DIGITALMEDIA

AUSTRALASIA'S JOURNAL OF THE NEW MEDIA REVOLUTION

DIGITALMEDIA

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08 AUGUST 2008

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Telstra's 3G iPhone users denied Olympic streaming

Natalie Apostolou

TELSTRA'S estimated 8000 3G iPhone customers will miss out on Telstra's live and exclusive mobile video streaming coverage of the Beijing Olympic Games due to a technical issue with Telstra's choice of video streaming protocol.

Telstra's multimillion dollar advertising campaign promise of delivering Olympic coverage across its NextG 3G network for the duration the Olympic Games omits the fact that it is not available on the much-hyped multimedia focused 3G iPhone.

Telstra spokesperson Peter Taylor confirmed that while all 50 or so Telstra 3G handsets could support video streaming of the Olympic Games, the iPhone was the only handset that could not.

"Telstra's live Olympics content will work on just about every Next G mobile in the country which millions of our customers use, but for the rare exceptions we've included a note in our print, online, advertorial and retail marketing materials t h a t clarifies the content is only available on compatible handsets," Taylor said.

That note included in print and online advertising executions reads: "Things you need to know: Available on a great range of compatible handsets." The disclaimer contains no explicit reference to the iPhone's inability to video stream on the Telstra Next G network.

Taylor stated that none of the Olympic material makes direct mention of the iPhone, yet the iPhone as a 3G handset is being marketed as a core NextG network selling proposition. "Telstra is comfortable that our customers have

The iPhone 3G
The iPhone you've been waiting for.
Available now.

access to the information they need before making a purchasing decision and if any of our customers have any concerns we'll happily address them on a case by case basis," he added.

However, the NSW Office of Fair Trading has referred inquiries regarding the matter to the Australian Competition and Consumer Commission, saying that it is a "national issue".

Apple Australia public relations manager Fiona Martin confirmed to *Digital Media* that the 3G iPhone does, in fact, support streaming video services and supports open standards such as those used by YouTube on the handset.

Telstra responded: "As is the case around the world, the iPhone doesn't support Real Time Streaming Protocol which is the standard for delivering TV and video to mobile handsets."

An iPhone content developer said: "This is not the only video streaming protocol available merely one that Telstra chose to use."

MNet, the mobile content and platform developer which created the mobile Olympics site for Telstra,

and is majority owned by the Seven Network, could not comment on the issue

Disgruntled iPhone customers have suggested that Telstra's concurrent marketing blitz for its mobile Olympic coverage on the Next G network and its 3G iPhone push has created a false and misleading advertising campaign and led to false statements being made at point-of-sale.

Telstra retailers contacted by *Digital Media* confirmed that consumers had been asking why their Telstra iPhone could not support the advertised Olympic streaming service.

Inquiries made to Telstra's mobile customer service centre were met with the information that the Telstra iPhone could and would support the Olympic coverage. "Communications you have had from some of our shops comes as a surprise and is inconsistent with the information that should be provided to customers," Taylor said.

Industry analysts Telsyte estimate that there are 65,000 iPhone users in Australia with Telstra holding a share of between 8 to 10,000 of those.



Friendster grabs Google exec

Natalie Apostolou

GOOGLE has lost the head of its South-East Asian operations Richard Kimber to social networking upstart Friendster.

Kimber, who joined the Australasian operations of Google in 2006 as managing director of sales and operations for South-East Asia, based in Sydney, will take on the role of CEO for Friendster aiming to take the company through a float and accelerate its presence through Asia.

The CEO position has been left empty for nearly two years, provisionally held by former president Kent Lindstrom, who will now become senior VP of corporate development.

The appointment follows the closure of Friendster's latest round of funding led by Asian investment specialists IDG Ventures where it raised \$US20 million. The fresh funding will be used for new offices and staff in Asia, leveraging off its core social networking status in markets such as

the Philippines and Singapore.

Claiming to be South-East Asia's top social networking site in terms of traffic and users, Friendster claims it had 75 million registered users in June, with more than 55 million of its registered users residing in the Asia-Pacific region. Aside from taking the company through an IPO it is understood that Kimber will also be spearheading a strong acquisition drive for niche Asian social networking sites in addition to investing in its back-end infrastructure and ad serving technology.

Prior to joining Google, Kimber was with the HSBC Group serving as CEO of First Direct Bank in the UK, and as global head of e-marketing for HSBC and president of HSBC's internet payment subsidiary. His Asian market experience began in 2000 in Hong Kong as head of e-business Asia-Pacific and also served as an advisor to the government on internet policy.

