Good morning, Welcome to the first session of the first full day of PROMAX. I'm Lee Hunt, vice-chair of PROMAX and BDA. Today, I get to introduce our first speaker, me. So let's skip the bio and get right to it.

First off, welcome to NY. It's been 23 years since PROMAX has been here. I should know. New York was my first PROMAX in 1981. I'd been in the business for two years then, so this year marks my 25th anniversary.

Now for the last few of those years, I've spent a lot of time chronicling breakthroughs in our business. New ideas that have changed the way we all do our jobs. Things like NBC's early experiments with split screen credits. The use of promotion imbedded in programming. New tactics in break architecture. Marrying promotion and advertising.

This year I had a couple of epiphanies. I realized there is a tipping point where a breakthrough idea becomes a new best practice. Sometimes they happen overnight. Sometimes they take weeks, months or in rare occasions, years. And it made me think, when does a breakthrough become a new best practice?

If you've read Macolm Gladwell's *The Tipping Point, How Little Things Can Make a Big Difference*, you know that change often happens quickly and unexpectedly.

So today, we're going to look back over the last year to find breakthrough ideas that hit their "tipping point" and became **New Best Practices of 2004—i**deas that may have started out small, but will dramatically alter the way we do our jobs.

I mentioned I had two epiphanies. This is the big one. After 25 years in the business, I realize I'm doing the wrong job. Let me explain. Pull out your business cards. I know you have them. Nobody comes to PROMAX without business cards. How many have the words on-air promotion on them?

Tear your card in half and hang on to one end. How many have creative services? Design? Marketing? Research? Production? Tear 'em in half. Now you've still got half a business card in your hand. But it's useless now. And it's the same you're your job title. Because it only describes half of what you do. Or at least of what you should be doing. But that's okay. Because I am gong to give us all a new job title.

What you do. What I do. What we all do is this, Audience Management.

Oh, it sounds so boring. But it's not some fancy euphemism like sanitary engineer for garbage man. It's the proper description of all our jobs. Whether you are a writer, producer, a designer, an editor, a scheduler, a PA, an AP, a coordinator, a manager, a director, a VP, an SVP, an EVP, or a President (ok,

that's just Bob and Lou and John and Vince), but, we are all in the business of audience management. And whether we realize it of not, we have been for several years.

The reality is if you call yourself just a "promo person" like I have for the last quarter century you're missing a big chunk of your job or you're not doing it.

Audience Management has 7 parts:

- 1. Knowing who the audience you want is
- 2. Knowing where and when to find them
- 3. Knowing what they want
- 4. Creating messages that attract them, and
- 5. That changes their behavior by getting them to your channel or show. And once there,
- 6. Keeps them there as long as possible and
- 7. Gets them to come back more often and for longer periods of time.

That involves all those disciplines of all those cards you've been holding up. Research, strategy, tactics, creative, production. Now very few of us deal with all 7 parts. But audience management is the recognition that none of them can stand-alone. They are all interrelated, and how we connect them together is how we create unique and successful television brands.

That's why **sharing ideas** here at PROMAX and BDA on this kind of macro scale with all those people who have business cards that are different from yours is so important, and why **sharing information** in our networks, channels and stations on a micro scale is so important. You may only deal with one of the 7 steps, but you need to buddy up with the people who handle the other 6.

Let's get something out of the way. Many of you here, probably too many, have heard me preach about the power of **first position promos**. Why it is so important to put a promo—no, put all your promos— in the "A" slot of a commercial break. It's not just for us promo people. Not for our channels. But actually for our advertisers. Promos in the first position is a "win-win."

Now I thought we were making positive headway, but this year we've suffered a set back. As you probably know before the upfronts there was a stinging letter that went out from one of the media agencies. There's no need to go into detail, but it demanded that cable networks make some significant changes in their approach to ad sales. One issue that surfaced was first position. The advertisers wanted it back. They recognize that in the first 30 to 60 seconds of a break you lose a significant chunk of your audience. It is inevitable. It's the way people watch television. Whoever is in the first position is going to get the most

eyeballs. Those in second, third, fourth and on will get fewer and fewer. Or so the logic goes. But logic is not always right.

