NBCU Project 1:
Content Aggregation

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TO TEAM MEMBERS OF PROJECT 1:

Thank you for taking the time to read through the following news run. The challenge that we are faced with is to determine how we can leverage NBC's TV presence by creating partnerships to become the local media content aggregator across multiple platforms.

The following news articles highlight recent news related to content aggregation. In the appendix you will find a list of NBC shows as well as the current NBC line-up.

Selected highlights from the articles:

- Online video aggregation continues to grow through sites such as newsclipper.org, veow.com, hulu.com, etc. As the online video space becomes better defined, we see that consumers are very receptive to watching conventional network TV programming online; however, these same online consumers of TV video content are still bothered by the advertising that accompanies it. Determining the right way to advertise via online video is still up in the air.

- The old cable business model, a "take-what-we-offer-you" approach to customers, is being undermined by a consumer driven "give-me-what-I-want-when-I-want-it" model.

- Online viewership of TV content will continue to rise through increased high speed internet household connectivity. This increased connectivity will rise through free digital broadcasts combined with on-demand delivery of content, more high-end TV sets with Ethernet ports, and through video game consoles equipped with internet access.

News Run Prepared by Christian Santiago, MBA Class of 2008

2/22/08, TELEVISION DISRUPTED: NEWSCLIPPER.ORG

By Shelly Palmer
HUFFINGTONPOST.COM

Scott Boyarsky, Director of Program Management at the Walt Disney Internet Group called me to chat about an extraordinary website called newsclipper.org. It's extraordinary for a bunch of reasons (which I shall explain) but the most interesting part of our conversation centered around a simple, unavoidable truth: newsclipper.org does exactly what you or I might do with publicly available content - they just do it so well, you wonder if it's legal.

In my book, Television Disrupted: The Transition from Network to Networked TV, I spend a good deal of time discussing the probable futures of "networked" television. In a networked environment, the content publisher is supposed to benefit from a one-to-one relationship with the content consumer. At least that's what's supposed to happen.

The promises of networked media distribution are numerous and they span a continuum from practical to hallucinogenic. There is the promise of instant transactions, the promise of better, census-based metrics, the promise of programming customization, the promise of contextual relevance, etc., etc., etc.

One of the best understood techniques for distributing one-to-one media experiences is RSS (Really Simple Syndication). This is the methodology used by bloggers, podcasters and, more recently, video distributors to enable their content to be embedded in, or linked to, other peoples websites. You can think of RSS as the ability to syndicate web content.

Now, in the book, I talk about the way RSS might be used to distribute and channelize video to create a custom viewing environment. It could be recommendations from friends, playlists from colleagues, feeds from selected sources or a collection of clips assembled by a professional program director.

When you get a minute (like the moment you're done reading this) go to: http://newsclipper.org. What you will find there is simply fantastic. You choose a subject such as politics, entertainment, business, health or sports. Or, you can choose a network like CNN, ABC, ESPN, CBS or FOX. What you get are pristine video clips served from their respective content owners. You can also choose special interest feeds like Barack Obama or Hillary Clinton or simply select to view the most recently posted or the most viewed clips.

Why is this video aggregation site different from all other video aggregation sites?

Well, first of all, it's not a video aggregation site. It's just a bunch of feeds that are arranged for you in exceptionally easy to understand groups. When you select ESPN, for example, you get a list of recent clips from ESPN.com. You can add them to your personal playlist or just view them by clicking. Choose "Election 2008" from the "Specials" pulldown menu and you'll be treated to a list of election-oriented clips from all of the major news organizations that newsclipper.org channelizes. Newsclipper.org doesn't store the video, nor do they ask for (or need to ask for) anyone's permission to do this. For all practical purposes, it's just a linking site.

There is one little issue though -- there's no advertising on any of the videos. None on the site, nope, nada, nothing, zippo, zilch!

How come? Well, newsclipper.org is simply looking at RSS feeds from major content publishers and pointing you to their content. They strip out any of the code that points to advertising and simply bring you the programming. The only way to prevent this would be for content publishers to "bake" commercial messaging into their videos. But that would not let them properly traffic advertising on their own sites. And, it would also allow content to expire, which is not a good idea. Nobody needs to see a commercial for a Columbus Day sale on October 31st?

Unlike QuickSilverScreen.com and other linking sites that feature pirated content, newsclipper.org points you to publicly available feeds featuring video hosted and served from the legal rightsholder's servers. The site is remarkable in that it fulfills its marketing promise perfectly. "Come to newsclipper.org and get video clips from major news sources in a clean, easy to use online environment."

Here's the scary part. If you take the playlist you create on newsclipper.org and add your own advertising via RSS and put the whole shebang on your own website or blog, you will (in effect) become a customized, targeted video site with network quality news clips, selling your own advertising with no way for anyone to know that what you are doing is illegal. The content publisher will know, but only if they see your site. Consumers won't have any idea that the advertising they are seeing is not the advertising that they were intended to see.

This gets complicated and messy. By itself, newsclipper.org is a harmless tour de force in programming prowess and organization skill. However, out of context or in the hands of an untoward individual, the site enables a bit of hijinks or, at worst, something approaching grand larceny.

Absurdly, all of the content publishers who are featured on newsclipper.org gleefully feed their video content via RSS. By definition, anyone can read the feed and see the videos. Of course, the idea was for consumers to see the whole feed with advertising intact. Oops!

2/21/08, Old TV Made New Online

By Louis Hau
FORBES.COM

The Internet represents the media industry's future. But as big media companies move to get more TV programming online, they're increasingly reaching back to the past.

