



HALLMARK CHANNEL IS THE LEADING PRODUCER OF ORIGINAL MOVIES ON CABLE.



Celebrating 10 Years of Family-Friendly TV

HALLMARK CHANNEL MILESTONES

2001

AUGUST

Hallmark Channel launches; the network is repositioned on DirecTV, resulting in an immediate increase of more than 7 million subscribers.

2002

MARCH

Hallmark Channel announces production of 24 exclusive original movies.

AUGUST

At its first anniversary, Hallmark Channel has added more than 14 million subscribers, making it the fastest-growing

Channel's Brand Grows Stronger Than Ever BY JULIE LIESSE

Jane Seymour flicked the switch. The beloved actress appeared on screen on an August evening in 2001 to announce the premiere of Hallmark Channel. In some ways, little has changed in the past 10 years: Ms. Seymour, whose work always has embodied family-friendly, high-quality, trusted television, appeared in the network's 2011 original movie "Perfectly Prudence." The consistency of that on-screen personality, however, belies a decade of change—dramatic distribution and revenue growth, and a continuing expansion and evolution of its brand—that has made Hallmark Channel one of the most successful launches in cable television history. As it celebrates its 10-year anniversary, Hallmark Channel is seen in almost 90 million U.S. homes, more than double its initial distribution. It is the leading producer of original movies on cable TV, with more than 30 per year.

Hallmark Channel runs more than 1,000 hours of its signature holiday programming. And this fall it's adding "Emeril's Table," featuring master chef Emeril Lagasse, to the Hallmark Channel daytime block of original lifestyle series, which has provided new touch points for both viewers and advertisers. Meanwhile, the network's offshoot, the Hallmark Movie Channel, is currently one of fastest-growing and most-requested cable networks.

As testimony to that success, parent company Crown Media Family Networks this summer finished a particularly robust upfront selling season, with strong double-digit percentage increases in ad rates for both networks.

"From Day One, Hallmark Channel set out to be the family-friendly destination for great storytelling," says Chad Harris, senior VP-integrated marketing and new media, who has been at the network since it launched. "In a sea of cable networks, with so many networks being so extreme—violent, going to the edge—

we have remained true to the promise of the uplifting stories that everyone in the family can share."

Hallmark Channel was born when the decision was made to rebrand Odyssey, a cable network operating as a joint venture between Hallmark Cards and puppeteer Jim Henson. Odyssey never really found an identity. But "adding the revered Hallmark name to the channel immediately heightened its value for affiliates and advertisers alike," says Ed Georger, exec VP-ad sales and general manager, Hallmark Movie Channel.

Still, by the time Hallmark Channel debuted in 2001, the cable TV industry was mature and extremely competitive. "We were a new network in a crowded cable landscape," says Michelle Vicary, exec VP-programming. "But we were also part of a brand that had been in the popular consciousness for more than 100 years, and the 'Hallmark Hall of Fame' had been around on television for

HALLMARK CHANNEL'S 10TH BIRTHDAY



cable network in that time frame.

2003

JULY

Hallmark Channel announces the acquisition of several renowned series, including "Matlock," "Little House on the Prairie," "The Lone Ranger" and "M*A*S*H."

NOVEMBER

Crown Media announces the test launch of a second 24-hour network, Hallmark Movie Channel.

2004

JANUARY

The company launches its Sponsorship Solutions Unit.

DECEMBER

Hallmark Channel reaches 65 million subscribers and for the month ranks in the Top 10 for both total day and prime time for the first time.

2005

AUGUST

Hallmark Channel's Sponsorship Solutions Unit signs Kraft Foods as the exclusive sponsor of nine original movie entitlements for the 2005-06 season.

2006

OCTOBER

Henry S. Schleiff named president-CEO of parent Crown Media Holdings.

DECEMBER

The original holiday movie premiere "The Christmas Card" posts a 4.2 household rating, the network's highest-ever-rated telecast.

2007

MAY

Hallmark Channel and the Parents Television Council award Procter & Gamble Co. the first Crown Award, recognizing leadership, integrity and responsibility in advertising.

AUGUST

Crown Media announces it will launch Hallmark Movie Channel in HD in the first quarter of 2008.

2008

MARCH

Hallmark Channel acquires the rights to 99 family-friendly movies—as well as one of the most popular baby boomer series, "The Golden Girls"—from Disney-ABC Domestic Television.

DECEMBER

Hallmark Channel closes 2008 as its best year ever, ranking No. 8 in prime time for the full year.



