



DONOSTIA ZINEMALDIA
FESTIVAL DE SAN SEBASTIAN
INTERNATIONAL FILM FESTIVAL

VOD Workshop

Hotel San Sebastian

18th - 19th of September 2011





Workshop Programme

■ Under The Milky Way – Pierre-Alexandre Labelle

- Moderation,
- Introduction,
- Context,
- VoD aggregation,
- European VoD Release (Business Case),

SUNDAY:

■ Soda Pictures – Frances Harvey

- VoD market in the UK

■ Non-Stop Entertainment – Isabella Lindell

- VoD markets in Scandinavia
- Day and Date theatrical/VoD releases

■ Frenetic – Nicola Weissman

- VoD market in Switzerland

MONDAY:

■ Vertice – Ania Jones

- Legal issues in VoD,

■ Society of Audiovisual Authors – Cécile Despringes

- Authors Right in Europe with regards to online exploitation

■ Wuaki - Josep Monleon

- Presentaiton of Wuaki, a spanish VoD operator



VoD Workshop

- **The context:**

- VoD as a new distribution channel,
- Changes in international distribution,
- Market overview (United States and France),
- Global/Local players,

- **The VoD aggregator:**

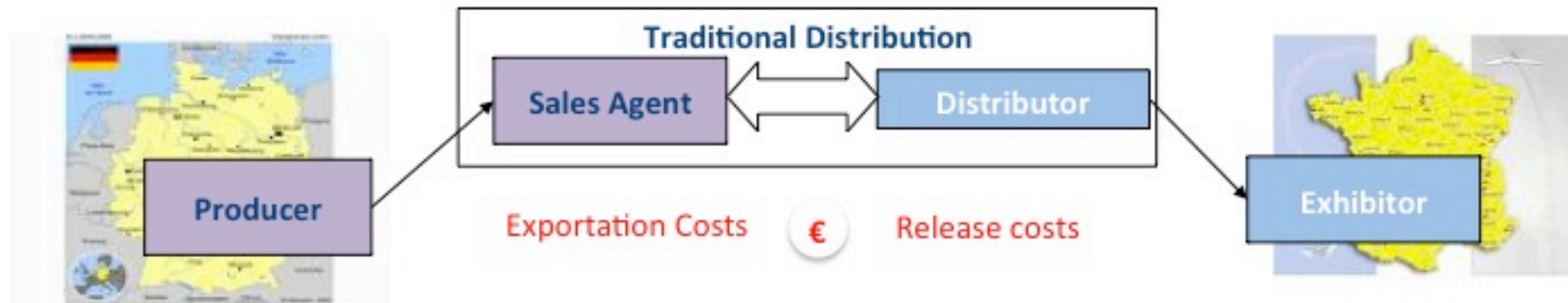
- Guiding principles,
- Price points and commercial issues,
- The importance of VoD positioning, promotion and marketing,
- Example of iTunes exploitation,

