

Good morning. Thanks for getting up early with me today. I think you'll be glad you did. Because today I'm going to show you some research from TiVo Stopwatch that I believe will change your relationship with your management, your programming department, and your ad sales departments. Research that reinforces the value of on-air promotion in both a live and time-shifted environment, blows the doors off a lot of long-held but unproven beliefs about on-air promotion, and includes a couple of findings that were a real surprise to me. That's my big tease, and of course, like all good teases, I'll leave you frustrated with anticipation until the last possible moment.

A few months ago I had a chance to speak at the Inspire '09 Conference at SCAD, the Savannah College of Art and Design—a truly amazing school. Their theme this year was “A Perfect Storm.”



It reminded me that 10 years ago, back in 1999, at the end of the last century, I did a presentation here at Promax called “The Perfect Storm.” It was about the collision of media technologies that would drastically alter the economic model of our business over the next ten years. Which would be right about... now.

So I decided it was time to dust off the metaphor and take a look at what's happened in the last ten years, not out of nostalgia, but to hopefully get a sense of what we can expect in the next decade as we enter the double digits of this century.

Back then, my Perfect Storm metaphor was the George Clooney film based on the book by Sebastian Junger. It was the tale of a doomed ship caught in the middle of three colliding storm systems, “the storm of the century.”



“The Perfect Storm” was a pretty good movie, and was an great metaphor for what was happening to the television industry in 1999: three technologies colliding to create the media storm of the century. That century.

For this century I decided to update the metaphor with Discovery Channel's “Storm Chasers.”

(:30 DSC Storm Chasers)

The metaphor holds up on a couple of levels. In 1997 when *The Perfect Storm* came out, if you wanted to dive deeper into the content you could buy the book or conversely, if you had bought the book you could see the movie. But other than a few web-based fan sites that was the limit of your engagement with the story.



With “Storm Chasers” I can, of course, learn more about the show. Meet the Storm Chaser team. Check out the ten most amazing tornado passengers, watch chase scenes,

play a tornado race chase or match game, solve puzzle, check out all the Storm Chaser vehicles, take a tornado quiz, leave my own twister tales,



review the 2008 field report, create tornados with the interactive



handbook, examine the tornado timeline, visit the message



board, and of course buy things in the Storm Chasers store.

What I’ve got here is one primary piece of content, a show, but various forms of entertainment that extend from that show to different platforms in different ways.



You may remember we’ve talked about this before. This is transmedia storytelling.

It allows me to interact with the show, to become more deeply involved on several levels and platforms.



The beauty of this model is that it’s not just about how we can enhance shows with other platforms. Because it is interactive, it’s a two way street. I can also use these different platforms to watch that show.



For example, this spring Showtime launched "United States of Tara" on, of course, Showtime, but also on 100 other different platforms: from websites, to cable and satellite outlets, to



mobile platforms.

It makes you wonder just how many platforms we can handle.



(2:23 ONN Sony)

All kidding aside, we've sort of moved backwards on the timeline of civilization. Instead of advancing from a hunter/gatherer society to a planter/grazer society, we've reversed ourselves moving from TV planters and grazers to media hunters and gatherers.

We used to "plant" ourselves down in front of the TV and using the remote, we'd "graze" our viewing choices.

Now, more and more, we actively seek out content and often store it on hard drives. We "hunt" and then we "gather."

And it's not just with new user generated aggregators like YouTube. Even the networks are in on the change.

(1:00 HULU Baldwin)



We're going to talk more about the spectacular rise of Hulu in a moment. But let's go back to the perfect storm of 1999.

Backs then the three advancing media technologies were broadband, IPGs (interactive program guides), and PVRs (personal video recorders), what we now call DVRs.



Technology like TiVo was still a novelty, but introduced the idea of personal control of media for the first time. Here's the very first TiVo commercial.

(:30 TiVo TV Executive)

Now of course, DVR penetration has hit the threshold where its part of the cultural consciousness.



(:38 Family Guy TiVo)

At end of the last century, as cable operators rebuilt their systems channel capacity grew, and IPGs, interactive program guides, began to replace EPGs, passive guides, helping people to sort their choices.

But as we've learned in the last decade even the most sophisticated set top box is a far cry from the algorithmic search of Google Video.

10 years ago, my thesis was that a select number of companies would control consumer access to content. Those who controlled set top boxes with DVR functionality, and those who controlled the navigation to content, IPGs. My assumption back then was that television would remain the dominant conduit for television experiences.



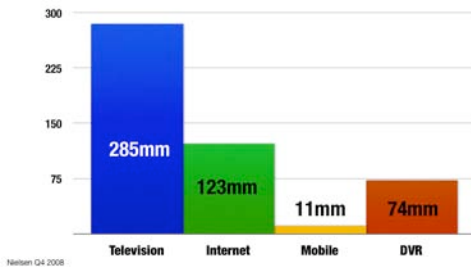
And it is still is, for now. But that's changing quickly. A couple of months ago Nielsen released a report that "time spent watching" on all screens, television, the Internet, mobile devices, and DVRs, rose in the 4th quarter of 2008.

Traditional TV was still the most popular by far. 93% of the US watched TV in their home, up 1% from the previous quarter. And they watched an average of 151 hours

a month or 5 hours a day. A 7% increase.

Internet video viewers spent 3 hours a month, a 15% increase. Both DVR and mobile video viewing rose 9% in the 4th quarter. And while the comparison to television dwarfs time spent, when you look at the number of users, a different picture emerges.

Q4 2008 Television Users



(1:00 Bell Atlantic Laurel Lane)

Now broadband penetration has broken what I feared would be a bottleneck of corporate control and turned The Perfect Storm of controlled access into A Perfect Storm of accessibility.

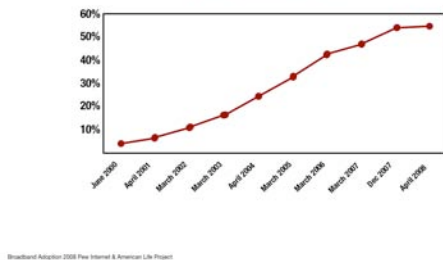


Bottom line, both in “time spent” and “number of viewers,” Internet video grew at twice the rate of television.

And of course remember, these alternative televisual experiences are in their infancy. In fact, when I wrote The Perfect Storm, just getting high speed Internet was a challenge.