THE ULTIMATE HOLIDAY APP FOR IPHONE AND IPAD

50. The Hallmark brand evokes a certain type of experience. We needed to stay true to the Hallmark brand while creating entertaining content for television."

Hallmark Channel's first evening's programming was a miniseries based on material by H.G. Wells. Within a couple of months, the network ran its first original movie—on a Saturday night. It was a milestone moment in shaping how the network would evolve.

"The ratings for that movie were far beyond our expectations," Mr. Georger says. "We realized there was a void on cable for original movies, particularly on Saturday nights, and decided to leverage that uncharted territory. At that point we knew Hallmark Channel could become a new destination for viewers and an opportunity for advertisers."

Ms. Vicary says programming movies on the weekend was a logical step. "We started to program Saturday—and later Sunday—nights with original movies, creating a unique Hallmark event on the weekends," she says. "And the viewers just kept coming; Saturday and Sunday nights remain two of our most successful times of the week."

The company will produce and run 25 original movies on Hallmark Channel in the coming TV season and another eight original movies on the Hallmark Movie Channel.

Hallmark 'owns' the holidays

The network also embraced the long-standing Hallmark brand connection with the holidays. The current network tagline, "Celebrate life's moments," reflects a strategy that puts holidays and special occasions, as well as everyday celebrations, front and center. The first effort was "Countdown to Christmas," which has evolved into a seven-day-a-week schedule of holiday movies, series and short specials airing from just before Thanksgiving through Christmas. Building on the success of the franchise, Hallmark Channel has added "Countdown" weeks before Valentine's Day, Mother's Day, Father's Day and Halloween.

"No other company has the license to 'own' the holidays the way Hallmark does," Mr. Georger says.

The network's Sponsorship Solutions Unit, formed in 2004, offers advertisers distinctive ways to participate in Hallmark Channel programming. Advertisers can entitle Hallmark's original movies, becoming the exclusive sponsor for the telecast with limited commercial interruptions. The typical ad load is cut by two-thirds to enhance viewership, and frequently those remaining ad minutes feature custom vignettes created for the advertiser by the Hallmark creative team. Kraft Foods and S.C. Johnson & Son are two examples of advertisers that have used Hallmark Channel movie entitlements as part of their branding strategies and benefited from this distinct opportunity.

"Sponsorship Solutions is centered on the extremely close collaboration between our creative and ad teams, which creates a unique proposition for our advertising partners," Mr. Harris says. "It is this teamwork—along with a solid understanding of what our viewers re-

spond to—that enables us to develop truly customized packages for our advertisers, seamlessly integrating their messaging into our programming in an impactful and organic way."

Last year the network worked with Ocean Spray to create a special movie night hosted by Justin and Henry, the two farmers who appear waist-deep in water in their cranberry bog in Ocean Spray commercials. Justin and Henry introduced the movie and made cameo appearances to talk about cranberries during the limited commercial breaks.

For daytime, Hallmark Channel initially acquired iconic family series such as "The Waltons" and "The Golden Girls." In early 2010, it made a major commitment to the future by signing a deal to move home-style guru Martha Stewart's show out of syndication onto Hallmark Channel. Joined by other original series, the Emmy Award-winning "The Martha Stewart Show" now anchors the network's Lifestyle block of daytime programming.

"The Lifestyle programming block is a way to offer our advertisers content that is fresh and compelling and relevant," Mr. Georger says, pointing out that the new daytime slate attracts a slightly younger, more affluent viewer, as well as a whole new group of advertisers from categories including home repair, cooking, gardening and crafts.

In the lifestyle programming environment, Ms. Vicary says, "Working with Martha put us on the map immediately. Martha Stewart's brand is trusted and extremely well-respected—her show is known for high-quality, family-friendly entertainment. These attributes align perfectly with the Hallmark brand, allowing us to build upon our programming footprint while staying true to what the channel represents."

At its upfront presentation in March, Hallmark Channel announced its newest star, Emeril Lagasse and his show, "Emeril's Table," which will make its debut immediately after "Martha Stewart" when the new daytime season launches Sept. 26.

Family friendly from the start

Co-viewing, a buzzword in today's television business, has been part of the fabric at Hallmark Channel since the beginning. Says Laura Lee, senior VP-distribution, "Our viewers know they can rely on the channel for wholesome entertainment that the entire family can enjoy. Their engagement with us is about more than individual programs or movies—it's about a deep trust and appreciation for what the brand represents. That's incredibly powerful and rare."