- **Business Case :**

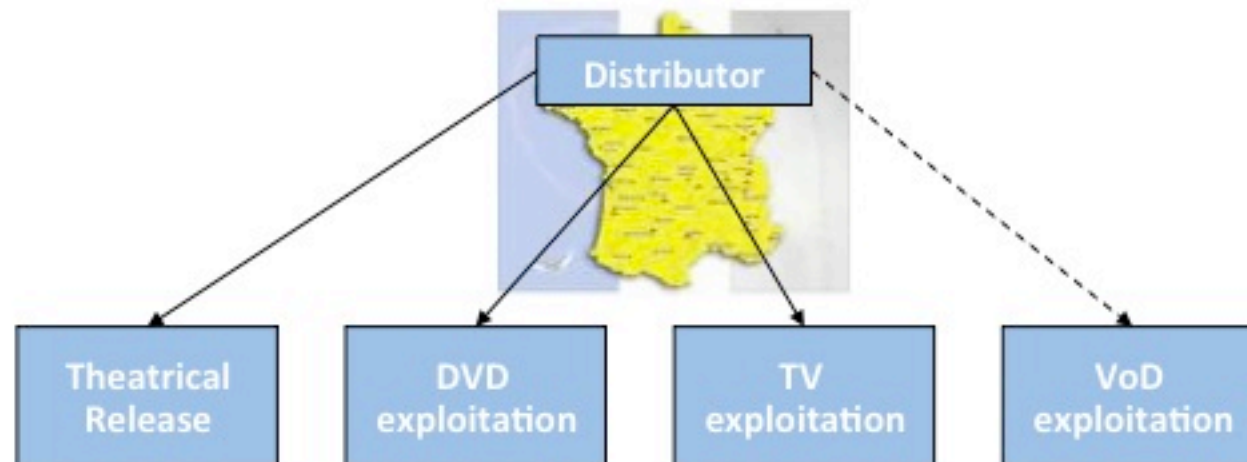
- Pianomania



« Classic » distribution



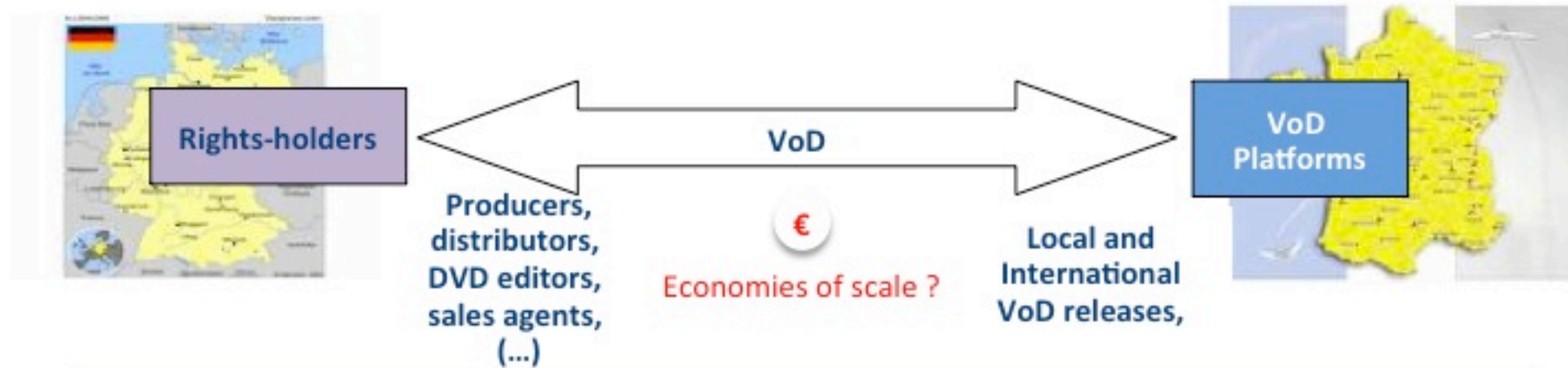
Due to high release costs and limited exhibition space, this model only works for a small fraction of available content; generally the content with the most commercial potential.



VoD distribution is now recognised as an independent and important distribution channel in larger markets; DVD editors and TV stations view it as an important threat to their current activities.



The changes initiated by the Digital Age



Thanks to lower release costs, and virtual unlimited shelf space, VoD distribution will allow for legal exploitation of all content available. However, it necessitates an adapted management of commercial and legal aspects, managed by « aggregators »; new methods are becoming increasingly relevant.



Year 2010 - Results



Consumer Spend	<u>2009(E)</u>	<u>2010(E)</u>	'10 v '09
Packaged ST	\$ 12,900	\$ 11,868	-8%
<i>BD ST</i>	<i>\$ 1,100</i>	<i>\$ 1,900</i>	73%
Packaged RN	\$ 6,578	\$ 6,223	-5%
Total Packaged	\$ 19,478	\$ 18,091	-7%
Digital ST	\$ 527	\$ 672	28%
Digital RN	\$ 92	\$ 159	73%
PPV/VOD	\$ 1,210	\$ 1,379	14%
Total On Demand	\$ 1,829	\$ 2,210	21%
Total HE	\$ 21,307	\$ 20,302	-5%

*** Total packaged spend : down by 7%**

*** Digital spend : up by 21%**



Home Video Market YTD (July 2011)



Consumer spend is down by 7% for the first half of 2011, led by an 18% decline in packaged sell-through, and a 23% growth in Digital

U.S. Consumer Spend (\$MM)	Q1			Q2			1st H		
	2010	2011	YOY	2010	2011	YOY	2010	2011	YOY
SD DVD	\$ 2,215	\$ 1,663	-25%	\$ 1,790	\$ 1,399	-22%	\$ 4,005	\$ 3,062	-24%
BD	\$ 370	\$ 405	9%	\$ 363	\$ 403	11%	\$ 733	\$ 808	10%
Total Packaged ST	\$ 2,585	\$ 2,068	-20%	\$ 2,153	\$ 1,802	-16%	\$ 4,738	\$ 3,870	-18%
B&M	\$ 663	\$ 424	-36%	\$ 526	\$ 267	-49%	\$ 1,189	\$ 691	-42%
Kiosk	\$ 281	\$ 362	29%	\$ 295	\$ 360	22%	\$ 576	\$ 722	25%
Subscription	\$ 549	\$ 730	33%	\$ 578	\$ 702	22%	\$ 1,127	\$ 1,432	27%
Total Packaged RN	\$ 1,493	\$ 1,516	2%	\$ 1,399	\$ 1,329	-5%	\$ 2,892	\$ 2,845	-2%
EST	\$ 127	\$ 141	11%	\$ 133	\$ 130	-2%	\$ 260	\$ 271	4%
VOD	\$ 435	\$ 473	9%	\$ 455	\$ 456	0%	\$ 890	\$ 929	4%
SVOD	\$ -	\$ 62	n/a	\$ -	\$ 158	n/a	\$ -	\$ 220	n/a
Total Digital	\$ 562	\$ 676	20%	\$ 588	\$ 744	27%	\$ 1,150	\$ 1,420	23%
Total Home Entertainment	\$ 4,640	\$ 4,260	-8%	\$ 4,140	\$ 3,875	-6%	\$ 8,780	\$ 8,135	-7%