But let’s make sure we understand why it works and what that means to us.

US Broadband Penetration



advertisers, who still pay the freight for most entertainment, are looking for engaged viewers and users.

As broadband penetration continues to grow, it will deliver more television experiences on more platforms—the arrows going in, and more televisually enhancing experiences on other screens like the activities for Discovery’s Storm Chasers—the arrows going out. Why is that important?

As always, the bottom line of entertainment is the bottom line. And

And according to MTV’s latest Multi Screen Engagement Study, “More Screens Mean More Engagement.”

MTV’s research, like so many others, agrees that television remains the place where engagement is initially formed.

But they found that engagement grows as the viewer interacts with programming

on other platforms. And as they point out, how the level of engagement changes has critical implications for an advertiser.

The key points to take into account, according to MTV, are:

1. The more involved a viewer is with the content, the more effective the advertising is for that viewer.

That's likely true with promos as well.

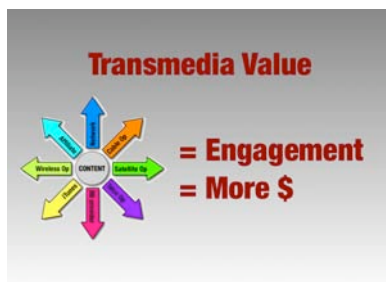
2. The more involved the viewer, the more cross-platform activity they engage in, and therefore crossing platforms with an advertising campaign, or in our case a promo campaign, increases the likelihood of targeting the most involved viewers.

But according to MTV, "Not all people who consume television-based content online are the same. There is a dramatic scale of engagement between the seekers (who discover television-based content online) and generators (who reinterpret that content)." Or what I've been calling the "hunters" and the "gatherers."

MTV says "hunters" online behavior includes finding old episodes, reading cast biographies, looking at cast pictures, viewing TV schedules and reading blogs and forums.

"Gatherers" take their experience a step further. These consumers talk about shows, either face-to-face in the real world or through texts or instant messaging. They also create avatars and post on blogs and forums.

With a strong emotional connection to content, they move from being hunters to gatherers. In the case of MTV's series "The Hills," they found engagement increased with each screen experienced.

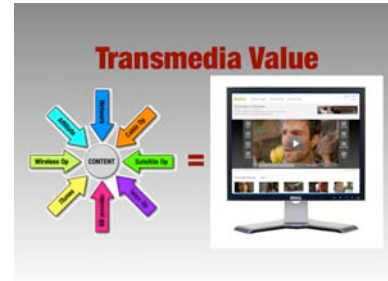


So that's the value of the arrows going out. To enhance the TV experience with content that flows across multiple-media channels—using the unique qualities of each to augment the primary television experience. That in turn creates greater engagement, which creates a better environment for advertisers.

And I believe as marketers, we should be the ones to control those experiences and that value. Our job is to create demand, and provide navigation. You want a job in 5 years? This is the way to ensure that.

OK. what's the value of the other direction? The ability to deliver a piece of television on a different device, such as iTunes to your iPod? CBS' TV.com app to your iPhone? Hulu to your computer?.

Or basically, watching television through and usually on a computer.



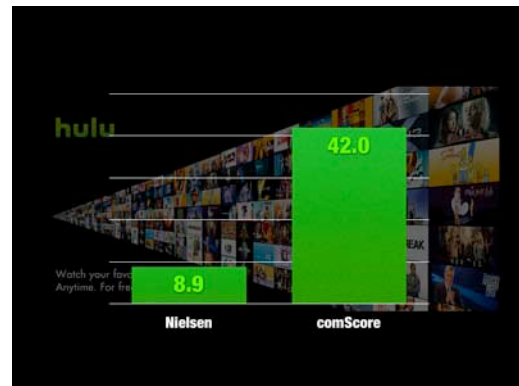
The number one video site is still YouTube streaming 5.5 billion videos in April alone.

(2:05 ONN YouTube)

But the number two video site is often Hulu, the joint venture between NBC Universal, the Fox Entertainment Group, and now ABC/Disney.

Hulu's growth has been explosive, up 490 percent year over year, according to Nielsen Online. And actually Hulu believes that Nielsen's numbers come up short. While Nielsen reported 8.9 million visitors to Hulu in March, comScore, counted 42 million.

(It's good to see we're not the only ones with measurement problems.)



According to Nielsen, a big chunk of that growth came from adults 35 to 49. They count for about 30 percent of the site's audience. That's a very different demo than YouTube. They're interested in seeing the kind of TV we make.

But it's still watching TV on a computer. It's not a social experience—one of the hallmarks of television viewing behavior. And for many experts that seems to be a barrier.

Or is it? NBC has some interesting research from people using the NBC online player. More than half of visitors surveyed during the fourth quarter of 2008 co-viewed an episode at some point. Of those co-viewers, 30 percent “always or usually watch” with someone else.

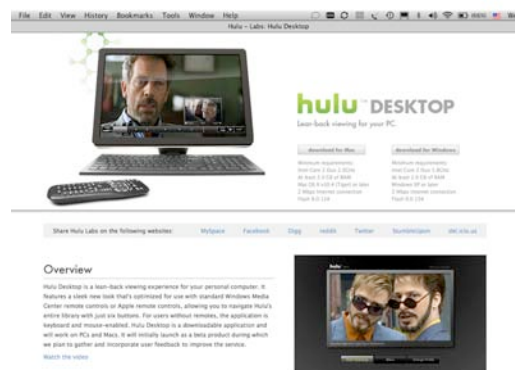


It also turned out that in the third quarter those consumers said they were more likely to watch on laptops in their bedroom. By the fourth quarter they were more likely to watch shows on a desktop computer in their office, den or living room.

So what's the significance? Watching on a desktop probably means watching on larger, more TV-like monitors. Moving from the bedroom to the living room probably means creating more of a television-like lean back experience. And watching with someone else suggests a replication of TV socialization.

Last month, Hulu introduced Hulu labs, a chance to see what the notoriously secretive site, is planning. One of the beta programs is Hulu Desktop. Here's how they describe it.

“Hulu Desktop is a lean-back viewing experience for your personal computer. It features a sleek new look that's optimized for use with standard Windows Media Center remote controls or Apple remote controls, allowing you to navigate Hulu's entire library with just six buttons.”



