

# Business

## TV'S TECH FUTURE

### Digital biz dollars may help bail out networks

By CLAIRE ATKINSON

Network brass better hope Uber rides to their rescue.

Given the steep ratings fall-off across broadcast and cable this season, the TV networks are looking to the fast-growing car-hailing app and other young tech companies to help reverse declines heading into this year's annual ad sales auction.

While big media players are shifting more TV dollars to digital outlets, tech upstarts and other venture-capital backed outfits are under pressure to move the needle quickly — and they're turning to traditional TV to do it, ad experts say.

Already Uber is quietly testing TV spots in local markets and is expected to make the move to national network advertising. The same goes for red-hot bookmarking site Pinterest, which is experimenting with national ads.

"We're going to see a lot of growth from digital travel applications such as Uber," said David Morgan, CEO of Simulmedia, an ad tech firm that brings Web-like targeting and measurement to the television space. "They're doing regional [TV]. I think we'll see them start rolling out more nationally."

Online travel companies such as Priceline and Expedia, which have focused on search advertising and other digital ads in the past, are also

#### Unlikely heroes

The new techies are coming to buy TV advertising, as digital-only players like Uber and GoDaddy consider a spending push that would highlight the \$17 billion upfront season.



Post photo composite

taking a fresh look at television, Morgan said.

The networks have a lot riding on the annual upfront market, when they sell the bulk of their ad time in advance of the new fall season. Last year, the combined \$17 billion haul for broadcast and cable was

down an estimated 6 percent.

Enter tech companies like GoDaddy, which is in a hurry to supersize its identity. The Internet domain registry site, backed by Silver Lake and KKR, is planning to go public in a \$2.87 billion IPO and has a new media team ready to put

dollars to work in TV, sources said.

"Most people still don't know what GoDaddy, is so where we are putting our advertising and brand dollars is explaining who we are and what we do," CEO Blake Irving told WSJ.com.

GoDaddy's rival Wix.com, which helps small businesses build their online presence, followed the example of the digital trailblazer this year when it bought a pricey Super Bowl spot.

Tech is shaping up to be a rare bright spot in the upfront season, which kicks into high gear next month when the broadcast networks pitch advertisers. The conventional wisdom is that the networks have little leverage in the talks, with digital outlets and social media sites increasingly vying for dollars.

But some of the same tech upstarts that have been draining eyeballs and ad dollars from traditional television could end up as TV advertisers themselves.

Time Warner's HBO Now, Dish's Sling TV and Sony's PlayStation Vue are just a few of the streaming video services vying for the 10 million households who don't pay for cable but nevertheless are watching the networks via rabbit ears or broadband service. Similarly, the streaming newcomers could put pressure on existing players such as Netflix and Hulu Plus to boost TV advertising.

"[Streaming] is an emerging category. If you are targeting to video consumers then TV is the prime form through which consumers consume it," said Jon Swallen, Kantar Media's chief researcher.

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