Ironically, Discovery Channel, who did most of the initial research in first position promos publicly announced they were giving first position back to the advertisers.

Let me show you why that's a mistake.

Internal breaks—breaks that interrupt a program—have two purposes: to run our advertisers' **commercials**, and to run our own **promotional messages**. Which is most important?

The bottom-line answer might seem to be commercials, because "that's where the money is." But to make a network successful, an internal break requires a blend of advertising and promotion. Both are critically important, because it's not just about earning cash this hour. It's also about attracting viewers for the next hour, the next day, the next week...and keeping revenue growing too.

We all know that commercials are the life-blood of an ad-based TV network. That's why DVRs and VOD are so threatening. But they come with a price: **commercials decrease viewership.** Run the right amount of commercials, and you'll lose an acceptable amount of viewers. Run too many commercials, and you'll lose too many viewers. Then you begin **the downward spiral**, decreased viewership will result in lower ratings. Lower ratings will attract fewer advertisers, at a lower price point. And that will mean less revenue for the channel.

Like commercials, the goal of promos is to "increase sales." But far from decreasing ratings, **promos maintain and sometimes increase viewership,** obviously on an incremental basis, but also minute-by-minute. If you think about it, this makes sense. Promos sell to a pre-disposed audience, and research shows that they slow the inevitable audience erosion of breaks.

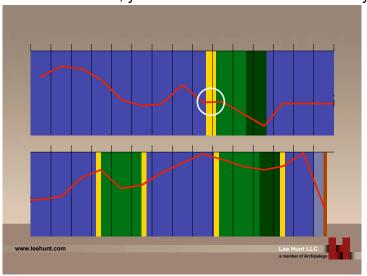
Viewers see promotion as a kind of preview, so they don't click away. And if the promo has done its job of "increasing sales," viewers will stay longer and return more often. And that translates to **the upward spiral**, higher ratings, which attract more advertisers, that create a higher price point. That means greater revenue for the network.

Sounds good in theory. Let's prove it.

Here are minute-by-minute ratings of a half-hour show. This is just one half hour, but the network it came from has done enough sampling to prove it's a pretty typical half hour.

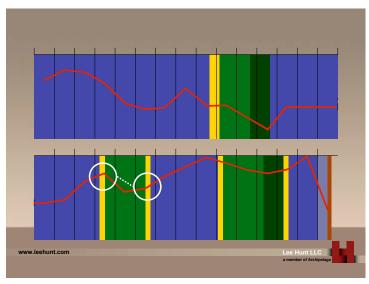
Blue is content. Yellow is promotion. Green is national advertising. Dark green is local advertising. Light blue is credits. Orange is a network ID. Each marker represents one minute.

In the first break, you see the audience was already losing interest before they hit



the break. But the promo stanched the flow. In this case it held the audience for the advertiser. Would that line have continued down if a commercial was in the first position? Probably. Remember I came to Channel X to see a Channel X show. You give me a message about other shows on channel X; I'm likely to stick around. I did not come to Channel X to buy a Ford Truck.

The audience continues drop during the commercials, but as the break ends, they began to come back. This is what I call the Nike swoosh of audience erosion. Although here, it is reversed. Because the promo is in the first position.

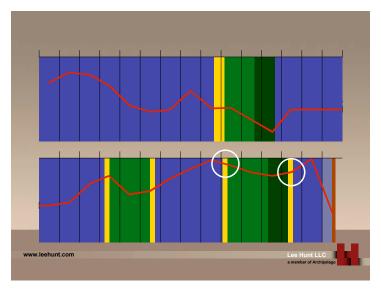


Let's look at break 2. The audience is on the upswing. They like what they're seeing. The promo continues that momentum upward. But it only lasts till the commercial.