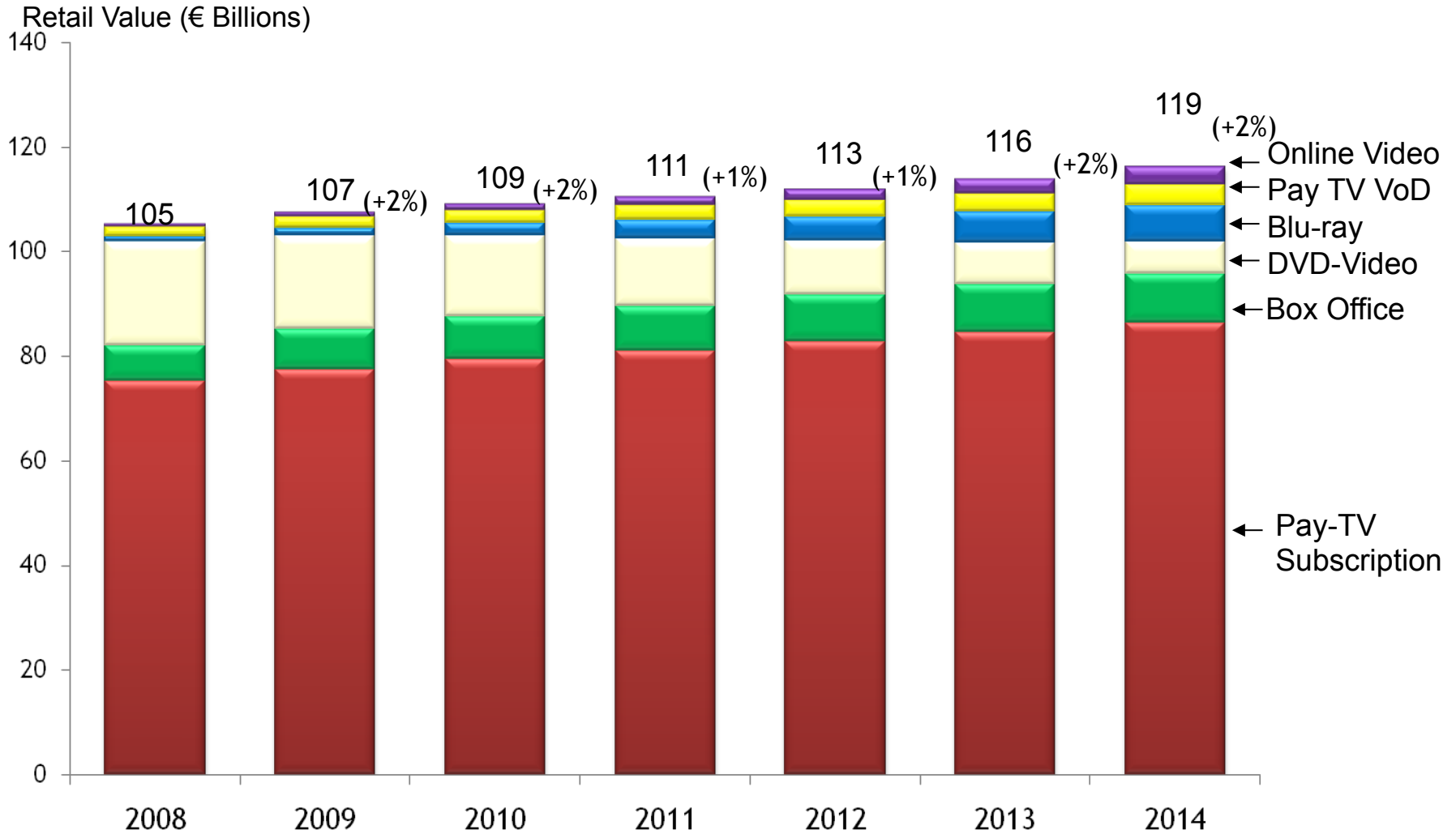


SVOD is quickly becoming the most popular platform to watch movies

	Turns (MM)		chnq
	1H10	1H11	
<i>SD DVD</i>	312	270	-13%
<i>BD</i>	31	34	10%
Packaged ST	343	304	-11%
<i>B&M</i>	324	27	-92%
<i>Subscription</i>	482	686	42%
<i>Kiosk</i>	293	376	28%
Packaged RN	1,099	1,089	-1%
Total Packaged	1,442	1,393	-3%
<i>Digital ST</i>	25	32	25%
<i>Digital RN</i>	19	20	9%
<i>Cable/Dish PPV/VOD</i>	131	120	-8%
SVOD	359	680	89%
Total On Demand	534	852	60%
Total Home Entertainment	1,976	2,245	14%