CBS (nyse: CBS - news - people) said Thursday it is posting full-length episodes of some of CBS Paramount Television's most valuable archive properties online, including the first three seasons of *Star Trek* and the first seasons of *Melrose Place* and *Hawaii Five-O*. All episodes will carry advertising and can be accessed for free at Time Warner's (nyse: TWX - news - people) AOL, CNET Networks (nasdaq: CNET - news - people), Bebo, Veoh and other CBS distribution partners.

"We're putting it out there to seed the new medium that is the Internet and see where that takes us," CBS Interactive President Quincy Smith said.

The move follows close on the heels of an announcement on Tuesday by General Electric's (nyse: GE - news - people) NBC Universal that it will distribute episodes of *Miami Vice, The A-Team, Kojak* and other shows at NBC.com, SciFi.com and other NBC sites.

CBS and NBC are hardly alone in exploiting their archives. Sony (nyse: SNE - news - people) Pictures Television has been expanding online distribution of its popular Minisode Network, which features abbreviated episodes of shows like *Charlie's Angels, The Partridge Family* and *Starsky & Hutch*. FremantleMedia is preparing to expand its AtomicWedgieTV.com site to include humorous mash-ups of archived clips from *Baywatch, The Price Is Right, Family Feud* and other Fremantle shows.

And Warner Bros. Television Group, one of the first studios to post old shows on the Web through its In2TV site at AOL, is looking to expand In2TV in the second quarter and is expected to announce other new uses of archived programming in the coming months, according to Warner Bros. spokesman Scott Rowe. "The library product serves the same purpose as a new show," Rowe said. "It's all about aggregating eyeballs."

Unlike the world of syndicated television, where TV channels save their limited time slots for new shows or reruns that generate the largest audiences, the unlimited "shelf space" of the Internet provides studios with a viable platform to generate new revenue streams from both huge franchises like *Star Trek* and lesser hits like *MacGyver,* according to Mike Goodman, director of digital entertainment at the Yankee Group in Boston.

Another factor: advertiser interest in online video continues to grow faster than the audience for it. Posting classic TV shows, which already boast legions of fans provides TV studios with a relatively quick and easy way of capturing ad dollars, according to Rex Wong, chief executive of Dave Networks, an online video distribution company that works with CBS and Fremantle.

Studios have to clear some hurdles to move a show from a dusty warehouse shelf onto the Web, such as clearing the necessary Internet rights to any songs that play during an episode, Wong said. Still, he said he expects TV studios to become more active in seeking out Internet audiences for their old TV shows. "The Internet opens up entirely new fan bases," Wong said.

CBS' Smith couldn't agree more, saying that posting old shows online could create new fans and business opportunities not only in the U.S. but overseas as well. For instance, online exposure could, in an ideal scenario, lead to new syndication deals for CBS Paramount programming in foreign markets, Smith said. "It's taking the full resources of content that CBS has at its disposal," he said.

2/19/08, Topix Announces Forum Partnership With NBC Universal's Local Media Division: *Local news community adds broadcast partners in 10 top DMAs around the country*

Press Release
FROM YAHOO! FINANCE

PALO ALTO, Calif., Feb. 19 /PRNewswire/ -- Today, Topix (http://www.topix.com), the largest news community on the Web, announced an agreement to power discussion forums for NBC Universal's 10 owned and operated station web sites.

With millions of unique visitors a month, NBC Universal's stations are NBC6 Miami, NBC11 in the San Francisco Bay Area, NBC5 in Chicago, NBC4 in Washington D.C., NBC5 in Dallas/Fort Worth, NBC San Diego, NBC30 in Hartford, KNBC in Los Angeles, WNBC in New York, and NBC10 in Philadelphia.

"To stay relevant and competitive, media companies need to engage with their audiences," said Chris Tolles, CEO of Topix. "We're proud to provide NBC the platform for their newsrooms to proactively participate in the online conversation."

"We needed a forum partner that could scale with us as we grew," said Brian Buchwald, SVP Local Media Division from NBC Universal. "Topix offers a straight-forward, flexible and cost-effective solution to building community across our sites."

Topix powers local commentary and forums for more than 100 media partners, including Gannett broadcast sites, Tribune newspapers, Media News Group, and more. With its advanced filtering algorithms and powerful moderation tools, Topix helps media companies engage their newsrooms in active dialog with their audience. For more information about becoming a partner, contact Topix at partners@topix.com or visit the Topix booth at the following events: SNA Spring Publisher's Conference, NAA Marketing Conference, WeMedia Conference, and SXSW.

About Topix

Topix is the leading news community on the Web, connecting people to the information and discussions that matter to them in every U.S. town and city. A Top 20 online news destination (comScore, will update with January data), the company links news from 50,000 sources to 360,000 lively user-generated forums. Topix also works with the nation's major media companies to grow and engage their online audiences through forums, publishing platforms and RSS feeds. Based in Palo Alto, Calif., Topix LLC is a privately held company with investment from Gannett Co., Inc. (NYSE: GCI - News), The McClatchy Company (NYSE: MNI - News) and Tribune Company. For more, visit www.topix.com.

2/14/08, Must Widget TV: Nets Move From Web To 'Distributed Content'

By Joe Mandese
ONLINE MEDIA DAILY

TWO YEARS INTO TELEVISION'S ONLINE video revolution, the industry's biggest players are still grappling with the basic infrastructure of the business, trying to understand how viewing habits are changing, how advertising should be formatted, delivered and valued. That was the takeaway from a half-day seminar hosted by Havas' Media Contacts unit Wednesday in New York, where top executives of the major networks and online video portals debated the status of the business overall, and the way each of them are approaching it in particular.