And last week, the first Internet ready TVs began shipping. Yankee Group expect 50 million people will have Internet connected HDTVs by 2013. (Another 30 million, they say, will have connected Blu Ray players – and 11 million will

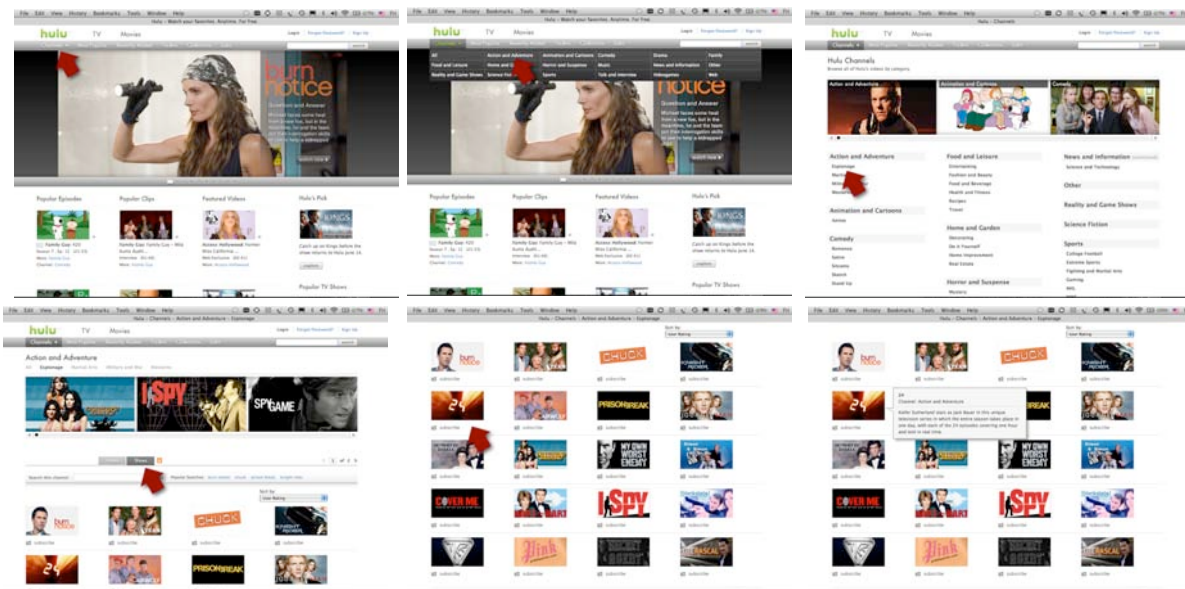
have purchased media adaptors.)

In other words, from both a behavioral and technological perspective it seems safe to say we're on a trajectory to having all the freedom and chaos of Internet television.

What does that mean for us?

Here's where I have a problem. And I was talking to Bonnie Hammer about this after her session yesterday, because she made the point that channel brands were an imperative part of content delivered over the web.

But when I go to Hulu—which remember is owned by and is pretty much exclusive to television networks including NBC Universal channels—and I begin my navigation, my first stop is likely to be “Channels.”



What I get is this—genres. If I go to the next level, let's say Action and Adventure, I get—subgenres. From there I pick “Espionage” and I choose shows. I get a lot. Big shows. Little shows. Old shows. New shows. Good shows. Bad shows. Let's say I pick FOX's “24.” Great. But where's the network attribution?

This is what I've been harping about for two years.



"If I don't need FOX to get 24. Why is FOX relevant?"

Maybe it's not in the new world of television. But I don't believe that's true.

Let me give you a simple example. When my 14 year old daughter goes to the mall, she's not looking for the "Teen Clothing" category store.

She looks for PacSun and Holister, Aeropostale and American Eagle. All offer more or less the same kind of clothing, but each promises a different kind of shopping experience.



When I go to a site for television, I'm not satisfied searching in the "Crime and Courtroom Drama" genre.

On cable & satellite, there's a certain grittiness to TNT crime dramas—like "The Closer" and "Saving Grace" that I don't find on USA. And there's a lighter tone on USA crime dramas like "Psych" and "Monk" that would seem out of place on TNT. And that creates halo.

I'm more likely to sample a new crime drama if I know it's from TNT and like their approach because I have an expectation of what kind of experience it will be.

And that's all a brand is, **"a set of expectations."** It's created with personality and perspective. That's something a genre category—in a mall or on a screen—can never replicate.

Once again, I believe it is our responsibility to take control of this form of transmedia. We are the stewards of our TV brands. You want to keep your job for the next five years? Protect your channel brand.

What we do, from the shortest episodics to the biggest image campaign, is build those brands—creating a personality and perspective that differentiates our often parity product.

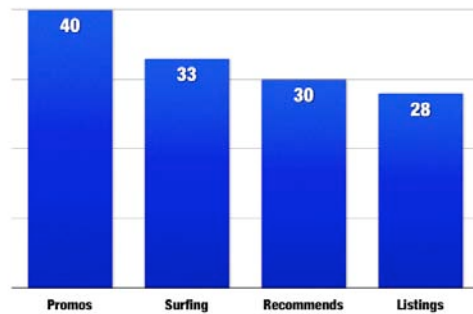
Does our work really have an impact?

In April, Accenture released their second Global Broadcast Consumer Survey,

which polled at least 1,000 viewers across 13 countries including the U.S.

Their overall conclusion was that interest in television on all platforms is growing.

Finding What to Watch



Accenture Global Broadcast Consumer Survey 2009

And according to the study, “we” are more valuable than ever.

“In a world of fragmented choices, finding the one you want is increasingly tough,” said the survey respondents.

Despite online and on-screen program guides, the top choice for figuring out what to watch was “promos” (40%), followed by channel surfing (33%), recommendations from others (30%) and TV listings only 28%.

That’s great to hear, but doesn’t solve the problem of how keep our channel brands attached and relevant to our content when it leaves the safety of our own air.

However, I have seen something that shows promise. It launches next week. It’s Bravo’s new multi-platform redesign.

You probably read, like me, that Bravo was dropping its tagline “Watch What Happens,” in favor of a new line, “by Bravo.” And if you were like me, you probably said, “Huh? What kind of tag line is that?”

What Bravo has done is very simple, but works on many levels.

