Carfornia Sente at San Francisco
6	CARMEN A. TRUTANICH, State Bar No. 86629	MAR 2 6 2012
7	City Attorney, City of Los Angeles TINA HESS, State Bar No. 143900	GLERK OF THE COURT WESLEY HAMIREZ
8	Assistant City Attorney JULIA FIGUEIRA-MCDONOUGH, State Bar No. 200	Deputy Clerk
9	Deputy City Attorney	
10	DENNIS J. HERRERA, State Bar No. 139669 City Attorney, City of San Francisco	
11	DANNY CHOU, State Bar No. 180240 Chief of Complex and Special Litigation	
12	OWEN CLEMENTS, State Bar No. 141805	
13	Chief of Special Litigation	
14 15	Attorneys for Plaintiff THE PEOPLE OF THE STATE OF CALIFORNIA	
16	SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
17	COUNTY OF SA	AN FRANCISCO
18		
19	THE PEOPLE OF THE STATE OF	Case No. 060-12-519349
20	CALIFORNIA, Plaintiff,	STIPULATION FOR ENTRY OF FINAL JUDGMENT
21	V.	Dept:
22	· · · · · · · · · · · · · · · · · · ·	Judge: Trial Date:
23	ARBITRON INC.	Action Filed:
24	Defendant.	
25		•
26		
27	•	
28		
1		STIPULATION FOR ENTRY OF FINAL JUDGMENT

NY:1384861.1

Plaintiff, The PEOPLE OF THE STATE OF CALIFORNIA ("PEOPLE"), through its attorneys, Attorney General Kamala Harris, by and through Senior Assistant Attorney General Frances T. Grunder and Deputy Attorney General Sheldon H. Jaffe, Los Angeles City Attorney Carmen A. Trutanich, by and through Assistant City Attorney Tina Hess and Deputy City Attorney Julia Figueira-McDonough, and San Francisco City Attorney Dennis J. Herrera, by and through Danny Chou, Chief of Complex and Special Litigation, and Owen Clements, Chief of Special Litigation, and Defendant ARBITRON INC. (Arbitron) through its Executive Vice President and Chief Legal Officer, Timothy T. Smith, and its attorneys Winston & Strawn, LLP by Alfred R. Fabricant, hereby stipulate as follows:

- 1. The Final Judgment Pursuant to Stipulation ("Judgment"), a true and correct copy of which is attached to this Stipulation for Entry of Final Judgment ("Stipulation") as Exhibit 1, may be entered in this matter.
- 2. Concurrently with the filing of this Stipulation, Plaintiff has filed its Complaint in this matter alleging that Arbitron committed violations of California Business and Professions Code sections 17200 and 17500 et seq. and California Civil Code section 51 et seq.
- 3. Plaintiff and Arbitron (Parties) have agreed to the entry of this Judgment by the Court without trial or adjudication of any issue of fact or law or finding of wrongdoing or liability of any kind.
- 4. The Court has jurisdiction over the subject matter of this action, jurisdiction over the Parties to this action, and venue is proper in this Court. Arbitron submits to the jurisdiction of the Court for purposes of entry of this Judgment and for any action by any of the Parties regarding the construction, carrying out, enforcement, or punishment for any violation of any provision of the Judgment.
- 5. Arbitron, at all relevant times, has transacted business in the City and County of San Francisco, the City of Los Angeles, and elsewhere in the State of California.
- 6. The Parties have agreed to the entry of the Judgment to resolve all matters in dispute in this action without the completion of trial or the adjudication of any issue of law or fact. This Judgment shall not constitute evidence of admission of fault or concession of liability or

wrongdoing by Arbitron regarding any allegations of law or fact, alleged either expressly or impliedly, in the Complaint, and Arbitron denies such allegations.