One thing was clear from the discussion, and from the findings of a Media Contacts and comScore study released at the event: Consumers like watching conventional network TV programming online, and they are still loath to watch much of the advertising that accompanies it.

Despite that latter challenge, the major TV providers are moving aggressively online--and not only to their own online destinations, but in an array of "distributed" online content options to deliver their programming directly to consumers regardless of where they are on the Web.

"It's not just the idea that you can put the content where you want on the Web. It's about letting the consumers grab your content," said Kevin McGurn, vice president-national sales at Hulu, the joint venture of News Corp. and NBC Universal wants to become the Google of online video. In fact, he noted that the design of Hulu--stark and minimalist--is more akin to Google's interface than the cluttered, portal-like designs popular on other video aggregation sites.

But McGurn said Hulu's site is but one entry point for users, and that real goal of the venture is to "give users a curated environment" to find, watch and manage online video content wherever it comes from, or wherever it is. Among other places, he said that might be on embedded video players located on a user's own page.

"We are absolutely looking to enable consumers who are passionate about shows to own and operate shows in their own environment," he acknowledged, echoing a widgets' strategy that is becoming increasingly popular with other major content providers.

And while the end game may be to push traffic to NBC Universal's, News Corp. and their various partners' content, McGurn said Hulu is in the process of "indexing" all video content on the Internet, with the goal of providing links to video content that isn't licensed to play on Hulu, including programming from rival CBS, which has distribution deals with competing video aggregators such as Veoh.

"The real challenge is increasing consumption," concurred CBS Interactive Executive Vice President-Chief Marketing Officer Patrick Keane, "and increasing viewership of video online." Asked by panel moderator, Media Contacts Senior Vice President-Director of Digital Media Adam Kasper, whether the television networks weren't simply becoming "widgitized," Hulu's McGurn asserted: "Those embedded players are our best marketing tool. We want people to come back to our content."

That appears to have been the case for at least one major television player: NBC. Despite initial fears that streaming its programs online would "cannibalize" NBC's television audience, NBC Universal Senior Vice President-Digital Media Sales Peter Naylor said it has actually added incrementally to it, capturing viewers the network otherwise would not have been able to reach. He said NBC Universal's research indicates that online viewers are, "coming to NBC because they missed it on air. And if we didn't have it online, those are viewers we would have missed." NBC Universal calls its online video plays "NBC Replay" to reinforce the notion that these are incremental audiences to television. In fact, Naylor said a significant percentage of them are people who are "repeat viewers," while another segment are people who discovered NBC shows for the first time online. "Those are people, absent the online experience, that we wouldn't have gotten otherwise," he said.

While the networks appear to be figuring out the content part of the online video equation, the advertising portion remains in flux. All participants agreed that there is strong demand from advertisers for premium online video advertising inventory. The issue is finding a way to deliver it in a way that they will actually watch it. Part of that, the panelists said, is the format of the advertising. The other is its creativity.

"We are fortunately, or unfortunately, still taking creative assets built for television and porting them to the Web," said CBS Interactive's Keane.

NBC Universal's Naylor estimated that probably less than half the online video ads it carries were created specifically for online viewers. "Most people are taking their TV creative and shoveling it onto the Web," he said.

That could be a bad thing, said Hulu's McGurn, because research shows that conventional TV commercials wear out very quickly when shown repeatedly online, and that they will actually generate more negative brand recall than positive. Instead, he recommended advertisers and agencies develop, "a storyboarded message" that delivers a continuing message through a series of successive advertising pods.

The media executives implied that there would need to be more experimentation and failures before the industry figures out the right way to advertise via online video.

1/14/08, 3 Hidden Trends in 2008

By Geoff Ramsey
EMARKETER.COM

Business statistics can often reveal a great deal of information about a market or trend. A single number, like a picture, can be worth a thousand words. Take 9.3%. That figure represents eMarketer's prediction for the share of total US media spending going to the Internet this year (in 2007, the share was only 7.4%).

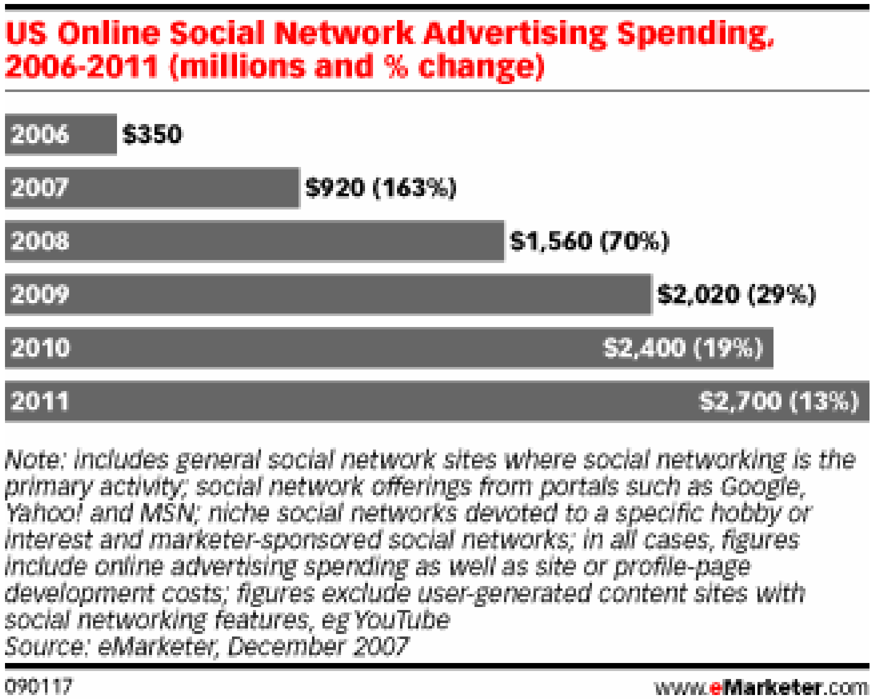
US Online and Total Media Advertising Spending, 2006-2011 (billions and % of total media spending)