First, the tag line attributes all their shows to the network. Their voice-overs don't say on Bravo. They're say by Bravo. The network is more than the conduit. It is the author.

And that extends to entire dayparts. For example Monday by Bravo.



Second, all their genres are attributed to the channel. For example, “drama by Bravo,” suggesting the nuance that differentiates it from drama created by TNT—no simple feat since TNT all but owns that word.

And third, all their platforms are attributed to Bravo—for example, “mobile by Bravo,” suggesting that you’re not watching a Bravo show on a mobile platform, but you’re having a decidedly different kind of mobile experience—a Bravo one. That may be semantics, but that’s what perspective is all about.

It will be interesting to see how this all works, and if it will change the mindset of other media players. Plus, I have to admit; it’s also a really good-looking package. Here’s a tease.

(1:03 Bravo Sizzle)



But let’s go a little deeper into this on a day to day level.

Television, whether it is online or on-air, is a medium of parity. We all know that. As we saw with the Hulu menu there are a limited number of different genres, but hundreds of television channels. So it makes sense that there’s going to be overlap and therefore confusion with viewers. “Did I see a promo for this show here or here?”



Obviously, we've learned to expect that with broadcast networks. "Dancing With the Stars" or "So You Think You Can Dance." "Hell's Kitchen" or "Top Chef" or "The Chopping Block."



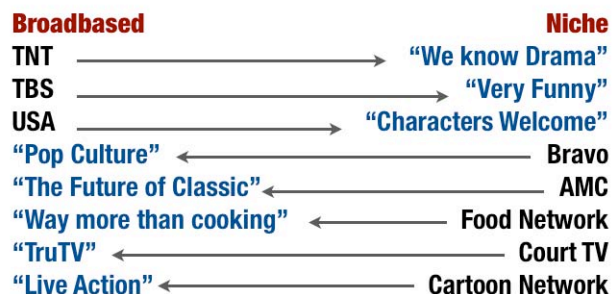
And to a certain extent we expect it on cable general entertainment channels. Parts of the "Law & Order" franchise live on both TNT and USA. But each of those channels treats the franchise differently—they sell it with their own brand perspective. TNT pushes the drama. USA highlights the characters.

That's the beauty of having a point of view.

But what I'm beginning to see is different channels selling similar shows with a similar perspective.

I think there are two reasons for this. While General Entertainment channels are looking for the efficiency of a niche, with only a few exceptions, niche channels are looking for broader audiences. There's a ratings ceiling that comes with being a specialty channel. And after a few years, if you want to keep growing, you gotta go broader.

Reach of a GE Focus of a Niche



We saw it with Bravo going from arts to pop culture. AMC moving from classic movies to “the future of classics.” Food Network became “Way More Than Cooking,” Court TV changed to Tru TV. And this week Cartoon Network launched live-action programming.

Everyone is looking for the reach of a general entertainment channel with the focus of a niche.

In fact, I don’t think there really are niche channels anymore. We’re all becoming general entertainment channels with (hopefully) a distinct perspective. TNT had it right from the beginning. They’re not “drama.” They *know* “drama.” That perspective opens up a broad programming palate—as long as they filter it through the lens of drama.

Second, we’re seeing what appears to be a lot of “copy-cat” promotion because many channels have let the brand personality of the show trump the brand personality of the channel. In a program generic, you are selling the show, and often the channel is seen as just treated as the conduit to that show.

But that’s a mistake. What you have to do is step back, and look at context—the competitive landscape your show and your channel live in. Let me show you some examples. I’ve purposely removed or hidden any channel identification.



(:22 HIS Axmen)



(:26 DSC American Loggers)

Now we have to give credit to History that Axmen came first. But if I’m a consumer, and I’m watching a promo like most people do, haphazardly, am I going to come away with a clear understanding of what channel these shows air on? I don’t think so.



And just to add to the confusion.

(:15 TLC Heliloggers)

And can you tell what channel these two shows come from?

(:25 DSC Adrenaline)

(:15 Tru Most Daring)



Honestly, both those shows and the way they're promoted feel more like Spike. And Spike does have their won show like this. They're from Discovery and Tru TV.



Now this one feels like it does belongs on TruTV.

(:19 Nat Geo Locked Up)

But it's Nat Geo. Which is what I would have thought this one was.

(:21 AP Prey)



Or maybe that should have been from Spike's "1000 Ways to Die." Actually it's from Animal Planet. You remember them, the ones with the cute little Meerkats?

It's become so confusing that even some networks seem to be surprised what they're airing.

(:10 TV Land HS Reunion)



I don't mean to be critical of any of these channels. These are all really good promos. That's why I pulled them initially. But the new competitive environment has created some unique problems.

We know our channel brands have to be elastic enough to keep up with the sometimes crazy changes in programming. That's the nature of media brands. They are dynamic and always growing.

The secret is to find a brand perspective that can harness those changes and give you a unique, differentiated way to sell while remaining true to your brand. And honestly, that's not easy to do.

But here's a simple test that should help you. It's a little trick I picked up years ago from Scott Webb, the brilliant creative director of Nickelodeon.

In writers meetings he would listen to a script and say, "If you stuck our competitor's logo at the end of that spot, would it work?" If the answer was yes, then it wasn't a Nickelodeon spot.

**"If you stick your
competitor's logo at the end
of the spot, will it work?"**

It's a great, simple litmus test.



Of course there are some channels that know exactly who they are and never stray from their perspective, even in the face of controversy.

(2:09 ONN Weather Channel)

Last year we spent a lot of time talking about C3 retention tactics. The experiments networks use to keep viewers tuned in during the break. Since then, I haven't seen that many more new tactics, just variations on the theme. Because, honestly, I don't think anyone's found the magic solution. But here are a few new entries.

TBS came up with a very "on brand" idea.

(1:09 TBS Funniest Commercials)

But I think you'll agree that this is a difficult tactic to maintain. You immediately raise expectations. I do think the first spot was funny, it told a funny story. But the second spot was just a sell with some humorous visuals and a b-story joke.



These bookending product placement spots for Discovery I thought did a good job of selling while entertaining and trying to bridge the break.



(:30 DSC Dirty Jobs F150)

I'm still tickled when I see USA make those clever connections with content like a movie package that really has no discernable connection and then make the sponsor the pay-off.



