

Time Warner, Comcast to start online video trials

June 24 2009, By DEBORAH YAO , AP Business Writer

(AP) -- Time Warner Inc. and Comcast Corp. on Wednesday took concrete steps to bring cable television shows to the Internet - but only for paying cable subscribers.

In a nod that migration of content viewing is rapidly moving online and to the mobile phone, Time Warner, one of the world's largest entertainment companies, and [Comcast](#), the nation's largest cable operator, said they'll start online video trials nationally in July.

"It's clearly something demanded by consumers," said Time Warner CEO Jeff Bewkes, at a press conference in New York. "If this approach gets adopted ... it will go past broadcast viewing (online), which is basically three networks on Hulu."

The test will involve 5,000 Comcast customers who will get access to Turner Broadcasting System Inc.'s TNT and TBS [cable networks](#). Turner is a unit of Time Warner. [Time Warner Cable](#) Inc., which separated from its parent this year, is not part of the trials.

TNT and TBS make such shows as "The Closer" and "Tyler Perry's Meet the Browns." Viewers can access the shows initially at Comcast.net and Fancast.com. Eventually, they will be available on TNT.tv and TBS.com. There is no additional fee. Bewkes said the best and most popular shows will be the first ones to go online.

Eventually, "we want to be able to have all our shows on demand and on

the Internet," said Comcast CEO Brian Roberts at the same press conference. "This marks the very logical next evolution of where [cable television](#) has come from."

Most cable shows are not available online, unless they're versions viewers share with each other over the Internet. Time Warner and Comcast say that a successful outcome of their trial would open the floodgates for shows currently not easily accessible or available - such as full hours of CNN's Larry King Live - for over 90 percent of households that pay for TV.

The two executives emphasized that there won't be an additional fee to watch the shows online, but programmers are free to tinker with the business model later on. Shows can be made available soon after they air on their regular schedule - similar to what's available on video on demand.

Comcast will test a technology that can authenticate the viewer as a subscriber - an effort to keep cable content secure online. Users are expected to not only log in with a user name and password, but the system will be able to tell whether you're a subscriber and figure out what channels you've paid for.

Comcast said it expects other networks to participate in the trial later on. Time Warner said it will engage in similar trials with other pay-TV operators. Bewkes said the phone companies, satellite TV providers and several cable TV operators are interested.

The test will involve viewing of shows over a fast-speed Internet connection. But it's less clear how the two companies will enable mobile video viewing, since cell phone companies could resist carrying such a load. The two executives brushed aside this wrinkle for now, saying that agreeing to a set of principles is key. Deals and partnerships will follow.

Bewkes and Roberts also said they'll work on ramping up advertising deals for online video as a way to supplement the subscriptions viewers pay for TV.

"We've seen this is how consumers want to get their content," Roberts said.

Shares of Philadelphia-based Comcast were up 19 cents to \$13.98 in midday trading while Time Warner, based in New York, gained 50 cents to \$25.05.

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