

THE WATCH IS THE STAR

WATCH PLACEMENT IN MOVIES AND TV

by Keith W. Strandberg

USING HAMILTON WATCH COMPANY, one of the pioneers in watch product placement and still one of the leaders as an example, here is what a watch company wants in a high profile media placement:

On the January 15, 2003 episode of the critically acclaimed NBC show "The West Wing," a major scene featured a horologist as one of the characters. In this scene, another character shows him a vintage Hamilton pocket watch and he says, "Wow! A 1931 Hamilton, one of the few thoroughly American watches.

Each piece, each part hand

made in the USA. Not many American watchmakers."

Then this dialogue is followed by a close up of the exposed movement of the watch, with the name "Hamilton" seen clearly through a magnifying glass.

Can't get much better than that, can you? The name of the watch mentioned, positive things said about the watch by the characters in the show and a close up of the watch itself. A shining moment for Hamilton and for the watch industry.

Contrast that with the recent movie, "Daredevil," starring Ben Affleck and Jennifer Garner. Again, Hamilton was to have a watch in the movie, including a close up of the watch when Affleck checks the time. At the preview screenings of the movie, the watch could be seen on Affleck's wrist several times, but no close up. What happened? The scene was cut at the last minute, so no starring role, no shining moment for Hamilton.

This shows the mercurial nature of product placement in the movies and TV. Unlike advertising, where watch brands control everything about the message imparted, so much is left

in the hands of others when watches are placed in movies and TV shows.

When watches and the movies are combined well, it can be a home run for both the movies and the watch manufacturer.

The movies benefit from an association with a quality watch, and the watch and the entire watch brand is exposed to groups of people who have never seen them before.

In the best product placements, watches are a key component to character in movies and TV. After all, characters are defined by the choices they make: choices of friends, dialogue, actions, cars and yes, watches.

THE MOVIE:
BOURNE IDENTITY
THE WATCH:
TAG HEUER





THE MOVIE: MEN IN BLACK II THE WATCH: HAMILTON

PRODUCT PLACEMENT

SOME OF THE TIME, MANUFACTURERS employ companies to place their products with producers and studios, and other times, producers approach companies and request to use their products in their films. No payment is exchanged; the manufacturer merely supplies the product for use in the film, and gets the product back when the film is over.

In situations where there is a cross promotion of a product with a movie (e.g. Hamilton's "Men in Black I and II" promotion, Tutima and "The Recruit," Audemars Piguet and the new "Terminator 3" and others), there is an arrangement worked out in advance that allows the movie company to benefit from the exposure generated by the advertising the company does, and vice versa.

Very rarely, however, does cold hard cash change hands. It's usually a swap—product for placement.

"We see placements as important, but with one major consideration that Philippe Stern, Patek Philippe's president, insisted on—never will we pay for placement or give the watches away as part of the deal," says Hank Edelman, president, Patek Philippe USA. "Movie and TV placement is perfectly OK as long as the watch is requested and wanted for its own merits. To us, placement in movies and TV is very influential, and has a great impact on public awareness."

Product placement can happen any number of ways.

Some companies have relationships with actors who wear their products, and when that actor is in a movie, he or she wears the watches. Sometimes, a production company will approach a brand about using its products out of the blue. Other times, products are used or mentioned in dialogue without any permissions requested or granted. There's no set way that a company gets involved with product placement.

"For product placement, the major benefits are visibility—if the product is placed in a film that makes \$150 - \$300 million dollars, your product has been seen by a tremendous number of people," says Venanzio Ciampa, marketing consultant, the Swatch Group. "Sometimes a niche film with an intelligent placement can be very effective. If the product is worn by a star, it can enhance the value of the product in the eye of the consumer. When the whole package comes together—the star wears it very visibly in a strong popular film, and if you are lucky, it becomes the product of the successful series, like the Omega Seamaster and the Bond series. Since Omega has been doing this for seven years, people associate Omega with James Bond, due to the consistency of Omega's promotion and the strength of the Bond franchise.

