CBS, Fox Show Different Approaches to Tech

By DAVID BAUDER, AP Television Writer

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PASADENA, Calif. - In the fast-moving world of technology, Fox is the tortoise and CBS is the hare.

CBS has spent the past few months
making deals to distribute the
network's fare in every conceivable
way — on the Internet, through on-
demand services, on iPods, on cell
phones. Fox has been content to
mostly watch this frenzied activity
from the sidelines.

Considering their images as TV
networks, it's a fascinating reversal of
type. In this tech race, CBS, with the
oldest average audience, is the
teenager careening wildly from
experience to experience. Fox, home
of "The Simpsons," is the
conservative elder taking it all in.

CBS doesn't want to be caught on the sidelines — like the music industry once was — if a new form of content distribution catches fire with the public.

"This is all emerging so quickly," said Nina Tassler, CBS entertainment president. "My husband just learned how to e-mail, and yet my son has been communicating on his cell phone for the past two years. So I don't think anybody really knows where we're headed. But it is imperative that we make our content available to audiences where they are and when they want to watch it."

CBS hitched up with the Internet's hottest company, Google Inc., to make copies of "CSI: Crime Scene Investigation" and other shows available for rent online. David Letterman jokes and news clips can be played on cell phones.

The oddest pairing of all: Andy Rooney commentaries on your iPod.

The experimentation extends to creators. CBS is producing a soap opera in three-minute chunks exclusively for use on cell phones. Last week it announced a "micro-series," about a man trying to save his kidnapped wife, that will be shown on both the TV network and cell phones in installments of 60 seconds or less.
"Once creators hear that you're trying something like that, they're more inclined to come to you with even more outrageous ideas," Tassler said.

But Peter Liguori, Fox entertainment president, said, "I don't think it's a wise idea to throw everything at the wall."

Fox's only major deal has been to make reruns of series like "24" and "Prison Break" available for 99 cents to DirecTV subscribers. Its cable sister, FX, will sell downloads of some of its series to people who have DirecTV digital video recorders before they actually air.

Fox and DirecTV are both owned by News Corp.

"We're taking a more measured approach to what works and what may not work," Liguori said. "The world of new technology ... is the quintessential marathon, not a sprint, and we're looking at it accordingly."

He compared it to the beer and soda industries, where Pepsi-Cola and Miller spent heavily to establish diet sodas and light beer, while competitors Budweiser and Coca-Cola held back and talked about how their products tasted.

"We want to make sure we're putting the best content forward," he said. "If in fact we have the best content, we're going to be able to take advantage of all the other distribution sources."

It's worth noting that News Corp., unlike the corporate owners of the other big television networks, is aligned with a TV content distributor in DirecTV, said Josh Bernoff, principal analyst for the Forrester Group.

These new forms of distribution don't exactly help satellite and cable companies. They encourage people to bypass them. The satellite and cable companies are like network affiliates, old masters of the television business, uncertain where they stand in this new world.

The fear is that if people become used to watching television programs when and where they want to — not when the networks schedule them — the advertiser-supported TV model will crumble.

CBS dismisses these worries. By its actions, the network believes that the new distribution will only make people more interested in watching its programs on TV. The theory is that the number of people who become regular viewers will outnumber the people who abandon TV to watch their programs elsewhere.

The week after CBS streamed episodes of "Two and a Half Men" and "How I Met Your Mother" on Yahoo for its "Comedy Bowl," the series on TV drew the highest concentration of 18-to-49-year-old viewers than they had all year, Tassler said.

"There is an unbelievable opportunity," she said. "We can expand the audience and enhance our viewers' loyalty by promoting on all these different platforms."

CBS is also creating new revenue streams. You can watch "NCIS" on TV for free, supported by advertising, but you have to pay to watch it on the computer or cell phone.

While not quite as active as CBS, both ABC and NBC are following the same path. ABC effectively launched this new era last fall with its announcement it was making material
available through iTunes. NBC later did a more extensive deal with Apple to offer many classic TV episodes on iTunes.

In the long run, the strategic differences between CBS and Fox may not be important, Bernoff said.

"There's really not a whole lot of penalty for holding back," he said, "except that this is horrendously complicated and you have to figure out what you're doing when you're playing catch-up."

On the Net:

http://www.cbs.com

http://www.fox.com

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