

SUMMER 2009 ISSUE 5

BNC
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FIRSTLOOK

As you explore the latest edition of BNC's First Look, you will see an evolution of the traditional relationship between brands, content creators and consumers.

With consumer empowerment rapidly expanding, their collective voice is changing the way brands are marketed and sold. Note the piece on the San Francisco Giants and how their organization is now pricing available seats on a variable scale based on everything from the team's record to the chance of rain on game day. Also of interest is how Pfizer, JetBlue and Hyundai are engaging consumers with out of the box incentives and give-backs.

Perhaps the greatest example of consumer empowerment is demonstrated by NBC's response to consumer pressures to renew the comedy series Chuck. When rumors of the show's possible cancellation surfaced, fans seized on a recent product integration for Subway to demonstrate their love of the show to NBC executives by sending hundreds of foot-long subs to the NBC offices. Reminiscent of fan efforts to save CBS' Jericho in 2008 by sending tons of peanuts (a key plot piece in one episode) to network execs, the grass-roots campaign seems to have convinced NBC to renew Chuck for another season. As the business of entertainment continues to expand, so too can we expect greater consumer participation. Whereas ten years ago platforms such as YouTube and HULU would have seemed unlikely, if not impossible, one can't help but wonder what developments await us as consumers, brands and content creators continue their fight for the producer's chair.



THE BUSINESS OF ENTERTAINMENT

01



CELEBRITY ENDORSEMENTS & PARTNERSHIPS

Celebrity endorsers take note. The **Federal Trade Commission's** proposed revised "Guides Concerning the Use of Endorsements and Testimonials in Advertising" expressly serves notice on expert and celebrity endorsers: The commission will not only hold an advertiser responsible for false or misleading advertising, but expert and celebrity endorsers as well. In general, celebrities who do not endorse a product are not held liable for false or misleading advertising related to the product. But if a celebrity is an endorser, the celebrity can be responsible for false or misleading statements he or she makes.

FASHION

- The recession has struck celebrity fashion lines. Instead of partnering with high-end designers or creating expensive wares, celebrities are playing to where their fans are, and right now their fans are money conscious. Most celebs are launching lines in Wal-Mart or Kohl's over Barney's and Bergdorf's.
- **Jimmy Choo** will create a collection of shoes, bags and accessories for **H&M** and they'll also create a line of clothes. This will mark the first collaboration with a shoe designer for the Swedish retailer. The collection will be in the shops on November 14, 2009.
- **Miley Cyrus** and designer **Max Azria** of apparel house BCBGMAXAZRIAGROUP, Inc. have teamed up to create Miley Cyrus & Max Azria, a new apparel line launching this August only

at **Wal-Mart**. The line includes tops, pants, graphic tees, shoes and accessories.

- **Kohl's** is expected to announce that in October, **Lauren Conrad**, will introduce a casual California-inspired clothing line for young women in 300 Kohl's stores and on Kohls.com. Later, Kohl's plans to sell the brand, LC Lauren Conrad, in all of its more than 1,000 stores.
- **Target** has announced that they will be unveiling a line under the store's Designer Collaboration series that is completely inspired by the hot teen sensation **Gossip Girl**. Designer **Anna Sui** plans on designing a collection that is solely based on the fashions of our favorite youthful New York City socialites. The line is reportedly set to hit 250 select Target stores on September 13 and run through October 17.
- In reverse fashion of creating a line of clothing at affordable chains, **Heidi Montag** is taking a second stab at designing - this time swimsuits. Her first try, Heidiwood, was unsuccessful with affordable chain Anchor Blue. Now, she has set her sights somewhat higher and has partnered with **Ashley Paige** for a brand new swimsuit collection that has yet to be named.
- **Nicole Richie** will be designing 20 shoes in addition to bags, belts, and small accessories for her **House of Harlow 1960** label for spring 2010.
- Hip-hop artist and actor **Common** will costar in the U.S. advertising campaign to launch **Diesel's** new fragrance called Only the Brave.
- Singer/actress **Hilary Duff** will co-create select rocker-chic pieces for the **Femme for DKNY Jeans** collection, which will be in stores this August.



