

TECHNOLOGY & HEALTH

Brightcove to Launch Online Video Marketplace

By **PETER GRANT**

Brightcove, an Internet TV company backed by Barry Diller's **IAC/InterActiveCorp** and **Time Warner Inc.**'s America Online, today plans to launch an online video marketplace that will enable owners of movies, television programs and other videos to cut distribution deals with owners of Web sites.

The Brightcove Network has been in test mode for months and already is being used by media and entertainment companies such as **Reuters Group PLC**, **Viacom Inc.**'s MTV Networks, and **Dow Jones & Co.**, publisher of The Wall Street Journal. Until now, only content owners selected by Brightcove could use the network. Now any media company or professional video-content owner will be able to launch a Web video channel at Brightcove. Web sites looking for video can then see what is available at the Brightcove marketplace. The content owner, Brightcove and the Web sites would then share revenue generated from ad sales

and sales of the videos.

Brightcove's launch comes as programmers and Internet companies are scrambling to figure out how to make money from the millions of movies, TV programs and other videos flooding the Internet. Earlier this month, search titan **Google Inc.** agreed to buy **YouTube Inc.**, the video Web site that attracts the most visitors, for \$1.65 billion. Analysts who have been briefed on the Brightcove Network say it has little chance of catching up with YouTube as a consumer destination. Also, other sites, such as **Revver Inc.** and **Maven Networks Inc.**, offer Web distribution tools to video owners.

But analysts say few sites have the full range of Web video tools offered by Brightcove. Also, the company's success depends more on its catching on with video owners than consumers.

Brightcove also is launching a consumer site, brightcove.com, today that will initially have hundreds of thousands of videos provided by its 1,000 or so programming partners. The site will have a search engine that will enable users to troll the Internet for other videos. Brightcove also will give Web-site owners the technological tools to solicit videos from their users, a form of content made popular by YouTube and similar sites.

Video owners who post their content on Brightcove will be able to insert their own ads or ads sold by Brightcove's sales force. Brightcove also has distribution deals with other video Web services, including AOL Video, **Yahoo Inc.**'s Yahoo Video Search and **blinkx**, so content owners posting on Brightcove can opt to have their videos linked to those services.

Jeremy Allaire, Brightcove's chief executive, says Brightcove will carry videos only with the permission of their owners. YouTube has been the subject of debate over unauthorized use of copyright material, but has said it removes content when notified by copyright holders.