In a recent development, Hallmark Channel entered into a new agreement under which "Hallmark Hall of Fame" premiere presentations will air first on ABC-TV, followed by four encore presentations a week later on Hallmark Channel. "It is very exciting and a big evolution for us as we align ourselves even more fully with the Hallmark Cards brand and extend that emotional experience for our viewer," Ms. Vicary says.

In addition to the continued commitment to original movies, the expanded daytime Lifestyle block of programming, holiday events and the "Hall of Fame" encores, Ms. Vicary says Hallmark Channel is looking seriously at the final frontier: bringing scripted original series to its weeknight prime-time hours.

Digital platform expansion

Meanwhile, Mr. Georger says the network's advertisers are definitely interested in connecting with the brand on different platforms. With the push into more original programming, he says, "As we own more of our content, we will expand our digital offerings to advertisers."

Hallmark Channel and Hallmark Movie Channel are supported by active websites and about 35 micro sites each year focused on original movies and the holiday countdown events.

Last year the company introduced the Ultimate Holiday App for the iPhone and iPad. The application includes a gift organizer, photo applications, a list of holidays throughout the year and other "bells and whistles to celebrate the holidays," Mr. Harris says, including connections to Twitter and Facebook. "Hallmark is the destination for all things holiday and also about making connections—so we wanted to make sure this app was a piece of that."

Hallmark Channel has nearly 600,000 fans on Facebook, as well as an active audience on Twitter and GetGlue.

Says Mr. Georger, "Over the past decade I think we have broadened the definition of family television. For us it means entertaining cross-generationally with engaging narratives and good, old-fashioned storytelling. Whether it's an original movie, a holiday favorite or lifestyle entertainment, our content is compelling for every member of the family. This is what makes Hallmark Channel unique." ■



10 years

Cheers to Hallmark!

We hope you're in **7th Heaven** as you celebrate 10 years of family programming.
May your vision remain **Touched by an Angel** and watched in every **Little House on the Prairie**.

Congratulations on reaching this milestone from your friends at



**2009****JUNE**

William J. Abbott is named president-CEO of Crown Media.

JUNE

Hallmark Channel introduces a new commercial format, Fast Break, featuring shorter commercial breaks sponsored by a single client.

OCTOBER

Hallmark Movie Channel secures distribution in the top 30 U.S. markets. It now has distribution in 25 million households, more than double that of a year earlier.

OCTOBER

Hallmark Channel and Hallmark Cards announce "Movie Night With hoops&yoyo," the first joint on-air programming and marketing endeavor.

2010**JANUARY**

Hallmark Channel announces a multiyear strategic partnership with Martha Stewart Living Omnimedia to exclusively televise original episodes of the Emmy Award-winning home and lifestyle series "The Martha Stewart Show."

Q&A: President-CEO William Abbott

Bill Abbott is a cable TV industry veteran who was one of a group of executives that helped launch Hallmark Channel. Formerly exec VP-ad sales, Mr. Abbott in 2009 was named president-CEO of Crown Media Family Networks, which includes both Hallmark Channel and the Hallmark Movie Channel. He spoke recently with writer Julie Liesse about the channel's successes in the past decade and his vision for the next 10 years.



AD AGE: You were there when Hallmark Channel was launched. Looking back now, 10 years later, has the channel lived up to what you expected would happen?

MR. ABBOTT: When I came to work here I always, in the back of my mind, thought that the original "Odyssey" name should and would change. Putting the Hallmark name on the channel was a game changer, in terms

of immediately having a brand that needed no introduction. Odyssey was always kind of, "What is that? Is it sci-fi? Is it family? Is it religious?" But once we put the Hallmark brand on the channel, we went from zero to a hundred overnight. There was an immediate transition of respect across all three elements of our business—ad sales, affiliate sales and, certainly, consumer awareness.

Through the years we've had tremendous success, but we still have some work to do. Although I think that we've made a lot of progress recently, and it's been an interesting 10 years in terms of getting to where we are today, the challenges that we face in aligning our brand with our parent company and developing two channels are very exciting but enormous.

AD AGE: I think you're very modest. Everyone acknowledges that Hallmark Channel debuted with the new name when the cable TV landscape was very mature already. And yet people have said

this is one of the most successful launches ever in cable history. What do you think were some of the key factors that really have made the channel a success over the past decade?