- Rocker **Avril Lavigne** will debut her latest scent, **Black Star**, in Europe this July. In addition to the perfume, which is manufactured by **Procter & Gamble**, the line will include aftershave, bath oil, bath soap, shower gel, body shampoo and body lotion.
- **David Beckham** has added designer to his resume. He collaborated with **James Bond**, owner of the **Undeclared** sneaker-freak boutiques, on a fall-winter men's collection for **Adidas Originals by Originals**. However, Beckham, who already has an athletic endorsement relationship with Adidas, has no plans to use his image or personal appearances to promote the new line.

SOCIOPOLITICAL

More and more brands are shifting their focus towards communications that concern not just brand messaging, but also take into consideration the consumer climate. A spate of companies are utilizing their marketing as social safety nets, offering assurances and guarantees that allow consumers to spend with a little less on their minds.

- Like **Hyundai** before them, **JetBlue** is offering reassurances to economically wary consumers. The airline is offering refund programs for customers who lose their jobs after buying tickets.
- **Pfizer** announced that it would provide 70 of its most widely prescribed drugs — including **Lipitor** and **Viagra** — free to people who have lost their jobs and health insurance. The world's biggest drug maker said that it would give away the medicines for up to a year to Americans who lost jobs since January 1st and have been on the Pfizer drug for three months or more.
- **Levi Strauss & Co.** launched the "Give Them Hope Now" campaign to raise \$500,000 for the **Hetrick-Martin Institute**, a nonprofit organization that supports **Harvey Milk High**

School. The New York school is dedicated to helping lesbian, gay, bisexual, transgender and questioning students. The campaign also features a digital effort with banner ads, e-mail outreach, social media and community outreach through **Facebook** and **Twitter**.

PRODUCT PLACEMENT & BRANDED ENTERTAINMENT

Product placement and branded entertainment have long been effective ways for brands to get their messages out. Product placement has matured at the perfect time to coincide with the rise of increased DVR use, with brands becoming saviors, allowing TV shows to stay on the air. **Friday Night Lights**, a bubble-show for most of its three seasons has utilized product placement deals and their income to keep the show on the air. The same can be said for NBC's **Chuck**. The season-long multiplatform advertising and sponsorship with **Subway** was credited single-handedly with its return to the airwaves this fall. Television's business model has always counted on brand advertising dollars, but show underwriting of this sort marks a change in the brand-show relationship.

- As the **American Idol** season came to an end the brands associated with it, **Coca-Cola**, **Ford**, and **at&t**, have perhaps reaped a level of promotion on the show that is unrivaled in recent TV history. **Coke** netted over 2,000 brand references during the 2009 season while **Ford** and **at&t** both use their associations to drive new customers and sales (**BrandWeek**, **PlaceViews**).



- **Activision Blizzard** is looking to take its hit game **Guitar Hero** into a reality TV show and/or a real-life concert tour. Turning game titles into film and TV properties is a goal for Activision Blizzard, and other titles cross-platform interests include **World of Warcraft** and **Call of Duty**.
- As noted, **NBC** renewed “bubble” sitcom **Chuck** and credited a multiplatform advertising and sponsorship deal with **Subway** for saving the show for another season. (Ad Age)
- In an effort to rebrand itself as “Kentucky Grilled Chicken,” **KFC** enlisted **Oprah Winfrey** for a tie-in on her show offering free samples. The combination of free food and Oprah was too successful, however, as the chain’s grilled chicken website was overwhelmed and many stores simply ran out of chicken.
- **YouTube** has unleashed the product placement police. The company has issued written notifications to several producers who have inked branded integration deals directly with advertisers, gently reminding them that according to its Terms of Service, users are not to post commercial videos on YouTube without permission. The give and take between product placement and paid media is heightened on YouTube, where the site is looking to monetize as much of its content as possible.
- Looking to build buzz amongst advertisers, **NBC** announced that this fall’s **The Jay Leno Show** will be “advertiser friendly.” The show is expected to experiment with live commercials and sponsorships embedded into different parts of the show.

MEDIA

TELEVISION

There were a few trends during this year’s Upfront – networks greenlit three medical dramas, Fox will have three big shows with African-Americans in leading roles and the most significant development was the highlighting of comedies in an attempt to lure advertisers back to TV with laughs. No show is a guarantee for advertising dollars, including Fox’s juggernaut – American Idol – which is very expensive, and for the first time saw lower numbers of viewers than expected (that didn’t stop their record-breaking votes though!). Ratings have been sinking on broadcast shows as cable networks find more and more audiences for their original dramas and comedies, they are poised to perform well at this year’s upfront television-ad market (Advertising Age).