The Visual Entertainment Trends

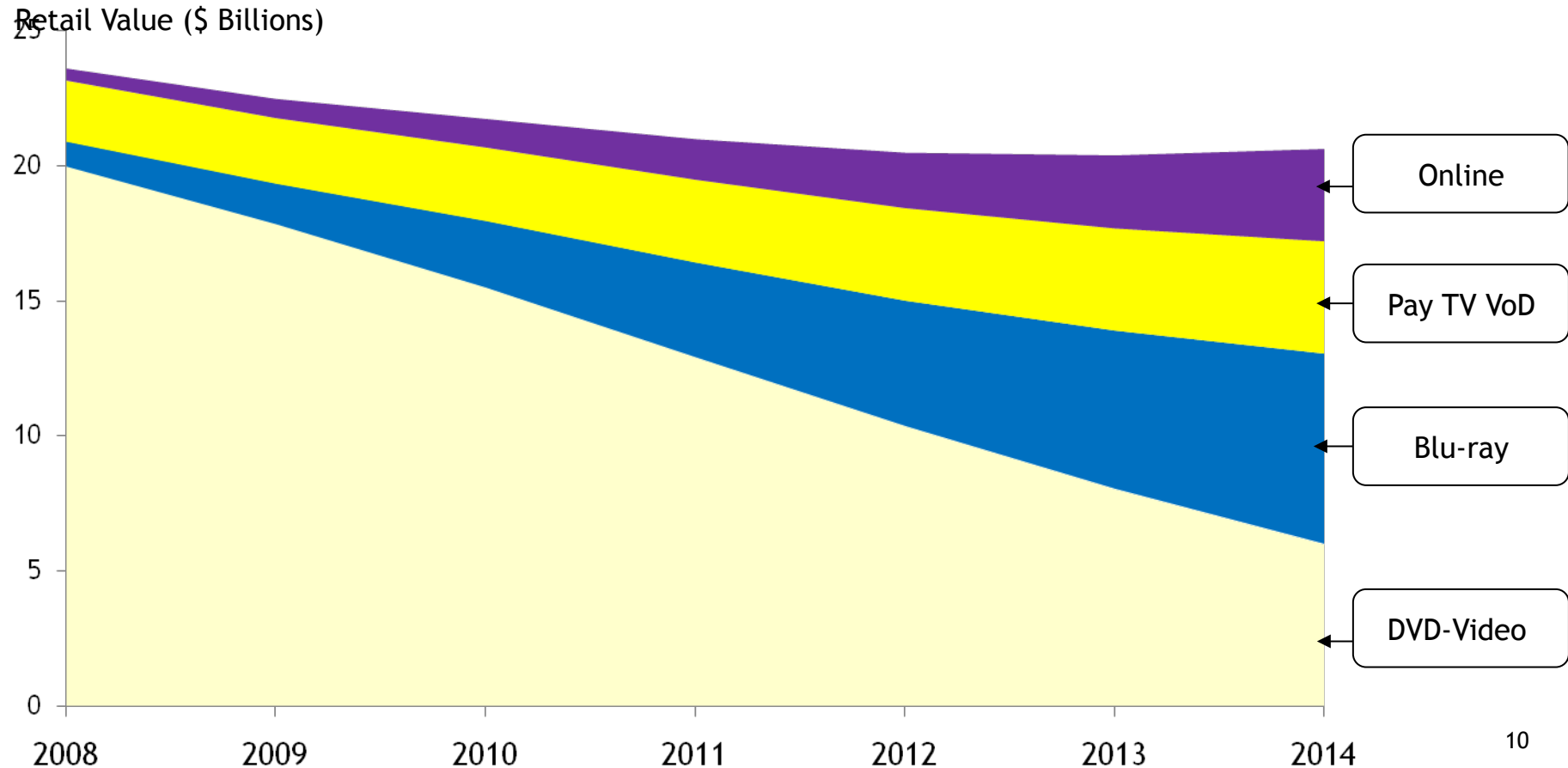




Home Video Market Trends

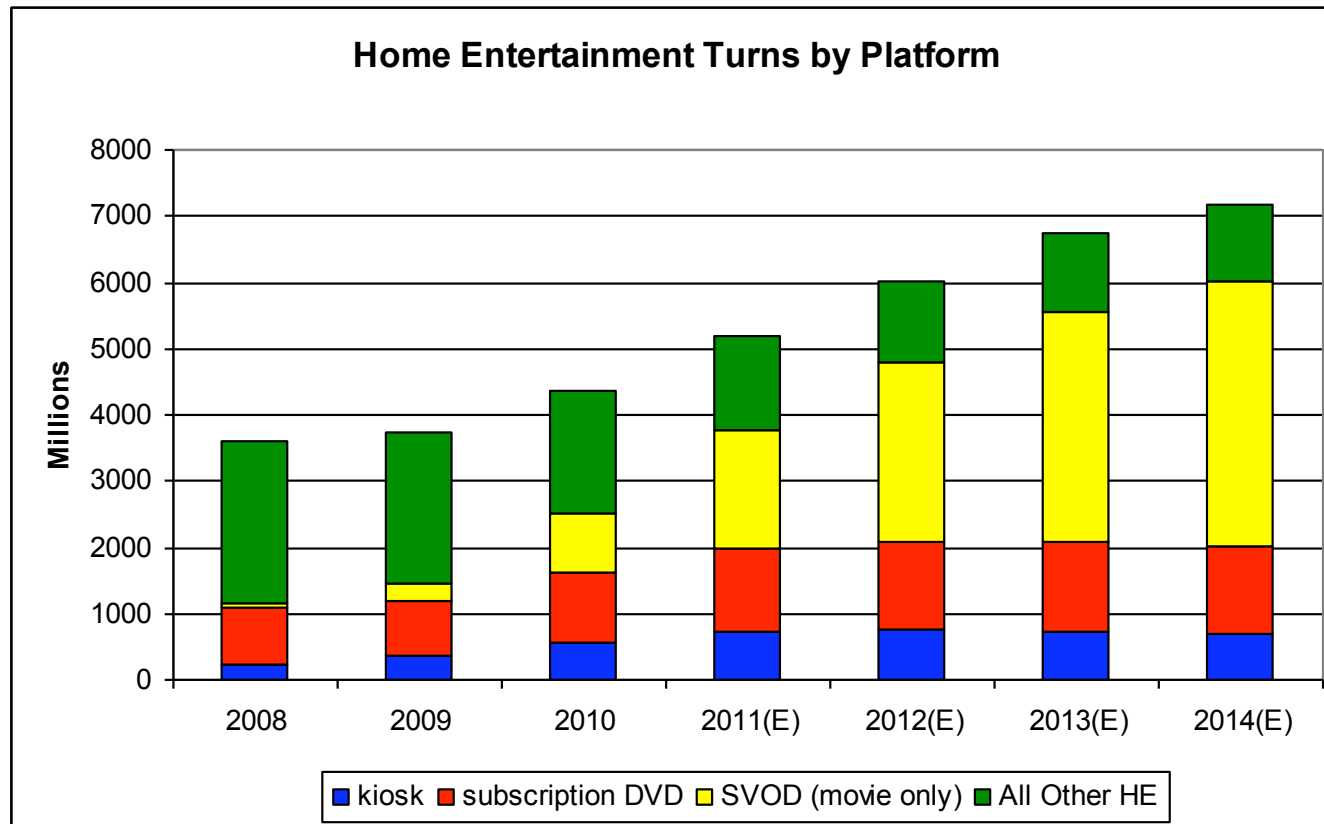


Digital will represent 38% of total Home Ent revenue in 2014 (vs 10% in 2010)