	Internet	Total media	Internet % of total media
2006	$16.9	$281.6	6.0%
2007	$21.4	$287.5	7.4%
2008	$27.5	$295.5	9.3%
2009	$32.5	$301.5	10.8%
2010	$37.5	$309.0	12.1%
2011	$42.0	$316.0	13.3%

Note: eMarketer benchmarks its US online advertising spending projections against the Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2006; online ad data includes categories as defined by IAB/PwC benchmark—display ads (such as banners), paid search ads (including contextual text links), rich media (including video), classified ads, sponsorships, referrals (lead generation) and e-mail (embedded ads only); excludes mobile ad spending; eMarketer benchmarks its US total media advertising spending projections against the Universal McCann data, for which the last full year measured was 2006; includes television (broadcast and cable), radio, newspapers, magazines, Internet (excludes mobile), outdoor, direct mail, yellow pages and other
Source: eMarketer, October 2007

088473 www.eMarketer.com

In absolute terms, 9.3% translates into $27.5 billion being spent on various forms of Internet advertising in 2008, according to eMarketer projections. That number, in turn, reflects a variety of trends and industry developments that are expected to take place. For example, advertising on social networks and online video are both projected to grow at double-digit rates this year.


US Online Social Network Advertising Spending, 2006-2011 (millions and % change)
2006 $350
2007 $920 (163%)
2008 $1,560 (70%)
2009 $2,020 (29%)
2010 $2,400 (19%)
2011 $2,700 (13%)
Note: includes general social network sites where social networking is the primary activity; social network offerings from portals such as Google, Yahoo! and MSN; niche social networks devoted to a specific hobby or interest and marketer-sponsored social networks; in all cases, figures include online advertising spending as well as site or profile-page development costs; figures exclude user-generated content sites with social networking features, eg YouTube
Source: eMarketer, December 2007
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www.eMarketer.com


US Online Video Advertising Spending, 2001-2011 (millions)
2001 $40
2002 $55
2003 $85
2004 $135
2005 $225
2006 $410
2007 $775
2008 $1,350
2009 $2,100
2010 $3,100
2011 $4,300
Note: eMarketer benchmarks its US online advertising spending projections against the Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2006; online video includes in-page and streaming video
Source: eMarketer, June 2007
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www.eMarketer.com

But while video and social networks are among the hottest new ad formats today, they will account for only $2.9 billion, or about 10% of total online advertising dollars projected for 2008.

I believe that these trends, while important, are superseded by three deeper, more fundamental transformations taking place in the media world. These transformations aren't so easily captured by numbers.

The first of these transformations starts with media fragmentation, which, because of the Long Tail effects of the Internet, is expanding exponentially. However, we are now learning how to harness media fragmentation to serve the needs of advertisers, publishers and, yes, even consumers.

Over the past year, we have seen significant consolidation and simultaneous expansion among the online ad networks. Ultimately, as these ad networks continue to grow and become more sophisticated in their ability to target specific consumer groups, they will allow advertisers to reach large audiences that are stitched together from hundreds or thousands of diverse Web sites. Eventually, advertisers will be able to have their cake and eat it, too: They will enjoy precise targeting of ads without sacrificing reach.

As Adam Gerber of Quantcast has said, in the future, online media buying will be about "the re-aggregation of a fragmented audience that's actually watching different things."

The second transformation is that the Internet is becoming the central hub of most media and marketing campaigns—and for good reason. Not only is the Internet now used extensively by every major demographic group, and for a variety of purposes including information, communication and entertainment, but it also allows for a two-way interaction between consumers and marketers that is not found in any other medium. Just as important, the Internet can provide a wealth of measurement metrics to help marketers justify and fine-tune their integrated media plans.

But it is the third transformation that will have the greatest effect since it transcends the Internet and affects all media. For decades, the ad industry was built on the interruption-disruption model. Consumers understood that if they wanted to experience free content—in the form of television shows, music on the radio and magazine articles—they would have to put up with ads, most of which were perceived as irrelevant, boring, annoying or all three. In this standard construct, ads were seen as a "necessary evil" to support the content consumers really wanted to see.

But the interruption-disruption model is dying out, thanks to shifting consumer trends. Consumers are increasingly in control of their media content and can easily eradicate ads they don't want to see. They also have less trust in advertisers and their messages. Further, consumers are creating their own content with the help of blogs, social networks, wikis and other digital-communication platforms.

As a result, advertisers and their agencies who want to engage with today's consumers will have to start turning their ads into content. Ultimately, they will need to be able to produce content that is so compelling, relevant and entertaining that consumers will seek it out and want to share it with others. The new ad model is about creating great content and finding clever ways to embed it in the fabric of communities and content platforms where consumers are hanging out and actively participating.