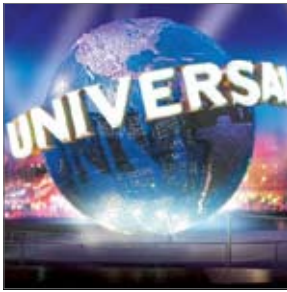
- New dramas, as expected, outnumber the new comedies this year, but a ratio of 12 versus 8 (compared to 10 new dramas and 4 new sitcoms last Fall) is a narrower gap.
- The comedy genre has for a few years been considered dead but the top broadcasters will introduce 10 new comedies for the 2009-10 television season, while many of the new dramas include a humorous tone, the New York Times reports. The trend may be spurred by the recession, the newspaper points out. “When the economy’s not doing well, you tend to have more comedies, more escapism,” Magna executive vice president Steve Sternberg tells the Times.
- **Disney** has dived head first into understanding and researching the 6 to 14 year-old-boy, and is so proud of its new “headquarters for boys,” the XD channel. The effort is as outsized as the potential payoff: boys 6 to 14 account for \$50 billion in spending worldwide,



to market researchers. Thus far, Disney's initiative is limited to the XD channel. But Disney hopes that XD will produce a hit show that can follow the 'High School Musical' model from cable to merchandise to live theater to feature film, and perhaps even to Disney World attraction.

- For the first time, TNT joined the broadcast nets at the Upfront presentations showcasing some of their highly-viewed dramas **The Closer**, **Saving Grace** and **Raising The Bar**.
- **NBC** has signed a two year deal with **Mindy Kaling** of **The Office**. The actress/writer/producer will continue to write for and appear on **The Office** next season while simultaneously developing a comedy in which she would also star.
- The CW has decided to shelve the spinoff of **Gossip Girl**. The network has decided to greenlight **Melrose Place**, **The Vampire Diaries** and **The Beautiful Life** for the 2009-10 season, with expected Fall debuts.
- **ABC** New Fall Shows:
 - **Eastwick** (drama) – Three women are drawn together when a mysterious man comes to town, unlocking each woman's unique powers. Based on the popular movie *The Witches of Eastwick* and the novel of the same name by John Updike. Series stars Rebecca Romijn, Lindsay Price and Jamie Ray Newman among others.
 - **Flash Forward** (drama) – Joseph Fiennes headlines this series about a mysterious event that causes the world to black out and every human is granted a glimpse into the near future.
 - **The Forgotten** (drama) – From executive producer Jerry Bruckheimer, this crime series centers on a team of loyal amateurs working on unidentified victims' cases.
 - **Shark Tank** (reality) – Reality series gives up-and-coming entrepreneurs the chance to make their dreams come true and possibly become successful business people. They must first convince five hard-as-nails tycoons to invest their own money to fund their ideas.

- **Cougar Town** (comedy) – Courteney Cox stars as a recently divorced single mother who rediscovers the world of dating in a youth-centric world.
- **Hank** (comedy) – Kelsey Grammer stars in this comedy as Hank Pryor, a business big shot who loses his job, has little money left and finds himself spending more time with his wife and kids.
- **The Middle** (comedy) – Patricia Heaton is back on a family sitcom, this time as the wife and mother of a middle-class family, The Hecks, living in the middle of Indiana.
- **Modern Family** (comedy) – Shot documentary-style, this series looks at several different versions of the modern family.
- **CBS** New Fall Shows:
 - **Medium** (drama) – CBS saved the show from NBC. Patricia Arquette helms this drama about a medium and it will be paired on Friday nights with the nets existing show on this topic; *Ghost Whisperer*.
 - **The Good Wife** (drama) – Emmy Award winner Julianna Margulies as a wife and mother who must assume full responsibility for her family and re-enter the workforce after her husband's very public sex and political corruption scandal lands him in jail.
 - **NCIS: Los Angeles** (drama) – LL Cool J and Chris O'Donnell star in the drama about the high stakes world of undercover surveillance at the Office of Special Projects (OSP), a division of NCIS that is charged with apprehending dangerous and elusive criminals that pose a threat to the nation's security.
 - **Three Rivers** (drama) – This medical drama goes inside the emotionally complex lives of organ donors, the recipients and the surgeons at the preeminent transplant hospital in the country where every moment counts. Cast still finalizing.
 - **Accidentally on Purpose** (comedy) – Golden Globe Award winner Jenna Elfman stars as Billie, a single woman who finds herself 'accidentally' pregnant after a one-night stand with a much younger guy, and decides to keep the baby and the guy.