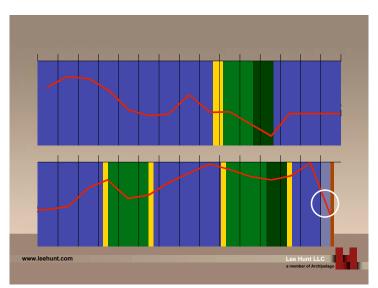
This time they've book ended the break with promos. I used to believe that was a good idea. But look. How many more people would have seen this promo if it had been

pushed to the head of the break? Remember, when we assign GRPs to a promo campaign, we're taking the average of the show. We know that breaks don't deliver the average, so we can assume our promos are not getting 100% of the GRPs we think they are. And when we push to the end of the break, the GRPs

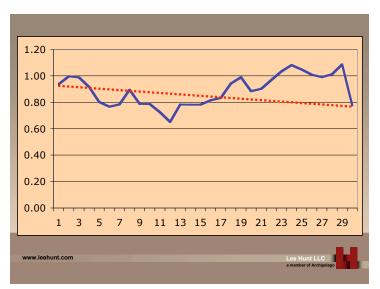
drops further.



OK, let's look at the last internal break. The audience is eroding, and this time we're not able to stop it. Why? The creative? The show promoted? The show we're promoting in? Hard to tell. But we do pick up some viewers as they return to see the last act of their show.



And look at this. A full screen credit bed. Viewers are leaving in droves. They can't wait to get out. It looks like someone yelled "fire" in a crowded theatre. I call this cascade failure. And it's completely preventable with accelerated flow tactics.



Let's look at the entire half hour. I started here with my audience and ended here. Making it tough for the next show. And if I continue at this rate, by the end of the night, I will have no viewers left.

But on the positive side, what the promos in the first position have done is:

Retained audience flow into the first commercial

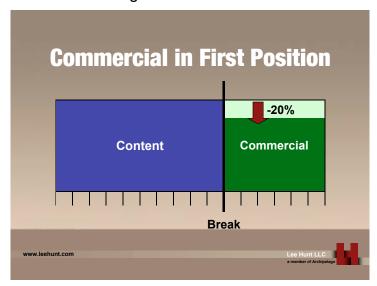
message. That means the advertiser got the eyeballs they wanted and the network was able to promote another show to benefit another advertiser or maybe even the same advertiser. A win-win. We also increased time spent viewing of the channel.

We got maximum reach for our promo messages. That means we have more GRPs for our promos, which translates into an ability to promote more shows, more efficiently.

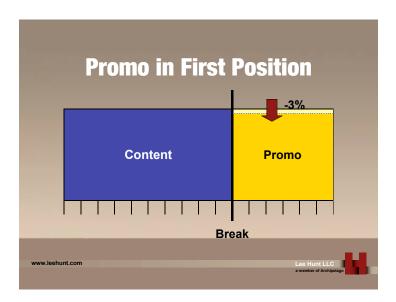
All right, that was one network. Let me show you another.

This is research from a fully distributed entertainment cable channel. Their research department ran a study to understand the differences in viewing behavior between promos and commercials. Specifically, they sought to understand the audience's response to promos versus commercials at the very start of a pod. Here's that they found.

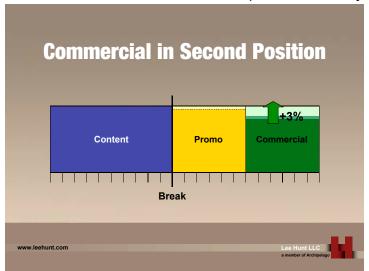
When a commercial airs in first position on the channel, it **loses 20% of it viewers** on average. That means 1 in 5 viewers leave the channel.



In contrast, a channel promo airing in first position loses only 3%.



But if a commercial airs in second position, directly following a channel promo,

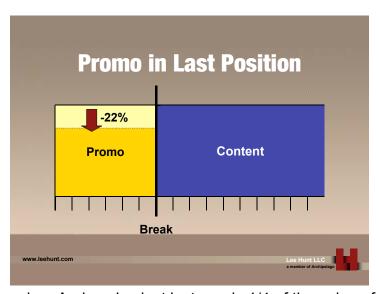


its audience size is comparable to first position (17% vs. 20%) – in fact, it's 3% larger. They actually got more eyeballs being in the second position.

Now why does an advertiser buy commercial time during a show? They want to be associated with that show and its audience. By airing in the second position, behind a promo, you can argue that the advertiser

benefits from association with the program the promo airs in and the promoted program. They're getting two associations for the price of one.

