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## BLIP.TV: A 21<sup>ST</sup> CENTURY NBC?



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Blip.tv has caused quite a stir in the press and in new media circles recently. In addition to announcing an impressive list of new distribution partners, its dashboard redesign has quickly become the Swiss Army knife for independent content creators looking to launch a show, seek out an audience, and ultimately find brand partners.

Last week, I talked with cofounder and CEO Mike Hudack about what he's most excited about, what's in it for the brands, and who the enthusiasts are.

**Christine Beardsell:** What's happening behind the scenes at Blip since your recent announcement, and what are you most excited about?

**Mike Hudack:** The most exciting thing to me is [that] every show, regardless of what it is or who produces it, has a total potential audience. That's the number of people who will watch the show if it's put directly in front of them. To reach that audience you have to distribute everywhere they are. The new dashboard was a major step forward in that regard. Our goal is to give show creators as much time as possible to make great episodes and interact with their audience. At first blush, the dashboard roughly halves the time show creators have to spend on distribution and analysis.

**CB:** If all goes as planned, aren't you really looking to be the new network? How will you be any different from the old networks in the end?

**MH:** We're absolutely building the next-generation television network. Not to be corny about it, but we want to be the NBC of the 21st century. The key difference is [that] the traditional networks evolved in an economy of scarcity; the Internet represents an economy of plenty. In many ways, our

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model is exactly the opposite of the traditional networks. The traditional networks are all about the concentration of power; the new networks are all about the diffusion of power.

We operate in an entirely different world now. On the Internet there is no opportunity cost. We can make 48,000 shows and 2.5 million episodes available all at the same time. We can distribute them everywhere. Anyone can make any show they want, and the audience can choose which shows to watch and where and how and when to watch them. There is no longer a network executive deciding what programming to push to the audience. The audience is deciding what to pull.

**CB:** Yes, but even if the audience is deciding what to pull, the content they are pulling still needs to be funded somehow. Aren't you still pushing some shows in front of advertisers over others?

**MH:** No democracy is perfect, but I think that Blip.tv's model is as close to a perfect democracy as is realistic at this stage in the evolution of media. Blip has done away with the casting couch and the powerful individual who makes value judgments on behalf of a hypothetical audience, but we do still need to be conscious of what brands are and are not comfortable with.

**CB:** Blip.tv is doing wonderful things for the content creator. But what's in it for brands? Aren't you ultimately creating an environment that will leave advertisers easily ignored?

**MH:** We're all linked. Blip.tv is what's known as a platform play. Our goal is to make others successful. If we help make show creators, distribution partners, and brands successful, then they will have a stake in our success. There's no better way to build a business than by making other people money.

I believe that over the next several years, you'll see more and more brands getting involved early and offering legitimate utility to shows and their audiences. How exactly this ultimately takes shape is still unknown, but I think the trends are clear. Sponsorship and product placement and host endorsements are going to be important. Additional value to engage viewers will be important. Getting involved early with a show and understanding who they are, what they're making, who their audience is, that's going to be very important.

**CB:** With so many partners, you're really starting to expand your network and reach beyond the computer screen. How does TV fit into your long-term plans?

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**MH:** Yes, we're making a big push into the living room. Sony, Verizon, NBC, TiVo, Boxee, [and] Clearleap...are just the beginning. Over the next several years, we want to get [on the television] in a majority of American television households.

The challenge is that the two devices...are good at different things. The TV is unambiguously better at displaying video content than the computer. The computer is unambiguously better at discovering video content. These two devices need to work in concert...This is going to be a big focus for us moving forward, once we're in enough households.

**CB:** In a recent article, a reader commented that you are "drinking your own Kool-Aid" and that you should "take a ride to Middle America." Do more people just need to try Blip.tv? Or is Middle America not ready for it yet?

**MH:** I'd be disappointed if people didn't think I was drinking my own Kool-Aid. I run a startup. I have to drink the Kool-Aid, and so does everyone who works here. That said, I'm a realistic person, or at least try to be. I recognize that the coasts are embracing independent Web shows faster than Middle America. If you look at our viewership statistics, they're still pretty concentrated on the coasts and in Chicago and in Texas. What's interesting, though, is that they're changing very quickly. At one point almost all of our viewers were in New York and Los Angeles. This is not even remotely the case anymore. In fact, on a per capita basis, as many people watch Blip.tv shows in Oklahoma as in New York.

The Internet has transformed and disrupted every business that it has touched. Music, newspapers, magazines. Why should we believe that television will be any different? It's certainly going to take time. I don't expect the networks to die in three years, or really at all. But they're going to look radically different in the future. How much time that takes I don't know, but it's happening now.