

AOL, Microsoft, Yahoo! in ad deal: WSJ

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The newspaper said the system would launch later this year or early next year and would allow advertisers to buy display ads on AOL, Microsoft or Yahoo! sites that the Internet companies do not sell directly to marketers.

The Journal said AOL, Microsoft and Yahoo! have discussed the new ad system in recent weeks with executives from major advertising companies, including Omnicom Group, WPP and Publicis Groupe.



Ad executives were receptive to the plan, it said, but were "skeptical of the ability of Yahoo!, Microsoft and AOL to get their system off the ground."

A Yahoo! spokeswoman told the Journal the <u>Internet company</u> has "longstanding relationships with AOL and Microsoft and will continue to partner and compete in the years to come."

"At Yahoo!, we're fortunate to have deep, longstanding relationships with brands, publishers and agencies, and are working on dynamic and innovative ways to put value where value is due," the Yahoo! spokeswoman said.

A Microsoft spokeswoman told the Journal the company is "always looking for ways to partner with others in the <u>digital advertising</u> ecosystem to offer <u>innovative solutions</u> that benefit advertisers and publishers."

<u>Google</u> has been taking an increasing share of the display ad market, according to research firm eMarketer, and <u>AOL</u>, Microsoft and Yahoo! have all lost share.

Google makes most of its money from advertising tied to <u>Internet search</u> but is seeking to carve out a bigger slice of the growing <u>display</u> <u>advertising</u> pie, which includes rich media, digital video and banner ads.

According to eMarketer, Yahoo!'s share of the US display ad market is expected to fall to 13.1 percent this year from 14.4 percent last year while Microsoft's share will decline to 4.9 percent from 5.1 percent.

AOL's share is expected to fall to 4.2 percent this year from 4.8 percent in 2010, it said.



Google's share of overall US display ad revenue will grow to 9.3 percent this year from 8.6 percent last year, eMarketer said.

Facebook, meanwhile, will see its share of US online display ad revenue grow to 17.7 percent this year from 12.2 percent last year, according to eMarketer.

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