The research also concluded that if a channel promo airs at the end of a pod, the audience has already experienced erosion with each successive commercial and the end result is that **22% fewer viewers saw the promo**.



The **consequences** are two fold:

One, just to break even you need to increase your GRPs for your promo campaigns by 22%. How many of you have a few hundred GRPS sitting around gathering dust?

If you remember from last year, you don't have enough GRPs to do the job if you were getting 100% of the

value. And you've just lost nearly 1/4 of the value of your promo inventory.

The ultimate consequence, of course, would be **lower ratings** for the promoted show – in this study they estimated that the shift of one promo from first to last position could result in more than a tenth of a point ratings loss.

Now the reality is, you are going to have to prove this for yourself with your own research and your own ad sales department.

But if you need more convincing, consider this: According to Carat Media, "poor-quality ads and unimaginative break schedules are to blame for viewers turning away during commercial breaks on television, rather than too many program promotions."

Now I'm not sure who started the rumor that promos scare viewers away, but I'm glad someone on the ad sales side is setting the record straight.

The agency's research arm, Carat Insight, studied consumer views of promotional airtime, also known as clutter. "Instead of taking the blame for taking the viewer away from the advertising, program promotions are regarded by consumers as relevant and useful. The real culprits are poorly placed or executed ads and long breaks of predictable duration."

Well, there you go.

But I want to be very clear. This is not ad sales vs. promos. This is about maximizing the audience. **Maximizing the audience maximizes revenue.** And that makes everyone happy.

But just to make sure. We're going to spend most of our Best Practices today on the relationship between **advertising and promotion**. Because that's where I've seen some of the most interesting and dynamic changes in our business this year.

Now Madison Avenue has been making some strides in reducing that 20% loss of viewers. One of the most interesting is called "situ-mercials."

Imagine you're sitting at home watching HGTV, or you just flipped to the channel, and you see this...

(Geico Home Makeover spot)

Sucks you right in. "Welcome back..." They create a niche spot for a niche show, in this case on a niche channel. Now what' really interesting is that the husband in this spot is named Mike Boyd. That also happens to be the name of the head of marketing at HGTV.

So far, I've seen Geico spots that look like a cut-in on CNN, the climax of a soap opera, an interrogation scene from Law and Order. And then there's this one...

(Geico Hair System spot)

I think they missed the point on that one. It's a funny spot, but the point is to connect the sell to the show. Not to another commercial. Particularly a bad commercial. I think this copywriter forgot he was supposed to be following strategy, not creating satire.

I mentioned that Geico did a Law and Order version, but here's another way of connecting the product to the show.

(TD Waterhouse Law & Order spot)

Instead of product placement, where the commercial essentially goes into the show, they've taken the talent out of the show and put him into the commercial. **Reverse Product Placement.** But in this case, he's a spokesperson. Not the character.

So, raise the stakes. Put the talent in the spot in the context. Here's one that ran in FX's airing of a Stephen Segal movie.

(Mountain Dew Steven Segal spot)

That's great for advertisers. But how do we play this game?

Here's one with ESPN and T mobile.

(ESPN and T mobile spot)

I guess we'll have to call that a "brand promercial." That's almost as good as Vince Manze's "promotainment." And speaking of Vince, here's a spot that I don't think NBC had anything to do with, but reaped all the benefits. A sponsor took the talent, the show concept, and even the tag line.

(Verizon Trump spot)

There are more subtle approaches as well. Here's one I almost missed on FOX.

(Neutrogena Fresh Faces of FOX spot)

But one of my favorites is TNT's Kleenex Tearjerker Theater.

(TNT Kleenex Tearjerker spot)

What's the point? We're "blurring the lines between what's content and what's a break." Why? Because we have to.

People worry about DVRs and **break skipping**. And yes, 90% of viewers who watch time shifted programming skip the breaks. But it's already happening..

I call it "break shifting." People without DVRs surf during the breaks. So it is incumbent upon us to get people to stick around. For our shows, for our promos and yes, for our advertisers

So let's stop for a minute to look at the State of the Break.