- NBC New Fall Shows:
 - **Trauma** (drama) – An intense, action-packed look at one of the most dangerous medical professions in the world: first responder paramedics.
 - **Parenthood** (comedy) – based on the Steve Martin movie from Ron Howard, this comedy follows four grown-up siblings as they deal with parenting. Stars TV vets Peter Krause and Maura Tierney.
 - **Community** (comedy) - Community focuses on a band of misfits, at Community College, the center of which is a fast-talkin' lawyer whose degree has been revoked (Joel McHale, *The Soup*). They form a study group and, in 'Breakfast Club' fashion, end up learning a lot more about themselves than they do about their course work
 - **The Jay Leno Show** (comedy) – Jay's move from Late Night is official, but Jay just moved a timeslot – 10 PM. His show will be the first-ever entertainment program to be stripped across primetime on broadcast network television and will showcase many of the features that have made Leno America's late-night leader for more than a dozen years. Signature elements will include his opening monologue, new comedy skits, big stunts, and well-known segments like "Headlines" and "Jaywalking."
- **National CineMedia** and **Screenvision**, who control the advertising space before showtime at the vast majority of theaters nationwide, are considering a merger. The revenues created by National CineMedia and Screenvision for theatre owners are considered a major reason why ticket prices have remained relatively stable in recent years.
- Marketing partnerships with **Universal Studios** will now have a single point of contact. In a somewhat unorthodox move, Universal Studios is centralizing its promotional partnerships under a single executive, **Stephanie Sperber**, elevating her to head a new division called **Universal Partnerships and Licensing**. The new post combines consumer-product licensing, film and home-entertainment promotions as well as corporate alliances for the studio's films, home entertainment, theme parks and stage productions.
- Adding star power to its menu, **Burger King** inked a three-picture promotional deal with **Paramount Pictures**. Covering **Star Trek**, **Transformers: Revenge of the Fallen** and **G.I. Joe: The Rise of Cobra**, the deal marks the first time Burger King has worked with a single studio in such rapid succession, and also the first time Paramount has entered into this sort of multiple-picture ad partnership. The deal includes co-branded advertisements and in-store collectables.
- Fresh off the heels of **Burger King's** Deal with **Paramount Pictures**, **McDonald's** signed a promotional partnership with **20th Century Fox**. The first two films to be included in the deal include **Night at the Museum: Battle of the Smithsonian** and **Ice Age: Dawn of the Dinosaurs**. The two-year partnership is non-exclusive, allowing both McDonald's and Fox to explore other partners.

FILM

This summer's tentpole films are looking to continue the momentum that Paul Blart: Mall Cop, Fast and Furious, and Monsters vs. Aliens have brought to the first half of 2009's box office receipts. Due to the recession, movies have quickly become an affordable "night out," replacing more costly activities such as sporting events and concerts. That, coupled with some surprise hits, has allowed box office receipts to increase versus last year. A large mix of highly anticipated sequels, remakes, and adaptations look to keep the trend going this summer.



- **Destination DC**, a not-for-profit marketing group that promotes **Washington, D.C.**, is hoping to boost tourism with a campaign tying the **Smithsonian Institution** and other area attractions to **Night at the Museum: Battle of the Smithsonian**, in which they serve as major set pieces. The advertising and promotional campaign seeks to get people to visit D.C. by focusing on locations featured in the movie, and offering themed hotel packages and special evening programs.

- **ABC** allowed an uncharacteristic move when **Lost's** opening sequence became an ad for **Paramount Pictures Star Trek** movie. Fans are long accustomed to a black backdrop instead, however a veritable constellation of stars filled that black space and the U.S.S. Enterprise made a beeline out of the on screen lettering. The typical *Lost* typography quickly morphed into an ad for *Star Trek*.