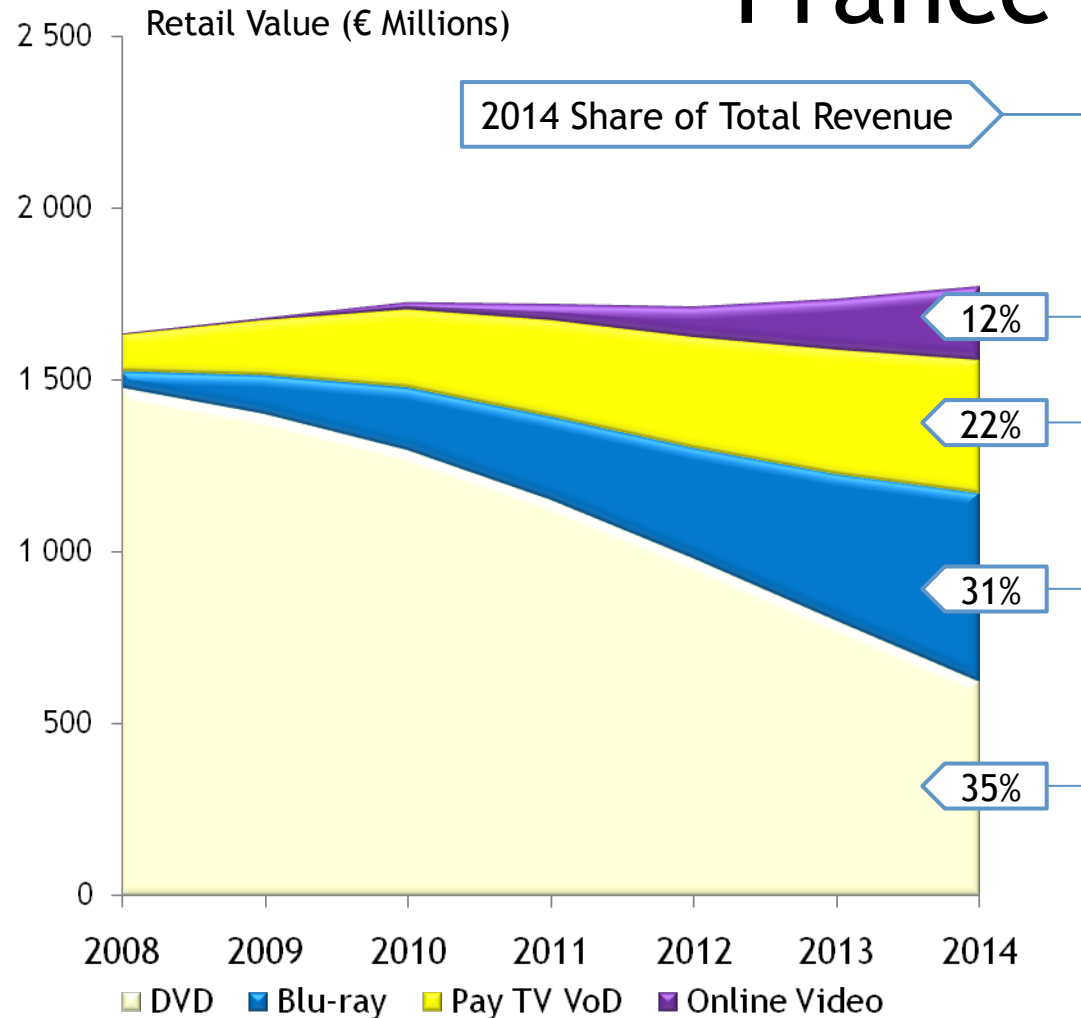
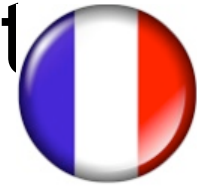


SVOD platforms accounted for 16% of all HE turns in 2010; they will account for 56% of all turns in 2014



Netflix isn't the only significant SVOD player anymore – Hulu+ is closing in on 1MM subscribers

Home Video Market Development France



- 40% growth in pay TV VoD market in France in 2010, spurred by strong competitive environment particularly in IPTV.
- In the past packaged video market heavily impacted by piracy and release window legislation.
- However, shortening of theatrical/home video window, along with multi-buy promo's has helped to stem decline
- Specialist retailer FNAC remains key, has excelled at educating consumers on Blu-ray and is one of few retailers selling BD hardware & software together



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- **Business Case :**

- Pianomania



An interface between rights-holders and Platforms

The VoD aggregator provides an interface at different levels:

- Legal interface,
- Technical interface (in partnership with encoding houses),
- Editorial/Marketing/Commercial interface,
- Financial interface,



Creation of **value** for both rights-holders and VoD platforms



Aggregation Guiding Principles

- UMW provides detailed information on the process to make films available on iTunes; including information on **the publication process; required material and the digital supply chain**; commercial and marketing information, and financial conditions.
- UMW ensures the operational, editorial, marketing and financial interfaces directly with iTunes in all territories.
- UMW systematically submits all films to iTunes for approval. This is done on a per territory basis. Receiving a positive reply in one territory does not automatically mean that your film will be given access in another territory.
- For films approved by iTunes, the rights-holder gives a VoD mandate to UMW for the exploitation of the films in VoD/EST on the iTunes store for designated territories. Please note that this mandate is exclusive towards iTunes, meaning that once the rights have been given to UMW, it cannot be given to another aggregator for the purpose of iTunes exploitation. The mandate is signed for **a minimum of 2-3 years**.
- Films are digitised in **the Apple specific format ProRes HQ** that only **iTunes-approved encoding houses** can manage. UMW will communicate the list of preferred encoding houses labelled by iTunes.
- Please note that the rights-holders are committed to provide top quality material to the encoding house in order to maximize the likelihood of meeting the very high-level Apple specifications. The encoding house has the right to refuse all material that does not meet the Apple specifications.
- Associated metadata and artwork are also sent to the encoding house by the rights-holders according to specifications defined by iTunes. Rights-holders are the sole responsible for the information included in the metadata.
- Encoding and subtitling fees are directly paid by the rights-holders to the selected encoding house.
- The delay between the delivery of all requested material to the encoding house and the publication of the film on iTunes **is 8 weeks**.
- **The financial conditions** of exploiting a film on iTunes **are fixed by iTunes** according to their Wholesale Price Grids. UMW receives a variable commission as **a % of net royalties paid by iTunes**.
- The UMW commission level is calculated on three levels 1/local exploitation 2/European exploitation (excluding local sales), and 3/International exploitation (excluding local sales).
- Royalties are paid every 6 months.