As CEO and co-founder of New York-based eMarketer, Mr. Ramsey is on the cutting edge of new research statistics, trends and best practices, covering every aspect of marketing in the digital *age. He is a frequently requested public speaker and will be talking about the trends discussed above at the upcoming iMedia Brand Summit in Bonita Springs, FL, in February.*

11/19/07, Winning The Broadband TV Game: The Holy Grail Of Internet TV Is Closer To Becoming A Reality, And The Players Who Are Making It Happen Are Not Cable TV Providers Or Telecoms

By Gary Morgenthaler & Herve Utheza
BUSINESSWEEK.COM

The dream of watching both Internet video and regular TV programs on the same television is not as distant as many observers fear. Despite the dust and confusion from the maneuverings of the major players in telecommunications -- primarily content providers, cable and phone companies, television makers, and console producers -- the outlook for Internet TV is getting clearer.

Within three years, it now appears likely that a full 40% of U.S. consumers will have some way of connecting their TV displays directly or indirectly to the Internet. Within five years, the percentage of such viewers will reach 70%, laying the foundation for a true mass market. Ironically, the prime beneficiaries of this shift won't be cable TV companies like Comcast (CMCS.A) or phone companies like AT&T (T) -- even though they're the ones pouring billions of dollars into building the high-speed bandwidth infrastructure that's makes this upheaval so unstoppable.

Cable's traditional business model, a "take-what-we-offer-you" approach to customers, is being undermined by consumer demand for an a la carte, "give-me-what-I-want-when-I-want-it" model. Meanwhile, the new subscription television services from the phone companies -- even AT&T's, which is being delivered with Internet technology -- are largely "me-too" products that compete with cable on cost more than on features. Moreover, phone company TV will require too much time to roll out on a broad scale to capitalize on the melding of Internet video with television.

We see a strong analogy between the present era and 1993. Back then, the phone carriers were talking loudly about the inevitable coming of the "information superhighway," with the speedier pipes they planned to lay playing the central role by linking everyone and everything. Little did they realize that the superhighway was already arriving over their slow-poke pipes, courtesy of Netscape, whose novel Web browser was helping people make sense of the Internet and creating a whole new marketplace.

Progress Arrives from Unexpected Quarters

Similarly, the drivers of the today's Internet TV revolution are coming from a direction the carriers have failed to foresee. They are arriving by stealth in the form of three Trojan horses.

First, Internet connectivity is quietly appearing on most high-end TV sets with the addition of Ethernet jacks by manufacturers such as Matsushita, Sony (SNE), Samsung Hewlett-Packard (HWP), and Philips. Initial uses of these jacks, for viewing family photos and home videos stored on a personal computer, are effectively opening a pathway between the TV and the Internet via the PC's broadband connection. From there, new uses will emerge. Exciting new TV features typically migrate over time to lower-cost models, so we expect the number of homes with Ethernet jacks on their TVs to reach at least several million over the next few years.

The second Trojan horse is the emerging hybrid delivery model: free, over-the-air, digital broadcasts combined with on-demand delivery of premium content over a home broadband Internet connection. This model, pioneered in Britain by Freeview, connects TV and computer via a set-top box. It has won over nearly 13 million British households during the past three years, outpacing both satellite and cable providers. U.S. startups are working to offer a similar service that should prove at least as popular in this country.

However, it is the third Trojan horse -- the video game console -- that promises to make the biggest inroad of all. The latest generation of consoles already offers consumers both Internet access and the ability to display digital content on their TVs. At today's rapid rate of adoption, we expect there will be 35 million TV-compatible gaming consoles in American homes by 2010, representing about one-third of all households. That is a market!

Our conversations with gaming providers indicate that they are beginning to grasp the broader opportunity of becoming the prime intermediaries between all consumers [not just game players], the Internet, and their TVs. Gaming, after all, connects players not only to online communities but to in-game advertising and all kinds of commercial and entertainment possibilities.

Consumer Customization Will Rule

Taken together, broad-scale Internet access, new hybrid delivery systems, and gaming platforms will provide the foundational tools needed for widespread Internet-TV connectivity. The resulting incentives for content aggregators, their distributors, and new entrants to help consumers connect the few remaining dots will be overwhelming. If not Comcast, then Google (GOOG). If not Verizon (VZ), then Apple (AAPL). Or maybe Sony, Nintendo [companyid=], or Microsoft (MSFT).

And consumers will find themselves in a position to do what they do best. Consumers have proven time and again that they are highly skilled at arbitraging one service opportunity against another on the basis of pricing, ease of use, and the richness of content. In a few years, the typical Internet TV consumer will pay for a core palette of 10 to 12 channels drawn from a far wider range of both commoditized and customized content, both broadcast and narrowcast. The mixes will be infinitely varied and highly personal: NFL football, commodity news, bass fishing, physics lectures, home decorating tips, Jimmy Cagney movies -- whatever.

Meanwhile, traditional everything-for-everyone content aggregation -- the proverbial 500 channels with nothing to watch, packaged in two or three service tiers -- won't do the trick anymore. That business model -- still pursued by cable providers and even a surprising number of Silicon Valley startups -- will suffer from both a lack of customer enthusiasm and an ever-tighter squeeze on profit margins by Hollywood content providers.

Indeed, Hollywood is now blessed with a plethora of ways to reach the audience, from traditional distribution channels like cable to online video streams and downloads. And by pitting those channels against one another, content providers may gain enough negotiating leverage to boost their share of distribution revenues from 60% to as high as 85%.

That's the future as we see it. The barriers that have long inhibited Internet-based TV are beginning to crumble. The TV manufacturers will win; the gaming companies will win; the best new platforms blending personalized and branded content will win; Hollywood will win; and consumers will win. And, unless they find ways to adapt very quickly, telecoms and cable companies will lose. Messy? Absolutely. The process will, we predict, prove to be another example of long technological gestation followed by abrupt, even breathtaking, change. This is "creative destruction" at its best.