Street View launches

Natalie Apostolou

GOOGLE has unveiled Street View, its localised version of Google Maps, to the Australian market – although there are no short term plans for ad-based monetisation.

Street View allows users to view, navigate and explore 360 degree street level imagery across Australia's CBD, regional and remote areas.

The Google Maps upgrade was originally launched in the United States in May 2007 and has yet to include an ad-based strategy.

Google Australia spokesman Rob Shilkin said there were no plans to sell specific ads on Street View at this stage.

"There is nothing additional for advertisers other than what is already structured on Google Maps," he said.

Currently advertisers can buy local business ads on Google Maps and sponsored links on the side of Google Map searches, pricing of which is determined by auction.

Shilkin added that the aim of Street View was to "drive traffic to Google Maps and increase its popularity and usage while giving users what they want. Advertising option then may appear down the track."

Another feature of the service is that businesses can embed Street View panorama and navigation options on their website's at no cost in a similar fashion to Google Maps.

Google hopes to garner the interest and participation of the real estate and travel and education sectors in using this functionality.

Google has also launched an enterprise edition of Street View for existing and new high traffic Google Map users such as Realestate.com.au.

While Google enterprise clients can incorporate the Street View API for free, high traffic websites such as Domain. com.au incur a licensing fee.

Media sector set to grow

Oliver Milman

THE value of the Australian entertainment and media sector will increase annually by 5.8% to \$31.2bn by 2012, although economic uncertainty will put the brakes on growth, according to a report published this week.

The PricewaterhouseCoopers Entertainment and Media Outlook predicted that subscription television and the internet will enjoy the greatest rates of consumer spending growth, although recorded music sector will suffer a 1.5% decline.

Political advertising and a buoyant economy helped ad spend rise by 11.5% last year, with a further 5.2% growth until 2012 forecasted to boost the sector's value to \$15.2bn.

However, PwC said that economic turbulence will "subdue revenues in the near term" and warned that the growth in display advertising was being pressured by marketers' demands for performance-based pricing models.

PwC said newspapers will continue to be under threat from the internet,

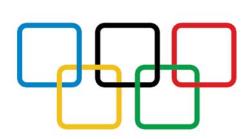
with the sector's growth edging up by 1.43% a year to 2012. Free-to-air TV is set to grow annually by 3.8% over the next five years, radio will increase by 3% a year and outdoor advertising is primed for a 6% annual jump, thanks to new ad formats and its ability to catch time-poor consumers.

David Wiadrowski at PwC, said: "Sectors are responding strategically to the challenging conditions with collaborative ventures, new content, new business models and new delivery channels."

Steve Allen of Fusion Strategy said: "Frequently, these alliances are between traditional competitors, collaborating because there is strength in numbers and because securing a part of something is better than 100% of nothing. The next step is working out how to make money out of these relationships.

"I think this report is reasonably ac-

Continued on page 3



We leave the competition on the starting blocks.



www.lavolta.com.au

Print auditing to move into digital

Celia Johnson

AUSTRALIA'S print media is to enter a new era with the measurement of its digital offerings after the appointment of a new leader for the industry's main two audit currencies.

Gordon Towell, previously the CEO of printing giant Geon, is to be the new chief executive of the Audit Bureau of Circulations (ABC) and the Circulations Audit Board (CAB).

Towell told sister publication *B&T* that the industry bodies cannot move forward as a print-only auditor and are on track to move into the digital age by the end of the year, with some changes happening as early as October.

Towell said advertisers would be offered the tools to measure their online "bang for buck".

For 70 years the ABC and CAB have focused purely on print despite the entire industry moving at 100 miles an hour

into other forms of media," Towell said.

"Media publishers, buyers and advertisers are looking at everything from TV, online and print and we need to be relevant in this new marketplace."

Towell said the changes reflect international trends with many audit bureaus, including the ABC in Britain.

Other media auditors including Nielsen Online have been offering online measurement tools for many years.

Developing a standard for web measurement is a priority for Towell, who said there are too many tools available which provide different results.

"There are a number of different ways to fudge the numbers," Towell said.

Peter Cornelius, managing director of Nielsen Media Research,

said the issue of standardisation has been the subject of industry debate for years and something the Interactive Advertising Bureau has been trying to put in place.

"As far as I'm aware there is no standard worldwide though this would appear to be the charter of the IAB, rather than the ABC or CAB," Cornelius said.

Towell said he aims to provide leadership to the industry by implementing standard metrics by the end of the year. Changes to the ABC and CAB websites, including better quality data and access for members, will roll out in October.