iTunes Store public Price Points

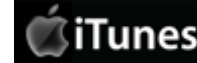
(Euro Zone)

(subject to change on the iTunes grides of price)

	SD Public Price TTC	HD Public Price TTC	
VoD Rental	New releases/nouveautés	3,99 €	4,99 €
	Catalogue /Library	2,99 €	3,99 €
EST/vente	TOP New releases/nouveautés Day & Date (DVD à 19,99€)	13,99 €	16,99 €
	Standard New releases/nouveautés (DVD à 14,99€)	9,99 €	11,99 €
	Back Catalogue /Library (DVD à < 9,99€ Op multibuy)	7,99 €	9,99 €



Personalizzazione delle pagine film su iTunes



Il Divo / Lucky Red (Giu. 2011)

Hachiko / Lucky Red (Giu. 2011)

The Millionaire / Lucky Red (Giu. 2011)

The Wrestler / Lucky Red (Giu. 2011)

Visibilità su Home Page Store

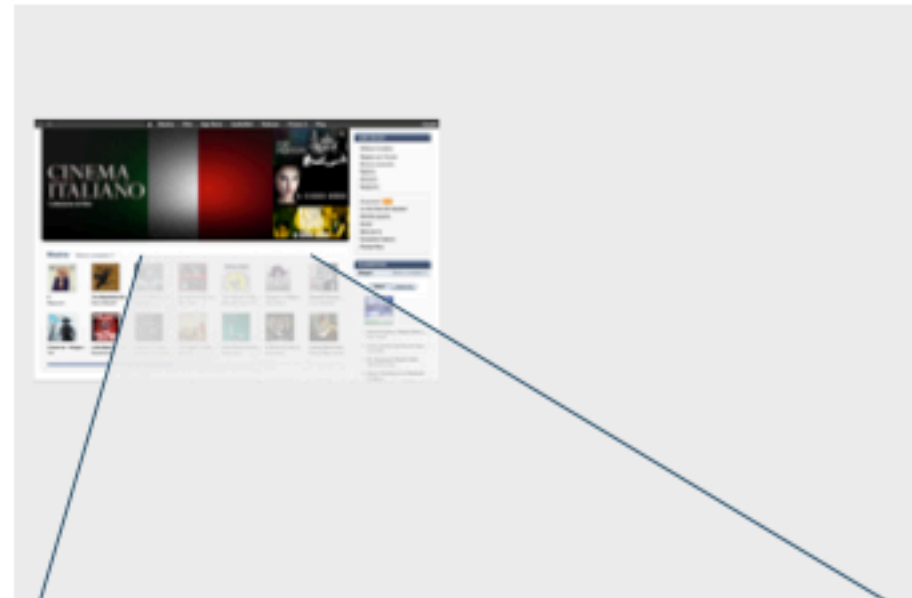
at the mill



Home page iTunes Store - Gli Uomini di Dio (Giu 11)



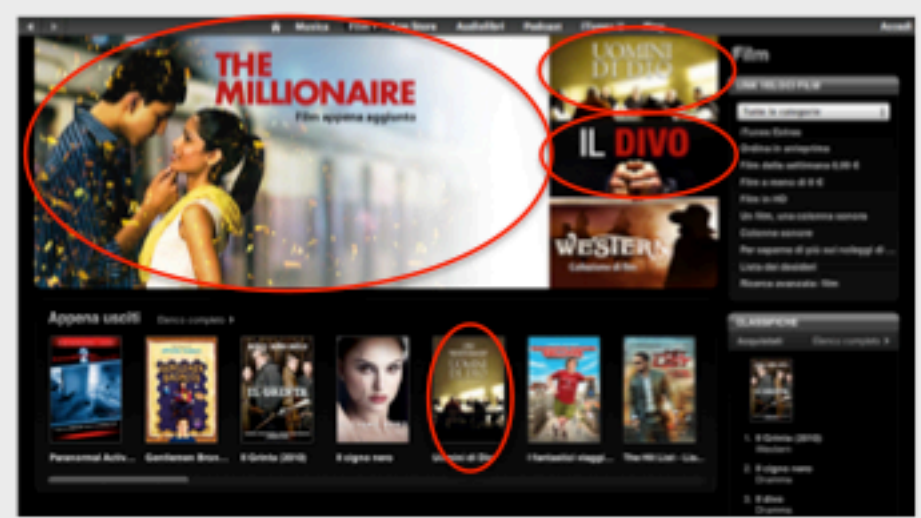
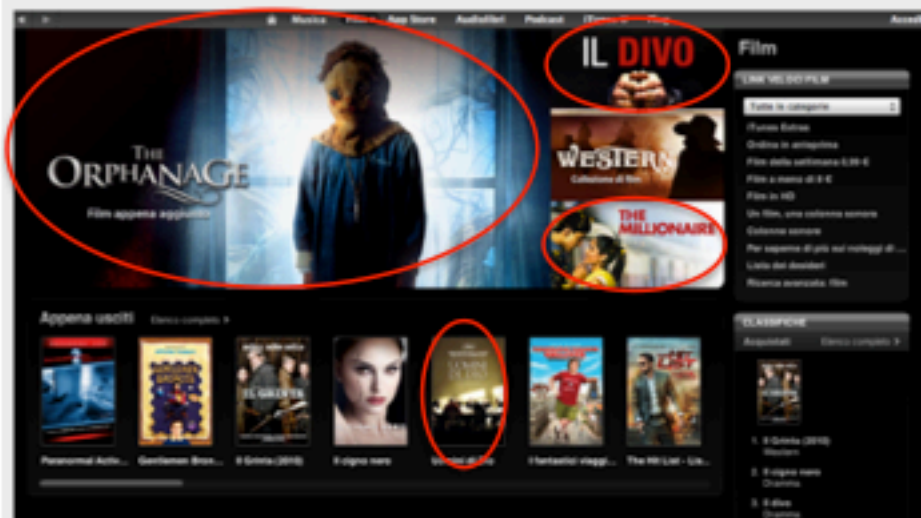
Home page iTunes Store - Gli Uomini di Dio (Giu 11)



