

A Look into a Direct Retail TV Company - Lenfest Media Group

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We've all seen them. At first, we used to see them only late at night. Anyone who hasn't slept well knows what I mean. Now we see them throughout the day and on almost every channel. I'm talking about direct response television ("DRTV"). One form of DRTV that is commonly known is called the [infomercial](#). Ring a bell for you?

Overview of Direct Response Television

Direct Response Television, or DRTV, includes any television [advertising](#) that asks consumers to respond directly to the company. Commonly, the consumer either calls an 800 number or visits a web site (or back in the good ole days, used snail mail). This information allows for the "direct response" part of the [advertisement](#) because viewers can contact the seller directly to learn more about the product or to place their order. There are two types of DRTV: short form and long form. Short form is any DRTV commercial that is two minutes or less in length. Long form is any DRTV commercial that lasts longer than two minutes --- usually 30 minutes and is known as your classic infomercial.

There are many avenues for [inventors](#) to get their products to the consumer. The option I'm going to discuss today is DRTV.

Profile on One DRTV Company - Lenfest Media Group

One of the companies involved in DRTV space is [Lenfest Media Group](#) ("Lenfest"). I spoke to Andy McKinley, Partner, Vice President of Strategy and [Business Development](#) of Lenfest, about DRTV. In a snapshot, Lenfest finds products, licenses those products, and then creates either a short form or long form commercial around the product to sell to the consumers under their "Get It On TV" brand. Lenfest also owns a direct response TV station, Get it on TV Philly, that runs infomercials 24 hours a day, 7 days a week in the Philadelphia TV market. It also owns an Internet product portal called GetItOnTV.com that sells a large number of products that are found on DRTV. Lenfest competes with the other DRTV companies like Allstar [Marketing](#), Euro-Pro, Guthy-Renker, Ontel, and Telebrands.

Talking to Andy was an educational experience. He taught me a lot about DRTV. One of the most important things I learned is that DRTV is not for every product. But if you have one of those products perfect for DRTV (ex. the Snuggie), lucky you.

If you are interested in pursuing DRTV for your product, there are certain products that do well on DRTV. For example, we've all seen fitness products on DRTV, so we know they do well. On Lenfest's website, they have a page that discusses "[Traditional Product Criteria](#)" which sets forth the types of products and criteria they are looking for. If you cannot meet those criteria, your product probably won't do well on DRTV (although you could double check with other DRTV companies to see if they also think so).

After checking out the Traditional Product Criteria, head on over to Lenfest's "[Product Evaluator](#)" which evaluates whether your product is right for their DRTV market. After completing the Product Evaluator, it will tell you whether Lenfest is interested in finding out more about your product. If you see "Success: Your Product Meets Our Criteria", then you can decide whether or not you want to fill out the "[Submission Form](#)" to have your product reviewed by Lenfest. Keep in mind, when you fill out the Submission Form, it states, "I acknowledge that the disclosure is being made on a NONCONFIDENTIAL basis, and that no confidentiality obligations or legal relationships whatsoever are created by this [invention submission](#)." That means Lenfest does not provide a confidentiality agreement.

As an inventor, one of the big concerns is someone stealing your idea. Some inventors will not do [business](#) with a company that does not sign a [Non Disclosure Agreement](#) ("NDA") and some inventors will. In the best-case scenario, you will get a NDA. However, just because a company does not sign a NDA, it does not mean it will take your idea. There are many legitimate [businesses](#) out there that actively look for [product ideas](#) to license that will not sign a NDA. Personally, I think that, at a minimum, you should always ask for one (my motto is that it never hurts to ask). The worst they can say is no. Ultimately, how you proceed is a personal decision.

For those of you beating your head trying to figure out whether or not to proceed because of this NDA issue, why not first figure out whether Lenfest would even be interested. So fill out the Product Evaluator. It's an anonymous form and you're not giving any real information away. If it's not a product Lenfest is interested in, this whole NDA debate is a non-issue.

Since I just went off track for a bit, let me review the procedure for submitting a product to Lenfest. First, check out the Traditional Product Criteria. Second, complete the Product Evaluator. Finally, if you get a "Success" result, you have the option to fill out their Submission Form.

Lenfest's Evaluation and Licensing Process For Inventions

So let me give you an insider's look at how this works. After submitting the Submission Form, the inventor will usually hear back from Lenfest within a couple of weeks. If Lenfest is interested in your product, Andy will send the inventor a request for more information. Essentially, some of the questions that will be asked is what stage you are in with the production of the product,

where is the product manufactured, what's the price point, where its been sold in the past, etc..

