

## Financial

# TV firms offered digital hope to curb advertising's move to the net

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As television companies battle to stem the flow of advertising revenues to the internet, 2007 may well be the year when they ditch their reliance on videotapes and go digital, according to the country's leading "digital postman".

Independent Media Distribution (IMD) delivers a third of Britain's television adverts to broadcasters. With its recent £3m acquisition of the dotcom survivor Optimad it now hopes to provide a one-stop shop for advertisers.

While IMD sends out the adverts themselves – either down a digital pipeline, or

increasingly rarely on tapes – Optimad helps advertising agencies book timed slots to air the ads and gives broadcasters instructions on when they should run.

IMD's chief executive, Simon Cox, predicts his group will help broadcasters cut the time and administration to get commercials on air and make television just as attractive for advertisers as the internet.

**80%** The proportion of advertising that the satellite broadcaster BSkyB takes using new digital technology

"Optimad makes booking more efficient and we make delivery more efficient. This sort of technology moves broadcasting closer to the efficiencies of online and helps traditional media look more like new media," he said.

The group started delivering images over a pipeline with music videos to music television channels. It hopes that eventually broadcasters and advertisers will use its technology to tap into tailored advertising, when television delivered over the web allows different commercials to be targeted at different households.

Digitising adverts will also mean broadcasters and advertisers can adapt them to circumstances as quickly as websites do. For example, sun creams could be pro-

moted on hot days and comfort foods on cold ones.

While music lovers ditch CDs for downloads, every year thousands of television adverts are still delivered to broadcasters on old-fashioned video tapes.

"There are probably thousands of tapes flying around on couriers destroying the environment," said Mr Cox, adding that a third of adverts are still sent out on tapes.

However, IMD predicts that the TV advertising industry could be tapeless within two years. Already BSkyB's advertising intake is about 80% tapeless and other major players are going the same way. "In a way it's the broadcasting industry finally waking up and moving into the digital age," said Mr Cox.