

# EXHIBIT D

(Plaintiff's Trial Exhibit 465)



Trending

**HTC's A9 is an iPhone Look-alike Running Near-Stock Android****Gawker Media Ads Boss Andrew Gorenstein Is Out****MEDIA**

It was just a few months ago when two of Gawker Media's top editorial employees resigned from the company after management took down a controversial post outing a Conde Nast executive.

Now, Andrew Gorenstein, Gawker Media's president of advertising and partnerships, has left the company. Gorenstein confirmed his departure in a text message, saying that it was "time for a change." Michael Kuntz, who came to Gawker Media from Hearst last year, has been named SVP of Global Sales and Partnerships, according to a memo sent to Gawker Media's business staff by President and General Counsel Heather Dietrick.

In July, Gawker Media's Executive Editor Tommy Craggs and Gawker.com Editor Max Read **quit their jobs after the company's managing partnership yanked the Conde Nast story**. In a parting memo to Gawker's editorial staff, Craggs called out Gorenstein specifically, saying that "Gorenstein [had] wondered openly in a partnership meeting why [Gawker.com writer] Sam Biddle hadn't been fired."

Gawker CEO **Nick Denton told staff in July** that the "Gawker tax" — the price that Gawker pays in ad revenue because of its edgier content — was becoming too expensive for the company to pay any longer, as the digital media environment becomes increasingly competitive. Gorenstein, a divisive figure within the newsroom for his perceived opposition to editorial interests (specifically his quote about Biddle), was perhaps the executive most responsible for working to minimize the Gawker tax.

**Update:** In a text conversation, Denton gave some clarifying information about Gorenstein's exit, saying, "It was Andrew's decision. And advertising growth will be in double-digits this year. Like [Heather Dietrick's] memo says, growth [is] coming from Automated and Content."

By “automated,” Denton is referring to programmatic ad buying where advertisers target users across the Web with less consideration given to which publishers actually show the ad. “Content” refers to sponsorships and specialized ads, like Gawker Media’s **“Netflix Documentary Club” package**.

Below is the full memo Dietrick sent to Gawker’s business staff:

I’m writing today to let you know about a reorganization of the Business group so that we can maximize flexibility for growth by decentralizing specific revenue-generating units that have until now been lumped together.

The advertising industry is changing with the growth in automated and programmatic buying, the shift from standard display to video advertising, and clients’ growing need for creative content solutions that address their real marketing challenges. To position ourselves for this future, we are breaking out the three main business lines—Brand Advertising, Automated Advertising and Content—and promoting several executives who will run independent business units and report separately to me.

Andrew Gorenstein has decided to leave the company after four years in which he and his team have more than doubled revenue, brought in blue-chip advertising clients, and assembled one of the most talented business teams in digital media. Andrew drove the growth of our programmatic business, and brought a new level of professionalism to the company. It’s a huge achievement, and this decentralization of the revenue categories he managed sets the template for the next phase of the company’s evolution.

Michael Kuntz is being promoted to SVP of Global Sales and Partnerships—with responsibility for direct brand advertising, the media sales operation, account management and trafficking, and the Studio team producing native and interactive advertising solutions. The Brand Advertising team is well-positioned for growth in 2016 through video advertising, native advertising and transactions through private marketplaces. This now makes two Hearst veterans in senior management at Gawker Media: myself and Michael.

Michael is elevating Mia Libby to be VP of National Sales and Partnerships, working with the sales team in New York and across the country to grow our largest advertising partnerships. Congratulations to both of them.

The Automated Advertising group—which includes commerce, promotions and partnerships with native advertising networks and external platforms—has nearly doubled in revenue in 2015. Commerce is set to generate \$150m this year for merchant partners. Please join me in recognizing Ryan Brown, both for this growth record and his promotion to head this dynamic new business.

Much future growth will come from content services which tap into content marketing budgets, PR agency relationships, and co-productions with the most progressive brands. To better address this opportunity, we are establishing a new Content group which will combine the existing video and strategy teams.

As head of Content Strategy, Jim Lehnhoff will work in partnership with Creative Director Jesus Diaz. The combined team—building off the distinctive visual style of Gawker Media video, existing events work for clients, and the most ambitious content collaborations—will focus on new business from co-productions with compatible brands.

Given the vital role of technology in driving Gawker Media's revenue, Michael Kuntz and Ryan Brown are collaborating on business strategy with CTO Ian Fette and Senior Director of Product Lauren Bertolini. This cross-departmental team, led by Ian, will focus on revenue optimization and the user experience, serve both brands and readers, and reconcile their needs with relevant and viewable advertising.

Gawker Media has come closer than any other company to a sustainable commercial model for honest journalism and conversation. The eight properties each have unique credibility in their categories, they enjoy remarkable audience engagement, and collectively attract more affluent and influential millennials than competitors such as Vox and Vice.

This reorganization will position us better to guard this mission and take advantage of the commercial opportunities it provides. For skeptical millennials and the brands that wish to speak with them, the company's proposition is unique. Let's make the most of it.

Heather Dietrick  
President and General Counsel  
Gawker Media LLC



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