MR. ABBOTT: Well, again, it's the brand—having that 60-plus-year heritage of the "Hallmark Hall of Fame" gave us the immediate license to play in the entertainment space on television that was so important and so critical when you're launching late in the cable landscape. If you don't have that immediate recognition and awareness about what you are and what type of quality, input and viewer you represent, it's a very tough game. We've seen many of our competitors who launched at the same time who haven't enjoyed nearly as much success as we have, even though they've been funded at a much higher level and have had corporate ownership that is significantly—on the surface anyway—greater. That brand really propelled us to a level of recognizability and credibility, quite frankly, that we would not have had, had we been Odyssey or had a different name. So while I give a lot of the credit to a lot of us who have been here over the 10 years, without that brand, I don't think that we would be where we are today.

AD AGE: But it's not just the name.

MR. ABBOTT: Along the way there were several key decisions that have gotten us to the level of success we've had. Certainly, our decision fairly early on to go after the holiday audience with movies, and really focus on that time of year—which I think we've done especially well over the past few years—is something that has been very, very important. It's something that is so much a part of our DNA.

AD AGE: Are there other particular milestone moments in terms of programming or ad programs that are real markers in terms of the channel's growth?

MR. ABBOTT: One critical thing was the establishment of our Sponsorship Solutions Unit in 2004. We took a more strategic look at how we extend a client's message within the Hallmark brand and the framework of our channel. That decision was a big one, indicating that we were going to position ourselves a little bit differently in the ad community with certain types of events.

More recently, our movement toward the lifestyle genre has been a big winner for us and is a big benchmark in our evolution. I mentioned before our focus on holidays. In the early days, we were a little bit demure around our holiday strategy. The decision to go to 24 hours of holiday programming has been one that recently has paid big dividends and which we really feel is a big change in terms of how we are looking at the business moving forward.

Finally, the launch of the Hallmark Movie Channel—taking that heritage of the "Hall of Fame" and developing a network in its image, and then having the Hallmark Channel become more of a lifestyle play and family play. That's a very big step in our evolution. If I had to name key turning points, those would be it.

AD AGE: As somebody who grew up in the 1970s, when Saturday night really was a TV destination night, your early decision to make Saturday night a key destination always seemed like a really brilliant move.

MR. ABBOTT: No question, Saturday night has been a big part of our success, and I think will continue to be for years to come.

AD AGE: Looking at the brand today, if you had to pick some really good, descriptive adjectives for the Hallmark Channel, what would you use?

MR. ABBOTT: It's high-quality, it's family-friendly. It's legendary, it's Americana: trusted, enduring and wholesome.

AD AGE: Those are all great words. The flip side of that is for some viewers and possibly advertisers, too, the term "family friendly" doesn't necessarily have completely positive connotations. It could imply older, stodgier, maybe not even cutting-edge. How do you respond to that?



For a decade, you've given your viewers something to

celebrate.

Now it's your turn.

CONGRATULATIONS ON YOUR
10TH ANNIVERSARY
FROM YOUR PARTNERS AT HOTHOUSE.

 **hothouse**
MARKETING & PROMOTION
hothouseinc.com

NOTHING SAYS
HAPPY
BIRTHDAY

like a heartfelt card.

Although a full-page print ad
definitely gets the point across, too.

Happy 10th Birthday to Hallmark Channel

Life IS A SPECIAL OCCASION.
Hallmark

**JANUARY**

Hallmark Channel, the leader in holiday programming with more than 450 hours of holiday-themed programs, announces its highest-rated month in network history with a 1.5 household prime-time rating in December 2009, earning a No. 5 ranking among all ad-supported cable networks.

MARCH

The International Family Film Festival honors Hallmark Channel for its “consistently high standards, production qualities and excellence of storytelling in the family genre of cinematic arts.”

SEPTEMBER

Hallmark Channel announces all-new daytime franchise anchored by the premiere of the sixth season of “The Martha Stewart Show.”

DECEMBER

Hallmark Channel has a record-breaking Thanksgiving, with four of the Top 10-rated movies on ad-supported cable television.

2011**FEBRUARY**

Hallmark Movie Channel reaches 40

MR. ABBOTT: The word that used to get thrown at us was “milquetoast.” We’re anything but that. We feel that it’s a very much underserved audience and an underserved genre, and one we are unabashedly pursuing and capitalizing on. We’re very proud of our heritage as a family company. Consumers have touched the Hallmark brand and experienced that type of high-quality product. So we really reject that idea that family programming can’t be compelling.

AD AGE: When you look at your demographics, especially when you’re talking to your advertisers, how do you describe the typical Hallmark Channel viewer today?