- 7. Neither this Stipulation nor the Judgment constitutes an approval by the People of Arbitron's business practices, and Arbitron shall make no representation or claim to the contrary.
- 8. The Parties hereby waive any right to move for a new trial or otherwise seek to set aside the Judgment through any collateral attack, and further waive their right to appeal from the Judgment.
- 9. All signatories to this stipulation on behalf of the Parties specifically represent that they have been authorized by the party on behalf of whom they are signing to enter into this stipulation.
- 10. The Judgment may be entered by any judge of the San Francisco Superior Court. Counsel for Plaintiff may submit the Judgment to any judge of the Superior Court for approval and signature, during the Court's ex parte calendar or on any other ex parte basis. Arbitron waives the right to any personal notice of any such ex parte submission of the Judgment to the Court. Arbitron will accept service of the Complaint and any accompanying papers and notice of entry of judgment entered in this action by delivery of the Complaint and any accompanying papers and the notice of entry of judgment via Federal Express or other overnight delivery service to its counsel: Alfred R. Fabricant, Esq., Winston & Strawn, LLP, 200 Park Avenue, New York, NY 10166. Arbitron agrees that service of these documents in this manner will be deemed personal service upon it for all purposes.
- 11. This Stipulation and the Judgment sets forth the entire agreement between the Parties and supersedes all prior agreements or understandings, whether written or oral, between the Parties and/or their respective counsel, with respect to the conduct alleged in the Complaint.
- 12. This Stipulation may be executed in counterparts, each of which shall be deemed to constitute an original counterpart of this Stipulation, and all of which shall together constitute one and the same Stipulation. One or more counterparts of this Stipulation may be delivered by facsimile or electronic transmission with the intent that it, or they, shall constitute an original counterpart of this Stipulation.

1	Dated:	2012	Respectfully Submitted,
2			KAMALA D. HARRIS Attorney General of California
4			FRANCES T. GRUNDER
5			Senior Assistant Attorney General
6			
7			SHELDON H. JAFFE Deputy Attorney General
8	Dated:	2012	CARMEN A. TRUTANICH
9		*	City Attorney, City of Los Angeles TINA HESS
10			Assistant City Attorney
12			
13			JULIA FIGUEIRA-MCDONOUGH
14			Deputy City Attorney 200 North Main Street, 500 City Hall East
15			Los Angeles. California 90012-4131 Telephone (213) 978-7940
16			Fax (213) 978-8112
17	Dated: Mur. 19	2012	Dennis J. Herrera
18			City Attorney, City of San Francisco
19			
20			DANNY CHOU Chief of Complex and Special Litigation
21			1390 Market Street
22			San Francisco, CA 94102-5408 Telephone (415) 554-3944
23			Fax (415) 554-3837
24			Attorneys for Plaintiff THE PEOPLE OF THE STATE OF CALIFORNIA
2526			
27			
28		·	
			3 STIPULATION FOR ENTRY OF FINAL JUDGMENT
	l		3111 OLATION FOR ENTRY OF THINK JODGINENT

1	Dated:2012	Respectfully Submitted,
2		KAMALA D. HARRIS Attorney General of California
4		FRANCES T. GRUNDER Senior Assistant Attorney General
5		Senior resistant therity conclus
6		SHELDON H. JAFFE
7		Deputy Attorney General
8	Dated: March 16, 2012	
9	Dated: $\frac{\sqrt{44401}}{\sqrt{2012}}$ 2012	CARMEN A. TRUTANICH City Attorney, City of Los Angeles TINA HESS
10		Assistant City Attorney
11		
12		Julia Figueira-McDonough
13		Deputy City Attorney
14		200 North Main Street, 500 City Hall East Los Angeles. California 90012-4131
15		Telephone (213) 978-7940 Fax (213) 978-8112
16		rax (213) 9/8-8112
17	Dated:2012	Dennis J. Herrera
18		City Attorney, City of San Francisco
19		
20		Danny Chou
21		Chief of Complex and Special Litigation 1390 Market Street
22		San Francisco, CA 94I02-5408
23		Telephone (415) 554-3944 Fax (415) 554-3837
24		Attorneys for Plaintiff
25		THE PEOPLE OF THE STATE OF CALIFORNIA
26		ı
27		
28		3
		STIPULATION FOR ENTRY OF FINAL JUDGMENT