In March Phase One Communications released a study of the prime time advertising environment **Prime Time Advertising Environment** on ABC, CBS, FOX and NBC. It focused on:

- Total amount of break time
- Average length of break time
- Total number of breaks
- Total number of spots within those breaks
- Proportion of messages

Phase One Communications been doing this study since 1991, so they're able to track trends and changes.

The study found that break time had increased to an average of **52 minutes** over the three-hour primetime period. Nearly 1/3 of primetime is in break. Taking the average that's **17 minutes an hour**. Which is up **8% from 2000**, and **36% from 1991**.

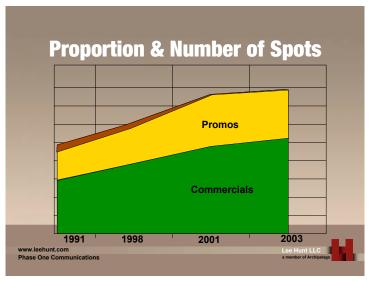
And interestingly, while the amount of PSAs dropped, the ratio of commercial time to promo time did not change significantly.

The average break length for all the broadcast networks studied reached a high of 3.05 minutes. That's 41% from 2000, and a whopping 78% from 1991!

NBC had the least **total number of breaks**, 15 or **5 per hour**. The other three averaged 18.2 or **6 per hour**.

The average **number of spots was 130**. Just to put that in context, if we sat here and watched 130 thirty second spots back to back it would take us more than a solid hour.

So while the proportion has not changed. Take a look at that growth rate.



What does it all mean?

It's projected that by 2006 the average American will spend 3,874 hours per year with the major consumer media, an increase of 21 percent since 1977.

Nearly a third (29 percent) of consumers now feel overwhelmed by the volume of media options available to

them.

So what can we do? Well, we know the competition for messages isn't going to change, and on a break-by-break basis we have to watch out for that and plan our breaks carefully. I've noticed that long breaks, that seem to happen most often in movies, have a threshold. Somewhere after 4 minutes, the audience just gives up on you.

We have to find the reasons to keep the viewer from giving up on us.

Here are some breakthrough ideas from this year that I think qualify for **New Best Practices**.

This ad sales initiative from TNT is a godsend for viewers who multi task, switching from channel to channel, viewers who join the show in progress, and it does a great job of keeping the momentum of show going during the break, keeping the audience involved and interested.

(TNT Investigation So Far spot)

But there's a new move underway. To reduce breaks, and experiment with new forms of sponsorship. Just two days ago, FX premiered their hit series Nip/Tuck with no commercials courtesy of XM Satellite Radio. This was the first basic cable original series without commercial interruption, and follows on the heels of FOX's success launching 24 this year with Ford as a commercial-free sponsor.

(Nip/Tuck open)

So you've got a commercial that's advertising commercial-free radio sponsoring a commercial-free premiere. Nice symmetry.

In April, Hallmark debuted a new type of advertising sales opportunity wrapped around its original movie "The Long Shot" and their airing of "The Parent Trap." Each hour included four minutes of advertising, about half as much as usual. Claritin was the sole sponsor of one broadcast, Kraft, the other. "The Long Shot" did well in the ratings with a steadily increasing audience as the movie went on. It peaked near the end of the movie and had the longest length of tune in for adults 25-54 and two-person households of any original movie on cable so far this season. In other words, it worked. Here's how they packaged the open to the films.

(Hallmark Movie opens)

No commercials or limited commercials works well for special events and premiers. But what do you do on a daily basis?

Right down the street at WCBS, they tried something that had never been done before. They reduced the number of breaks, then they shortened them. Every single day. That meant lessening the number of ads. Eliminating a certain amount promos. Then, they increased the amount of content.

How many commercials did they cut? Not 10% or 25%, but **50%.** Remember, we're not talking about a special event. We're talking about every single day.

Here's how they did it: They went from **5 breaks an hour to 3.** That gave them **21 minutes** of commercial free content at the top of each hour compared to 10 for their competitors.

Some breaks they kept the same length as before, some were a little shorter.

Promos were cut back too, but they still made sure they had a presence in each hour.