9/14/07, Yahoo Acquires News Aggregator Site BuzzTracker; Expanding Yahoo News Into Software-Driven

By Rafat Ali
PAIDCONTENT.ORG

Yahoo (nasdaq: YHOO - news - people) has announced a small acquisition in the news space: it has bought news aggregator and blog tracking site BuzzTracker.

The site's founder Alan Warms has joined as GM and VP of Yahoo's news division.

Chicago-based BuzzTracker aggregates content from news sites and blogs, then organizes the content into various topics.

The software is also being used as a white-label on other sites such as TVWeek.com.

No price was disclosed, but should be in single-digit millions. Warms writes about it here on his blog.

So it looks like with adding the automatic aggregation capabilities of BuzzTracker, Yahoo news will expand from beyond a directory/human-driven news aggregation site.

This will also move it into Google (nasdaq: GOOG - news - people) News and Digg territory, while Google is trying to move into the human-editorial side with the AP/AFP/PA deal announced last month.

8/6/07, NBC's 'New Site' Strategy

By Louis Hau
FORBES.COM

It feels like ages ago, but it was only last year that NBC Universal ordered YouTube to take down unauthorized copies of the *Saturday Night Live* skit "Lazy Sunday," one of the first breakout hits on the fledgling video portal.

It marked one of the earliest instances of Big Media butting heads with the online video phenomenon. Since then, a lot has changed. Upstart YouTube is now part of the Google (nasdaq: GOOG - news - people) empire and major TV networks have been rushing to post much of their programming online.

The ad dollars being generated from online video are still insignificant for General Electric's (nyse: GE - news - people) NBC, CBS (nyse: CBS - news - people), Viacom (nyse: VIA - news

- people), Disney's ABC and News Corp.'s (nyse: NWS - news - people) Fox. But all are investing heavily in new Internet initiatives to reach consumers online.

The most ambitious effort so far is NBC Universal and News Corp.'s planned online-video joint venture, which will feature full-episode programming from NBC and Fox and from a variety of other content partners. News Corp.'s MySpace, Yahoo! (nasdaq: YHOO - news - people), Time Warner's (nyse: TWX - news - people) AOL, Microsoft's (nasdaq: MSFT - news - people) MSN, Comcast (nasdaq: CMCSA - news - people) and CNET will distribute the content on their respective portal sites.

The venture, which is expected to launch in September, still doesn't have a formal name yet--NBC is opting to refer to it as "New Site" in the meantime. In an interview, NBC Universal Chief Digital Officer George Kliavkoff talks about New Site, explains why he thinks mobile video is hampered by a "broken business model" and discusses the "broader issues" that NBC has with Apple (nasdaq: AAPL - news - people).

Forbes.com: Ideally speaking, an online video service would have all the top shows from all the major networks. Should we consider New Site a stop-gap measure?

George Kliavkoff: We'd welcome any other content partners. We've added about a dozen channels after we announced the two equity partners, and we will continue to add more content. Your question is probably more about the other networks. About a month ago we started to say, "It's getting close to launch, we're going to put our heads down and launch, and worry about adding additional big content partners later." If you think about the approach that CBS has taken, for example, they sort of followed our lead for broad distribution. Partnering with New Site would be consistent with what they've announced they want to do, which is to have their content everywhere. Disney tends to take more of a centrist, protect the network brand rather than the show brand kind of an approach, which in some respects is inconsistent with what we're doing because we think there's discovery to be had between the shows. So they will either continue down that path or decide to more broadly distribute their content. If they distribute more broadly, we're a natural first step for them. And I think Viacom is still figuring it out.

Will you allow consumers to post video content from New Site on their Web sites and blogs?

We'll be making some tools available to take content with you. There'll be some restrictions ... but within the [limits] of the rights that we have, we're going to try to make that as widely available as possible.

Do you have any concerns that your content could end up on a Web site that your advertisers won't feel comfortable with?

Whether the video travels and whether the ads with the video will travel are two very different questions. The video might travel, but we may choose not to put ads with it--we may use it as a promotion to bring them back to New Site, and that is where we'd sell [ads]. It's a good question, because you do run into the issue that YouTube has, which is, if you can't control what's next to your content, do advertisers want to be there?

How big a traffic driver do you expect viral distribution will be for your content?

We think it's huge. I'm speaking for NBC now, not New Site. If you distribute a *Bionic Woman* widget and it ends up on a *Bionic Woman* fan site, you would assume it would reach a lot of people who may never make it back to NBC.com. It's really a different way of interacting with the content. If you think of New Site's library of content to the portals, a lot of that is about discovery. You stumble across a clip for [Fox's] *Family Guy*, and while you're watching that, you may discover other comedy shows from another one of our content partners. Widget distribution is much more about being the fan of a single show, and you're taking that show's content with you and putting it someplace.

Will New Site be distributing any content through widgets?

New Site is working through that. It's certainly their right to do that, and there's no reason why they wouldn't want to do that.

New Site will offer both free and paid TV and movie content. What will be free and what will require a purchase?

For the movie content, the long-form movie content with very few exceptions will be [paid] download-to-own. The short-form movie content--trailers, behind-the-scenes stuff, press junkets--all of that will be free to the user. The TV content will all be free, all of those episodes will be available for streaming. We'll also offer download-to-own full-length episodes of TV shows the same way we do on iTunes. In many respects, it will be in competition with iTunes. We have broader issues with Apple. We're their largest video supplier, we have 45% to 50% market share of iTunes videos. Speaking for NBC, not for New Site, we have shows that play particularly well on that platform. *Heroes, The Office,* [Sci Fi Channel's] *Battlestar Galactica.* Anyone who's distributing content on digital platforms, we'd like to have an agreement about protecting our content. And broadly speaking, we'd like to have anyone who's distributing our content figure out a way to combat piracy. Handheld video players contain a lot of pirated content. And we'd like help in that respect.

