

THE HARMELIN MEDIA REPORT

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The Strike by Tiffany Kerper

Just after midnight on November 6, the Writers Guild of America (WGA) walked out and began striking for the first time in almost two decades. The strike in 1988 lasted for



twenty-two weeks and cost the industry more than 500 million dollars. According to online newsletter *Media Life*, if the current strike lasts as long as the 1988 strike, it could cost the industry a billion dollars.

Nineteen years ago was a time

when DVDs, DVRs, the internet, and ad zapping did not exist. Cable and home videos were still fairly new. However, the underlying reasons for both strikes are the same. As new technologies are developed and ways are found for viewers to view TV content long after the show airs on television, writers want to be compensated for the "added value" of their work. They want their residuals to include the extra viewing that these new technologies have introduced. As is stands now, producers don't pay the writers for content offered free of charge on websites. Television writers are only paid extra residuals based on a home-video sales formula agreed upon more than a decade ago. That was long before internet downloads and iTunes. Writers now are demanding a greater share of revenue from internet sales, which is seen as a key distribution channel for most entertainment, gaining more and viewers each year.

The current dispute is over the home-video formula that was agreed upon long before DVD sales became a multimillion dollar business for producers. As the internet and other technologies evolve over time, the writers don't want to find themselves in the same position with the new media as they have with the increase in DVD sales. They didn't foresee the DVD explosion and it cost them — but it won't a second time, they argue.

(Continued on page 4)

The NFL: A Place to Reach Women? by Jasmine Hall

Football widows. It's the term used to describe women whose husbands and boyfriends are spending Sunday afternoons and Monday nights from September to January parked in front of the television watching football. Presumably from the first kickoff to the final whistle, women



run for the hills while men camp out for the long haul. Advertisers for the most part aren't straying from this kind of thinking, but perhaps the time has come. While the NFL may not yet be the first place to go to reach a female demo, it does offer a unique way to cut through clutter and reach a viable audience that is often overlooked.

There is not much debate about the numbers — more and more women are watching the game. Nielsen reports that nearly 45 million women watch NFL football every week. In 2007, more women tuned into the Super Bowl (42.2 million) than watched the *Academy Awards* (40.2 million.) In fact, around 30% of the NFL fan base is female and the NFL is seeing its biggest revenue increases coming from Reebok's licensed women's apparel campaign "Be A Woman, Be a Fan." With women making the bulk of household purchases, it is apparent that this is a resource that should be further explored.

Surprisingly, one of the best case studies of advertising to women

(Continued on page 3)

Faceoff...for Facebook by Carrie Wulff

Two of the largest technology companies are fighting for a college networking site called Facebook. Why would companies like Microsoft and Google be fighting over this site? Here's why: ownership would mean a stake in one of the top 10 most visited websites, and a huge opportunity for ad sales.



Mark Zuckerberg was a 24-year-old Harvard student with years of computer programming experience and an idea of how to better become acquainted with the students on campus. In February 2004, Mark created Facebook as a free social networking site, designed for incoming students to get to know each other. By the end of its first month in operation, more than half of the undergraduate population was registered on this site. Facebook was initially restricted to students of Harvard University but within two months expanded to other Boston colleges and all Ivy League schools. It is now open to anyone with an email address. Facebook is used by all ages, ranging from high school students to business professionals. For some it's a way to organize social gatherings and for others it's a way to catch up with long-lost friends.

Users spend an average of 20 minutes each day on Facebook, and more than half of those users return daily. In October 2007, Facebook had the largest number of registered users among college-focused websites. With over 49 million active users

(Continued on page 3)

Why Not Outdoor? by Dana Smith

Out-of-home advertising, second only to the expanding online medium, has become a powerhouse in the advertising industry. While radio expenditures decline and newspaper circulations remain in a slump, outdoor is thriving with new and exciting facets coming out every day. As consumers spend more and more time away from home and daily commutes become much longer than they have been in the past, outdoor advertising's future looks rosy.