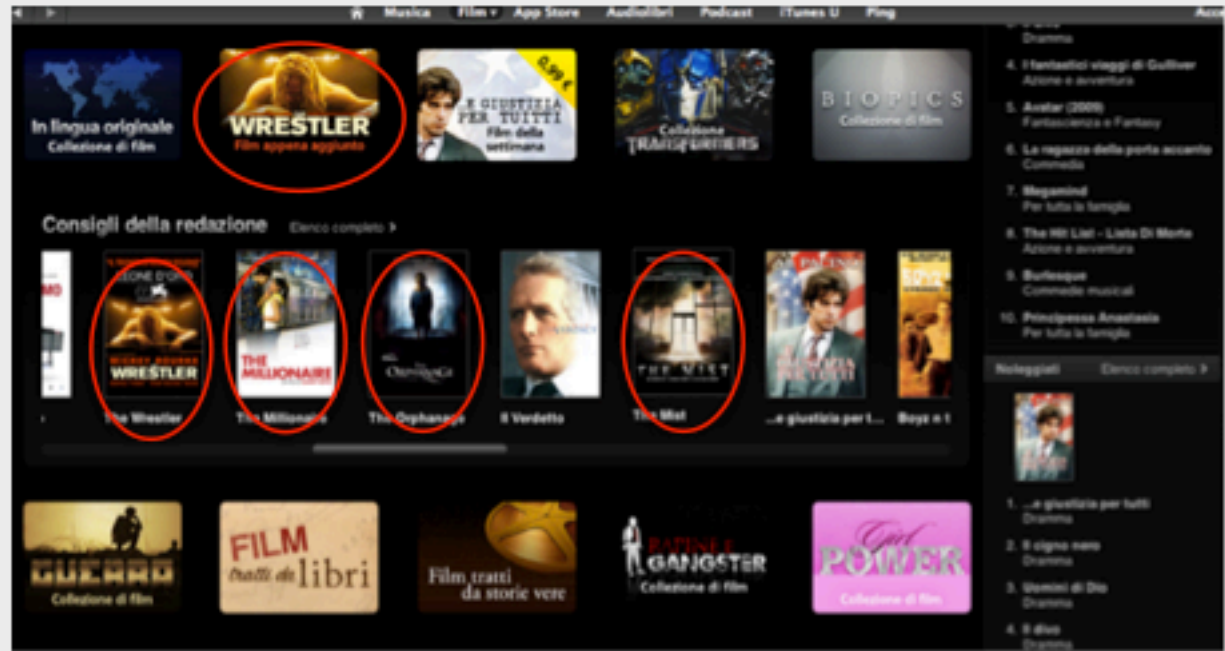
Window Cinema Italiano iTunes Store - Il Divo (Giu 11)

of the mill

Visibilità su Home Page Films iTunes



Home Page iTunes Store - The Orphanage / Il Divo / The Millionaire / Gli Uomini di Dio (Giu 11)



Home Page iTunes Store - Rubrica: Consigli della Redazione - The Orphanage / Il Divo / The Millionaire / The Mist (Giu 11)



Visibilità su Home Page Facebook - iTunes Italia

The screenshot shows the Facebook profile of iTunes (IT). The page header includes the Facebook logo, a search bar, and the profile name 'iTunes (IT)' with the category 'Product/Service'. Below the header is a banner with five album covers: 'I GRIPO', 'Jo', 'Jovanotti OSA', 'Subsonica', and 'VASCO'. The main content area shows a 'Wall' section with a 'Write something...' input field and a 'Share' button. Two posts are visible, both circled in red. The first post is from iTunes (IT) and says 'Hai visto Il Divo?' with a link to 'Ora disponibile.' and a source of 'facebook.itunes.eu'. The second post is also from iTunes (IT) and says 'Uomini di Dio - Gran Premio della Giuria al Festival di Cannes 2010.' with a link to 'Ora disponibile.' and a source of 'facebook.itunes.eu'. The left sidebar shows the iTunes logo, navigation links for Wall, Info, and Notes, and a list of likes including iTunes (UK) and iTunes (CA).

facebook

Search

iTunes (IT)
Product/Service

Wall iTunes (IT) · Most Recent

Share: [Post](#) [Link](#)

Write something...

iTunes (IT)
Hai visto Il Divo?
 **Ora disponibile.**
Source: facebook.itunes.eu
Il Divo è la storia di Giulio Andreotti, dal 1946 sette volte Presidente del Consiglio italiano nominato dal Presidente della Repubblica. Ha vinto il Gran Premio della Giuria al Festival di Cannes 2008.

Wednesday at 5:03pm via iTunes IT Publisher · [Unlike](#) · [Comment](#) · [Share](#)

[You and 15 others like this.](#)

[View all 6 comments](#)

Write a comment...

iTunes (IT)
Uomini di Dio - Gran Premio della Giuria al Festival di Cannes 2010.
 **Ora disponibile.**
Source: facebook.itunes.eu
Nel 1996, sotto la minaccia dei terroristi, un gruppo di monaci trappisti che si prende cura dei poveri di una comunità algerina deve decidere se restare o fuggire.

Tuesday at 9:00am via iTunes IT Publisher · [Unlike](#) · [Comment](#) · [Share](#)

Wall

Info

Notes

About

Benvenuti nella pagina ufficiale di iTunes su Facebook. Diventa fan per es...