MR. ABBOTT: They’re in that 25-to-54 demographic area, female first, but also generally adults. With our migration to more lifestyle programming, we’re becoming a little bit more upscale, a little bit more A and B county. But certainly we play well in middle America, the heartland of America. Most of all, though, we attract viewers who are enthusiastic and who are loyal to our brand. As a result, we have a very high percentage of viewers who don’t channel surf, and who stay with our channel. They watch for long periods of time, enjoy the content and also have a great regard for the sponsors that are part of our channel.

AD AGE: There’s a lot of talk in the cable industry these days about co-viewing by multiple generations of families. That’s something that you have done for a long time and take very seriously.

MR. ABBOTT: Yes, to be true to our family-friendly brand, we have programming that’s appropriate for all members of the family 24/7. We continue to look at that audience as something that’s important for us to deliver.

AD AGE: What has it been like to be an independently owned network over this past decade, in a universe of media conglomerates where the power has become even more concentrated as the decade has worn on. How much of a challenge has that been? On the flip side, does it offer any advantages in working with your advertisers and affiliates?

MR. ABBOTT: There are many answers to that. I think that it’s certainly a disadvantage on the distribution side, where leverage is very,

very important and where we consistently have issues gaining fair value for the high-quality product we deliver. Therefore, we are undervalued significantly in that marketplace, which makes our ability to reinvest in programming and marketing the way our competitors do more difficult. Our relative value is a fraction of that of the vast majority of our competitors, and yet our ratings are significantly higher than many of them. So that’s where the business is much tougher, but I believe it makes us more strategic, focused and competitive as a management team and a company.

On the advertising side, though, I believe it has been to our advantage as we’ve been able to really get our message out there more clearly with better focus as to what we represent than if we had been a smaller part of a major conglomerate. And on the advertising side, leverage and clout aren’t as important as developing tailored programs that advertisers really can buy into, and respond to, and feel like they’re getting that specialized treatment and an audience that makes sense for their brand.

So overall, having the ability to focus on the business, without having to worry about multiple competing priorities and competing interests from sister networks, has been a net plus for us in many ways.

AD AGE: Where do you see Hallmark Movie Channel heading in terms of original programming and advertiser commitment to it? What do you envision for it in terms of distribution growth?

MR. ABBOTT: Hallmark Movie Channel is one of the fastest-growing cable networks, now in nearly 45 million homes. We think that we’ll be in 60 million homes by the end of 2013, and we are getting a great response from our advertisers; we had a great upfront this year.

Our distribution partners also have a high appetite for the business. But it’s all about the value proposition that a network delivers, and we have robust plans for eight original movies in 2012 and are ramping up even further for 2013 and beyond—and more original product will drive ratings. It’s very hard for cable networks that are not well-established to come out of the gate and deliver strong ratings without a lot of marketing dollars; but right out of the gate, a couple of our original movies have delivered that 1.0 rating, which is really that threshold for critical mass that shows we are on viewers’ radar screens.

As we look at the business moving forward, it will be a network certainly true to the heritage of Hallmark and our “Hall of Fame,” but also certainly will have a significant amount of original product on air.

AD AGE: You have finished your upfront negotiations for the coming year. Are you happy with how things have shaken out?

MR. ABBOTT: We’re thrilled. First of all, cable is a great business. We continue as an industry to steal share from our competitors. Not only that but the appetite for our brand, and certainly the Hallmark Movie Channel, has never been higher. We’ve scored strong double-digit increases in CPM. So we had a very successful upfront that sets us up well for a good 2012.

AD AGE: Once you close the door on one decade, you have to start looking ahead to the next. As you look toward a new decade for Hallmark Channel, what are your goals? What are you really focused on in terms of priorities?

MR. ABBOTT: Well, first and foremost it’s a place for the Hallmark enthusiast to go for entertainment 24/7, with family-friendly programming. And then the subset under that would be focusing on the holidays and special occasions in people’s lives—whether it’s Mother’s Day, Father’s Day, Valentine’s Day—and celebrating it in a Hallmark way.

Third is developing our lifestyle area and continuing to separate and differentiate the Hallmark Movie Channel from our Hallmark Channel, cultivating two distinct networks—both within the brand—with each offering a different proposition for viewers, advertisers and distribution partners alike.

Continuing to deliver a strong critical mass and growing the movie channel to a point that we continue to do that and invest in it. And airing high-quality, original product on a consistent basis across both networks. That allows us to make the brand a lot stronger moving forward.