From a content perspective they were able to increase the kind of news people look for in the morning: weather, traffic, sports round-ups, and entertainment news. And because the on-air talent was spending more time on-air, they were able to strengthen their relationship with viewers.

But you have to wonder. How did ad sales take to this radical idea? Well, according to Steve Miller, at WCBS, they grumbled...loudly...at first. But in a very short time, due to limited inventory, higher ratings, and less clutter, ad rates more than doubled and made up for potential lost revenue.

Here's how they promoted it.

(WCBS More spot)

So how did it do?

They launched it the second week in January.

By February they were up 20% over the previous year in the 6am hour. By March they were up 94%.

And in the all-important May sweeps, ratings were up 114% over May of 2003!

I think this qualifies as a "new best practice."

But I do think I found the ultimate integrated, imbedded, single sponsor promotion. Pay particular attention to the cast lineup.

(USA The Last Ride montage)

Remember I said, I did not come to Channel X to buy a Ford Truck? Well, I guess I did come to USA to buy a Pontiac GTO.

Obviously, we can't reduce all our breaks, or go to single sponsorships all the time. But these practices do tell is that when we **alter the break structure**, we can make a difference in the way viewers watch.

That opens up a whole new way of thinking about breaks, advertising and content, particularly as we move to on-demand models that challenge the current break structure. In fact, word of advice, if you are working on VOD content, do not replicate your linear break structure. It will not work.

If we want people to stick around for breaks, we have to really rethink them. Breaks should become their own art form. An interstitial form of entertainment.

We're slowly beginning to see that, for better or worse. Here's a spot I pulled off the air that surprised me.

(Bombay Gin Inspirations spot)

Where does inspiration come from? From a bottle, I guess.

I do believe we will see a renaissance in the way we make our promos. We have to cross the line into content. Now there are two ways of doing that. Here's an example of the first....

(Discovery Monster Garage BTS promo)

A good solid "behind the scenes" promo. Unfortunately, too many of us are crossing the line into content a different way. Right now, we are so focused on putting our promotion in the program with violators, embedded messages, popup promos, interrupters... whatever you want to call them. And we're bringing our advertisers with us. Here's a quick collection of lower third keys I collected cut to, appropriately enough, "All Violators" by a band called Ass Cancer.

(Lower third keys montage)

Now, I'm not being critical of this practice. In fact I tell my clients to use it even thought there is still no way to accurately measure their impact, positively or negatively.

But we can only take these so far. At some point there will be a backlash. The difficulty is that the only way we'll know where the boundaries are is when we cross them.

That's why I believe our first line of defense has to be making better spots and better breaks.

It is incumbent on us to continue to try and build "added value." I actually hate that term, because it harkens back to the days when it meant giving advertisers a free billboard. A worthless five seconds that devalues our air, our advertisers image, and sends viewers packing. Sorry, didn't mean to go on a tangent there.

What we need is to take promos to the next level. I showed you the Behind the Scenes spot, but here are a couple more I think do a really nice job. Since I picked on USA before, let me make it up to them.

The first is a spot I pulled off a squeeze credit, but it ran as a promo as well. We always talk about the power of an audio mnemonic. The NBC chime, the Intel "tu du du duh". But what about the power of the "Doink Doink?"

(Law & Order Doink Doink spot)

How do you make a movie you don't really care much about seem meaningful? Well you can have a dinner and movie, a makeover and a movie, but those just

detract from the movie. The DVD movie franchise that both FX and AMC run try to give you more for your movie. And so do the promos.

(AMC DVD movie spot)

But even if you do make a great promo, the reality is, as CTAM's "How People Use TV 2004," points out, "All exposure is not created equal," At a time when 50% of households have three or more TV sets, and 78% of viewers are doing something else while watching TV, advertisers need to be airing their commercials on the networks and programs that get people's attention."

Sometimes that's not our own air. So how do we deal with that? **Cross-channel**, whether bought, borrowed or bartered, cross channel has become one of the most powerful weapons in the audience management arsenal. If you're lucky enough to be a part of a network group, you have power that was until recently, unimaginable.