Out-of-home advertising encompasses both traditional and lifestyle media. Traditional includes billboards and posters, which have been around for hundreds of years. Lifestyle media includes many new and exciting options such as advertising in elevators, gas stations, movie theaters, on ticket stubs, and much more. Lifestyle media allows advertisers to get creative and present consumers with fun and exciting ways to learn about consumer products. It seems that each day, a new company comes along with another innovative way to get consumers' attention. We see advertising on eggs or coffee sleeves that change color once hot. There are even companies that can fully wrap porta-potties with an advertising message. While a porta-potty might not be the right environment for many advertisers, you can't help but think, 'what will they come up with next?'

The most interesting thing about this evolving medium is that billboards are still the core outdoor format. This has been greatly helped by the introduction of the digital billboard, which allows for many different messages to run on a continuous loop. Digital billboards are also great for extremely quick creative changes if the need arises. Still, the main reason for the continual advertiser demand for billboards is because consumers are constantly traveling, and whether they are traveling far or close to home, there are ways to reach them out-of-home.

One downside to out-of-home has always been the inability to measure the audiences for each outdoor campaign, but this is changing. The TAB (Traffic Audit Bureau) will soon directly take charge of estimating daily effective circulations (DECs—the traffic that passes a billboard each day and, thus, the estimated audience for that billboard). In the past, the billboard owners maintained traffic data and estimated audiences for their own inventory. This will now be done solely by the TAB, which will standardize DECs across all outdoor companies and create measurement consistency.

The bottom line is that outdoor is growing and similar to online, it will continue to do so. As stated on the Outdoor Advertising Association of America's website, "Outdoor is roadside, outside and inside, above and below ground and on the move." With so many avenues, endless creative outlets, and improved measurement systems, out-of-home is going to remain a strong advertising medium with the ability to reach almost any demographic target.



(Continued from page 2) **Facebook**

and nearly 200,000 new users daily, it is obvious why companies are fighting to be a part of this. Aside from the ever-expanding number of users, Facebook presents a huge opportunity for online advertisers to reach Adults 18-34. There are few other media vehicles where you can find such detailed information about its audience as the user's school, hobbies, favorite music, age, gender, etc. — all on one page. You get their profile. Facebook is free to users and generates revenue from advertisers through banner ads and sponsored groups. They focus on companies that are a good fit with their users. Companies such as Apple, Victoria's Secret, MasterCard and Electronic Arts have been involved with the first successful sponsored groups. As advertisers shift spending from traditional media to more targeted forms of media, online advertising suddenly becomes more enticing when reaching a younger demo.

Now that Facebook has been established as one of the most trafficked websites in the United States, they are continuously working to stay there. In May 2007 Facebook Marketplace was introduced. Users can post free classified ads in categories like For Sale, Housing, Jobs, and Other. Facebook has also recently expanded into the mobile phone business. In order to keep up with new technology, they created access from your iPhone. If you don't yet own the iPhone, you can access Facebook from any mobile browser. Facebook is also in the works of translating the site into new languages.

This is not the first time that Google and Microsoft have battled for a stake in a popular website. Google beat out Microsoft last year for the online video sharing site YouTube. A \$240 million investment in Facebook will buy the winner a 1.6% stake in the company. And the winner is . . . Microsoft. The deal was made official at the end of October 2007.

Around the Harmelin Water Cooler

What 'new' or 'old' media items are on your holiday wish list?

Books	55%
iPods	20%
HDTVs	20%
iPhones	10%
Satellite Radio	10%
HD Radio	10%
PS2 Games	10%
Magazines	5%
Blue Ray Movies	5%



(Continued from page 1) **NFL Female Viewers**

through sports was the 2000 launch of women's website Oxygen.com. The network chose to launch the website nationally in a second quarter television spot during the 2000 Super Bowl. Internet audience measurement provider comScore Media Metrix reported a substantial increase in unique visitors to the site in the days after the game while a Harris Interactive Intermedia Pulse poll showed that 21% of respondents said they planned to visit the website after viewing the commercial. Unlike some of the other advertisers in that year's Super Bowl, the Oxygen Network recognized that women were watching and they were able to successfully find and market to their demo.