"In general, we read the scripts and review the product, and I look at it carefully," Ciampa continues. "Sometimes, there is a rush to be in the movies, that's why we are very careful about matching the product with the content of the film, and with the characters that are in that film. I think there are bad placements and that's why you have to choose selectively

instead of just wanting exposure.”

When product placement works, it can be much better than any advertising a company can do. The impact is greater, because the audience is caught up in the plot of an engaging movie. “It’s a combination of the right actors and the right story, because the celebrity power of a movie will often determine how successful it is,” says David Savidan, vice president, marketing, LVMH Watch and Jewelry USA. “Storylines that fit with our brand value are what we look for—it doesn’t have to be action or sports. The movie placement is mostly about brand recognition. To a point you have to ride with the right movie vehicle, which is always a shot in the dark. No one knows how well a movie will do.”

Many watch brands use companies to place their products in movies and TV. “We engage the services of a company to place our products in movies and TV,” says Cheri McKenzie, vice president, Swiss Army Brands. “Getting product placed in movies and TV works for brands that have a defined and a very distinct, recognizable styling. That type of effort does a lot to generate awareness and create excitement, image and allure.”

The Ross Group is a company that works to get product placement for different companies,

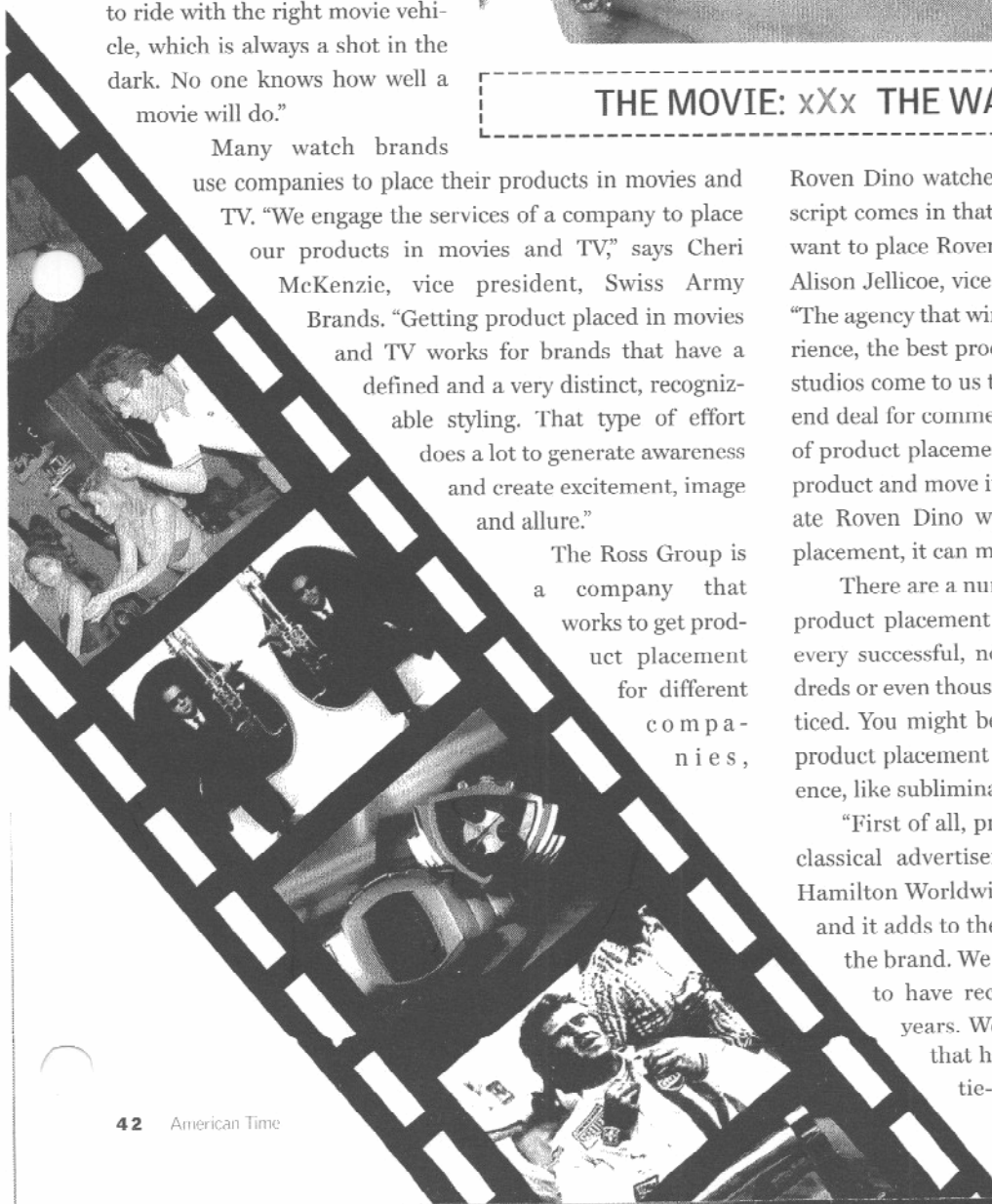
Roven Dino watches being one of them. “Say, for example, a script comes in that has a close up of a certain watch, and we want to place Roven Dino in that position, we bid for it,” says Alison Jellicoe, vice president of operations, The Ross Group. “The agency that wins the bid is the one who has the best experience, the best product and the best relationship. Sometimes studios come to us to see if Roven Dino is interested in a back end deal for commercial tie-ins and more. One of the benefits of product placement is that it can take a relatively unknown product and move it up with the bigger players. People associate Roven Dino with the larger companies because of the placement, it can move a watch brand upscale.”