(:30 USA Sexiest Marathon Victoria)

And I thought this, while a bit of a stretch, was an interesting way to reframe what is simply a promo.



(:20 USA Psych Snapshot Walgreen)



And here's one more from USA that... well, you'll see.

(:40 USA Monk Bayer)

There is no altruism in television.



There's an F. Scott Fitzgerald quote that I always use to describe our business.

"The test of a first-rate intelligence is the ability to hold two opposing ideas in mind at the same time and still retain the ability to function."

More and more that seems what we're called upon to do. Not just hold, but

connect two opposing ideas. Sometimes you luck out and that opposition creates wonderful comedic friction.

(:30 ESPN/Dancing with the Stars)

Now that's corporate synergy.



Other times, it's about finding commonalities no matter how seemingly insignificant.

(:30 ABC Dancing/Saget)

Hey maybe, next time we'll do six degrees of promo separation.



But often, no matter how hard you try, the square peg just won't go with the round hole.

(:15 Spike UFC Day the World)

And sometimes you just have to take it in the...



(:10 CBS Colonoscopy)

I don't see this spot helping CBS with their demo problems.

Now keeping with the theme of bathroom humor and quotes—see I'm connecting those two opposing ideas here—we know that POP, proof of performance spots, can be very powerful. Instead of you hyping the

show, you find an expert, an opinion leader, a maven, that has gone on the record and you let them hype the show.

(:15 CC Southpark)

But here's one of the most interesting recommends I've ever seen.



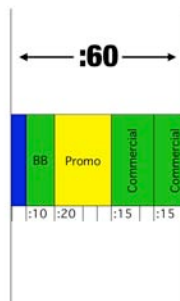


(:35 CBS CSI/Eleventh Hour)

A show that CSI's Grissom would have liked? Hey, he's a TV character, not a person. And as I remember, he kept maggots and pig's blood in his refrigerator.

All right, let's get to the TiVo StopWatch research.

Besides brand strategy and training, I also do break architecture. I look at how channels can optimize their breaks for maximum audience retention. That's obviously important with C3 ratings. And I try to get as granular as possible. But that's a problem.



Because unlike programmers who deal in content that's measured in minutes, we deal in content—promos—that is measured in seconds. With minute-by-minute ratings, how do you know if a :20 promo buried between a pair of fifteen second commercials and a :10 billboard overlapping a bit of content was successful or not?

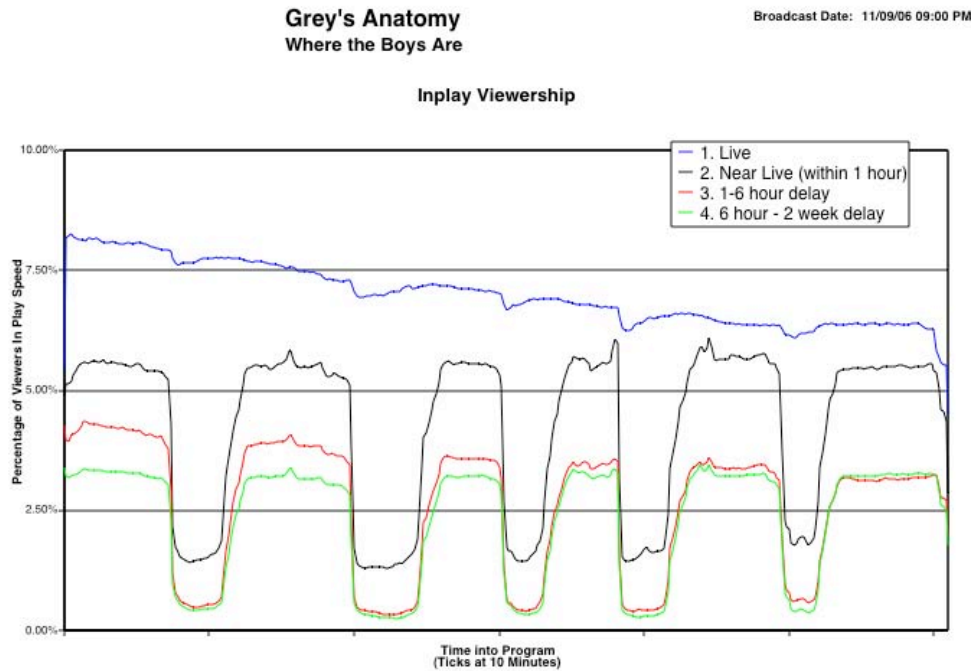
And in a DVR world, what kind of promos are people fast forwarding through? Or if they are watching 3 days out, is it an episodic spot for a show that has already aired?

These are the kinds of questions I always struggle with.

A couple of years ago TiVo introduced a new ratings service, TiVo Stopwatch. It uses an anonymous sample of 100,000 nationally distributed TiVo DVR subscribers.

And that's significant when you consider that we've reached nearly 35% penetration of DVRs in this country.

What StopWatch does is connect second-by-second viewing behavior with commercial and promo occurrence data, offering Program Ratings, Spot Ratings, and Commercial Retention for both live viewing and Time-Shifted Viewing.



And what I love, TiVo offers Second-by-Second Program Interactivity Charts, which give networks and advertisers insights on within-program patterns, spots, and pod viewership patterns.

In other words, for the first time we're able to see if promos actually perform. Do viewers stick or click?

So for this year's Promax, I put together a wish list of promo questions, and the good folks at TiVo StopWatch gave us some remarkable and game changing insights.