Finally, multiple platforms—we view digital as a major opportunity. Certainly, there’s no shortage of ideas around how we take the Hallmark brand and make it even more relevant digitally, beyond what it is on cable. What we do with our content to expand on the digital platforms in conjunction with Hallmark Cards is something that we’re very excited about. ■

Congratulations
to the Hallmark Channel
on 10 years
of quality
family entertainment.

ANA
ALLIANCE FOR
FAMILY
ENTERTAINMENT

Brand Tie-ins: Hallmark Plays Its Cards Right

For a decade, Hallmark Channel and retail giant Hallmark Cards have shared the signature golden crown emblem. Increasingly the TV channel and the retail empire are sharing even more through jointly developed content and marketing programs.

“We believe that the Hallmark enthusiasts really want to immerse themselves within the Hallmark brand when they come to Hallmark Channel,” says Crown Media Family Networks President-CEO Bill Abbott. “So anything that we can do to tie our network closer to the brand makes sense.”

It makes sense for Hallmark and its network of 3,000 Hallmark Gold Crown retail outlets as well. “We have a shared consumer,” says Lisa Macpherson, CMO for Hallmark. “The Hallmark Channel viewer is, in general, a loyal Hallmark consumer who engages with our brand at other touch points. She is more likely to have an affinity for our brand, more likely to buy cards and holiday ornaments, have a Gold Crown card and watch the ‘Hallmark Hall of Fame.’”

“When we are talking to Hallmark Channel viewers, we are talking to women who are brand loyalists.”

Aligning the brands

Although the cable TV brand and the retail brand have worked together over the years on things such as sweepstakes, both seem committed to creating more joint marketing and programming ventures that bring the brands into closer alignment. In part, that reflects the growing presence of Hallmark on television—Ms. Macpherson says the company’s monitoring of social media reveals two-thirds of Hallmark brand mentions are references to Hallmark Channel.

Recent joint ventures are putting characters from Hallmark’s retail stores and e-cards onto the screen.

In October 2009, Hallmark Channel premiered “Movie Night With hoops&yoyo,” starring the Hallmark Cards popular animated duo as hosts and commentators for the featured movie. “Hoops&yoyo are fun and witty in a Hallmark kind of way,” says Susanne McAvoy, Hallmark Channel exec VP-marketing.

The network started with three “hoops&yoyo” movie nights, then ramped up to five events last year. The next step is a half-hour animated special, “hoops&yoyo Ruin Christmas,” that will premiere on CBS-TV and then encore on Hallmark Channel as part of this season’s installment of the channel’s annual holiday programming initiative, “Countdown to Christmas.”

The most ambitious joint project yet puts Jingle the Husky Pup, a plush toy that was a holiday best seller in Hallmark stores last year, on TV.

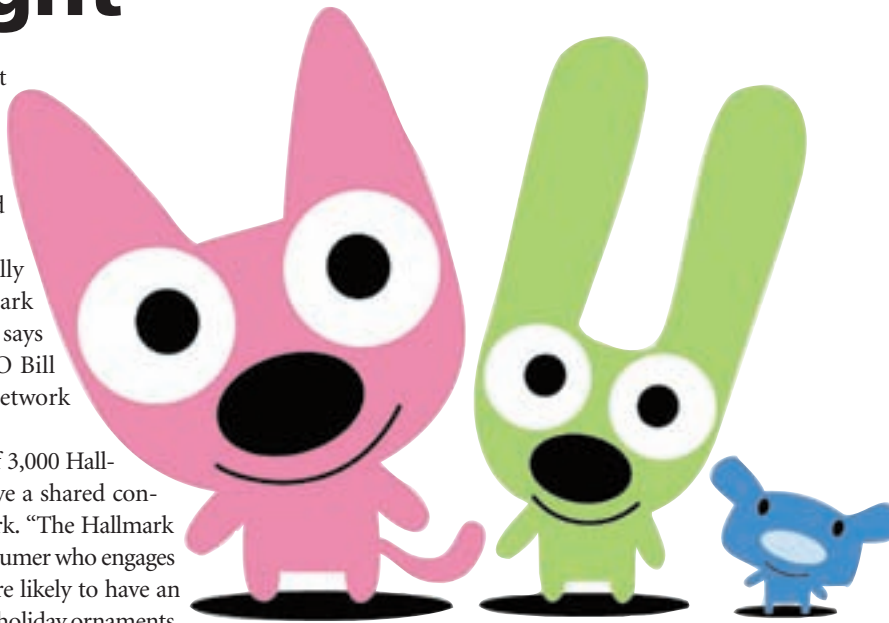
Jingle the Husky Pup is sold with an accompanying storybook. When certain words in the book are read, the interactive plush dog responds by barking or singing. The TV special, using new technology, brings the interactivity to a whole new level: If the Jingle owner holds the toy up to the television during the broadcast, Jingle will respond to the same trigger words in the show, effectively barking along as the story unfolds on screen.

