

STARS EMBRACE CREATIVE AND COMMERCIAL OPPORTUNITIES IN WEB SERIES

LONDON, September 9, 2009 – Stars producing their own online TV shows are rapidly taking Web TV into the mainstream, according to a new report from digital entertainment research company Futurescape www.futurescape.tv.

Futurescape, which researches the latest developments in the dynamic Web TV sector to provide in-depth analysis of new Internet TV series, business models, sponsorship and audience interactivity, today publishes the second edition of its report *The Birth Of Online TV*.

The report identifies three major trends in original online TV series.

- 1) More stars are launching Internet TV shows, often funded by major sponsors
- 2) Sound business models and commercial opportunities are emerging
 - Digital download sales
 - Major brand sponsorship
 - Commissions from Web sites
 - Reaching TV viewers via games consoles
 - Cross-promoting other commercial interests
- 3) Web shows will break out across the entertainment sector as a whole

Trend 1: Increasing numbers of famous actors, producers and directors are launching their own Internet TV series, with major sponsors

Futurescape co-founder Özlem Tunçil said, "In the 15 months since the first edition of our report *The Birth Of Online TV*, Web shows have progressed from experimental projects to become creatively and commercially successful productions in their own right. Web TV offers a new, more interactive medium for stars to reach fans. Futurescape's reports explain the commercial models in online TV series and provide crucial insights for producers, actors, agencies, brands and broadcasters to seize the initiative."

Actors, producers and directors with their own Internet TV productions include:

Hollywood director **Bryan Singer** (*X-Men*) is reportedly working on a secret sci-fi Web series with a *Lost*-style atmosphere.

Candace Bushnell (*Sex and the City* creator) has business comedy *The Broadroom* premiering in September, sponsored by **Maybelline**.

Hilary Duff (*Lizzie McGuire*) has just debuted her new series *The Chase* on YouTube, featuring her fashion collection, *Femme* for **DKNY Jeans**.

Lisa Kudrow (*Friends*) co-created and stars in the comedy *Web Therapy*, sponsored by **Toyota** for its **Lexus** luxury car range.

Joss Whedon (creator of *Buffy the Vampire Slayer*) produced the superhero musical *Dr Horrible's Sing-Along Blog*, which was profitable from iTunes video downloads.

Felicia Day (Buffy) co-created and stars in the **Microsoft**-sponsored online gamer comedy The Guild: a song from the show hit no.1 on iTunes music video downloads.

Ashton Kutcher (Punk'd) launched celebrity gossip animation Blah Girls, sponsored by **Vitamin Water** and reality series KatalystHQ, sponsored by Frito-Lay's **Cheetos** and **Nestle Hot Pockets**.

Director **Ridley Scott** (Gladiator) is backing scifi production Purefold.

Crystal Chappell (Guiding Light) has created the new lesbian-themed soap Venice.

Miley Cyrus (Hannah Montana) stars in reality series The Miley and Mandy Show.

Trend 2: Sound business models and commercial opportunities are emerging

Compared with 2008, the maturing Web show market is offering actors and producers a variety of proven ways to benefit commercially as well as creatively. Major advertisers are meanwhile increasingly appreciating how Web series can enhance a brand's image and connect brands with specific demographics or communities of viewers online.

Digital download sales: Buffy creator Joss Whedon self-funded the superhero musical Dr Horrible's Sing-Along Blog with a budget of \$200,000. The production has been distributed online via the video aggregator Hulu, with advertising, and as a paid-for download via Apple's iTunes, before being released on DVD. Whedon has said that the show went into profitability from the downloads alone.

Major brand sponsorship: Many series are fully-funded by international brands from a range of sectors, such as automotive, cosmetics, beverages and clothing. Lisa Kudrow's comedy Web Therapy, now in its second season, is backed by Toyota for its Lexus cars. Candace Bushnell's new business comedy The Broadroom is sponsored by Maybelline.

Another advertiser that has recently seen the potential for Web shows to reach its consumers is Southern Comfort. It has completely dropped television advertising for digital and this includes sponsoring Web series on men's site Break and video comedy site My Damn Channel. Levi's is also funding original comedies on Break.

Commissions from Web sites: Independent video aggregation sites Babelgum and Dailymotion offer deals to Web show producers such as new commissions, exclusive distribution windows and licensing whole seasons. Social networks MySpace and Bebo commission original drama, reality and entertainment series.

Cross-promoting other commercial interests: Hilary Duff's new series The Chase has the actor wearing items from her own fashion collection, Femme for DKNY Jeans.

Reaching TV viewers via games consoles: Microsoft has funded two seasons of gamer comedy The Guild to provide original content direct to TV viewers for the Xbox 360 Live Marketplace. The show, also distributed via MSN and the Microsoft Zune media player, reaches a potential 14m viewers in 26 countries.

Trend 3: Web shows will break out across the entertainment sector as a whole

The Guild also demonstrates how a Web series can successfully break through into other forms of entertainment. To promote the show's third season, the producers created a music video with an original song, Do You Wanna Date My Avatar, uploaded it on YouTube and invited fans to buy the song as iTunes and Amazon downloads.

Without a conventional marketing campaign or record label, the song gatecrashed the music download charts, going to no. 1 on Amazon MP3 downloads and no.1 on iTunes music video downloads, overtaking major acts such as Black Eyed Peas.

Futurescape co-founder Colin Donald said, "Felicia Day and The Guild Web series are popular with fantasy fiction and online gaming fans. Purchases via their music video overtaking major artists demonstrates there are real opportunities for other artists such as Miley Cyrus and Hilary Duff who already have large fan bases and also their own Web series."

"Creating your own Web series gives an actor, producer or director a springboard to take the intellectual property, such as characters and storylines, across many other forms of entertainment, from music to games to books."

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MEDIA ENQUIRIES

Colin Donald, Director, Futurescape: colin@futurescape.tv
Office +44 (0)20 7193 8295 Mobile +44 (0)7833 975 574 Web: www.futurescape.tv

NOTES TO EDITORS

The Birth Of Online TV, Futurescape's pioneering research report on the American and British Internet TV production business, is published today in its second edition. It was first published in May 2008. The report is 100 pages and can be ordered online at www.futurescape.tv

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Futurescape identifies and analyzes the latest online television trends for entertainment industry leaders worldwide.

Futurescape's research into original Web shows overcomes the fragmentation of a fast-developing market where it is difficult to see the big picture of what is taking place and how to integrate Web TV into overall business strategy.

It is constantly analysing the Web series market, describing it in three reports: *The Birth Of Online TV*, *UK Web Shows Now* and *WeVision*.

FUTURESCAPE REPORTS ON ONLINE TV

- *The Birth Of Online TV* – The first research report on original Web TV shows

www.futurescape.tv/the-birth-of-online-tv.html

- *UK Web Shows Now* – Cutting-edge Internet TV productions and innovative formats

www.futurescape.tv/report-uk-web-shows-now.html

- *WeVision* – How Web shows succeed by engaging online communities

www.futurescape.tv/report-wevision.html

OUR BUYERS

Futurescape's research is bought by global advertising and media agencies, TV broadcasters and producers, cable, satellite and mobile operators, media owners, publishers, industry analysts and government agencies: AT&T, BBC Worldwide, Digitas, Disney, Eutelsat, HBO, ITV, MediaCom, Ogilvy, Publicis, RTE, UBS, Virgin Media, Warner Bros.

BLOG

The Futurescape Web series blog can be found at: www.futurescape.tv/blog_index.html