There are a number of success stories when talking about product placement in the movies, but the reality is that for every successful, noticed product placement, there are hundreds or even thousands of placements that go relatively unnoticed. You might be able to make a case that an “unnoticed” product placement is still effective on some level by the audience, like subliminal advertising.

“First of all, product placement is not a replacement for classical advertisement,” says Holger Dahmen, President, Hamilton Worldwide. “It adds a different level of awareness, and it adds to the credibility and heritage of the watch and the brand. We read scripts, and we have been quite lucky to have received great scripts in the last couple of years. We want to be sure we pick the right movie that has a natural tie in. We also want to have a tie-in in the script, where the product plays a



THE MOVIE: xXx THE WATCH: SWISS ARMY



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strong and integral part. Hamilton has developed a good relationship with the studios over the years. If we could not stand behind what the movie is showing, we would refuse to be in it rather than risk hurting our image within the market."

Companies have to be careful when choosing product placements, because screenplays are not written to be perfect vehicles for product placement. Some just naturally work, while other product placements can seem shoehorned and seem out of place.

As an example, in "Batman Forever" Bruce Wayne wears a Jaeger-LeCoultre Reverso watch, which represents his dual personality. The use of this watch makes sense for the story, and it also offers an opportunity for product placement—and begs for a close up so the audience can make the link from the watch to his character.

The James Bond series of movies have become famous for product introduction, especially with high profile BMW cars. Omega has been working with the Bond films for many years, and it's an association that has been profitable for all those involved. "Placement in films for Omega is more about matching the right character with the right product," says

Stephen Urquhart, president, Omega International. "So, it

would be fair to say, the best product placements are ones in which the character would be likely to wear

an Omega product in real life; a tough sports watch for someone like Bond or a dress watch

for Fox Mulder in the 'X-Files.' Of course, the

other factor that comes into this is

authenticity, in films such as 'Apollo 13,'