Just look at these numbers.

The Turner properties combined reach is 71.35 FOX Properties are 79.6 Discovery Properties are 55.8 NBC's reach alone is 76.45

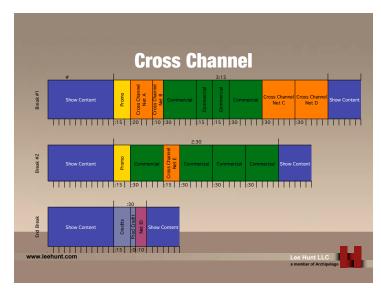
Add in all the NBC Cable Nets, plus USA, Sci Fi, Bravo, Trio and Telemundo, you're at **90% reach**.

The natural limitations of on-air promotion, "preaching to the converted" are being swept away by cross-channel. I read that someone from one of the broadcast networks said the only problem with cross-channel was that "we can't air time and date information." I guessed he wasn't watching when FOX broke the rules with 24. And now that everyone's buying local cable at dirt cheap rates... well I see more time and date cross channel promos than not these days.

But there are problems. Viewers are often confused by cross channel spots. I believe there are two reasons for that.

One, we often use our own on-air spots to run cross-channel. These spots are conceived, written and produced with the assumption they will appear on their own air. They don't distinguish that it's on another channel. A different destination.

Second, sometimes we just overwhelm viewers.



Here's a half hour show on a network that I will call Channel A. In this thirty minutes there are 7 promos. Unfortunately, 5 of them are for shows on 5 other networks.

Let me give you a taste of what I mean. Now this is the extreme I know, but take a look. I recorded both of these spots on a single channel within a one hour viewing period.

(FOX Casino spot) (Discovery American Casino spot)

As a viewer, how am I ever going to remember what show goes with which channel on what day?

What are the rules for cross-channel? First, identify yourself up front. People are never even sure what channel they're watching even while they are watching. Make sure it's obvious you are talking about another network on another channel. Think off-air marketing.

All right, we're going to start winding up here.

Most of you probably know I am a fanatic about **accelerated flow.** Getting people from show A to show B as quickly as possible. And many of you have adopted squeezed credits, expending a lot of labor and at great expense. But I have to tell you "**squeeze credits do not make accelerated flow**."

Just to refresh everyone's memory, accelerated flow, according to the academics "...creates 'psychological time' or 'felt time' which is determined more by the density of an event and our involvement in it than by its progress— the relative clock-time duration of events."

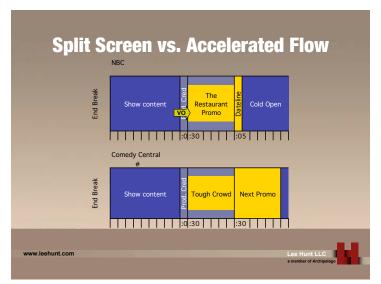
We shrink time.

"The strategy is to make the audience believe that time is passing more quickly that it really is and reduce the urge to graze."

NBC, who invented squeezed credits, I believe is still the overall master of the art. So let's take them and do a compare and contrast.

Now Comedy Central has been kind enough to let me use them as an example of what not to do. They are currently in the process of overhauling their break architecture, so what you're seeing is already a thing of the past. In fact, both these clips from NBC and Comedy Central are from last year.

Before I show you the breaks, here's how they chart out. Note the similarities.



They both have a five second production credit, followed immediately by a 30 second credit bed that's been squeezed. Accelerated flow, right? Well, you'd think so.

But note the NBC credit has a VOCA. Watch how they use it.

The NBC break goes into a 5 second Dateline promo then a cold open.

The Comedy Central break goes into a longer next promo. Let's watch the NBC end break.

(NBC end break)

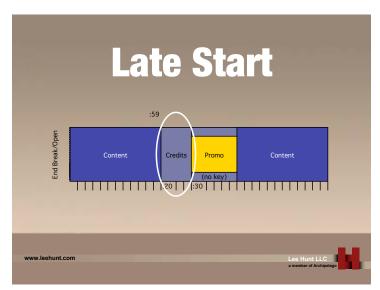
See how it just pulls you in. All the sound and video overlap.

