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## Video Sharing: Thinning the Pack

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An estimated 250 sites are involved in online video. Many, such as eefoo and Mefeedia, have seen recent declines in page views and traffic, according to Alexa Internet, a traffic tracking company owned by Amazon ([AMZN](#)).

Matt Sanchez, CEO and co-founder of VideoEgg, the makers of technology that enables people to easily post and share videos on blogs and social networks, says that many in Silicon Valley think the race to be the top user-generated site has been long decided. "The destination site game, I think, is largely over," says Sanchez.

### FINDING A NEW GAME

What the next big game will be is still to be determined. A contender could be audio and video search, a field in which companies including Google, Blinkx, Gotuit, and Podzinger are already vying for supremacy. The competition is also heating up between companies that want to bring Web video to mobile phones and television screens.

The next step for video-sharing sites could be to specialize in a particular kind of video content, such as high-definition streaming video, podcasts, or videos about particular subjects, in order to offer something different than YouTube. Already, some sites have begun to specialize. Lycos, for example, has a cinema site dedicated to sharing and streaming independent films. Sites such as blip.tv specialize in content from professional and semiprofessional video bloggers and podcasters. Revver does this as well, focusing on personalities that produce regular shows and gain a following such as *Ze Frank* and *Ask a Ninja*.

Revver CEO Steven Starr believes more professional and semiprofessional talent will continue to emerge in the video-sharing space, enabling some sites to become destinations for individual Web personalities and others to serve as content syndicates. "We are in spring training," said Starr at a Jan. 30 discussion about Web video hosted by The NewsMarket. "For anybody who thinks this is the bottom of the seventh inning, that's naïve."

### SMALLER DREAMS

Another option for video-sharing sites is to concentrate on helping users share videos with friends and family members, rather than aspiring for Internet fame, says Blinkx's Chandratillake. Companies such as SplashCast have released technologies focused on enabling users to create personal TV channels for view on Web sites to which people must subscribe (see BusinessWeek.com, 1/31/07, "[The New Media Mogul—You](#)"). "What it might turn more into is people using accounts to share personal videos," says Chandratillake.

As pressure increases to remove copyrighted content, more companies may begin producing their own proprietary shows that can drive traffic and attract advertisers. Heavy and ManiaTV each broadcast shows that are financed and produced in-house in addition to allowing users to create channels and share video. In that way, they are less like user-generated destinations and more like traditional television studios that happen to be online. ManiaTV, for example, has live streaming shows featuring television personalities such as comedian Tom Green and former Jane's Addiction guitarist Dave Navarro. The site sells a variety of branded advertising and expects to be profitable by 2008, if not the end of 2007, says ManiaTV CEO Drew Massey.

Massey anticipates some video-sharing sites will try to copy ManiaTV's business model during the next year or two as more pressure is put on sites to prove they can be profitable. "Allowing users to simply upload video is not a business model," says Massey.

Sites that don't get acquired by bigger video sites or content networks, such as Yahoo Video or Viacom, or turn into viable online networks, may simply have to settle for less, says Bernoff. "It is unusual that these things fold up," he says. "If you've got traffic, you have a life left. It just might not fit the big dreams you had when you started it."

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