wherein they want to keep the

wardrobe as was originally the

case, and seeing as it was the

Omega Speedmaster

'Moonwatch' which

played a part in the

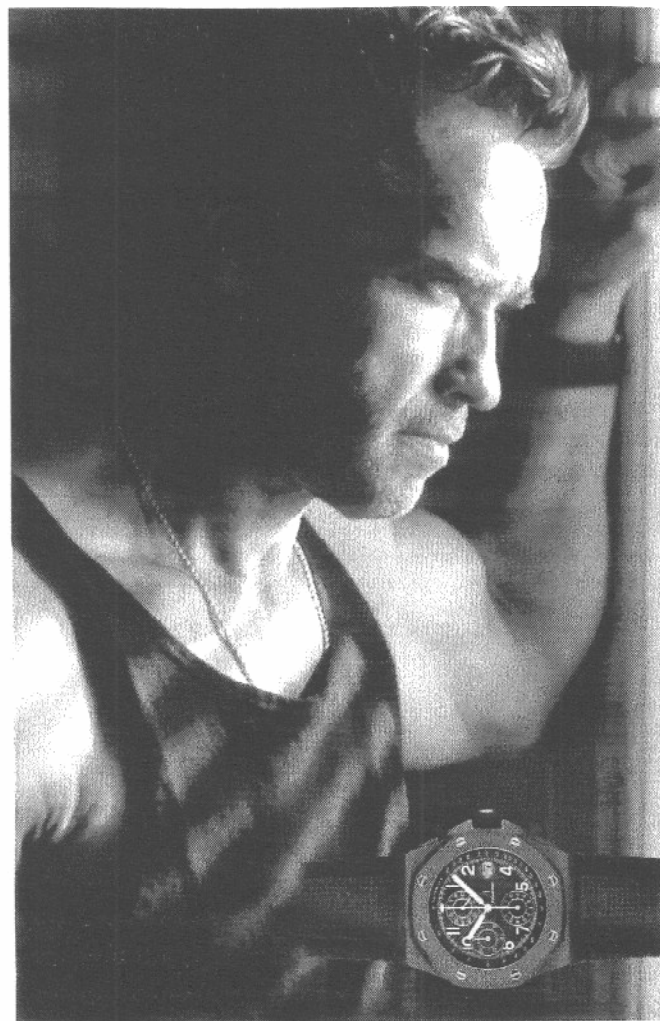
real Apollo 13 mis-

sion, it was the

only correct

choice of

product."



THE MOVIE: END OF DAYS
THE WATCH: AUDEMARS PIGUET

FRINGE BENEFITS

IN MOST CASES, product placement is a win-win for everyone involved. The production company wins because they get to use high quality product that says something about the character wearing it, and the watch company wins because its product gets on the silver or small screen. This builds brand awareness in the general public.

"A perfect example is 'The Sopranos' placement," says Patek Philippe's Edelman. "The writers put the appearance of a watch into the script, and James Gandolfini happens to know and appreciate watches and he thought the right brand to use in that connection was Patek. Last week, we were on the Oprah show as well, which was wonderful for us, because it was clear that Oprah knew what Patek was, she respected what Patek stands for, and now six million viewers see us as an accepted standard of excellence."

In the world of product placement, there are no guarantees. Movie companies can't say what a movie will gross, or tell you it will be a critical success. In many cases, they might not even be able to tell you how a watch will be used, and even if it will show up on screen.

Hamilton, in "Pearl Harbor," was guaranteed a close up of the watch, but they had no idea when it would occur, nor did they know the context. As it happened, the close up occurred during an important scene between two of the main characters, and made sense for the story. It was a full size close up, one that worked for the scene, and was a huge benefit for Hamilton. Then, remember, the close-up of the watch in "Daredevil" ended up on the cutting room floor (though the producers did promise to re-insert it on the video/DVD release).

Watches are more difficult to see than cars, for example, so unless a close-up is planned, a product placement may never actually be seen in the movie. Getting a watch on the main character in a successful movie is a coup, and that's why so many companies are willing to do product placement. Look at Swiss Army's placement in the hit movie "xXx," where the Hunter watch appeared in just about every scene.



THE MOVIE: DAREDEVIL
THE WATCH: HAMILTON

FILM NEGATIVES

NO ONE KNOWS HOW WELL A MOVIE OR a TV show is going to be received. Watch companies have to make decisions about product placement well in advance of production, and sometimes the length of time from that decision to the finished product appearing in theaters or on TV can be as long as a year or more.