It's not just the Super Bowl that women are tuning in to see. The regular season can draw a strong audience as well. In



Philadelphia, for the first home game of the 2007 season, Nielsen reports that the first Philadelphia Eagles game drew an 11.6 rating with a 47.1 share among women 18-49 as the home team lost to the Green Bay Packers in a 1PM

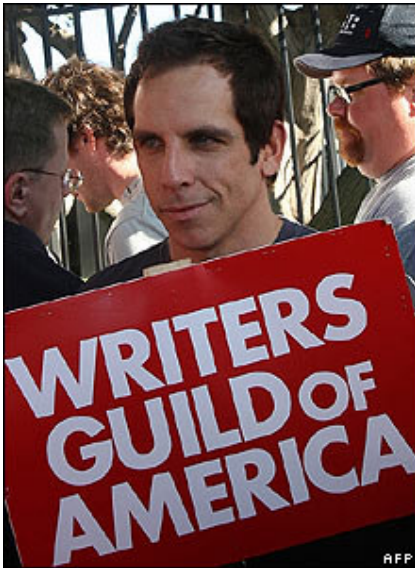
game. Meanwhile, later in the day in New York, the Giants earned a 4.2 rating with a 10.6 share among women 18-49. While not as strong as the Philadelphia W18-49 NFL season opener ratings, the Giants game was a primetime contest against Dallas. The Giants had to compete against its competitors' primetime lineups. Both games did better in their markets than ABC's hit show *Ugly Betty*, which has 73% women viewers among its adult audience.



As football increasingly becomes the American women's game, there will be more opportunities to advertise to the former "widows" who are watching the game alongside the men.

(Continued from page 1) **Strike**

The timing of this strike is unfortunate for the television industry. The strike of 1988 stretched through spring, when television production was slowing down. Summer was approaching and reruns were everywhere. This strike is at the height of television production. In many ways, the strike could not have come at a worse time for TV. Television's competition continues to grow with the internet, iPods and other digital media. Many



believe that television viewers and advertisers will start to go other places for content. Even though TV is the main source of entertainment in the United States, the longer the strike, the more chances that people's media habits will change.

Already, Comedy Central's *The Daily Show* and *The Colbert Report*, as well as late night shows

such as *The Late Show with David Letterman* and *The Tonight Show with Jay Leno* have gone into reruns.

NBC's hit comedy *The Office* stopped running original episodes after November 15. Production of the show has been shut down. Steve Carell, the lead actor, has refused to cross the picket line. The other issue is that many of the actors on the show are also the writers.

Fox has said that it will postpone the start of the seventh season of *24* to ensure an uninterrupted 24-episode season. Shows like NBC's *Law and Order: Special Victims Unit* and ABC's *Desperate Housewives* wrapped up production after they ran out of new scripts. Other shows such as *'Til Death*, *Two and a Half Men*, and *The New Adventures of Old Christine* have stopped production and will begin to air reruns.

Some scripted dramas and sitcoms will remain in production since producers have stockpiled scripts that will last through the first of the year. However, after they've filmed those last few written programs, these will shut down as well.

If the strike continues it will have a big effect on advertising. With many of the shows going into reruns, the networks are going to fall short on guaranteed ratings on their current buys. With inventory already tight, there won't be enough

Harmelin Media Welcomes Rita's

Harmelin Media is pleased to announce that we've been named the media planning and buying agency for Rita's. Since opening its first Italian ice store in Bensalem back in the summer of 1984, Rita's has grown to over 500 locations nationwide. It's the largest Italian Ice chain and has plans to reach 1,500 locations by 2010.

Rita's has over 30 flavors of Italian Ice and each is made fresh daily at every location. Rita's has also expanded its original menu of Italian Ices to include old-fashioned frozen custard, the very popular layered Gelati, creamy Misto Shakes and their newest treat, the Blendini, which features your choice of Oreo cookie pieces or Nilla Wafer pieces. Harmelin Media looks forward to a long-lasting relationship with Rita's.



inventory for extra spots to make up the weight. Also, for future television buys, advertisers will need more spots to compensate for the lower ratings that reruns are certain to generate; otherwise, advertisers won't maintain their GRP weight goals. There may be a greater demand on lower-rated inventory which may force advertisers to shift money into other media.

With tension high on both sides, it doesn't look like an end is near. Since the strike wasn't settled by Thanksgiving, there most likely will not be a resolution until first quarter. It's unlikely the two sides are going to solve the issue between Thanksgiving and Christmas.

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