

Advertisers' growing Net appetite shows

By Frank Barnako, MarketWatch Last Update: 11:57 AM ET Nov 16, 2005

WASHINGTON (MarketWatch) -- <u>Sales of online advertising are so strong that some Web sites are sold out</u> <u>and taking orders 18 months in advance.</u> "We have a supply issue," Joanne Bradford, chief media revenue officer for Microsoft's MSN, told the Wall Street Journal. Rising demand is allowing major Web portals to raise their ad rates. Several told the Journal that they've increased prices as much as 20% this year.

MSN, owned by Microsoft Corp. (MSFT), said it charges as much as \$1 million for an ad that lasts 24 hours on the site. "It's starting to get into Super Bowl territory," said Sean Finnegan, U.S. director of OMD Digital, a division of ad-agency giant Omnicom Group (OMC).

The Web's multimedia capabilities are driving demand for broadband placements. "We have ad agencies telling us, 'We'll take every impression you can give us,' " said Wayne Gattinella, president and chief executive for WebMD Health (WBMD). The president of the industry's Interactive Advertising Bureau said media buyers are able to make rational judgments to justify online spending. "In 1999, there was no research and people were chasing fear and greed," Greg Stuart told the Journal. "Now, there's good data, plus marketers have their own real experience."