So you're looking for help from Apple as a device maker?

If you buy something from iTunes, it's legitimate. But the majority of content that's on an iPod isn't bought through iTunes. Our pirated content ends up on that device. We'd like to figure out a way to avoid pirated versions of that same content getting on the same device.

Have they indicated a willingness to configure the iPod so that that pirated content can't be played?

We've been having that conversation, it's an ongoing conversation. The other issue with Apple candidly is pricing control. In many respects it feels like giving away software to sell hardware. And if you're in the business of selling software, you don't want that to happen.

NBC Universal and GE Commercial Finance launched a $250 million Peacock Equity Fund in April to invest in media and technology companies that are developing products of relevance to NBC. How does the fund fit with your overall strategy?

This is a way for us to seed digital businesses and to have an equity stake. Most of the time, we take an equity stake, we have an operating relationship as well. So it's a great way for us to play the field. We've announced three investments so far; we've made five. We think we're well on pace to distribute that $250 million over the two- to three-year life span that we expect it to last.

In January, NBC signed up with Qualcomm's MediaFlo platform to provide two channels of programming. Mobile video doesn't seem to drawing much in the way of traffic yet. What has to happen for that to change?

On paper, it looks great. It's a high-growth area. It's a device that's always with people, it's a device that's highly personalized. Just the fact that you pay 99 cents to buy a full song on iTunes, but you spend $3.99 if you want a 10-second version of that to be your ringtone--that's a pretty good indication of how people think about their mobile phones and the personalization capabilities of their phone. I generally think that underlying that is a larger issue with the way video content is distributed on cellphones in the United States. Today, it's a broken business model. If you look across most of the platforms on which premium content owners distribute their content, on almost every platform, the total gross dollars for the consumption of that content is shared in a way where the content owners, on the aggregate, get more than 50% of the gross dollars. That happens in cable, that happens in DVD distribution, that happens on mobile devices in other countries. In this country, if you look at the gross revenue of content distribution on mobile phones, 9% of the gross revenue goes to content owners, 70% stays with the carriers and 21% goes to content aggregators and other middlemen. We think over time that that'll get fixed. I believe the carriers are like us, long-term greedy, not short-term greedy. There are two ways to get that fixed: either we do that in partnership with the carriers or we figure out ways to go around the carriers. We'd much prefer to do it in partnership with the carriers.

But is it really the business model that's preventing more eyeballs from watching video on their cellphones?

Sure it is. It's all chicken and egg. Eyeballs will be driven by great quality programming. Very few people are going to invest in that unless there's revenue associated with it. The revenue won't come if there are no eyeballs. The quickest way to get that wheel spinning is for there to be a more realistic revenue split--where the folks who are actually going to have to place the bets and make the investments on the new content are given the majority of the revenue. When that happens, the investment will happen, that will drive more quality programming, that will drive more eyeballs and that will make the pie bigger for everybody.

APPENDIX

List of Shows Currently Broadcast by NBC

Source: Wikipedia.com

News
Dateline NBC (1992-present)
Early Today (1999-present)
Meet the Press (1947-present)
NBC Nightly News (1970-present)
Today (1952-present)

Drama
Chuck (2007-present)
ER (1994-present)
Friday Night Lights (2006-present)
Heroes (2006-present)
Law & Order (1990-present)
Law & Order: Criminal Intent (2001-present)
Law & Order: Special Victims Unit (1999-present)
Life (2007-present)
Lipstick Jungle (2008-present)
Medium (2005-present)
quarterlife (2008-present)

Sitcom
30 Rock (2006-present)
My Name Is Earl (2005-present)
The Office (2005-present)
Scrubs (2001-2008)

Reality
Age of Love (2007-present)
America's Got Talent (2006-present)
The Apprentice (2004-present)
The Biggest Loser (2004-present)
Last Comic Standing (2003-present)
Phenomenon (2007-present)
Nashville Star (2008-)

Soap opera
Days of our Lives (1965-present)

Talk show/Variety
Last Call with Carson Daly (2002-present)
Late Night with Conan O'Brien (1993-present)

Saturday Night Live (1975-present)
The Tonight Show (1954-present)
Reel Talk

Game show
1 vs. 100 (2006-present)
Deal or No Deal (2005-present)
My Dad Is Better Than Your Dad (Premieres February 2008)
Amnesia (Premieres February 2008)
Poker After Dark (2007-present)

Children's Programming
qubo
Babar (2006-present)
Dragon (2006-present)
3-2-1 Penguins! / Larry-Boy Stories (2006-present)
Veggietales (2006-present)
Jane and the Dragon (2006-present)
Jacob Two Two (2006-present)

Sports
NBC Sports
National Football League Sunday night regular season games, the Super Bowl XLIII, Super Bowl XLVI and two NFL Wild Card games a year.
The National Hockey League including Games 3-7 of the Stanley Cup Finals
The Olympic Games through 2012
Notre Dame home Football games
PGA Tour Golf, including 3 of the 4 FedEx Cup events beginning in 2007
US Open Golf
French Open Tennis
Wimbledon Tennis
Kentucky Derby
Preakness Stakes
WWE Saturday Night's Main Event which comes periodically.