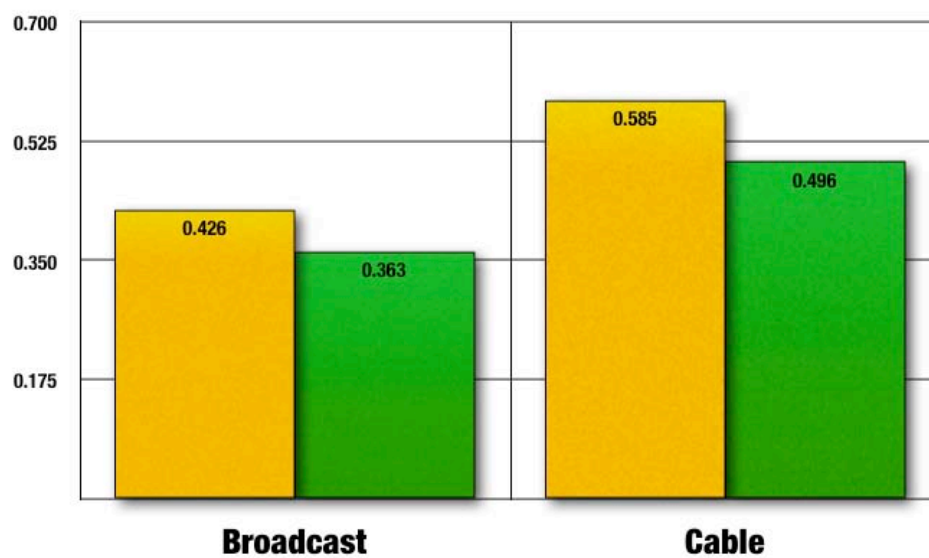
First the details. This is an analysis of the four full-time commercial broadcast networks, and the top ten primetime cable networks based on total ratings in February, 2009.

What we're going to be looking at primarily is the Commercial Viewing Index, or as I'm going to call it, the Promo Viewing Index, which is a ratio, shown as a percentage,

of average-second viewing of the selected promo airings to average-second viewing of the selected programs. For example, if the promo rating within program is 1.8 and the program rating is 3.0, we divide 1.8 by 3.0, which gives us a 0.60 PVI.

First, the no-brainer—at least to me. Time-shifted promos perform 15% better

Promos Score Higher Than Ads



than commercials. Among the 100,000 TiVo subscribers, when watching broadcast television in a time shifted mode, they watch 43% of the promos, but only 36% of the commercials.

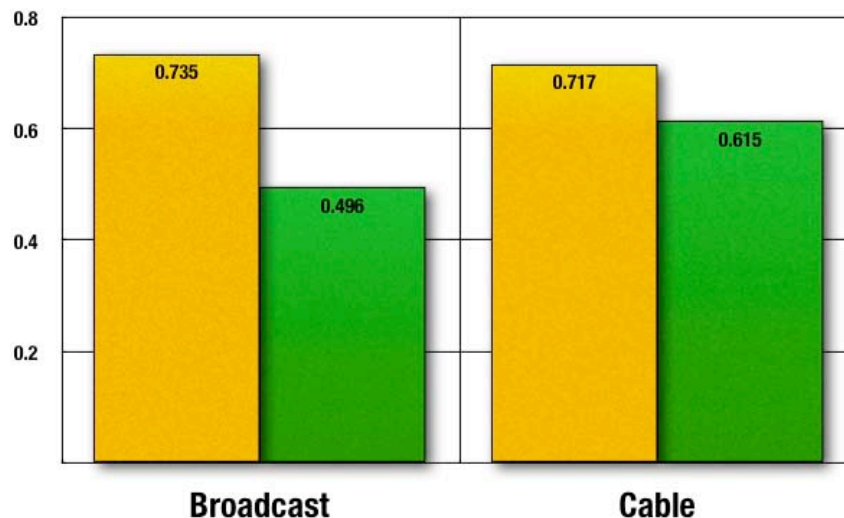
Cable fares even better. Time shifting viewers watch nearly 59% of promos on cable networks compared to 50% of the commercials.

Why is that? Well, it's intuitive. I came to NBC to watch an NBC show, so you show me a message for another NBC show, I'm likely to pay attention. I did not come to NBC to buy a Ford Truck, so when that spot airs I'm more likely to fast forward.

Why the difference between broadcast and cable? It's hard to say for sure, but we know broadcast has more time-shifted appointment viewing.

Now if you put those well-performing promos in the "A" position of a pod you supercharge their effectiveness.

Promos Perform Best in "A" Position



TiVo Stop||Watch Syndicated Services – February 2009

■ Promos ■ Commercials

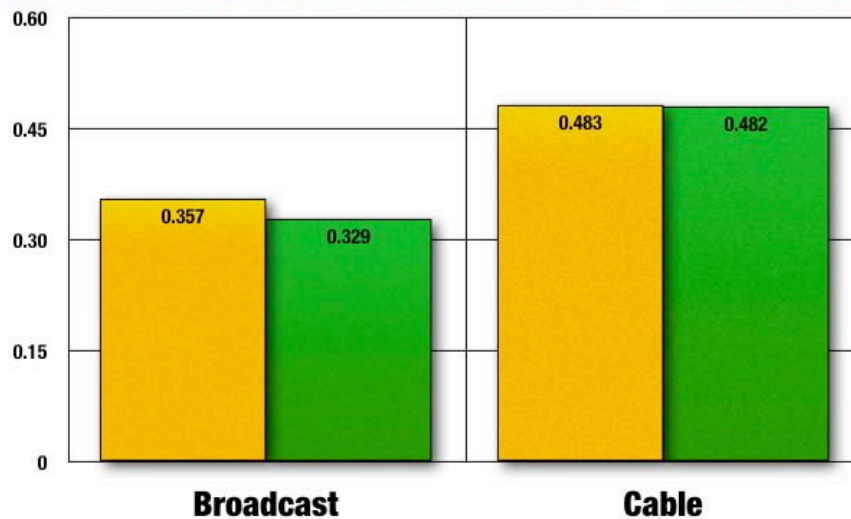
Promos in the first pod position deliver dramatically higher time-shifted commercial viewing index than ads. Time-shifted viewers watch nearly 74% of

"A" position promos, compared to only 50% of "A" position commercials. That's a 33% difference!

In cable, the margin is not so wide. About 72% of cable "A" position promos get watched compared to 62% for commercials.

And what happens when you drop those promos in the middle of a time shifted pod? Obviously, viewership across the board drops.

