

Home Depot Has Ground-Level Plan

Home-Improvement Chain
Signs Pact to Build Brand
Into Slew of Reality Shows

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There's no official blueprint for successful product placements on television, but **Home Depot** is trying out a plan that's likely to draw wide attention: building its brand into a slew of reality shows from the ground up.

The Atlanta home-improvement chain is linking up with reality-show producer Mark Burnett Productions in a loosely structured, multiprogram deal. As part of the pact, Mr. Burnett, the impresario behind "The Apprentice" and "Survivor," will develop story ideas and program concepts for Home Depot to consider. The agreement is broader than those usually devised by Mr. Burnett's production company.

"Typically, we make deals on a show-by-show basis. On one show, it's Company X. On the next show, it's Company Y," says Conrad Riggs, a Burnett partner. "We made a deal [with Home Depot] that covers many different shows, from 'The Apprentice' to 'The Contender' to other shows that haven't been announced yet," he adds.

One distinct possibility: placing Home Depot in some of the programs Mr. Burnett is working on with **Martha Stewart Living Omnimedia**, the company founded by the domestic-arts guru.

Home Depot will look to play up themes about home development, building and empowerment, says John Costello, the retailer's executive vice president of merchandising and marketing. The parties aren't disclosing financial terms, but Home Depot spent \$639.5 million on ad time and space in 2003, according to TNS Media Intelligence/CMR. Many marketers who participated in the second season of "The Apprentice" paid "product integration" fees of about \$1 million each, according to people familiar with the contracts.

Weaving a deal with a production company would have seemed unorthodox in the past, but many see it as an integral part of future dealings. "The earlier you can get on board with these kinds of things, the more seamless the integration can be," says Carolyn Bivens, president and chief operating officer, North America, for **Interpublic Group's** Initiative, a media-buying firm that helped structure the deal.

The theory is that some product placements -- designed largely to get a brand seen and heard -- can be clumsy, or so obvious that viewers get distracted from the entertainment. By getting involved before plotlines are fully developed or shows are sold to networks, marketers hope to assert more control over the process and generate more talk about their goods and services.

WPP Group's MindShare media-buying firm generated buzz when it made an agreement with **Walt Disney's** ABC television network in late 2003 that had the two parties developing comedies and dramas, and gave MindShare a stake in whatever TV series were developed. MindShare secured interest from both **Unilever** and **Sears, Roebuck**.

In fact, Sears already is making a network-TV splash, thanks to its involvement with "Extreme Makeover: Home Edition" on ABC. Home Depot has gotten involved with product integrations on such cable programs as "Trading Spaces" on Discovery Communications' TLC.

Retailers associated with home improvement are a natural for story lines in TV programs, says Jordan Zimmerman of Zimmerman Partners, an **Omnicom Group** retail-marketing specialist. "They can demonstrate a lot of products that they carry," he says.

As consumers find more ways to watch TV that suit their individual tastes -- rather than those of network program schedulers -- marketers, producers and networks share a concern about how many couch potatoes will keep watching traditional 30-second spots. With digital video recorders and video-on-demand options on the rise, Home Depot's idea "is exactly where we are going," says Jonathan Prince, creator and executive producer of "American Dreams" on **General Electric's** NBC. "There is no other way to do it."

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