

Time Inc. Internet/Online Service

The goal of Time Inc.'s Internet/Online Service will be to provide:

- Online access to the content of Time Inc.'s publications and databanks, to new forms of linked information and services based on Time Inc.'s titles and journalism, and to relevant material licensed or acquired by Time Inc.
- An environment for interactive advertising, shopping and transactional services.
- An easy way for average consumers to get onto the Internet.
- A front-end for cable systems that want to sell to computer users a high-bandwidth link to online networks, the Internet, shopping venues, e-mail and other electronic services.

The foundation of the system will be a set of Time Inc. servers connected to the World Wide Web, a part of the Internet. Web sites use a navigational software known as Mosaic, which offers easy links and flexible graphics. New versions of Mosaic will have transactional capabilities that permit charging users for services.

In theory, the Internet is capable of transmitting a Time Inc. service anywhere in the world without major telecommunications

costs to us. However, in order to avoid the sluggishness that is beginning to afflict the Internet, we should have a partner or vendor that provides dedicated access to a nationwide network that is linked to the Internet. This could be a long-distance company such as MCI or AT&T, or an online company with its own communications network such as CompuServe.

Users could access the service in three ways:

- Directly from the Internet for those consumers who are already connected to it.
- By direct telephone dial-up. A relationship with a telecommunications company could provide local telephone access numbers. This would allow us to offer our own service plus easy Internet access all in one simple package, thus making Time Inc. one of the first companies open the Internet to a mass market.
- Through a cable system connection. The Time Inc. service could be made available to computer users with cable modems. In addition, the service could be configured to provide a front-end for Time Warner cable systems and others that wanted to package access to a variety of services and online networks.

Two things would distinguish the new Time Inc. service from current commercial networks such as America Online, Prodigy and CompuServe:

- It would be designed for higher bandwidth users who have cable modems, SLIP connections to the Internet, or phone modems supporting 14.4 baud or higher. The higher bandwidth allows the use of Mosaic and other hypertext navigation tools as well as rich graphics and pictures. Whereas existing commercial networks will mainly be presenting their current ASCII text product with some enhancements, a new Time Inc. service could mix text with the video and graphics being produced by News on Demand.

- It would be fully integrated into the Internet as a Web site. It would thus be available to any potential subscriber with access to the Internet or who used another online service that allowed Internet access. In addition, it would provide subscribers seamless access to all of the other resources on the Internet.

Next Steps

- Build a web site for Time, Vibe and Gardening with public domain software and no direct-dial access.

- Solicit proposals for building the hardware, software, interfaces and telecommunications network. Time Inc. would handle content, packaging, subscriber acquisition, and advertising sales.

- Propose to CompuServe and AOL that we build such a service as a joint venture. It would coexist with and be linked to the current service provided by our partners, but it would give them the chance to build a new Internet service based on the World Wide Web and aimed at higher-bandwidth and cable modem users.