Commentary

# Writers' Strike: Beginning Of The End For Current State Of Media?

by Todd Merriman, Monday, Dec 3, 2007 7:00 AM ET

**THE WRITERS' STRIKE HAS GIVEN** corporations an opportunity to explore alternative advertising approaches.

A friend of mine wondered if we were going to see a return to "the days of 'Mutual of Omaha's Wild Kingdom'?" That certainly looks to be one of the models. An article from *The Hollywood Reporter* mentions Johnson & Johnson funding an after-school program for its Accuvue brand. I think you'll see lots of brands funding entertainment content directly targeted to their core audience.

From an entertainment perspective, one can envision a world in which all content is available on-demand (like on the Internet), supported by a brief advertisement. I would hope this has the interested parties--the networks, movie studios, and cable providers, to name a few--shaking in their boots and looking for a way to participate in the future, rather than sticking their heads in the sand like the music moguls.

Isn't it inevitable that the television simply becomes akin to an all-you-can eat buffet--pulling content from a million sources, rather than a pre-set menu prepared by the mediocre chefs at NBC Universal, Viacom, and Disney, etc. delivered to your table by those ill-tempered waiters at Time Warner, Cox and Comcast?

This suggests some interesting questions.

How long before cable companies become nothing more than ISPs?

If they can't charge exorbitant fees for access to their slate of channels and to use ther inadequate set-top boxes, they become little more than an ISP with a good set of pipes. Which brings up a corollary question: How long before those pipes become totally unnecessary?

Do the studios have any value beyond the intellectual property they already have?

If the control of content is wrested from the studios, what value do they provide? They've got some big studios they could rent out.



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And presumably, a lot of cameras and lighting and what-not. But with production increasingly moving on-location, and the cost of technical production declining, that's not much value. What they do have is all the stuff they created in the past. In the case of Disney, they have power of their characters, catalog, brands and creative departments. They've basically got Mickey Mouse, The Little Mermaid, ESPN and Pixar. A lot, to be sure, but it certainly isn't the impenetrable wall they have today.

What happens when that wall comes down?

You can certainly see how some of those media properties become less valuable in the future. What happens when the NFL doesn't need to deal with the cable companies or distribute their product through Disney's ABC Sports and ESPN, and can offer games (all of them) on a pay-per-view, on-demand basis? Could this be what the NFL is thinking with its much-maligned NFL Network? Remember: the NFL didn't get to be the juggernaut it is by playing softball. Don't you think the NFL (in this case, the content creator) would jettison these partners immediately if they could charge a small fee to customers to watch the games or keep all of the ad revenue for themselves (or both)?

Play that scenario out with any piece of content. Was that James Dolan who just fainted?

Granted, the NFL is the NFL. But what happens when a venture capitalist and a small production group get together to create the next Heroes? Do you think they'll be running to sign a distribution deal with NBC or trusting to the inherently viral nature of the Internet to take care of that pesky issue for them?

Will all of this make search and social networking even more important in the future?

If TV becomes an empty vessel for endless content, the viewer has to find what they want, right? Google made finding content easy. Apple made finding and acquiring music easy, and legal. Facebook and Myspace have made Internet communications personal and fun. Won't some combination of this become the new interface for that empty vessel formerly known as the television set?

So much for *TV Guide*.

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