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News Release

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U.S. AD SPENDING DOWN SLIGHTLY, NIELSEN REPORTS, WITH GAINS IN CABLE AND SYNDICATED TV OFFSET BY DECLINES IN NEWSPAPERS AND B2B MAGAZINES

New York, September 18, 2008 — Advertising spending for the first half of 2008 declined slightly compared to the same period last year, according to preliminary figures released today by Nielsen Monitor-Plus, the competitive advertising information service of The Nielsen Company.

Overall, despite a continued softening of the economy, several media and companies showed healthy growth in advertising for the first half. Advertising on Cable TV saw the largest growth, with an increase of 8.1% over the first half of 2007, while Spot Radio fared worst among the 19 media categories analyzed by Nielsen, declining by 10.1% compared with the same period last year.

Within specific categories, the Credit Card Services and Direct Response product categories showed the strongest ad spending gains (+18.95% and +20.48%, respectively), while the Automotive (-.01%), Pharmaceutical (-4.76%), and Motion Picture (-4.64%) categories recorded the largest advertising declines.

For additional advertising and media trends, visit our blog at <http://blog.nielsen.com/nielsenwire/>.

Media Category	First Half 2007 vs. First Half 2008 % Change
Cable TV	8.1%
Syndication TV	7.2%
National Sunday Supplement	7.2%
Spanish Language TV*	4.5%
FSI Coupon	2.9%
Spot TV 101-210 DMAs	2.9%
Spot TV Top 100 DMAs	2.6%
Network Radio	2.1%
Outdoor	1.1%
Local Magazine	0.3%
National Magazine	-3.1%
African American Television**	-5.1%
Internet***	-6.0%
Network TV	-6.0%
Local Newspaper	-7.3%



B2B Magazines	-8.0%
National Newspaper	-8.1%
Local Sunday Supplements	-9.7%
Spot Radio	-10.1%
Total Advertising Spending	-1.4%

Source: Nielsen Monitor-Plus (Jan.-June 2007 and Jan.-June 2008)

* Spanish Language Television includes broadcast, cable, and station coverage.

** African American Television includes broadcast network, cable, and syndication programs with an African American audience composition of 50% or greater, BET, and TV One.

*** Internet advertising expenditures account for CPM-based, image-based advertising. These reported estimated expenditures do not account for paid search advertising, text only, paid fee services, performance-based campaigns, sponsorships, barter, in-stream ("pre-rolls") players, messenger applications, partnership advertising, promotions and email campaigns or house advertising activity.

Syndication TV (+7.2%) and National Sunday Supplements (+7.2%) also enjoyed healthy advertising growth in the first half of 2008, compared with the first half of 2007. TV programming and networks targeting Hispanic viewers grew 4.5%, while those targeting African Americans declined by 5.1%.

A 27% decrease in spending by Financial Services companies—consistently among the top online advertiser segments—drove a 6% decline in Internet image-based advertising during the period. A number of categories showed strong increases in Internet image-based spending during the period, including the Entertainment industry, which grew 47%, Automotive, with 45% growth, and Consumer Goods advertisers, up 32% compared to the same period in 2007.

Nielsen Online [released](#) separately today additional details on first half 2008 Internet spending, estimating approximately 11% growth in overall spending when including paid search and online video advertising.

Category Spending

Spending for the 10 largest advertising categories reached just over \$20 billion in the first half of this year, 0.02% less than the same period last year. Most of the top 10 product categories showed increased spending, with the exception of Automotive (-8.01%), Pharmaceutical (-4.76%), Motion Picture (-4.64%), and Auto Dealerships (-0.62%).

2008 Rank	Top 10 Product Categories	First Half 2008 (\$ mil)	First Half 2007 (\$ mil)	% Change
1	Automotive	\$5,333.6	\$5,798.1	-8.01%
2	Pharmaceutical	\$2,598.4	\$2,728.4	-4.76%
3	Auto Dealerships	\$2,243.0	\$2,257.0	-0.62%
4	Restaurant-Quick Service	\$2,167.8	\$1,998.0	8.50%
5	Telephone Services-Wireless	\$1,827.1	\$1,807.5	1.08%
6	Motion Picture	\$1,731.6	\$1,815.8	-4.64%
7	Department Store	\$1,642.9	\$1,580.1	3.97%
8	Direct Response Product	\$1,369.7	\$1,136.9	20.48%
9	Restaurant	\$935.0	\$868.2	7.70%
10	Credit Card Services	\$859.5	\$722.6	18.95%
Total: Top 10 Product Categories		\$20,708.7	\$20,712.6	-0.02%

Source: Nielsen Monitor-Plus (Jan.-June 2007 & Jan.-June 2008)

Note: Data excludes Internet and B-to-B ad spending.



The Direct Response Product category showed the largest period-over-period advertising growth (+20.48%), driven largely by significant first half 2008 ad spending increases by direct-to-consumer marketer, Allstar Marketing Group (+1,507%), Video Professor (+449%), and Rosetta Stone (+245%).

Despite concerns about the national economy, the Credit Card Services category (+18.95%) also recorded significant growth in the first half of 2008. Discover Financial Services' 1,284% ad spending increase, coupled with sizable advertising boosts at Bank of America (+524%) and Washington Mutual (+368%), helped to drive the category's growth.

Advertiser Spending

Advertising spending by the top 10 companies for the first half of 2008 reached almost \$7.7 billion—down roughly 6% from \$8.1 billion during the same time period in 2007. Three of the top 10 advertisers increased their budgets from the first half of 2007 to the first half of this year, while the majority showed decreases.

PepsiCo Inc., which increased ad spending from \$555 million in the first half of 2007 to just over \$605 million in the first half of 2008, had the largest percentage increase (+9.12%). In contrast, Procter & Gamble, this year's largest advertiser, decreased ad spending slightly (-4.33%).

2008 Rank	Top 10 Parent Companies	First Half 2008 (\$ mil)	First Half 2007 (\$ mil)	% Change
1	Procter & Gamble Co.	\$1,587.2	\$1,659.0	-4.33%
2	General Motors Corp.	\$950.3	\$906.2	4.87%
3	AT&T Inc.	\$862.1	\$914.7	-5.75%
4	Verizon Communications Inc.	\$730.7	\$704.9	3.65%
5	Johnson & Johnson	\$686.2	\$727.1	-5.62%
6	PepsiCo Inc.	\$605.3	\$554.7	9.12%
7	Time Warner Inc.	\$592.0	\$649.3	-8.83%
8	Toyota Motor Corp.	\$581.1	\$627.4	-7.38%
9	Ford Motor Co.	\$554.0	\$797.9	-30.56%
10	Kraft Foods Inc.	\$541.3	\$603.9	-10.36%
Total: Top 10 Parent Companies		\$7,690.3	\$8,145.2	-5.58%

*Source: Nielsen Monitor-Plus (Jan.-June 2007 & Jan.-June 2008)
Note: Data excludes Internet and B-to-B ad spending.*

At the other end of the spectrum, Ford Motor Co., which cut its advertising budget from approximately \$798 million in the first half of 2007 to \$554 million in the first half of this year, showed the largest percentage decrease in ad spend (-30.56%). Although Ford significantly boosted spending for the compact Ford Focus, that increase didn't outweigh the decline in spending for larger vehicles, such as the Ford Edge, Lincoln MKX, Mercury Mariner Trucks, and the Ford Fusion.

About The Nielsen Company

The Nielsen Company is a global information and media company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and business publications (Billboard, The Hollywood Reporter, Adweek). The privately held company is active in more than 100 countries, with headquarters in New York, USA. For more information, please visit, www.nielsen.com.

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