If Lenfest is still interested, then Andy will submit your product to the Product Evaluation Team at Lenfest. The Product Evaluation Team is comprised of six people and meets every two weeks. At that point, the team will ask any other questions that may be pertinent in making their decision to license the product from the inventor. The length of this entire process depends on how long it takes the inventor to respond back to Lenfest with the information requested.

After submitting the Submission Form, whether your product is chosen is based on variety of factors. Assuming all things being equal, the more fully developed your product is, the better chance it has to be licensed. An ideal product is a product that has already been manufactured, packaged, patented, has existing [inventory](#) and already sold in some capacity. It has to be a very impressive idea for them to license a product that is just in the concept stage. Andy said that out of all the Submission Forms they receive in a month, only a small percentage (less than 5%) end up entering into a license agreement with Lenfest. After the rounds of questions and answers are complete, if Lenfest is still interested in your product, they will enter into a license agreement with the inventor. Lenfest will not ask the inventor for any money. The inventor will not have to invest any more money into their product (other than what they've invested prior to getting a licensing deal with Lenfest). I've heard that some other DRTV companies ask the inventor for money to do [market research](#) or a test spot.

Lenfest's licensing agreement is broken up into two terms. The first term is called the "Initial Term" and is generally for a period of six months. During those six months, Lenfest can conduct market research, produce a TV spot, put the spot into testing in certain markets, and analyze the results. If the testing goes well, then the license agreement enters into the second term called "Rollout". The second term of the license agreement extends automatically as long as the annual royalty payments benchmarks are met. The license agreement gives Lenfest exclusive distribution rights to the product. Lenfest offers a royalty rate generally in the range of 2-5% of net sales (depending on various product factors). If a product enters into the Rollout term of the license agreement, Lenfest will rollout the DRTV commercial in all markets relevant for that product. Also, although Lenfest does a DRTV spot for the product, the ultimate goal is to use DRTV to drive product sales into [retails stores](#).

Making a DRTV commercial is expensive. So the reason why only a small percentage of product submissions actually end up in a DRTV commercial, and that the product is put through rigorous testing and evaluation, is because Lenfest wants to make sure they have a winner. Doing their due diligence will increase their chances (and yours) that the product will be successful.

Insights Into Lenfest

Lenfest has a nontraditional history in the DRTV world. In 2000, Lenfest started by buying a TV station that broadcasts in the Philadelphia TV market. The TV station originally showed

syndicated TV shows and sold 30-60 second [commercial](#) spots. In 2001, the TV station started showing infomercials (DRTV commercials that were around 30 minutes) 24 hours a day, 7 days a week. In 2006, Lenfest got into DRTV production via [corporate](#) products and services. Nine months ago, they decided to transition to traditional DRTV products. Although they have only been in the traditional DRTV world for nine months, owning the TV station and selling their airtime for infomercials for other DRTV products has given Lenfest an ability to collect data on DRTV and a unique understanding of what's going on in the DRTV space.

Lenfest currently has licensed six products to date and they anticipate having two to three new DRTV spots a month. Since Lenfest has only recently entered into the traditional DRTV space, they don't have any current DRTV spots running for their licensed traditional DRTV products. Which means I don't have any info to share about their success rate.

One final thing I want to discuss is the one of the six Selected Partners listed on Lenfest's website: Invention Home. Invention Home is categorized as an [invention](#) promotion company on the [Better Business Bureau](#) website. Lenfest recommends Invention Home to inventors that do not meet the Lenfest criteria for DRTV. Andy told us that Lenfest does get financially compensated for inventors referred by Lenfest that sign up for certain services with Invention Home. People are generally skeptical about using invention promotion companies (InventorSpot.com always recommends that inventors carefully research any invention promotion company before working with one). I've taken a brief look at Invention Home and I couldn't find anything that screams out that it is company inventors should avoid doing business with. Also, Invention Home has gone through United Inventor Alliance's (UIA) screening process and is listed as an inventor friendly company by UIA. Again, since the value that invention promotion companies provide inventors can vary greatly, we urge inventors to do your research about any invention [promotion companies](#) before working with them.

So now you've gotten a look into a DRTV company and how one of them, [Lenfest Media Company](#), works. Other DRTV companies you may want to consider and do more research on include [Allstar Marketing](#), [Euro-Pro](#), [Guthy-Renker](#), [Ontel](#), and [Telebrands](#). Although a DRTV company is not an option available to all inventors, where it makes sense, it can help you successfully sell your invention. Andy was more than cooperative and answered everyone of my questions. If Andy's candor is a reflection of Lenfest's way of doing [business](#), it is a DRTV company worth looking into.

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