Current NBC Broadcast Schedule

SOURCE: Wikipedia.com

Comedies are in **Green**; Dramas are in **Light Blue**; Reality are **Yellow**, Movie/Special are **Orange**, News programming are **Pink**, Sports Entertainment are **Purple**, Gameshow are **Red**, and Talk Shows are **Olive**. Scheduled premiere dates are shown in parentheses.

All times are Eastern and Pacific (subtract one hour for other time zones).

PRIMETIME (7PM - 11PM)

<table>
<tr><th>NBC</th><th>7:00 PM</th><th>7:30 PM</th><th>8:00 PM</th><th>8:30 PM</th><th>9:00 PM</th><th>9:30 PM</th><th>10:00 PM</th><th>10:30 PM</th></tr>
<tr><td>Sunday</td><td colspan="4">Dateline NBC</td><td colspan="2">Quarterlife</td><td colspan="2">Law & Order: Special Victims Unit</td></tr>
<tr><td>Monday</td><td colspan="2" rowspan="6">Local Programming</td><td colspan="2">My Dad Is Better Than Your Dad</td><td colspan="2">Deal or No Deal</td><td colspan="2">Medium</td></tr>
<tr><td>Tuesday</td><td colspan="4">The Biggest Loser</td><td colspan="2">Quarterlife</td></tr>
<tr><td>Wednesday</td><td colspan="2">Deal or No Deal</td><td colspan="2">Law & Order: Criminal Intent</td><td colspan="2">Law & Order</td></tr>
<tr><td>Thursday</td><td>Comedy Repeats</td><td>Comedy Repeats</td><td colspan="2">The Apprentice</td><td colspan="2">Lipstick Jungle</td></tr>
<tr><td>Friday</td><td colspan="2">Amnesia</td><td colspan="4">Dateline NBC</td></tr>
<tr><td>Saturday</td><td colspan="2">Dateline NBC</td><td colspan="2">Drama Repeats</td><td colspan="2">Drama Repeats</td></tr>
</table>

LATE NIGHT (11PM – 4:30AM)

<table>
<tr><th></th><th>11:00 PM</th><th>11:35 PM</th><th>12:00 AM</th><th>12:35 AM</th><th>1:00 AM</th><th>1:35 AM</th><th>2:05 AM</th><th>2:30 AM</th><th>3:00 AM</th><th>3:30 AM</th><th>4:00 AM</th></tr>
<tr><td>Monday - Thursday</td><td rowspan="3">Local News</td><td colspan="2">The Tonight Show with Jay Leno</td><td colspan="2">Late Night with Conan O'Brien</td><td>Last Call with Carson Daly</td><td colspan="2">Poker After Dark</td><td colspan="2">The Tonight Show or Late Night Reruns</td><td>Local Programming</td></tr>
<tr><td>Friday</td><td colspan="2">The Tonight Show with Jay Leno</td><td colspan="2">Late Night with Conan O'Brien</td><td>Last Call with Carson Daly</td><td colspan="2">Poker After Dark</td><td colspan="2">The Tonight Show or Local Programming</td><td>Local Programming</td></tr>
<tr><td>Saturday</td><td colspan="3">Saturday Night Live (11:30 PM to 1:01 AM)</td><td colspan="2">Poker After Dark (1:01 AM to 2:00 AM)</td><td colspan="5">Local Programming</td></tr>
<tr><td>Sunday</td><td colspan="2">Local News/Sports</td><td colspan="2">Dateline NBC</td><td colspan="2">Meet The Press</td><td colspan="5">Local Programming</td></tr>
</table>

DAYTIME (4:30AM – 7PM)

The first broadcast of the day on NBC is Early Today, an expansion of the "Today" franchise. Early Today features top news stories, weather, and sports. The Today show airs at 7:00 am, featuring a mix of news, weather, interviews, and lifestyle reports. Days of our Lives is currently the only daytime drama that airs on NBC, starting usually at 1:00. NBC Nightly News airs at 6:30 in most markets.

Schedule usually depends on the local NBC affiliate.

	4:30 AM	5:00 AM	5:30 AM	6:00 AM	6:30 AM	7:00 AM	7:30 AM	8:00 AM	8:30 AM	9:00 AM	9:30 AM	10:00 AM	10:30 AM	11:00 AM	11:30 AM
Week-day	Early Today	Local News				Today								Local Programming	

	12:00 PM	12:30 PM	1:00 PM	1:30 PM	2:00 PM	2:30 PM	3:00 PM	3:30 PM	4:00 PM	4:30 PM	5:00 PM	5:30 PM	6:00 PM	6:30 PM	
Week-day	Local News	Local Programming	Days of our Lives		Local Programming						Local News			NBC Nightly News	

UPCOMING SPRING PRIMETIME SCHEDULE

NBC	7:00 PM	7:30 PM	8:00 PM	8:30 PM	9:00 PM	9:30 PM	10:00 PM	10:30 PM
Sunday	Dateline NBC		Monk (4/6)		Psych (4/6)		Law & Order: Special Victims Unit	
Monday	Local Programming		The Baby Borrowers		My Dad Is Better Than Your Dad		Medium	
Tuesday			The Biggest Loser				Law & Order: Special Victims Unit (4/15)	
Wednesday			Deal or No Deal (3/25)				Law & Order (4/23)	
Thursday			My Name Is Earl (4/3)	30 Rock (4/10)	The Office (4/10)	Scrubs (4/10)	ER (4/10)	
Friday			Amnesia		Dateline NBC			
Saturday			Dateline NBC		Drama Repeats		Drama Repeats	

* Dates show when several shows return with new episodes.