- Upcoming film releases:

- All Good Things – Ryan Gosling, Kirsten Dunst (July 24)
- G-Force – Nicolas Cage, Sam Rockwell (July 24)
- The Ugly Truth – Katherine Heigl, Gerard Butler (July 24)
- Funny People – Adam Sandler, Seth Rogen (July 31)
- G.I. Joe: The Rise of the Cobra – Dennis Quaid, Channing Tatum (August 7)
- Julia & Julia – Meryl Streep, Amy Adams (August 7)
- Spread – Ashton Kutcher, Anne Heche (August 14)
- Inglourious Basterds – Brad Pitt, Eli Roth (August 21)
- X Games 3D: The Movie – Travis Pastrana, Shaun White (August 21)

retailer has become an exclusive distributor (Target), and what may have at one point been considered a competitor is now a tour sponsor (Guitar Hero-sponsored tour). As the music world continues to evolve, don't be surprised to see more creative partnerships, collaborations, and deals coming down the pipe.

- **Lady Gaga** is the first artist in almost ten years to have her first two singles as number one hits on the **Billboard Hot 100**.

- **Pearl Jam** is building up to their 20th anniversary with a new album, tour and film all in the works. The band is planning on playing live shows in the US later this year, completed 14 songs for their new album (which will be released in a retail-exclusive deal with **Target**), and they are working on a film directed by **Cameron Crowe**.

- **Aerosmith** and **ZZ Top** have announced the first dates for their summer North American tour. This tour, sponsored by **Guitar Hero: Aerosmith**, begins June 10 in St. Louis and runs through Sept. 16 in Detroit. Some 33 shows have already been announced, with a few more dates expected to be added.

- Even as the recorded music industry contracts, the live music business continues to flourish. **Coachella** is the year's first major festival and a bellwether for the all-important summer touring season. This year's festival was reported as the second most attended festival ever despite the downturn in the economy, thanks to the layaway plan it offered for tickets.

- **Elton John** has ended his Las Vegas show after five years and 241 shows at **Caesars Palace**.

MUSIC

As the music industry continues to evolve musical acts are adapting to the times, changing their business structures, their distribution platforms, and the overall way they do business. What was once a



- **Leighton Meester**, star of the CW Network's teen drama **Gossip Girl** has signed a deal with Universal Republic through Time-Act Music to release her debut album in the fall.
- **Jay-Z** announced a series of five intimate July concerts with opener Ciara (additional dates are rumored) that will allow him to reconnect with fans before putting the finishing touches on his next album, **The Blueprint 3**.
- **Whitney Houston** will finally be coming out with a new album this fall. The singer is said to be in the final recording stages of her record.
- Artists to Watch:
 - **Grizzly Bear**: This Brooklyn-based indie rock band consists of Daniel Rossen, Ed Droste, Chris Taylor and Christopher Bear. The band employs traditional and electronic instruments, ranging from a recorder to a laptop, and all four members contribute vocals. Their sound is categorized as experimental rock, folk rock, or just rock, and is most dominated by the use of acoustic guitars and vocal harmonies. They toured with Radiohead last summer and they're 2009 release *Veckatimest* is more of an accessible pop record debuting on the Billboard 200 at number 7.
 - **Plastiscines**: The Plastiscines are one of several Parisienne teenage bands, referred to collectively as les bébés rockers. They are Louise Basilien, Marine Neuilly, Katty Besnard and Anaïs Vandevyvere. Their albums *Barcelona* and *About Love* were recently released in the U.S. and this quartet of English singing rockers are ready to take the States by storm.
 - **Eric Hutchinson**: Hutchinson's music walks a line between rock, folk pop, and powerpop. Hutchinson plays both the piano and guitar and cites his influences as Stevie Wonder, The Beatles, Michael Jackson, Elvis Costello, Paul Simon, Prince, Billy Joel, Ben Folds Five, and G. Love & Special Sauce. He has received praise from blogger Perez Hilton which helped catapult his record *Sounds Like This* – which he produced himself. Now his tracks are receiving high acclaim and are being in soundtracks for film, TV and in advertising campaigns.
- This summer is filled with tours of bands reunited like Blink 182, No Doubt and Black Eyed Peas, as well as some festival favorites such as Dave Matthews Band and Phish.
- Notable Summer Festivals:
 - July 31 – August 2: **All Points West** feat. Beastie Boys, Fleet Foxes, Yeah Yeah Yeahs – Liberty State Park, NJ
 - August 7 – 9: **Lollapalooza** feat. The Killers, Depeche Mode, Kings of Leon – Chicago, IL
 - September 5 – 7: **Bumbershoot** feat. Sheryl Crow, Modest Mouse, Katy Perry – Seattle, WA
 - August 28 – 30: **Outside Lands** feat. Pearl Jam, Dave Matthews Band, Black Eyed Peas, M.I.A. – San Francisco, CA
- Notable Upcoming Tours:
 - No Doubt (May 2 – August 4, 2009)
 - Black Eyed Peas (May 8 – September 5, 09)
 - New Kids on the Block (May 28 – August 15, 09)
 - Green Day (June 4 – August 25, 09)
 - Aerosmith (June 10 – September 16, 09)
 - Jonas Brothers (June 20 – August 27, 09)
 - Kid Rock (June 26 – August 2, 09)
 - Vans Warped Tour feat. Anti Flag, Bad Religion and NOFX (June 26 – August 23, 09)
 - American Idols Live (July 5 – September 15, 09)
 - Blink 182's Summer of '09 feat. Fall Out Boy, Weezer, Panic At The Disco, All-American Rejects, Taking Back Sunday, Chester French and Asher Roth supporting on selected dates (July 24 – October 3, 09)
- Notable Upcoming Album Releases:
 - Sugar Ray – *Music for Cougars* (July 21)
 - Jordin Sparks – *LP #2* (July 21)
 - Demi Lovato – *Here We Go Again* (July 21)
 - Ashley Tisdale – *Guilty Pleasure* (July 28)
 - Lil Wayne – *Rebirth* (August 18)
 - Sean Paul – *Imperial Blaze* (August 18)
 - Whitney Houston – *Untitled* (September 1)