Broadcast Promos in the Middle Position Perform Better than Ads



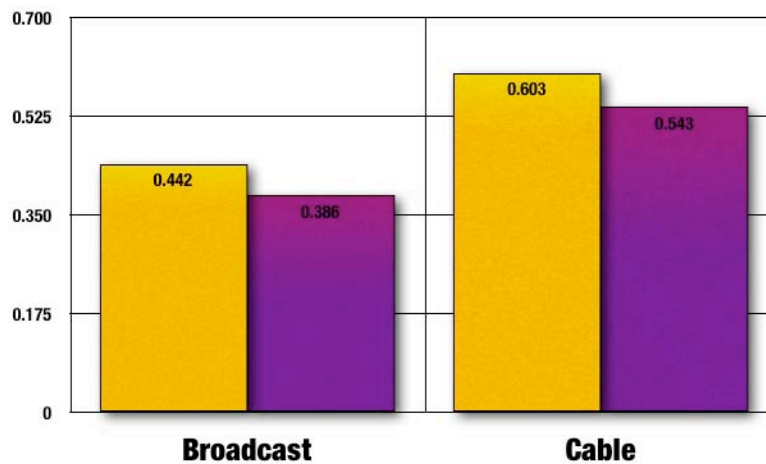
TiVo Stop||Watch Syndicated Services – February 2009

■ Promos ■ Commercials

In the broadcast world, where 67% of mid-pod commercials are fast-forwarded. 36% of the promos are watched. In cable 52% of promos and commercials get fast-forwarded.

Here's a surprising one for me. For both broadcast and cable, promos of a shorter length, 5-20 seconds perform better than promos that run 30-60 seconds. Now part of that is a function of time. The longer a spot is the more opportunity there is to fast forward through it. Nevertheless, the take away here is that your short promos are going to be viewed more often than your longer ones.

Short Promos Perform Best



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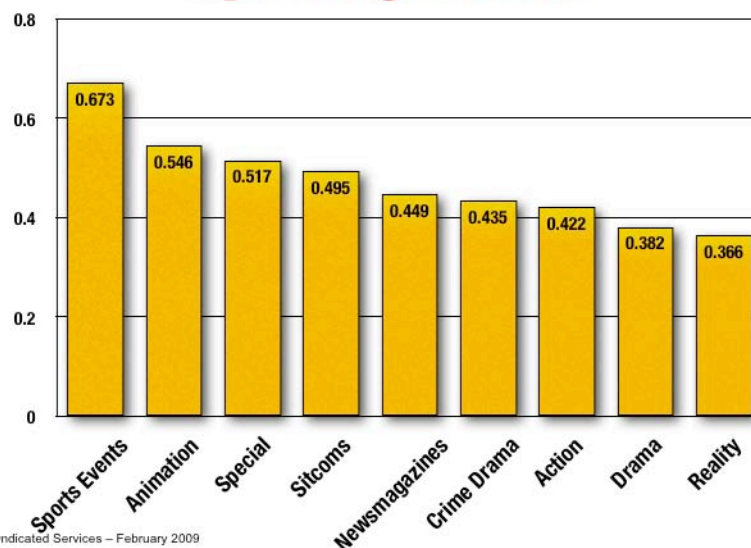
Yellow :05-20 Promos

Purple :30-60 Promos

One of the questions I asked StopWatch was “in what kinds of programs are promos most effective.” For broadcast, the variance was pretty wide.

I might have guessed broadcast sports for non-time shifted content. But never for time-shifted content.

In B'cast, Promos Deliver in T-S Sporting Events



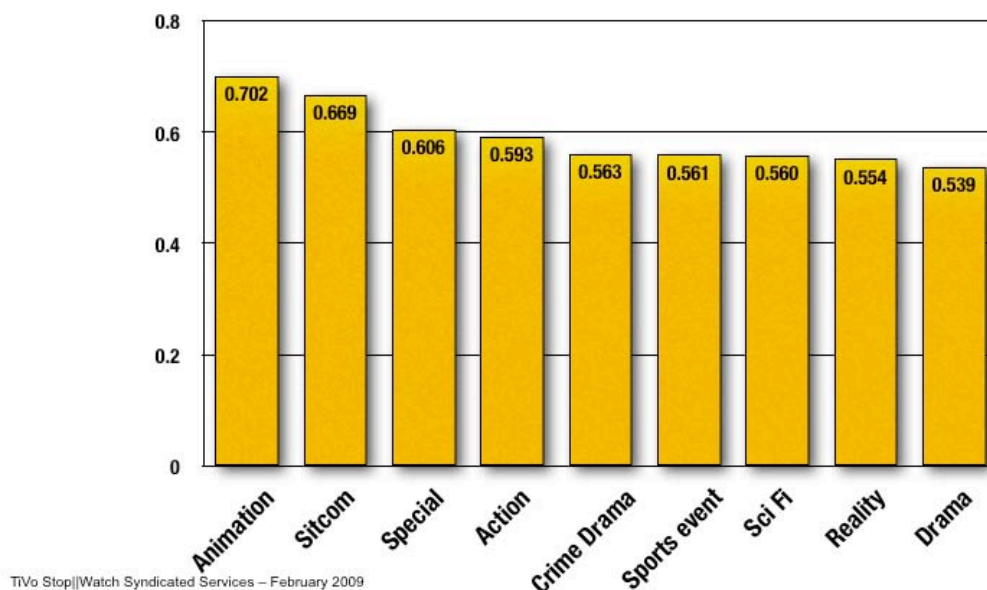
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But you have to remember, time-shifting includes using the 30 minute buffer. For example, the phone rings in the middle of a game, you pause the DVR, then restart it once you finish your call, but continue to watch in real time, never fast-forwarding to catch up to time. So I get that explanation.

But animation? And remember we're talking about primetime animation. Adult animation. That deserves more study.

Following animation are specials, sitcoms, newsmagazines, crime drama, action, drama, and reality.

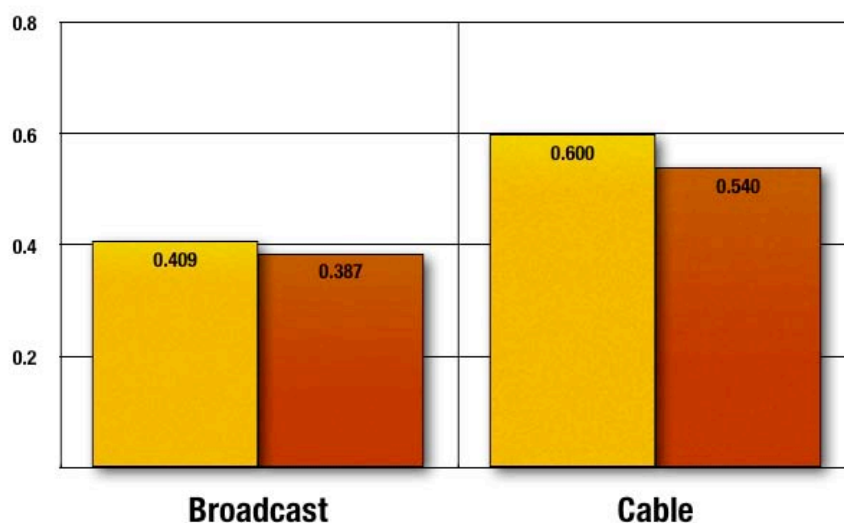
In Cable, Animation Scores a Superior T-S CVI



In cable, the variance is not as great among the different cable genres, but sporting events, the leader for broadcast, falls into the middle of the pack, while animation, #2 in broadcast, leads. These are followed by sitcoms, specials, action, crime drama, sporting events, science fiction, reality and drama.

