

Office Networks Expand Revenue, Reach

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Place-based video networks targeting business professionals in office buildings are surging ahead in 2009, another sign of the continuing vitality of digital out-of-home video (especially relative to other media).

In the latest round of positive news, the Wall Street Journal Office Network revealed a big jump in ad revenues in 2009 compared to 2008. Its main rival, Captivate Network, announced new deals that will bring its network to scores of office buildings in Canada.

WSJON CEO Jim Harris said the network's ad revenues for the year to date are up over 100% compared to last year, though he declined to share a specific figure. This rate of increase is an especially striking result, considering the declines in virtually every other medium, including Internet advertising -- the dynamo of the pre-recession period, but down 5.3% in the first half of 2009 compared to 2008, according to the Interactive Advertising Bureau.

Harris said WSJON is "very happy about renewals," but has also attracted new advertisers in an array of categories, including industries that took big hits in 2008-2009, such as financial, automotive, business travel, telecom and technology.

Also, whole new categories have been drawn to WSJON by cross-platform offerings like events, experiential and sampling, which appeal to consumer packaged-goods advertisers. He also touted the proximity of the network to the point of purchase for online shopping, noting that "71% of all e-commerce takes place during the business day, so we're closer to the point of consideration and closer to the point of purchase."

Altogether, the WSJ network reaches about 1 million viewers a day, according to Harris, via large displays in the lobbies of over 800 office buildings in 15 big U.S. cities.

Also this week, Captivate Network, which operates video displays in elevators and other public areas in office buildings, announced that it had signed new deals that will expand its network to include over 170 new office buildings in major Canadian markets.

The planned installations will be complete by 2016, bringing the total number of elevators reached to over 1,750, all located in office buildings in Toronto, Montreal, Calgary, Edmonton, and Vancouver.

Captivate also touted its success in 2009, with a list of new advertisers, including BMW, Brooks Brothers, Grolsch and the City of Toronto. Like WSJON, Captivate has

seen continuing strong demand from financial services and business advertisers such as CBC and RBC Financial.

Captivate has also recently cemented a new content partnership giving it access to Thomson-Reuters' business information and other news, which should give it a boost in its competition with WSJON.

Altogether, Captivate Network includes more than 7,500 screens in the U.S. and 1,500 in Canada located in roughly 1,000 office buildings across North America.