

Headsprout Early Reading™ Chosen by U.S. Department of Education to Participate in \$10M National Study on Improving Student Achievement

Headsprout Early Reading Picked from a Pool of Over 160 Applicants

Seattle, WA, March 3, 2004 - The U.S. Department of Education has announced that Headsprout Early Reading has been chosen to participate in a \$10,000,000 congressionally mandated study to determine the effectiveness of educational technology on improving student achievement. Headsprout Early Reading is one of six early reading products that will be evaluated for effectiveness in teaching First Graders to read. Headsprout Early Reading was chosen in a peer-review process from a pool of over 160 products, and is the only program selected that offers schools a money-back performance guarantee based on grade-level reading outcomes.

Top research firms Mathematica and SRI International will measure the impact of using the technologies on achievement gains using controlled, randomized trials in classrooms beginning in the 2004-2005 school year. Some teachers will be trained to use Headsprout Early Reading and others will be trained to use the other chosen products. All will then demonstrate program use and effectiveness in the classroom.

“Headsprout Early Reading was scientifically developed from the outset to ensure reading success with non-reading and beginning-reading children,” said Greg Stikeleather, CEO of Headsprout. “We already have the data that enable us to offer a unique proposition, the ultimate in accountability. Headsprout guarantees grade-level reading outcomes based on any generally-recognized reading assessment a school wants to use. If a Kindergartner or First Grader completes Headsprout Early Reading and is not reading at grade level, we will provide a full refund or credit for those students. We are pleased to have been selected for this Department of Education study and are confident Mathematica and SRI International will find Headsprout Early Reading generates the same high-level positive outcomes in this additional research.”

Headsprout Early Reading offers a unique adaptive experience for each learner as a result of its patented Generative Learning Technology, which immediately adjusts to the child’s reading strengths and weaknesses. As the child proceeds through the lessons, the technology continues to adapt to individual performance, teaching the material in alternative ways if a child is having difficulty. Lessons average 20 minutes and are available from any Internet-connected computer with no special training required for parents or teachers. Currently, Headsprout is being used in school districts and homes across the country, in urban, suburban, and rural settings. Most recently, Headsprout Early Reading was approved by the Philadelphia School Reform Commission for purchase in the Philadelphia School District for up to one million dollars.

About Headsprout

Headsprout was founded in 1999 by a team who has spent the last 20 years improving education for young children. Headsprout's Generative Learning Technology provides a low-cost, easy-to-use instructional solution for reliably teaching fundamental academic skills. Headsprout's mission is to be a major force in helping eliminate illiteracy in young children in this country in this decade, by making its Generative Learning Technology available for children everywhere through the Internet. Every hour of every day, in schools and homes across the country and around the world, children are learning to read with Headsprout. Headsprout is a privately-held company based in Seattle, WA. For more information about Headsprout, please visit their website at www.headsprout.com.

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