Marketing to support the Jingle event will promote both the retail stores and the TV programming. Clips from the TV show will be featured on monitors in Hallmark Gold Crown stores, and footage from the TV special will be repurposed into ads in movie theaters, among other venues.

Ms. Macpherson says the Jingle project is just the tip of the iceberg in terms of potential joint marketing efforts. “We would like to see more strategic commonality,” she says. “Today we share a Web hub at certain seasons of the year. We would like to back up and have more synergy with how we are communicating, as well as in developing our content. With Jingle, we are teaming up on program content that can be the basis of marketing synergy.”

Family friendly from start

Hallmark, she says, has realigned its organization around seven consumer needs its brand serves—things such as “staying connected to my kids,” or “helping people connect using humor.” The Jingle prod-



“hoops&yoyo”

uct fits into the company’s effort to make existing family rituals richer—with the Hallmark Channel show making that product even more special.

“We have talked about whether the lifestyle pillars that drive Hallmark Channel programming could be the same pillars that drive Hallmark products,” Ms. Macpherson says.

For his part, Mr. Abbott says he is “very, very excited” about the Jingle effort. “There’s so much creativity in [Hallmark’s] Kansas City [headquarters] that goes on every day. We think there’s a real opportunity to learn from how they establish connectivity between people, and to take some of those stories and have them come to life on our network.” ■



million subscribers.

APRIL

Hallmark Channel’s Facebook page surpasses 500,000 fans.

MAY

Hallmark Channel partners with the American Humane Association on the Hero Dog Awards, a national search to discover America’s most remarkable dogs; the televised special airs Nov. 11.

JUNE

Production begins on new Hallmark Channel series “Emeril’s Table,” starring chef Emeril Lagasse.

JULY

An agreement is signed for the “Hallmark Hall of Fame” to move to ABC-TV, with cable premieres a week later on Hallmark Channel.

JULY

Crown Media Holdings announces a new name for the unit that houses Hallmark Channel and Hallmark Movie Channel: It will now be called Crown Media Family Networks.

CONGRATULATIONS

to the
**HALLMARK
 CHANNEL**
 on your
**10TH year of
 being on air!**



HALLMARK CHANNEL'S 10TH BIRTHDAY



CHANNEL PARTNERS

Hallmark Channel has spent 10 years creating a brand that's synonymous with family-friendly, original programming. Viewers know when they watch Hallmark Channel, they will see quality shows that are entertaining for all ages. At the same time, the channel has been building solid relationships with media executives, creating a reputation as a committed, creative and responsive partner. Agencies know when they want to reach family audiences with innovative programming and tie-ins, they can turn to Hallmark Channel. Here, four executives talk with writer Christine Bunish about their relationships with the channel, what it's like to do business with and why they plan to continue to work with Hallmark Channel.

**Andy Donchin**

Exec VP-Director, National
Broadcast & Media Investments
Carat, New York

We value our long-established partnership with Hallmark Channel and fully expect that it will continue to evolve as we move forward.

We purchase Hallmark Channel's content-friendly programming on behalf of many of our clients. Over the years, the network has developed a successful mix of classic shows, original programming and targeted movies. They're very creative and offer many opportunities for sponsorships and program integrations.

A great advantage Hallmark Channel has is their very strong brand identity. People turn to it as a point of destination because they know they will always find quality programming. Viewers are also very engaged with their content. This is very important to us, as the more they are engaged, the more likely they are to watch the commercials. This helps make our messaging stand out.

We have incorporated the Hallmark Movie Channel into our recent buys, too. We want to follow viewers as they migrate to their sister network.

The sales team at Hallmark Channel stand behind their product and make sure what they promise is delivered. They're good people to work with. I've known Bill Abbott for many years: It's nice to see a network president who comes from a sales background and understands our world. He knows the challenges we face on the agency side and is a valued partner in helping us to serve our clients. ■

**Lisa Herdman**

VP-National Programming
Rubin Postaer & Associates
Santa Monica, Calif.

We go back to the beginning with the Hallmark Channel. Not every network has done as great a job as they've done with the ever-changing TV landscape and all its clutter. What they've learned to do well is integrate advertising thematically into their programming, especially around the holidays.

