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## As Internet TV Aims at Niche Audiences, the Slivercast Is Born

By Saul Hansell (Excerpts Taken) New York Times

In the last six months, major media companies have received much attention for starting to move their own programming online, whether downloads for video iPods or streaming programs that can be watched over high-speed Internet connections.

Perhaps more interesting — and, arguably, more important — are the thousands of producers whose programming would never make it into prime time but who have very dedicated small audiences. It's a phenomenon that could be called slivercasting.

In 2004, Wired magazine popularized the phrase "the long tail" to refer to the large number of specialized offerings that in themselves appeal to a small number of people, but cumulatively represent a large market that can be easily aggregated on the Internet. Plotted on a graph along with best sellers, these specialized products trail off like a long tail that never reaches zero.

"The next wave of media is to unleash the power of serving people's special interests," said John Hendricks, the chief executive of Discovery Communications, which is developing a series of specialized video services. "Every time I walk into a Borders bookstore, I spend a lot of time looking at the magazine rack — because staring at you are all the passions of America. The bride who is about to get married, there is a magazine for her. And for the person who is a little older, there are wonderful travel and leisure magazines."

Already, there are specialized video services serving hundreds of specialties, including poker, bicycling, lacrosse, photography, vegetarian cooking, fine wine, horror films, obscure sitcoms and Japanese anime. There is also a growing market for Webcasts of local news and entertainment from every country and in every language, aimed at expatriates.

Nearly 15 years ago, when the advent of digital cable offered the possibility of 500 channels, many people were skeptical that there would be enough programs to fill them. But then came specialized broadcasters — including the Speed Channel (for auto racing fans), the Military Channel and Home and Garden Television — and now cable and satellite systems are largely full.

"It has become almost impossible for a channel to increase its distribution the old way," said Lauren Zalaznick, the president of Bravo and Trio, two cable channels owned by NBC Universal. "To get distribution it takes a lot of effort and negotiation. You have to give up a lot to get very little."

Marie Oser, a vegetarian cooking writer and food promoter, has been creating television programs for cable networks for several years. She is now working on developing a site, VegTV.com, which features 160 clips, mainly cooking demonstrations, as well as coverage of events like the Tofu Festival in Los Angeles and interviews about vegetarianism with celebrities including Jane Goodall and

Daryl Hannah. The most popular viewing times, perhaps not surprisingly, are at lunch time and just before dinner.

Viewers call up about 1,000 videos each day, Ms. Oser said. "That's not huge," she said, "but it's growing." She makes money promoting her books, the food products she creates and the products of paying sponsors.

She offers her video by way of the Roo Group, a New York company that handles the technology for storing and sending the video to users; it also sells advertising on behalf of VegTV and a stable of other specialized sites. In the past, Roo has brought American Express, Honda and other national advertisers to Ms. Oser's site, although no major campaigns are running now. Roo also provides links to her programming from some other sites it works with, including Local10.com, the site of WPLG, a Miami television station, which supplements clips from its local news with additional video from Roo.

Robert Petty, Roo's chief executive, has been trying to build an Internet broadcast system for years, but the idea has attracted attention only recently. "In the last few weeks, we've had a lot of people in saying they want to build out five TV stations for broadband," said Mr. Petty, a former executive at Telstra, the Australian telephone company. "We went for a lot of years without any attention at all. We're really enjoying it now."

He added that viewers were quickly warming up to Internet video. "Now we are talking about three- to five-minute videos," he said, "but there's no question that in a year's time we are talking about 22-minute to one-hour videos." Roo works with 100 sites, which show 40 million videos a month, Mr. Petty said.

Looming over all of the smaller companies that distribute specialized video is the question of Google's ultimate role. Google's early video service was criticized as hard to use, but it is nonetheless attracting a lot of programming from major networks as well as independents. Google allows programmers to offer video free, to rent it or to sell copies that viewers download to their computers; Google gets a commission for videos that are sold and rented. Eventually, it plans to sell advertising on some videos as well, sharing the revenue with the producers.