Now let's watch the Comedy Central end break.

(Comedy Central end break)

First off, the production credit is a huge stop sign that say, "okay viewer, nothing to see here; let's move it along. And the viewer picks up that remote and turns left or right down the dial.

The squeeze credit is just credits with a squeeze. There 's no accelerated flow at all.



But do you know what really drives me crazy? When the split screen credit doesn't start up until 5 or 10 seconds into the credit. You know, by then it's too late. It's all over. The viewers have left the building.

Now NBC may be the granddaddy of accelerated flow, but they're not the only ones breaking ground.

If you remember a couple of

years ago I told you about Discovery Channel's credit elimination experiment. They edited out the credits, dropped in a 5 second ID that sent viewers to their website to get the credits, and increased their flow by 30%. They took 30% more viewers from show a to show b. But when they released their findings it created a firestorm of controversy and they guietly backed off.

Now last year, a veteran Discovery programmer, John Ford, moved over to National Geographic, and suddenly we began to see this.

(Nat Geo end break)

It's also interesting to note that after Discovery dropped their decade old tag line, "Explore Your World," Nat Geo adopted the line, "Dare to Explore."

Now this one, you've got to give credit for trying. It comes from the Weather Channel. Most of you probably know that in prime time Weather Channel has been running series and specials. They may not be a full-fledged entertainment service, but they're giving it their best shot. But what happens when you need a split-screen promo, and don't have the resources? Well to borrow an old adage of the 60's. You don't need a weatherman to know which way the wind is blowing. Or do you?

(Weather Channel end break)

Gotta love it. Now I'm going to show you an accelerated flow break that set my heart a flutter. I know. I live a sad life. But I'm not kidding. The first time I saw this I was in a hotel room somewhere in the mid-west and I fell off the bed. It is as close to a pure seamless break as I could ever imagine. It takes the Discovery experiment and moves it to a new level. Based on its ratings success,

you've all probably seen it. But like me, you probably got sucked into it so quickly you didn't even realize what happened.

It starts at 59 minutes after the hour; the story arc of the first hour of Law and Order is coming to a close. We go to a three second full screen exec producer credit, then begin the cold open on the second hour of Law and Order. Below, the credits from hour one play under the beginning of hour two.

(Law and Order end break)

To me this is a thing of beauty. I was watching with my wife one night. We slid through the accelerated flow and about five minutes in to the next hour, she said. "Hey, wait a minute, is this a different episode? When did this start?" She was hooked. The results for TNT? Double digit ratings increases.

Well, we're out of time now. We covered a lot in under an hour. Just to **review**.

- We talked about the importance of looking at our jobs holistically, realizing we are all a part of managing audiences.
- We laid out, in what I believe are very convincing terms, the argument for promos in the first position.
- And we recognized that we all, on-air and ad sales, have to work together to improve audience erosion in breaks.
- To that end, we looked at the myriad of ways we've begun to blur the lines between breaks and content. "Situ-mercials," Product Placement/Reverse Product Placement, Promomercials, Interrupters, and experiments in restructuring breaks with less clutter.
- We talked about creating a renaissance in promotion creative, and the incredible power of cross channel.
- And I harangued you once again about accelerated flow,

There are lots more breakthroughs and potential best practices I wanted to share with you today, new DVR research, the use of DVDs in promotion, the ramifications of the current Nielsen drama in on-air promotion, new findings on how people watch TV, the potential of HDTV vs. multicasting. The use of movie theatres and theatricals in on-air promotion, social networking and word of mouth marketing, new creative media options, and engaged audience research, but we're out of time for today.

Next week the PROMAX Roadshow begins, at the end, I'll be posting the hand out for this session on my website, www.leehunt.com. In the meantime, you can find handouts from previous sessions and learn how to get more information on the topics we discussed today. Or you can always email me at lee@leehunt.com

Here's wishing you lots of great breakthroughs today and tomorrow. Thanks for listening, and I'll leave you with an oldie, but goodie. Since we've spent so much time talking about promotion and advertising it seemed time to dust off "Truth in Advertising." Have a great conference.

(Truth In Advertising clip)