

Islanders, Rangers launch online TV channels

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Zealous hockey fans never seem to get enough of their NHL teams, but now there may be a fix.

Through NeuLion, an Internet-protocol TV company, the New York Islanders and Rangers have become the first NHL teams to launch online TV channels brimming with videos of player pregame interviews, morning skates and game highlights. YouTube-type features such as user playlists and personal profiles are also part of the offerings.

More than 20 other NHL teams have had discussions with the company, and five to 10 more team channels are expected to launch in time for the 2007-08 season, according to Chris Wagner, a company executive vice president.

For teams like the Islanders, who don't have their own network like the Yankees' YES or Mets' SportsNet New York, the channels offer valuable in- and out-of-market exposure, an additional touchpoint with consumers and a possible new revenue stream. And even the more beloved Rangers stand to benefit mightily, with the breadth of their team-specific video offerings far exceeding what's available elsewhere.

Isles owner Charles Wang and Cablevision founder Charles Dolan are partners in a Chinese channel hosted by NeuLion, so it makes sense that their teams would be first to launch IPTV channels. (Wang's wife, Nancy Li, also runs the company.)

The Islanders launched their channel, ITV, at the start of the season and have had 11,000 subscribers sign up for a free trial. The Rangers launched their channel, New York Rangers On Demand, in conjunction with their opening playoff game April 12. Within eight hours, 41,000 free videos had been viewed.

Wagner said the Rangers had more videos viewed in 24 hours than any of NeuLion's other channels, including Dolan and Wang's 31 Chinese TV channels with 15,000 paying subscribers.

NeuLion charges teams an upfront design fee and a monthly operational fee, then splits all subsequent revenue that the channels generate. In return, they offer content, subscription and digital asset management, as well as a billing system.

To date, neither team has generated any revenue from the channels, but they will begin to do so next year, Wagner said. Ad placements will include not only pre-roll inventory now becoming industry standard for video content, but banners and video player wraps that can act in concert with the pre-roll video. The Islanders are already approaching sponsors about adding commercial lead-ins to videos, with the Rangers similarly formulating sponsorship plans. Wagner said other clubs may sell subscriptions or offer pay-per-view videos.

The Islanders hired a staff of four to update and load video onto the site. They use mini-cameras that cost roughly \$5,000 to film team practices and interview players before games. They then edit the video on their laptops and upload it to the site.

The Rangers, meanwhile, posted more than 100 hours of video content during the first week of Rangers On Demand, with production duties shared by NeuLion personnel and in-house talent stationed with the club and MSG.