1	Dated: 3/16 2	012	Respectfully Submitted,
2			Kamala D. Harris
3			Attorney General of California
4 5			FRANCES T GRUNDER Senior Assistant Attorney General
6			MUM
7			SHELDON H. JAFFB Deputy Attorney General
8			Deputy Financy General
9	Dated:2	012	CARMEN A. TRUTANICH
İ			City Attorney, City of Los Angeles TINA HESS
10 11			Assistant City Attorney
12			
13			JULIA FIGUEIRA-MCDONOUGH
14			Deputy City Attorney 200 North Main Street, 500 City Hall East
15			Los Angeles. California 90012-4131 Telephone (213) 978-7940
16			Fax (213) 978-8112
	D-A-1		
17	Dated:2	2012	DENNIS J. HERRERA City Attorney, City of San Francisco
18 19			City resolution, City of Sull relations
20			
21			DANNY CHOU Chief of Complex and Special Litigation
22			1390 Market Street San Francisco, CA 94102-5408
23			Telephone (415) 554-3944 Fax (415) 554-3837
24			Attorneys for Plaintiff
25			THE PEOPLE OF THE STATE OF CALIFORNIA
26			
27			
28			
-0			3
			STIPULATION FOR ENTRY OF FINAL JUDGMENT

1	1	
1	Dated:2012	
2		
3		
4		Тімотну Т. Ѕмітн
5		Executive Vice President, Business Development & Strategy,
6 7		Chief Legal Officer 9705 Patuxent Woods Drive
8		Columbia, MD 21046 Telephone (410) 312-8000 Fax (410) 312-8613
9		On behalf of Defendant
10		ARBITRON INC.
11	Dated: 3/14 2012	
12	Dated:2012	
13		MATI
14		& Mfduf
15		ALFRED R. FABRICANT Winston & Strawn LLP
16		200 Park Avenue \ New York, NY 10166-4193 Telephone (212) 294-6884
17		Fax (212) 294-4700
18		Attorneys for Defendant ARBITRON INC.
19		
20		
22		•
23		
24		
25		
26		
27		
28		
20		CTIDILLA TION FOR ENTRY OF FRIAL HYDON ENT

1	I A and to	
2	2	
3	3	Date of
4		
5	5 Ex	МОТНҮ Т. SMITH ecutive Vice President, Business
6	6 ∥ Ch	velopment & Strategy, ief Legal Officer
7	₹	05 Patuxent Woods Drive lumbia, MD 21046
8	_R	lephone (410) 312-8000 x (410) 312-8613
9		behalf of Defendant
10	_ [BITRON INC.
11		
12	Dated:2012	
13	3	
14	4	
15		FRED R. FABRICANT inston & Strawn LLP
16	5 20	0 Park Avenue w York, NY 10166-4193
17	₇	lephone (212) 294-6884 x (212) 294-4700
18		torneys for Defendant
19	- N	RBITRON INC.
20		
21	1	
22	2	
23	3	
24	1	
25	5	
26	5	
27	7	
28	4	
		ULATION FOR ENTRY OF FINAL JUDGMENT

ļ	
1 2	Dated: March 2/ 2012
3	\mathcal{M}
4	Will VI) Show
5	MICHAEL II. SCHEER Colifornia Pdr No. 266030
6	MICHAEL I. SCHEER California Bar No. 266930 Winston & Strawn LLP
7	333 South Grand Ave., 38th Floor Los Angeles, CA 90071 Telephone (213) 615-1700 Fax (213) 615-1750
8	Fax (213) 615-1750
9	Attorneys for Defendant ARBITRON INC.
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24 25	
26	
27	
28	
20	5

