



EXECUTIVE SESSION WITH SAM MATHENY

Grow Audiences, Revenue With Mobile

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Many TV broadcasters have embraced mobile, offering various text and video services to users of cell phones and other handheld devices.

But Capitol Broadcasting Co., owner of WRAL Raleigh, N.C., and four other TV stations in North Carolina, has gone much further, forming a company that develops technology that allows other local media to create and distribute content to the mobile masses.

After five years in operation, NewsOverWireless is thriving, offering stations 11 different ways they can generate advertising and subscription revenue from mobile customers.

Among them: mobile Web access through customized WAP sites; downloadable apps for distributing text, images and video clips; video channels on the Sprint TV and Verizon V CAST pay platforms; a new iPhone app that allows stations to deliver a full-blown multimedia service on the popular smart phone and the iPod touch; and SMS text messaging.

NOW's turnkey solutions [have attracted 135 TV stations](#) belonging to CBS, Meredith, Scripps, Gannett, LIN, Post-Newsweek, Raycom, Allbritton and many others.

Sam Matheny is general manager of NOW as well as the Capitol Broadcasting executive in charge of bringing mobile DTV to market. In this interview with *TVNewsday* Editor Harry A. Jessell, Matheny talks about mobile's potential in all of its manifestations.

An edited transcript:

You introduced an iPhone app earlier this year. How big is the market for that?

There are 20 million iPhones out there and, when you include the iPod touches, it's up over 30 million. That's significant, but in the overall market in the U.S., you're talking about 270 million mobile phones with some of those being two-device people. So, the iPhone is still a fraction of the overall market. But the unique thing about iPhone users is that they are voracious consumers of content and they are watching a lot of video and consuming a lot of page views. We're very excited about the iPhone app, but we definitely view it as one piece of a much larger puzzle.

I understand there're going to be other smart phones coming out to compete with the iPhone, including the Palm Pre and the Google Android. Are you going to create apps for those platforms, too?

We will treat it very much the way that we did the iPhone. We did not run out and launch an iPhone app as soon as the App Store opened. We looked at the market and how it was developing. We saw the penetration and the uniqueness of what iTunes offers and the way that Apple has been able to create an environment that really fosters adoption. It's yet to be seen whether the other device folks can do that. So, we're going to take a look at them and, if they merit it, absolutely, we'll be there.

Did you write the iPhone app yourself?

Yes, we did. One of the things that is unique about us is that we write and own all of our own software so we have complete control of the intellectual property. That really provides stability for folks who partner with us as opposed to agreements where there's all sorts of licensing and sublicensing and other parameters that may come into play as you get further down the road.

LIN is your big iPhone app user? Do you have any other groups signed up for that?

Oh, yeah. We also working with Meredith and Scripps and there are a number of stations, including [Midwest's] KFMB in San Diego.