More

105,656
people like this

Likes See All

iTunes (UK)

iTunes (CA)

À la une sur iTunes



Raphael dévoile *Pacific 231*, un cinquième album brillant, électrique et engagé qui le consacre comme l'un des auteurs-compositeurs français les plus doués de sa génération.

Plus d'info

iTunes Store

- Musique >
- Films >
- Séries TV >
- App Store >
- Podcasts >
- Livres audio >
- iTunes U >

Musique



Philippe Katerine, Katerine



Hands All Over (Deluxe Version), Maroon 5



Happy BusDay, Superbus

Film



Le plan B



Lebanon (2010)



Lebanon

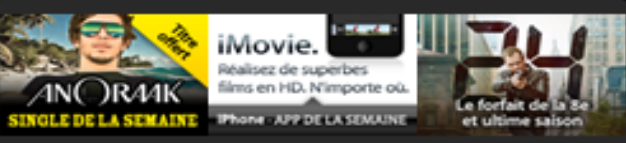
TV



Sur le podium

Paris, Milan ou Londres, ne manquez rien de la Fashion Week et suivez les conseils d'experts de la mode grâce à cette sélection d'app.

Plus d'info



Album n° 1



Pacific 231 (Édition deluxe), Raphael
16 morceaux

Classement albums

- 1 Pacific 231 (Édition deluxe), Raphael
- 2 Philippe Katerine, Katerine
- 3 Za'ie, Zazie
- 4 African Revolution, Tiken Jah Fakoly
- 5 A Thousand Suns (Deluxe Version), Linkin Park
- 6 Za'ie, Zazie
- 7 Hands All Over (Deluxe Version), Maroon 5
- 8 Going Back (Deluxe Version), Phil Collins

À la une sur iTunes



Pour son 7^e album, Zazie a décidé d'enregistrer chez elle, 7 jours sur 7, en composant sur 7 thématiques du quotidien. La version deluxe inclut un magnifique iTunes LP. Retrouvez également toute sa discographie à petits prix.

Plus d'info

iTunes Store

- Musique >
- Films >
- Séries TV >
- App Store >
- Podcasts >
- Livres audio >
- iTunes U >

Musique



Going Back (Deluxe Version), Phil Collins



One, Patrice



Hurley Weezer

Film



Fleur du désert



Remember Me (2010)



Linkin Park

Linkin Park livre un superbe quatrième album studio co-produit par Rick Rubin et Mike Shinoda. La version deluxe inclut un iTunes LP contenant de nombreux bonus. Retrouvez également toute la discographie du groupe à petits prix.

Plus d'info





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Directed by Lilian Franck And Robert Cibis

PIANOMANIA

A film about love, perfection and a little bit of madness.

Produced by

WILDart FILM & OVAL Filmemacher

www.pianomania.co.uk

www.pianomania.at

www.facebook.com/pianomania

LOVE, PERFECTION AND A TOUCH OF MADNESS

pianomania

SWISSFILM ORF EUROPEAN FILM ACADEMY MEDIA kultur stiermark FILM FIMADEN



PIANOMANIA is a film about love, perfectionism and a little drop of madness. "This note isn't breathing." – despairs pianist Pierre-Laurent Aimard. Just a typical comment to be heard in the working day of Head Technician and Master Piano Tuner at Steinway & Sons, Stefan Knüpfer. Each piano has its own personality, each piece of music demands its own individual tone colour and each interpretation has its own particular temperament.

PIANOMANIA takes the audience on an entertaining journey into the secret world of sound and accompanies Stefan Knüpfer in his unusual work with world-famous pianists such as Lang Lang, Alfred Brendel, Rudolf Buchbinder and Pierre-Laurent Aimard. The challenge of finding the right instrument with the desired character to match and perfect the virtuoso's vision and to finally get it on the stage, requires nerves of steel, unlimited passion for the job and the exceptional talent of translating words into sound.

Packed with warmth and humour, this extraordinary film by Lilian Franck and Robert Cibis, tells of perfectionism and an absolute love of detail. From its unique perspective, **PIANOMANIA** watches on as the search for the perfect sound begins.

An International VoD and EST release

- On the 25th of July, *Pianomania* will be released simultaneously in 7 European territories and in 4 language versions on iTunes,
- This release will coincide with the performance of Lang Lang at the iTunes Festival,
- The film is available for download in iTunes by clicking on the following links:

– http://www.bit.ly/Pianomania_UK
– http://www.bit.ly/Pianomania_IE
– http://www.bit.ly/Pianomania_FR
– http://www.bit.ly/Pianomania_DE
– http://www.bit.ly/Pianomania_IT
– http://www.bit.ly/Pianomania_AT
– http://www.bit.ly/Pianomania_CH_Fr
– http://www.bit.ly/Pianomania_CH_De
– http://www.bit.ly/Pianomania_CH_It



Available on
 iTunes

Press Releases

“ On the surface Pianomania might appear to be a film about a very specific and perhaps arcane subject: piano tuning. But because of its craft and character development it emerges as a film with a transcendent theme: the pursuit of excellence. The delightful subject of the film, Stefan Knupfer, may be a piano tuner, but he is also a portal into the knotty human desire to untangle the ineffable. ”

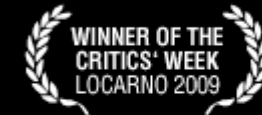
San Francisco International Film Festival (06.05.2010)

We wish to honour a film of truly musical qualities, that lets us share in a passion known to few. Through the indefatigable enthusiasm of the main character, we ourselves become part in the quest for the perfect tone. An Honourable Mention is awarded to Pianomania.

EURODOK (17.05.2010)

A joyful, often funny look at a majestic instrument, and men who have devoted their lives to it. Pianomania is full of surprises – preapare yourself to be an emotional ride. A wonderful labour of love.

Sheffield Doc/Fest (24.09.2009)



 **iTunes**

SONY



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