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Real Estate Intelligence

Web News Invades The Lobby

Peter Slatin, Forbes/Slatin Real Estate Report

Back in the day--the dot-com day--telecom companies went to landlords with promises to wire their buildings with supercharged broadband for free, with revenue to be shared once tenants had signed up to piggyback on their lines. They crawled all over each other to cram their wares into risers and implore tenants to become customers. Anticipating and encouraging the early adopters and late-blooming adapters that never materialized in force, they created all-in-one Web portals and undertook furious marketing rounds as they raced to beat the venture capital clock that, in the end, doomed almost all of them.

It wasn't just telecom companies that came calling with far-reaching promises. Information providers and software packagers of all sorts sought to mine the new technology of the infinitely possible to bring seamless transaction platforms, paperless document storage and exchange, building operation and management platforms, and news of every kind to every desktop in every building.

A new day was dawning. But the real estate industry, like the rest of American business, was still trying to figure out how to harness the Web's unquestionable benefits when the lights went out.

Today, many of the dreams dreamed then have actually materialized in practical and far-reaching applications, though not necessarily in Technicolor. And now, a new company called **Office Media Network** is premiering a venture, culling features from some turn-of-the-century models and rolling it out with marquee corporate names leading the way, and an impressive provenance. Still, the multimillion-dollar launch of the Wall Street Journal Online Network, an office-building news and information service provided by Dow Jones and introduced first in top office buildings owned by Trizec Properties in four major cities, is being conducted with muted fanfare.

The service begins its rolling debut early this month in Trizec lobbies in Chicago, Los Angeles, Washington, D.C., and New York City. By the end of summer, OMN says it will have 80 screens in 40 buildings displaying fresh news from the *WSJ*, with intermittent landlord-related messages from Chicago-based Trizec, OMN's first customer.

The WSJON will be visible on large flat-panel screens provided and maintained by Chicago-based Office Media Network, founded by long-time marketer **James Harris**, who led a similar effort using small elevator-based screens for Chicago-based Equity Office Properties in its far-flung office portfolio. But Harris wanted to expand the medium, the message and the messenger, so he launched OMN with financing from Chicago-based Lake Capital, a fund manager with core holdings in service companies rather than in real estate.

Harris, who also did marketing work with one of the now-defunct major players in the telecom boom, **Allied Riser Communications**, brought his concept of a lobby-based news amenity for tenants to Trizec COO Bill Tresham in 2005. Tresham agreed that the service would, as Harris puts it, "add value to the tenant experience." And if Harris is also right in guessing that advertisers will pay to put their message into building lobbies to get to the high-end urban workforce, Trizec and the companies that sign up for OMN's WSJON could end up with "a little bit of found revenue," as Harris puts it.

The screens will display "exclusively *Journal* content, continuously updated, from all four sections" of the paper, says Harris, explaining that, while the format will not be as intimate as the Web, it will also not be "as passive as TV." Building owners will also have the ability to insert messages of their choosing as the *WSJ* content cycles through.

For now, the screens and all construction and connection work are being provided by OMN. And the company has assembled a small team of seasoned and senior real estate people, including some from Equity Office Properties.

For its part, Trizec expects that new owner Brookfield Properties will be pleased to let the experiment continue once their acquisition of the REIT closes later this year. Neither OMN nor Lake Capital would comment on the amount of funding behind the venture or whether there is a clock running on its success. Whether other landlords follow early-adopter Trizec's lead in the quest for the perfect lobby environment could have a big impact on what may be a limited-time offer.