Towell anticipates the evolution of the businesses will significantly increase its membership which currently sits at 1450 publications.

He replaces Gloria Jarman, who announced her retirement in April after 27 years with both organisations.

Continued from page 2

curate. We think 2009 will be a year of only slight growth, but we will bounce back in 2010.

"Nervousness in the industry is picking up a bit, the ride is getting a little bumpier now. Media owners are getting more pragmatic – look at the concentration of power that is happening now.

"But no-one is saying that things are getting much worse.





Mobile is an emerging channel for media companies to promote content to existing consumers while expanding their reach and connect with new audiences. Building a mobile presence offers a new platform to publish, promote and commercialise your mobile content.

In this seminar we will look at the different types of mobile publishing available including: mobile websites, social media and QRCodes.

Recent reports by Heavy Reading and Juniper Research predict that mobile internet advertising spends will rise from roughly 1.3 billion in 2007 to between \$7.6b and \$10b in 2013. Bolstering these figures, Google CEO Eric Schmidt told Frankfurter Allgemeine Zeitung that it was his prediction that the mobile internet would be the next major advertising platform.

when? Monday 25th August

where? DSRD NSW Trade &
Investment Centre
Level 47, MLC Centre
19 Martin Place
Sydney NSW

time? 5pm for 5.30pm - 7pm

cost? Complimentary

register now: visit www.bsi.com.au

speakers

Alex Young, Founder and CEO, Mostyle www.mostyle.mobi

Antony McGregor Dey, CEO, QMCODES www.qmcodes.com

Gregan McMahon, Group Manager, Product & Marketing, Sensis

mediator

Natalie Apostolou, Editor, Digital Media magazine

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LOCAL

>The founders of Australian rich video web company Omnisio have sold their six month old video mash up project to Google for an estimated US\$15 million. The Australian trio of Ryan Junee, Julian Frumar and Simon Ratner moved to California to launch Omnisio in March. The site allows users to mash up various YouTube clips and re-edit them together to make their own videos or slide presentations embellished commentary, audio, and image overlay. "We've been acquired by Google and will soon be joining the YouTube team, aligning us with the market leaders in online video," the trio said in a statement. "Together we'll apply what we've learned about the space, and we'll work to develop innovative products and features for the YouTube community.

>Simon Baker has been ousted as chief executive and managing director of online real estate advertising company the REA Group. Georg Chmiel has been installed as acting CEO, with the board searching for a permanent successor. Baker was in charge for seven years, but the group said it was seeking a new direction. The group also revealed its end of fiscal year results will show that revenue has risen by more than 40% to between \$152m and \$156m.

GLOBAL

>MySpace is accelerating its push in New Zealand with the appointment of former YahooExtra and Universal executive Susan Carlton as Head of Sales and Business Development for Fox Interactive Media. New Zealand's social network-

ing market is currently dominated by Bebo with MySpace claiming around 160,000 users MySpace launched into the New Zealand market in September last year working in collaboration with sales partner APN Digital Media. Carlton said "it's our belief that we're at the first phase, the tip of the iceberg of the new social web. Social destinations like MySpace are pushing the larger web to become more personal, portable and collaborative."

> Sony Corp has became the sole owner of the world's second largest music company in the world, acquiring the 50% stake of Sony BMG held by German media giant Bertelsmann in a deal valued at US\$1.2 billion. The music company, to be called Sony Music Entertainment, will be a wholly owned subsidiary of Sony Corp. of America.

EVENTS DIARY

AUGUST

AIMIA Advertising & Marketing Through Social Media

12 August, Sydney, KPMG Auditorium, 9:30am – 12pm www.aimia.com.au

Portable Film Festival Symposiumfeaturing Rocketboom founder Andrew Baron

11 August, The Mint Sydney 13 August, Medis Resource Centre, Adelaide

14 August, State Library, Victoria www.portablefilmfestival.com/

Web on the Piste The Ultimate Conference for Rich Internet Technologies.

20-21 August, Crown Plaza Queenstown, New Zealand www.webonthepiste.com

SEPTEMBER

Digital Media/B&T Digital Bootcamp

3 September Australian Technology Park. Sydney

www.bandt.com.au/bandtevents

New Media Summit

2-3 September, RACV Club, Melbourne

www.frocomm.com.au

Digital Media/B&T Digital Bootcamp

30 September, Federation Square Melbourne

www.bandt.com.au/bandtevents

The Impact of Digital Technology on Content Distribution Seminar

17 September, Radisson Plaza Hotel, Sydney, 9am – 1.15pm Ph: 02 9387 8133

www.legalwiseseminars.com.au

To list your event here please contact natalie.apostolou@reedbusiness.com.au

Portable Film Fest opens

THE big news for film addicts in 2008 is that feature film has gone portable.