The Hallmark Channel is a go-to holiday network for us—from Christmas to Valentine's Day to Father's Day.

It's what Hallmark does best. They're relevant and engaging, yet traditional. For advertisers that need family-friendly content, they're really great. We also have a presence on the Hallmark Movie Channel, another family-friendly place to go.

We represent La-Z-Boy Furniture Galleries, and last year we created branded Thanksgiving vignettes around upcoming programming on the Hallmark Channel; the vignettes had a family gathered in a room full of La-Z-Boy furniture and our tagline "Comfort: It's what we do." It was a great fit: Thanksgiving, comfort, La-Z-Boy, families watching TV. This year La-Z-Boy is aligning with preproduced Martha Stewart vignettes related to holiday entertaining. Again, the messaging from the Hallmark Channel is advertiser-friendly and allows us to hike up the engagement level for our target audience.

For American Honda, we've done mostly media buys, but this year the Honda Odyssey family vehicle will be one of the sponsors of the Hero Dog Awards show running this fall. We'll have a media buy, and we'll help promote the show with our brand association. The people who will be watching the show are absolutely those we want buying the Odyssey.

The team at the Hallmark Channel—from ad sales to marketing to production—is very professional and understands what advertisers need. They get it. They hold true to product and thematic integration. From the beginning, ideas have been very well-presented from the [New Year's Day] Rose Parade to Christmas. I'm always impressed with the way custom productions turn out; I appreciate networks that can come through like that. ■

**Ava Jordhamo**

President-Execution
Zenith Media USA
New York

As their media agency of record for the last several years, Zenith Media has a strong and extensive relationship with the Hallmark Channel.

An excellent partner, Hallmark Channel offers great value, high ratings and a safe environment; they're a very family-focused brand, and that's important for a lot of advertisers. They're in it for the long term and have made investments in talent and acquisitions such as "The Martha Stewart Show."

Over the last few years, Hallmark Movie Channel has become a great complement to the network. Both keep pushing for original content. There's always a need for that.

Their perennial holiday programming makes nearly every occasion special. We're able to build sustaining campaigns for clients throughout the year, with sponsorships for Memorial Day, Fourth of July, Mother's Day and the back-to-school season—an important time for many of our clients. They work with us to break through the clutter and make sure our clients get what they need.

Hallmark Channel has always been straightforward and very solutions-oriented. They've come up with isolated pods for certain integrations or specials to make our commercials stand out and have allowed our clients to further promote their advertising efforts through billboards, special promo spots and tag tune-ins—an added value for clients.

One of our most successful multinet-network integration deals was with Hallmark Channel, Martha Stewart and Share Our Strength. Martha kicked off Ocean Spray's sixth annual Big Apple Bog event, which transformed Rockefeller Center into a cranberry bog. She treated 45 New York public school children to an early Thanksgiving dinner and taped her show surrounded by more than 2,000 pounds of cranberries. The event was a rousing success that brought visibility to Ocean Spray and raised awareness about childhood hunger. ■

**Kris Magel**

Exec VP-Director, National
Broadcast
Initiative U.S., New York

We service a number of family-targeted advertisers at Initiative, and Hallmark Channel offers a brand association that a lot of other networks don't.

The Hallmark brand goes back years before the channel was created, with a long heritage and emotional connection to consumers. Their greeting cards; the "Hallmark Hall of Fame," which is still a mainstay on broadcast television; and the Hallmark stores and Gold Crown mailer all offer unique partnership extensions for our clients.

Because of that heritage, my clients can feel confident that the program environment they are supporting is going to be appropriate for all audiences—and that kind of confidence is not universal.

For example, we rely a lot on the Hallmark Channel's original movies: They produce several top-quality productions, with top talent that delivers big audiences, regularly throughout the year. Often our clients will develop custom partnerships around a movie title or even a seasonal period.

Big Lots has been one of the sponsors of "Countdown to Christmas" with a contextually relevant campaign of custom vignettes that highlight how their products can help consumers on a limited budget create a holiday decor in their homes combined with tips for entertaining.

With Bayer, we've created a multiplatform consumer promotion around Mother's Day for Aleve, which, while centered on the TV network's Mother's Day programming, also includes a custom Web microsite, national print exposure, presence at the stores, inclusion in the Gold Crown mailer—even social media elements.

The Hallmark team understands our clients' business challenges and offers a program environment and brand we can trust.

That's a valuable asset in today's world, where not all advertising environments can provide a compelling, noncontroversial story line and still generate a solid, attractive audience. ■

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