VIDEO GAMES

Summer is a hot time for movie blockbusters and music tours and, increasingly, for video games as well. While nearly half of all video games are sold in the fourth quarter, big titles such as *Wii Sports Resort*, *Ghostbusters: The Video Game*, *Guitar Hero Smash Hits*, and *The Sims 3* will all be released this summer.

- In promotion of its upcoming *Guitar Hero 5*, **Activision** is launching an online scavenger hunt for consumers to identify all of the 85 bands represented on the game. Through the game's official site, GH5.GuitarHero.com, consumers are encouraged to find these items and clues. Properties involved in the announcements include RollingStone.com, IGN.com, Yahoo News, G4 (and G4TV), as well as the sites of the bands themselves.
- Free online sports games are increasingly popping up and competing with established sports video game franchises from big companies. While free online games are often casual fare with simple premises and graphics, a new generation of games coming out now has console-like graphics and more involved game play. *MLB Dugout Heroes* has amassed over 75,000 downloads since its launch. *World Golf Tour* gets over 250,000 unique visitors a month.
- In a bid to keep up momentum for its **Wii** console and expand its audience beyond casual gamers, **Nintendo** is pushing to increase the number of Wii videogames made by outside publishers, including combat and sports titles that target serious players. While Nintendo has sold more than 50 million units world-wide, largely driven by casual games, sales have slowed in recent months (NPD).
- With **Nintendo's Wii** at the top of the charts, **Microsoft's Xbox 360** and **Sony's PlayStation 3** are both readying their answers. Xbox 360 unveiled their gesture-based interface, **Project Natal**, during **E3** in June. Sony is also expected to release new technology in the near future.

MOBILE

The mobile phone is quickly solidifying itself as one of the major content platforms. Despite the ongoing recession, half of consumers see cell phones as a necessity, unchanged from three years ago (Pew). The difference between cell phone content and that of any other platform (TV, computer) is continually blurring as mobile functionality and practical usage grows.

- According to an **ABI Research** survey, more than two-fifths of consumers said they would be more likely to purchase mobile services or handsets from a company that "gives money to an organization seeking to help the environment, actively employs programs that reduce its carbon footprint [or] buys network equipment from 'green' equipment vendors." Despite the consumer sentiment no mobile company has taken the lead in green efforts as has been done in other sectors.
- Americans are gradually warming up to the idea of buying things via their mobile phones, particularly young adults and men, a new study conducted by **Harris Interactive** found. Close to half (45 percent) said they think that shopping via cell phones is "somewhat safe," while 59 percent of the 18-34 crowd feels that mobile shopping is somewhat safe.
- **LG Mobile Phones** has set up a new Web-site for parents who are having trouble understanding what their teens are saying to each other via text messages. The web-site, www.LGDTXTR.com, gives the meaning of more than 2,000 popular text abbreviations, such as MOS (mom over shoulder), PRW (parents are watching) and RUSOS (are you in trouble).
- **Heidi Klum** is the new face of **LG's Rumor2**. LG and Heidi Klum have teamed up to show off the versatile Rumor2 cell phone, which comes with a personalized back plate. Klum helped to create five of the back plate designs. **Hayden Panettiere** is also a new spokesperson for LG phones.