STIPULATION FOR ENTRY OF FINAL JUDGMENT

EXHIBIT 1

1	KAMALA D. HARRIS Attorney General of California	[EXEMPT FROM FILING FEES UNDER GOV. CODE § 6103]
2	FRANCES T. GRUNDER Senior Assistant Attorney General	
3	SHELDON H. JAFFE, State Bar No. 200555 Deputy Attorney General	
4	455 Golden Gate Avenue, Suite 11000 San Francisco, CA 94102-7004	
5	Telephone: (415) 703-5500/Fax (415) 703-548	0
6	CARMEN A. TRUTANICH, State Bar No. 86629	
7	City Attorney, City of Los Angeles TINA HESS, State Bar No. 143900	
8	Assistant City Attorney Julia Figueira-McDonough, State Bar No. 200	0452
9	Deputy City Attorney	J+J2
10	DENNIS J. HERRERA, State Bar No. 139669	
11	City Attorney, City of San Francisco DANNY CHOU, State Bar No. 180240	
12	Chief of Complex and Special Litigation OWEN CLEMENTS, State Bar No. 141805	
13	Chief of Special Litigation	
14	Attorneys for Plaintiff	
15	THE PEOPLE OF THE STATE OF CALIFORNIA	E CTATE OF CALTEODY A
16		E STATE OF CALIFORNIA
17	COUNTY OF SA	AN FRANCISCO
18		
19	THE PEOPLE OF THE STATE OF	Case No.
20	CALIFORNIA,	[PROPOSED] FINAL JUDGMENT
21	Plaintiff,	PURSUANT TO STIPULATION
22	v.	Date: Time:
23	ARBITRON INC.	Dept: Judge:
24	Defendant.	Trial Date: Action Filed:
25		
26		
27		
28		

[PROPOSED] STIPULATED FINAL JUDGMENT

Plaintiff, the People of the State of California ("People"), through Attorney General Kamala Harris Los Angeles City Attorney Carmen A. Trutanich and San Francisco City Attorney Dennis J. Herrera, has commenced this action against Defendant Arbitron Inc. ("Arbitron"), alleging violations of the California Unfair Competition Law (Business and Professions Code, section 17200 et seq.), the California False Advertising Law (Business and Professions Code, section 17500 et seq.) and the Unruh Civil Rights Act (Civil Code, section 51 et seq.) in connection with Arbitron's licensing of radio audience estimates. The parties have agreed to the entry of this Final Judgment Pursuant to Stipulation ("Judgment") to resolve all matters in dispute in this action without the completion of trial or the adjudication of any issue of law or fact. This Judgment shall not constitute evidence of admission of fault or concession of liability or wrongdoing by Arbitron regarding any allegations of law or fact, alleged either expressly or impliedly, in the Complaint.

THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

- 1. **Definitions.** Throughout this Judgment, the following definitions shall apply:
- A. "Arbitron" shall mean defendant Arbitron Inc., its subsidiaries, successors, assigns, and any other person acting on its behalf, under its direction, or in concert with it.
- B. "Basic Households" shall mean those households selected as part of the pre-designated sample and included in the calculation of SPI.
- C. "California Markets" shall mean each geographic area within the state of California in which the PPM service has been commercialized. As of the date of entry of this Judgment, the California Markets include portions of the following counties in the Los Angeles, Riverside-San Bernardino, San Diego, San Francisco and San Jose (which is a fully embedded market within the San Francisco market), and Sacramento radio markets: Alameda County, Contra Costa County, El Dorado County, Los Angeles County, Marin County, Napa County, Nevada County, Orange County, Placer County, Riverside County, Sacramento County, San Bernardino County, San Diego County, San Francisco County, San Mateo County, Santa Clara County, Solano County, Sonoma County and Yolo County.

27

by which Arbitron recruits individuals to wear the PPM and obtains PPM data from a sample of

persons in households within a designated geographic region.

- P. "Recruitment efforts" shall mean the procedures used by Arbitron to select, contact and recruit potential PPM Panelists.
- Q. Sample Performance Indicator ("SPI") shall mean the percentage of the pre-designated random-digit-dial ("RDD") sample that become Panelists and supply usable data through October 31, 2012; since RDD sample is being replaced with address-based sample that can be matched to landline telephone numbers, after October 31, 2012, SPI shall mean the percentage of pre-designated households selected from the address-based frame and matched to a landline telephone number (Matched AB Sample) that become panelists and supply usable data.
 - R. "Total Cell-Phone" is the sum of CPO and Cell-Phone-Primary.
- S. "Race, ethnicity" and "racial and ethnic" as those phrases are used herein means Arbitron's standard categories as currently surveyed by Arbitron in its PPM ratings service.