This August Portablefilmfestival.com, the Melbourne-based 'festival in your hand', will deliver six quality international feature-length films to the online space and to portable video devices such as iPods, mobile phones and laptops in an exciting new award category dedicated to long format content, alongside its regular fare of innovative short films, webisodes, animations, music videos and documentaries.

The 2008 festival program of over 160 films has been specially curated from hundreds of unique entries received from 39 countries, and is the strongest and most diverse Portable Film Festival program to date. Entries include difficult-to-catch new releases that have already won prestigious awards on the traditional festival circuit and at next generation events, from Cannes to South by Southwest.

Highlights include My Name is Lisa, Winner of the Best Short Film at the YouTube Awards 2008, and official selection at Festival de Cannes 2008; Marc Fumie's Death's Requiem, a darkly brooding piece about a comic book author obsessed with the Grim Reaper; and The Stuff of Life by the UK's DarkFibre group, Oscar-short-listed producers of Rize, which begins, seemingly, as a sexy ad for bottled water and



very cleverly turns into an exploration of 'waterboarding', the highly controversial CIA interrogation technique.

The 2008 program solidifies the Portable Film Festival's reputation for showcasing innovative production processes, and work made for emerging content markets and audiences. Films made in art galleries and with public surveillance cameras, works made for open source, mobile and internet platforms, all feature prominently alongside music video clips from major indie acts: TV on the Radio, Gnarls Barkley, Goldfrapp, Modest Mouse, Okkervil River, Deerhoof, Yeasayer, Jamie Lidell, Bomb the Bass, The New Pornographers, and Kimya Dawson.

Not to be missed, the Portable

Symposium Series during festival month will deliver Andrew Baron, founder of the weekly online comic newscast Rocketboom, accused of writing the obituary of TV, to cross-media industry audiences in Sydney, Melbourne and Adelaide. Baron, a graduate of Parson's School of Design and campaign advisor to Democrat John Edwards' 2008 presidential campaign, is recognised as the leading strategist of branded content, online advertising, and online video distribution in New York, and internationally.

More details on the 2008 Portable Film Festival program, filmmakers, awards, and the Portable Film Festival Symposium can be found at www.portablefilmfestival.com

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08 AUGUST 2008

MsBehaving at XIMedialLabs

Helen Baxter Managing Directrix Mohawk Media



THE Melbourne XIMedia|Lab on DIY TV, held over August 1-3, was an adventure in many ways. My taxi ride from the airport to the city started eventfully, with a tyre blowing out on a truck in the fast lane. I met the other mentors in the lobby later including Mohammed Nanabhay, Head of New Media from Al Jazeera. We jumped in a cab for the VIP reception at the Australian Centre for the Moving Image , but neither of us knew the way. Mohammed yelled "Follow that cab" then turned round with a huge grin and said "I have always wanted to say that!"

Day 1 featured sixteen keynote speeches to get through of twenty minutes each. The theatre was packed as the event had sold out a week early. Coverage of the keynotes was provided by Brad Howarth, which started with Nick DeMartino, Dan Fill, Helen Baxter, Robert Tercek, Domenic Carosa and Ken Rutkowski, Mike Mcgraw, Jae Won, and Mohamed Nanabhay. After breaking for lunch and meeting some of the audience and project teams we kicked off the afternoon sessions with Louise McElvogue, Herb Wang, McLean Mashingaidze-Greaves, Butterfield, Scott-Bradley Pearce, Gary Wisniewski, and Chris Adams. The final word from Chris Adams was "online video is the new black." As co-founder Participant Productions, one of the coolest production companies on the planet - I trust his judgement.

The themes that came through from the presentations and Lab sessions afterwards were that online video is growing fast as are mobisodes and streaming of live content. The online viewing audience is older than one might think with 44% over the age of 35. It is important to pre-qualify your audience and grow a following in any way you can. Start small with a Twitter feed, podcast and publish as often as possible. You should create tools not rules to drive behaviour online, and putting metadata in is vital for providing content across multiple channels and platforms, that can also be monetized.

Embedding sponsorship and product placement into your content is far more effective than forcing viewers to watch pre-rolled ads or overlays. Also don't wait for the money to come in before you start your idea, as VCs prefer to invest in 'upstarts' not start-ups, teams that are already working on their project and generating some cashflow. Work out how to create once, sell many times and always work with smart, passionate people. In Korea, grid delivery systems and P2P distribution are creating new models where bandwidth increases the more people are downloading. You Tube is due to launch live streaming by the end of 2008 and Lifecasting will grow in popularity, as will interactive talk shows. Above all the advice was have fun and don't be afraid to break the rules of making television.