- **T-Mobile** brought back former spokeswoman **Catherine Zeta-Jones** for a new ad campaign that premiered during Fox's **American Idol** finale. The ad, which encourages consumers to compare the value they get from their current carrier with T-Mobile online at the company's website for a "mobile makeover," was Zeta-Jones' first T-Mobile commercial in over three years.

- As part of its effort to connect with young people, the **Vatican** has launched **Pope2You**, an **iPhone** application that lets users to view pictures of **Pope Benedict XVI**, send virtual postcards of the pontiff to friends, and read his speeches and messages.

- Artist **Jorge Colombo** created the June 1st cover for **The New Yorker** entirely on his **iPhone**. Colombo drew the cover scene, of a late-night gathering around a 42nd Street hot dog stand, entirely with the iPhone application Brushes.

- If video game makers are hoping to use the summer blockbuster season to sell games then so are those in the cell phone industry. Highly anticipated summer handset releases include the **Palm Pre**, an updated **iPhone**, and new phones utilizing **Google's Android** operating system.

- In order to keep its customers better connected, **U.S. Cellular** has created a "Battery Swap" program, where its customers will be able to exchange their dead or dying phone batteries for fully charged new ones in retail locations at no charge.

- **Apple's iPhone** is getting bigger as an ad medium. Recently **Burger King**, **Zippo**, and **Lionsgate** have experimented with iPhone's video and screen capabilities. Streaming video ads can be created, but so can ads disguised as applications.

- The **iPhone** may be the most buzz-worthy mobile device around, but is it the best selling one? Think again. Buoyed by "buy-one-get-one" promotions, **RIM's BlackBerry Curve** outsold the iPhone during the first quarter of 2009.

ONLINE/DIGITAL

Fresh off of the TV upfront season there's a new player in town. Not far removed from beta mode, Hulu is for real, and it has people's attention. ABC joined what is now the second most-viewed video web site in May, joining NBC and Fox. But will Hulu devour its entertainment company relatives? Hulu's increasingly entrenched success has its fellow entertainment companies worried that the site's success could undercut the financial underpinnings of the industry (Los Angeles Times).

And while Hulu may be a website it's starting to act like a network. Like a network it sold a primetime roadblock to McDonald's, giving viewers eight hours of commercial-free programming. And like all networks, ratings matter. As the website matures into an advertising platform, Hulu's executives have called Nielsen Online's ratings system into question, concerned that the company's measurement of its audience is being undercounted. If Hulu and web sites of its kind want to truly become networks, more scrutiny will be placed on finding reliable measurement.

- Further blurring the line between commerce and content, a special section of **Target.com** called **Red Hot Shop** will feature articles from **DailyCandy**, an email newsletter and website owned by cable operator Comcast that covers fashion and culture.

- **Susan Boyle** became one of the feel-good stories of the Spring but also one of the biggest online stars of the quarter. Her performance on **Britain's Got Talent** has been viewed over 220 million times on **YouTube**, yet her most popular videos were not those uploaded by producer **FremantleMedia Enterprises**, but those by individual users, reflecting the troubles media companies are having maximizing the profit from Internet sensation videos.



- The **Federal Trade Commission** is taking on paid blog posts. An upcoming set of FTC guidelines will require bloggers to disclose when they're writing about a sponsor's product and voicing opinions that are not their own. They will also stipulate that bloggers disclose when they're being compensated by an advertiser to discuss a product.
- Companies are increasingly using cause marketing and social media to help propel brand messaging. Charitable endeavors can become an effective and inexpensive way to get access to the masses in social media. **Target**, **Colgate**, and **Kraft** are currently conducting cause marketing campaigns on **Facebook** and **Twitter**.
- **Universal Music Group** and **Google** launched **Vevo**, aiming to become the music version of **Hulu**. Like Hulu, Vevo will present premium music videos in a controlled setting, allowing the website to potentially charge advertisers higher rates. UMG's rivals have not said whether they plan on joining Vevo.
- Newspapers and blogs don't just break news – **Twitter** does too. Before **Fox** and **20th Century Fox TV** would confirm it, **Bones** producer **Hart Hanson** announced the show's renewal on his Twitter page. "Just got a call from 'Bones' Fox exec James ('Don't call me Jimmy') Oh with an official unofficial pickup," Hanson told his Twitter followers. " 'Bones' is back for Season VI!"

niche brands to create unique, upscale product offerings targeted at more sophisticated consumers.

