

Alliances denied as Network Ten fails to Connect on sales

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- From: [The Australian](#)
- September 10, 2012 12:00AM

COMPANIES linked with Network Ten's cross-platform sales brand Connect in a series of media reports continue to distance themselves from it, with Foxtel's sales arm MCN the latest to publicly to say it has no preferential deal with Ten.

A News Limited source also told Media the company was not part of any alliance involving Connect. Both News Limited and MCN will continue to collaborate with the network and its competitors on advertising sales if the opportunity arises. A Ten source said on Friday that cinema group Val Morgan was a "preferred partner" of Connect, but that was news to Val Morgan chief executive Damien Keogh. "They're not representing us in the marketplace," he said.

Ten has contractual cross-selling arrangements in place with DMG Radio and outdoor company Eye, which it is in the process of selling to Ooh! Media. They jointly fund Aaron Quirk to head up Connect, and he liaises with sales staff at each of the three member companies, which collaborate on cross-platform advertising briefs in competition with Nine's Powered unit and Seven's SMG Red.

WITH a hit rate of one out of six, Ten has turned to its new in-house creative development unit to turn the network around.

Ooh! Media has indicated it is likely to continue its membership of Connect.

But while Foxtel, whose advertising is sold by MCN, News Limited, Facebook and Google have also been linked with Connect in media reports, none has signed a formal deal.

"With Channel Ten's Connect alliance, to be frank with you, I'm not even sure what that means," MCN chief executive Anthony Fitzgerald said. "We've not joined it. We won't join it. We've never had a conversation with Channel Ten. We have no intention of joining Ten's Connect alliance because we will do business with any or all media companies when it makes sense to do so."

Facebook has previously gone into print specifically to say it has no alliance with Ten. A Google spokesman did not return calls on Friday but a Ten spokesman said people "got over-exercised" with the idea that Google might become part of Connect.

With Ten's ratings in their worst state since OzTAM ratings began, sources said the network was desperate to generate advertising sales momentum as the networks gear up for annual rate negotiations with the big media agency buying groups.

Ten's sales director, Barry O'Brien, would not comment on Connect, but a spokesman attributed the confusion largely to a misunderstanding about the nature of the alliance.

"(Ten Television, DMG and Eye) are the core and the other companies come in and out according to the needs of the client," the spokesman said. "It's a different model to SMG Red . . . and Powered."

He said client confidentiality prevented him from disclosing any of Connect's successes, but added: "They're having wins."

One media buyer who spoke on the condition of anonymity said Connect was little more than a logo. The Ten spokesman said it had 30 staff across Eye, Ten and DMG.

OMD chief executive Peter Horgan said Connect was unlikely to be able to compete with SMG Red and Powered in the long term.

"It's probably not as cohesive as SMG Red and Powered," Mr Horgan said. "Commonality of ownership or a firm contract (means) the ability to bid across assets that complement each other where one channel may take a hit for the greater good."

"In a loose alliance, it's rare that that will occur."