To quote Hollywood screenwriter William Goldman, "No one knows nothing." It's a crap shoot, and companies have to make informed decisions based on cast, story, the way the product will be used, and many

other considerations. If a movie bombs, chances are that the watch featured in the movie will escape unscathed. So, is there a downside to product placement?

Well, there certainly could be, if the watch featured prominently is used as a murder weapon by a psychopathic killer, chances are sales might not go up (though, given today's fascination with villains, you never know). "There is always the chance that you will be in the wrong movie, or the product is shown in the wrong light," LVMH's Savidan points out. "We work very hard to make sure we minimize those risks, and that we get into the right vehicles."

IMPACT ON SALES

DO MOVIE appearances for watches mean increased sales? Though manufacturers are reluctant to say that the appearance of their product boosts sales dramatically, the retailers do mention that an increase of interest, and sales, occurs.

Hamilton Watch has had several movie tie ins, the most successful and visible being their involvement with "Men In Black I and II"—where they took a classic Hamilton design and put it on the wrists of the most forward thinking, technologically advanced characters in the film, Tommy Lee Jones and Will Smith. The

result? The watch became a sales leader.

"Having a watch in a movie drives traffic in," says Andrew Block, senior vice president of marketing, Tourneau. "It's cool, people want it, and it sells. The retailer can then do their own promotion with materials from the movie and support the manufacturer, to promote the watch and the movie. People come in asking for the MIB watch, they don't even know what it's called. With Omega, so many people come through the door asking for the James Bond watch. If there is a write up about the watch in a soft placement, and they point out what Matt Damon is wearing, people then start coming in asking for that watch."

HOW TO MAXIMIZE SALES

IF THE PLACEMENT IS ALSO a cross-promotion, then retailers can hype the movie with the materials supplied by the brand, placing them prominently throughout the store. The more successful the movie, the more these materials will be noticed and draw in customers. If the placement isn't part of a promotion, however, it's important that the sales people know about the movie placement.

Keep materials about the movie available for sales people to refer to and show to their customers. If the movie or TV show is popular it can only help close the sale.

"We publish a list of our movie and TV placements, and we supply it to our sales reps, who then use it in training and presentations," says Swiss Army Brand's McKenzie. "The placements generate excitement and interest around the brand. Retail sales associates can use little anecdotes when they sell a watch, 'Did you know that so-and-so wears this watch on TV?' that kind of thing. Sales people like to have exciting ammunition."



When the watch is the star, it can mean increased awareness and increased sales

It's surprising how many retailers report people, new customers, coming in off the street asking for a watch, just because they saw it up on the big screen. "We do have people walking in and asking for the James Bond watch, for example," says Roberto Chiappelloni, owner, Manfredi Jewelers. "We try to have the staff knowledgeable about the promotions and watch placements in movies. The limited edition James Bond watch, the one with 007 on it, was sold out within two weeks of available."

It's important to have display materials link the movie with the watches in your display case. "Every time a Bond movie comes out, Bond wears the Seamaster, and this fuels sales at the retail level," confirms John Simonian, owner, Westime. "This time was even more special because of the limited edition watch and because it was an anniversary of Bond movies. We use the promotional materials in our store, our salespeople call people who they know will be interested in the watch, and because of the anniversary, collectors really came out in force to buy the watch. We see a jump in sales of the Seamaster every time a Bond movie comes out—we sell five times more Seamaster watches when there is a Bond movie in release. The Hamilton MIB II was also successful, and we are going to have the Hamilton Daredevil watch as well."

THE FUTURE FOR WATCHES IN MOVIES

Next time you're in the theater or watching TV at home, pay attention to the wristwatches that the characters wear. If you can see the brand clearly, and the watch itself has its own tight shot, then it's more than likely it's a product placement.

As more brands become savvier about product placements, we can look forward to seeing more of the watches we love in the movies.

After all, if the movie is *any* good, you won't be looking at your own watch. ●