I've always felt that cross-channel promos were the most effective "off-air" advertising we have. And StopWatch shows they are effective, but perform differently than on-air promos. According to TiVo, regular on-air promos outperform cross-channel spots. But as you can see, not by much.

Cross-Channel Promos Slightly Under-deliver Network Promos



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OA Promos

CC Promos

Now it's time for the Promo Top Tens. We broke them out a few ways.

First the top 10 broadcast promos based on total average program rating—live and time-shifted. To qualify the spot had to run at least 5 times in prime during the month of February, and we eliminated evening line-up promos. What we're really looking at here is the most watched promos in the most watched shows.

The number 10 broadcast promo for February was a spot for FOX's "Hell's Kitchen."

Number 9, a promo for "Jimmy Kimmel Live."

8th went to a spot for the "CBS Early Show."

7th place went to FOX's "Lie to Me."

Interestingly, number six was a sponsored promo for The Amazing Race and Lincoln.

Number 5 was a spot for the “NFL Pro Bowl.”

4th was an ABC “Brothers and Sisters” spot.

Number 3 was an NBC promo for “Conan O’Brien.”

Number 2, a combo spot for “FOX’s Bones” and “Hell’s Kitchen.”



And the number one spot was NBC’s “The Office promos,” thanks to a major assist from the Superbowl promo that ran during the game.

(:40 NBC The Office Superbowl x 2)

Now if you take that same period of time on broadcast and look at the time-shifted CVI, you get something slightly different.

9th and 10 went to CBS for “48 Hours” and “Rules of Engagement.”

ABC pulled in number 8 with a “Scrubs” promo.

7th went to NBC for “Knight Rider.”

FOX’s “King of the Hill” came in sixth.

5th went to the CBS movie “Jesse Stone on Thin Ice”

4th was “Jimmy Kimmel Live”

3rd was a network information spot for NBC.

2nd went to the top 10 man himself, David Letterman.

And first, once again was the NBC “Office” promo.

I think we can still assume the Superbowl was responsible for the #1 spot. But look at 2nd third and fourth. Jimmy Kimmel and Letterman are probably the very short “tonight on” episodics. And we’re pretty sure the NBC is their throw to the web they keep in the “A” position of every show. In all these cases, the creative may have been faster than the viewer’s trigger finger, or just not irritating enough to fast-forward through.

On the cable side, in total program ratings. USA and TNT pretty much swept the category. Which of course makes sense since they were the #1 and #2 cable networks that month.

TNT had 30% of the top 10, with a combination of promos for their original series and cross-channel spots for shows on TBS and TCM. I find that fascinating as a

snapshot. It means Turner, at least in the month of February, used its most effective promo air time to push its sister channels as well as its own programming.

Sci Fi had the number 2 spot with a brand spot.

Top Ten Broadcast Promos in Prime Time-shifted CVI

10. CBS 48 Hours
9. CBS Rules of Engagement
8. ABC Scrubs
7. NBC Knight Rider
6. FOX King of the Hill
5. CBS Jesse Stone/Thin Ice
4. ABC Jimmy Kimmel Live
3. NBC Web Throw
2. CBS David Letterman
1. NBC The Office

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And USA had 60% of the list including the number one spot, a contest promo for Burn Notice.



(:20 USA Contest)

Top Ten Cable Promos in Prime Time-shifted CVI

10. Nick TVL HS Reunion
9. Nick True Jackson VP
8. FNC Huckabee
7. Nick NAN Hunt Contest
6. FOOD Throwdown/Bobby Flay
5. Nick NAN George Lopez
4. Nick iCarly
3. FX Walk the Line/Nip Tuck
2. Nick NAN Home Improvement/George Lopez
1. Nick Spongebob

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Again, those successes are just a reflection of the network's rating success in general. But the real story heats up when you look at time-shifted cable promos.

Nickelodeon/Nick at Nite took seven of the top 10 spots with everything from iCarly on Nick to Home Improvement and George Lopez on Nick at Nite, a contest spot and a cross-channel promo for TV Land's original series HS

reunion. This reinforces the data on animation being the most time-shift friendly promo territory.

Also in the list was Food Network's Throwdown with Bobby Flay and Fox News promo for Mike Huckabee at # 8.



But #1 was this spot for Spongebob Squarepants.

(:34 Nick Spongebob)

So what are we to make of this? Will any of these spots win an award tomorrow night? Doubtful. But these are the spots that make a difference in engaging and delivering audiences. If we had our own

version of the Effie awards—advertising for effectiveness, these would be contenders. They're the workhorses of our industry. Sure we all love to make great creative, but the reality it is our day to day promos, not the stuff we put on our reels that drives this business. So if you made a promo that ended up in our top 10, even if it was just for the month of February 2009, you should be the one taking home a Promax Muse, because you're the ones that keep us in business.

And what about the second by second learning? I believe this is the most informative measure of promos we have. And what we can learn about DVR behavior I believe will reshape the way we think of on-air promotion. Overall, I believe what we can learn from StopWatch has not yet been tapped.



Now before we close, I have to show off the bug collection, 2009. Can't say there have been a lot of changes. More ad messages, that's for sure. But not a lot of breakthrough creative.

And now with the rest of your creepy, crawly colleagues, enjoy the Bad Bug Ball.

(1:56 Bug Montage 2009)

If you'd like a copy of this presentation and the TiVo Stopwatch research, you can find it on the www.leehunt.com. And if you have any questions, Bob Pares from TiVo Stopwatch and I will be right outside ballroom.

Have a great day.