Indeed, the Internet's ability to offer an almost infinite selection is part of what makes it so appealing: people can find things that don't sell well enough to warrant shelf space in a neighborhood music store or video rental shop. The ease of digital video production and the ubiquity of high-speed Internet connections are sending the long tail of video into the living rooms of the world, live and in color.

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## CISCO Spotlights Video At Its Partner Summit

By Kevin McLaughlin & Jennifer Hagendorf Follett (Excerpts Taken) CRN

Cisco Systems is prepping its channel partners to help it drive its next big growth market: video.

Executives spent much of this month's Cisco Partner Summit evangelizing video and the huge role it will play in the vendor's technology and channel strategies going forward.

Cisco President and CEO John Chambers said the networking giant in the coming year will focus on improving collaboration by weaving video into enterprise voice, e-mail and instant-messaging applications, as part of the company's push toward unified communications.

"The majority of interaction between people is going to be video, and partners are going to be the ones driving profitability in this area," Chambers said during a keynote at the conference in San Diego.

Chambers outlined a future in which the ability for workers to communicate and make decisions in groups will speed business processes and spur the development of new apps, such as video collaboration. "The ability to implement loose forms of collaboration, regardless of where people are located, gives you the ability to move as a group and make decisions faster than you could before," he said.

Charlie Giancarlo, senior vice president and chief development officer at Cisco, left little doubt about the vendor's intentions. "Over the next few years, Cisco will be a video company," he said during a keynote address at the partner summit.

## Nielsen To Report TV Viewing Via Web, Will Use Software Meter To Do It

By Joe Mandese (Excerpts Taken) MediaPost Publications

Nielsen's no. 1 priority for the next couple of years isn't commercial ratings, TV time- or place-shifting, or even advancing its traditional in-home measurement of conventional TV--it's understanding the link between television and the Internet. The company plans to introduce a new method for measuring television programming viewed over the Internet by the end of this year, Susan Whiting, CEO of the TV ratings giant, told a roomful of the nation's biggest advertisers Wednesday during a presentation in New York.

Whiting, speaking during the 2006 edition of the Association of National Advertisers' Television Advertising Forum, did not elaborate on how Nielsen plans to provide the new data, but alluded to the new "portfolio" measurement strategy she outlined several weeks ago. Details of the portfolio plan, which is Nielsen's solution for "following the video" across all the platforms TV programming is and ultimately will be viewed on - everything from broadband downloads and streams to portable devices such as iPods - are expected to be unveiled in about two months, but an insider tells *MediaDailyNews* the Internet measurement solution will likely be made via a new "software" meter that would be installed in devices people use to watch TV content via the Internet. "It could be a computer or a smart phone," said the executive, "We're going to do it via software."

Software metering is the core method used by NetRatings, an Internet measurement service majority owned by Nielsen, a division of VNU.

## A Sponsor and Its Show, Intertwined

By Stuart Elliott (Excerpts Taken) New York Times

Increasingly, makers of consumer products are commissioning shows and series to appear on television, computers, cellphones and hand-held devices like iPods — programs that typically would not be produced without the companies' financial support. Those taking part in the trend toward branded entertainment include Coca-Cola, Ford Motor, and Unilever.

The goal of programs that originate with marketers is to gain the attention of busy, distracted consumers who often ignore or avoid traditional commercials. Programming sponsored by and produced for single advertisers offers them benefits like exclusivity, reduced clutter and the ability to incorporate products into scenes in ways that do not seem blatant or contrived.

"This allows the brand to be the star of the show by delivering the show," said

Stuart McLean, co-president at JWTwo Entertainment, working with the comedian Paul Reiser to produce a series of short programs, resembling sitcom episodes, sponsored by a Unilever line of hair care products.

The series, tentatively titled "Sunsilk Presents Max and Katie," will start in September with what is scheduled to be a 13-week run on the TBS cable network, owned by Time Warner. Plans call for mini-episodes, each about two minutes long, presenting a humorous look at the hectic life of a 20-something woman — not coincidentally, the target audience.

JWTwo Entertainment will produce 85 mini-episodes of "Max and Katie," Mr. McLean said, with 65 intended for TBS and the rest to be available online, on cell phones, through e-mail and at displays in stores.



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