You can watch my presentation at XMedia Lab Melbourne which I made using Flowgram, a great new tool still in private Beta testing. I saved the presentation as a movie using the Camtasia video capture tool, put in on a memory stick and prayed that it would play at the other end. Thankfully it all worked perfectly and I was delighted to find out that the new View2gether Lounge set up for Let's Be Frank on Alt TV is currently getting the most traffic.

Ironically the Wi-fi at the Centre for the Moving Image was a little patchy, making it hard for the people live blogging and sending xmedialab tweets. You can view some some clips of a live mobile stream on Qik from Ken Radio, as well as Ken's interview with Chris Adams at the reception. More video clips of the keynotes will be published soon at Adikted.tv, and you can already watch an interview with myself and Connor Koudsea.

"The final word from Chris Adams was "online video is the new black." As co-founder **Participant** Productions, one of the coolest production companies on the planet - I trust his judgement."

Days two and three of the XIMedia|Lab consisted of mentoring the seventeen project teams, chosen for feedback from the international mentors. It was an amazingly intense experience, and the standout presentation for me was by the young champion from the Melbourne Gamers League & Gamerthon. I wish I could bottle his energy! Having so many talented, motivated people in one place was almost overwhelming.

I didn't believe that I could have two death defying rides in the same trip, but my taxi developed clutch problems and broke down on the motorway on ramp. At that point we should have stopped and called for help but the crazy driver managed to get it into gear and onto the motorway. He then broke down three more times along the way, with us motionless in the middle or fast lane and me in brace position. The final surreal moment came when we had to be pushed the last six feet to the airport door, and yes he charged me full fare for endangering my life repeatedly. I had an amazing time at the X|Media|Lab Melbourne, but the next time the Digital Media Mountains can come to the Mohawks in Aotearoa

This piece originally appeared in The Big Idea - New Zealand's hub for the creative community. In addition to being TBI's strategist & columnist, MsBehaviour aka Helen Baxter is Producer & Presenter of the g33k show, Fridays, 8 pm on Alt TV. She is also Managing Directrix of Mohawk (theg33kshow.com which produces internet TV, 3D Animation & Machinim



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The growth and export potential for Australia's digital industry is at an all time high and its time that the innovators behind it were acknowledged.

KPMG and Digital Media's editorial team are on a quest to find Australia's leading digital export innovators. We aim to survey the technologists, executives, investors, and marketers behind these companies to compile the annual Top 20 Digital Export Achievers List.

The definitive list will be published in our September edition and is a precursor to your entry into the inaugural KPMG Digital Export Leaders Award to be announced at the B&T Awards in December.

As well as raising your profile in this dynamic industry, KPMG will support nominees for this award by hosting an event where all nominees can meet, share war stories and help other digital exporters learn from their experience.

Ken Reid, Head of Media at KPMG explains, "often when I talk to people involved with this sector I hear about the export potential that exists for our digital content, services and technology. By supporting this award we aim to acknowledge those who are currently leading the digital export charge."

Malcolm Alder, Head of Digital Business at KPMG outlines other way's they can help:

"it's essential that a fast growing business has a well thought out strategy - especially when exporting. Our experience in this sector allows us to quickly and cost effectively help clients develop their export strategy, avoid common pitfalls and provide practical help with export grants; tax planning; local compliance and access to established local companies/industry bodies, plus we can help secure the funding required to achieve their targets."

This is your chance to be acknowledged by your industry, gather support for your export business and potentially be crowned Australia's digital export leader. Should your company be on the list? Can it afford not to be?

Applicants must be:

- A digitally focussed company from technology, marketing.
 content, hardware or the software industries.
- An Australian incorporated company with a strong international focus.
- Operational for at least 12 months.
- Currently or within 12 months forecasts the generation of 30% of revenue from exports.

How to apply

Please submit a 500 word summary of your company, its function in the digital space and detailing its export success and plans for the next 12 months.

A call for further information and full judging criteria will follow.

Applications can be submitted via our online process, details to be found on our website from July 25.

www.digital-media.net.au

Application Opens

Submission Deadline

Finalists Announcement

Digital Media

Call for further

information from finalists

Judging

KPMG Digital Export Leaders
AwardWinners Announcement

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August 15th

September Edition

September / October

November

Dec 5,

B&T Awards, Sydney