INJUNCTIVE PROVISIONS

- 1. All injunctive relief under this Judgment, including all relief described in paragraphs 2 A through 2 H of this Judgment, *infra*, is ordered under Business and Professions Code sections 17203, 17204 and 17535 and the equitable powers of this Court.
- 2. The following requirements shall be placed upon Arbitron with respect to the use of the PPM methodology and data in the California markets through December 31, 2014, or until MRC accreditation is granted, whichever occurs first, (hereinafter "the Term" of this Judgment) and must be complied with in each separate California Market independently.
- A. Address Based Recruitment: Arbitron has historically recruited Panelists in the California Markets using a combination of telephone and address based methodologies. Arbitron is transitioning to a full address-based sample frame for all new sample selections. The implementation of the address-based sample frame for new sample selections will be completed by July 1, 2012, for all California Markets. Previously selected telephone sample that is within the panel or within eligible recruitment pools will remain eligible until its expiration date. As a result of this transition, an address-based methodology must be used in at least 20% of

recruitment efforts in the California markets as of the Effective Date, and in 65% of recruitment efforts by December 31, 2012.

- B. Cell Phone Sampling: In the California Markets, Arbitron shall, within 120 days from the Effective Date, increase CPO sampling, based on all recruitment efforts, to 11%, and Total Cell-Phone sampling, based on all recruitment efforts, to 20%. As part of this requirement, within 15 business days of the end of each quarter, Arbitron shall provide data on the composition of the Total Cell-Phone sample and the CPO sample, cross-tabulated by race, ethnicity and age, to subscribing broadcasters and to the Plaintiff. As soon as Arbitron has completed its transition to an address based sample frame, as described in paragraph "A" above, the requirements of this paragraph "B" shall cease to exist.
- C. Country of Origin: Arbitron shall incorporate Country of Origin ("COO") as a standard demographic characteristic collected from installed Hispanic households during the panelist characteristic update interviews, commencing in the second quarter of 2010. Arbitron shall implement the systematic production of COO data collection for all Hispanic Controlled Markets within the California Markets by the Effective Date, and for all future Hispanic Controlled Markets within the California Markets within six (6) months of PPM commercialization.
- D. Transparency: No later than three months after the Effective Date,
 Arbitron shall provide to subscribing broadcasters in the California Markets PPM Install and InTab data by individual zip code for the California Markets and provide racial and ethnic
 demographic population data for each zip code. Thereafter, Arbitron shall continue to provide the
 zip code data within fifteen (15) business days after the monthly release of the monthly e-book
 for the California Markets. In Future California Markets, Arbitron shall commence complying
 with this provision within three (3) months after such market is commercialized. Arbitron
 reserves the right to discontinue delivery of a portion or all of the zip code data based on formal,
 written advice from the MRC, or in the event there is substantial evidence, as determined by the
 People, that a person or company is using the zip code data to identify or contact PPM panel
 members.

	E.	Disclaimer. As of the Effective Date, Arbitron shall include a prominent
disclaimer in 1	4 point	bold font typeface on all written PPM promotional materials, Including
PPM promotio	nal mat	erials available on the internet, and advertising on direct links, e-book, and
any sub-links t	hat con	tain PPM promotional materials, stating that: PPM ratings are based on
audience estim	ates, ar	e the opinion of Arbitron and should not be relied upon for precise accuracy
or precise repr	esentati	veness of the demographic or radio markets.

F. Sample Performance Indicator: Arbitron shall take all reasonable measures to increase and or maintain the Sample Performance Indicator ("SPI") for persons in Basic Households, in each California Market, as indicated below:

Los Angeles:

at least 21;

San Francisco:

Riverside-San Bernardino: at least 21:

at least 19 (includes the embedded San Jose Market);

San Diego:

at least 20:

Sacramento:

at least 17.

For purposes of this paragraph, the SPI for San Jose, which is a fully embedded market within the San Francisco Market, shall not be separately calculated.

