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Generate, Vuguru Create Their Content; Sell Ads

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Recently, former WB CEO Jordan Levin co-founded Generate, a Los Angeles-based production house that specializes in creating content geared for multiple media platforms. And last week, former Disney CEO Michael Eisner unveiled Vuguru, a new independent production house that aims to churn out original Web series—starting with the high concept teen soap *Prom Queen*.

Both firms have elected to sell their own advertising rather than turn to a firm or online distributor. It points to yet another media buying wrinkle that digital agencies may soon face, as content producers start becoming sellers.

Levin acknowledged that Generate's ad sales process and distribution strategy are up in the air. "We thought we'd be doing something more traditional, where you make something and then sell it to a distributor," he said. "In the past, content creators and advertisers had to engage through a distributor. Now it's very different for media buyers."

Both execs said that they initially turned to their respective networks of ad business contacts to land sponsors. "It's possible that we'll eventually be selling advertising the way everybody else does, but we are feeling our way as we go," said Eisner. "We're trying to create products that are advertiser-friendly."

Prom Queen certainly has ad opportunities. The high school-set mystery series, which will produce a new 90-second episode for 80 straight days, features product place-

ment from several apparel companies, along with ads from Fiji Water, Pom Wonderful and Teleflora.com. But beyond figuring out just how Vuguru will sell advertising long-term, Eisner said he's focused more on legitimizing Web video. "This may potentially kick-start original content in the medium," he argued. "We are looking to create the market."

John Montgomery, CEO of MindShare Interaction, said he's bullish on the *Prom Queen* concept. "I've been quite excited that major quality production companies are starting to produce content for the Web, rather than dishing up all the old stuff that's been on TV."