- **Red Stag by Jim Beam**, the first major product launch under the Beam brand name in more than a decade, has enlisted **Kid Rock** to help achieve its aim of appealing to an expanded customer base. Red Stag will be the headline sponsor for Kid Rock's 25-city 2009 Rock N' Rebels Tour this summer.
- As the ranks of out-of-work journalists swell, **PepsiCo** is stepping in with an offer: cover **Internet Week** events using various forms of digital media. PepsiCo is calling the "open newsroom" experiment an effort to align the brand with the social media space. It is hiring nine people to use blogs, **Twitter** and Web video to chronicle events from Internet Week, running June 1-8 in New York. Their reports will appear on the **PepsiCo Content Network** (PCN).
- **Coca-Cola Co.**, the world's largest beverage company, has a distribution system that reaches 20 million retailers each day (Atlanta Journal-Constitution). But as Coca-Cola and Italian coffee-maker **Illycaffè** launch a line of coffee drinks called **Illy Issimo**, the companies are taking a deliberate approach — slowly adding markets and putting the product in more upscale outlets. The goal is to turn Illy Issimo into the global leader for premium ready-to-drink coffees.
- **MillerCoors** is yanking a series of ads for **Miller Lite** after an Italian-American group complained about ethnic stereotyping. The ads touting Lite's new "taste protector" cap feature a spoof of a mob-like figure offering "protection" to a clerk tending the beer aisles.

LIFESTYLE

BEVERAGES

Beverage marketers in disparate categories are employing equally disparate marketing tactics. While some brands seek to increase market share by partnering with entertainers popular with general market consumers, others are partnering with



SPORTS

The sports world has been no more immune to the recession than any other industry. Luxury stadiums in New York (Citi Field, Yankee Stadium) and Dallas (Cowboys Stadium) were built on the success and expansion of corporate sponsorships. But due to the economy those corporate dollars have dried up. As a result these stadiums have struggled, opening to empty seats and unsold sponsorships. Major League Baseball has spent much of the early part of the season adjusting to the new times, stressing affordability across its 30 teams.



- **ESPN** took over **YouTube's** home page the day the **NBA Finals** to promote coverage of the event on sister outlet **ABC Sports**. The two-week campaign leading up to the June 4 tip-off played off memorable dunks in past finals and try to sync with the NBA's "Where Will Amazing Happen This Year?" tag.
- The **San Francisco Giants** are working on a system to combat the varying degree of demand sports teams face on a game-to-game basis. Much like the airline and hotel industry, the team is using dynamic pricing – one that weighs ticket sales data, weather forecasts, upcoming pitching matchups and other variables – to help decide whether the team should raise or lower prices right up until game day.
- The **Los Angeles Dodgers** quickly rebranded themselves around **Manny Ramirez** when he arrived in town last August. However, after Ramirez was suspended for 50 games after violating Major League Baseball's drug policy the team cancelled its "Mannywood" fan section but is otherwise sticking by him. The Dodgers will continue to sell his merchandise and use him in advertising campaigns.

- **Amp Energy** and race car driver **Dale Earnhardt Jr.** have teamed to launch **Tradin' Paint**, a limited-time energy drink. It will be available in a 16-oz can through the summer. The themed can features the same paint scheme as **Hendrick Motorsports'** No. 88 Amp Energy/National Guard Chevrolet driven by Earnhardt.

UPCOMING EVENTS

- July 31 – August 3: Summer X-Games – Los Angeles, CA
- August 10: Teen Choice Awards – Los Angeles, CA
- August 21: The 24th Annual Imagen Awards – Los Angeles, CA
- September 13: MTV Video Music Awards – New York, NY
- September 20: Primetime EMMY Awards – Los Angeles, CA