- overall In-Tab Rates of at least 75% for persons 6+ and for Hispanic persons 6+ by the Effective Date. Arbitron shall take all reasonable measures to ensure In-Tab Rates of all sub-categories of race, ethnicity, age and gender by the Effective Date of at least 70% excluding sub-categories that are less than 10% of each California Market. These percentages shall be determined on a sixmonth rolling basis beginning on the Effective Date. As part of these requirements, if the In-Tab Rates of any one race, ethnicity, age and gender sub category, that are at least 10% of a California Market, fall below 70% at the end of a reporting quarter, Arbitron shall disclose that fact to subscribing broadcasters and to counsel for the People.
- H. MRC Accreditation: Arbitron shall take all reasonable measures to achieve full MRC accreditation for all California Markets.
 - I. Future California Markets: If, during the term of this Agreement

Arbitron commercializes its PPM service as currency in one or more additional California
markets, Arbitron agrees to negotiate with the People, in good faith, terms for such market(s)
which are comparable to the terms for the California Markets set forth in this Judgment. Such
agreed to comparable terms shall be implemented by Arbitron within 120 days of the
commercialization of the additional California market(s).

- 3. In the event that there is substantial continuing non-compliance of this agreement by Arbitron, a rebuttable presumption shall arise that Arbitron has not taken "all reasonable measures" to achieve the metrics set forth in paragraph 2, above. For purposes of this Agreement, "substantial continuing non-compliance" shall mean Arbitron's failure to meet a metric or requirement set forth in paragraphs 2A through 2G, above, for at least six (6) consecutive months.
- 4. The parties may stipulate to an extension for good cause of any of the foregoing deadlines, without applying to the Court.

MONETARY TERMS

- 5. On or before the Effective Date, Arbitron shall pay by bank check or certified check or the equivalent, the total amount of \$400,000.00 in settlement of all claims by the People for investigative costs, attorneys' fees, civil penalties, restitution or other monetary relief.
- 6. The final amount paid by Arbitron shall be allocated as follows pursuant to Business and Professions Code sections 17206, subdivision (c) and 1735, subdivision (c):
 - A. \$150,000 shall be made payable to the Attorney General of California.
 - B. \$150,000 shall be made payable to the City of Los Angeles.
- C. \$100,000 shall be made payable to the San Francisco City Attorney's Office.

MONITORING

7. Arbitron shall prepare and submit reports within fifteen (15) days of the end of each calendar quarter through December 31, 2012 disclosing whether Arbitron is in compliance with the requirements of paragraphs 2A through 2H to counsel for the People and certifying whether or not the requirements of paragraphs 2A through 2H have been completed. Such reports

San Francisco. CA 94102-3664

7

	Facsimile: (415) 703-5843
	Frances.Grunder@doj.ca.gov
	Sheldon.Jaffe@doj.ca.gov
If to the Los Angeles City Attorney:	Tina Hess
_ ,	Office of the Los Angeles City Attorney
	500 City Hall East
	200 North Main St.
	Los Angeles, CA 90012-4131
	Facsímile: (213) 978-8112
	Tina.Hess@lacity.org
If to the San Francisco City Attorney:	Danny Chou
	Owen Clements
	Office of the San Francisco City Attorney
	1390 Market Street
	San Francisco, CA 94102-5408
,	Facsimile: (415)554-3985
	Danny.Chou@sfgov.org Owen.Clements@sfgov.org
If to Arbitron:	Timothy T. Smith
in to Arbidon.	Executive Vice President, Business
	Development & Strategy, Chief Legal Officer
	9705 Patuxent Woods Drive
	Columbia, MD 21046
	Facsimile: (410) 312-8613
	tim.smith@arbitron.com
	with a copy to:
	Alfred R. Fabricant
	Winston & Strawn LLP
	200 Park Avenue
	New York, NY 10166
	Facsimile: (212) 294-4700
	afabricant@winston.com
GOV	ERNING LAW
13. This Judgment shall be gove	rned by and construed in accordance with the laws of
the State of California.	
	8

1	RETENTION OF JURISDICTION		
2	14. Pursuant to Code of Civil Procedure section 664.6, the Court shall retain		
3	jurisdiction of this action to decide any and all disputes, claims or controversies between the		
4	parties regard the validity, enforcement, interpretation, or breach of this Judgment.		
5	So ordered this day of, 20		
6			
7			
8	JUDGE OF THE SUPERIOR COURT		
9			
10			
11			
12			
13			
14			
15			
16 17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
	9		