

WORKING GROUP ON INTELLECTUAL PROPERTY RIGHTS & COPYRIGHT REFORM



Cross-border access to audiovisual works for
consumers – presentation by EuroVoD

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A FEW TERMS...

- Cross-border access & Portability of VoD offers and services
- Geo-blocking & Geo-filtering
- Territoriality, windows, exclusivity, financing of films
- New releases and catalogue films
- Transactional VoD & Subscription VoD
- Curation of VoD offers

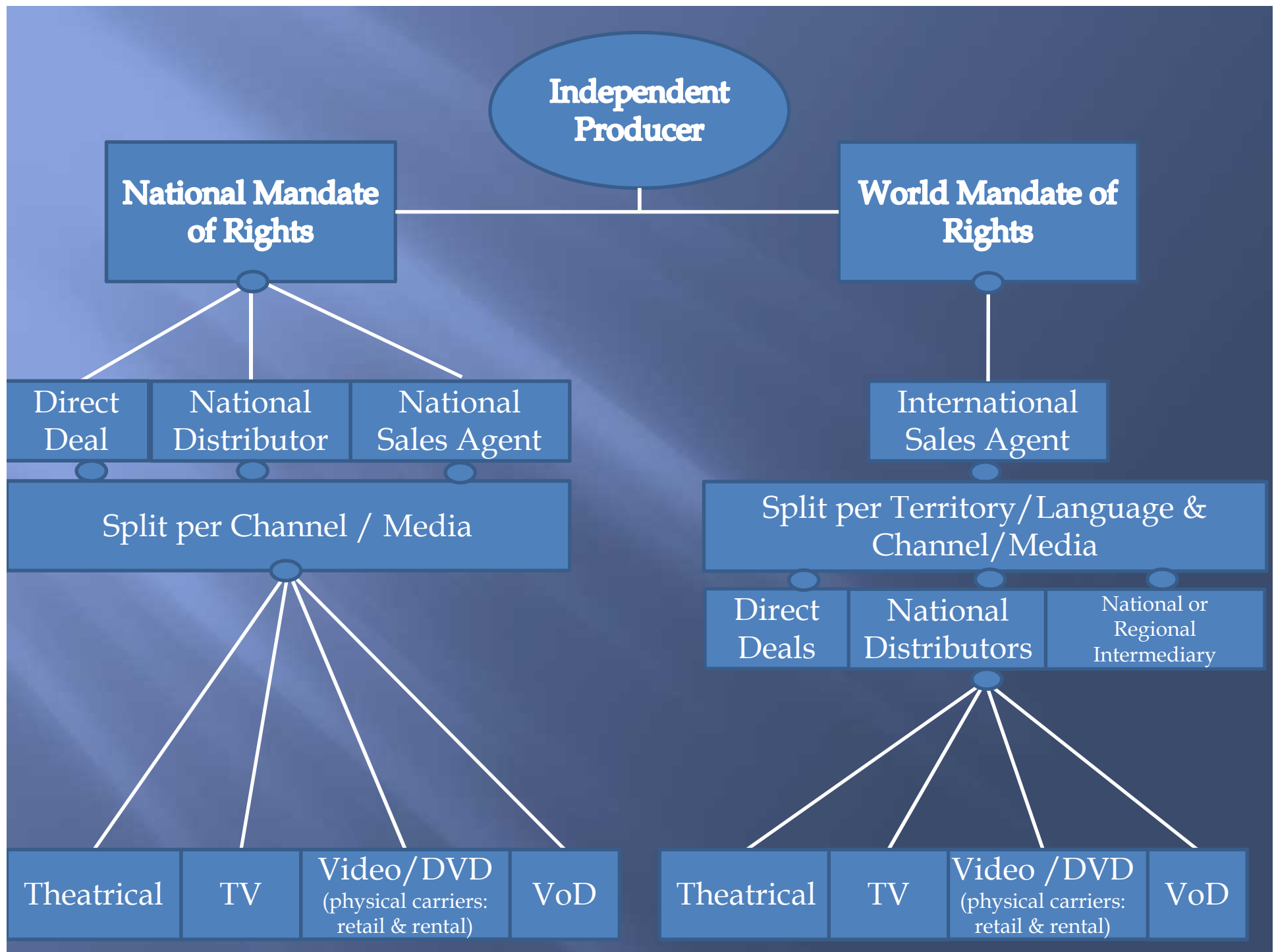
Ενωμένοι στην πολυμορφία

- Diversity, in terms of languages, cultures, economies, is the **inherent nature of our continent** – both its complexity and its richness stem from there.
- This **natural linguistic and cultural sophistication** has structured the European audiovisual industries and **reflects demand in local markets**.
- Production, distribution and exploitation of audiovisual content depend on **economic factors** – which vary from one country to another – but also on **linguistic and cultural specificities**:

→ *Europeans may share fundamental common values, but they don't speak the same language and they don't think and watch content in the same way.*

→ *Promotion of cultural products is very closely related to local cultural references and spectators/customers preferences (e.g. dubbed vs subtitled versions).*





The European Audiovisual Industry & Markets

- Audiovisual content, especially films, does not cross cultural borders just because it is available. Films need active and adequate marketing and promotional efforts in order to reach the audience.
 - European films rely on a network of national distributors and publishers with unique expertise on how to make foreign films relevant in their respective territories.
- ➡ *This is how audiences have the possibility to watch audiovisual content on a wide variety of screens and in the best possible conditions, in accordance with their socio-cultural practices and expectations;*
- ➡ *Each link in the chain (producer, sales agent, distributor, exhibitor, TV, DVD publisher, VoD operator) plays a very specific role and has an added value in the process of bringing audiovisual content to audiences.*

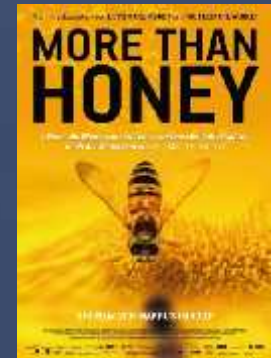


The European Audiovisual Industry & Markets

- European filmmakers rely on the pre-sale of rights to future distributors and publishers in each country in order to finance European films and to ensure their best possible promotion.
- Films are 'prototypes' – each film has its own business model in terms of financing, distribution and exploitation scheme, therefore it needs all of these channels/media in order to reach its audience.

➡ *We need to ensure that rights holders continue to have the possibility to recoup their investment and be able to finance new productions. Therefore, it is necessary to preserve contractual freedom to pursue the best possible solution for each individual film, in terms of financing, distribution, promotion and exploitation.*

➡ *The result is a win-win model for both the industry and the spectators/customers.*



Digital Environment: A New Time & Space Paradigm

The Digital (r)evolution:

- Brings a shift in the exploitation of audiovisual content by offering possibilities for delivering content to spectators/customers in new ways
- Creates new consumers' needs & practices (interest for new devices, for virtual and delinearized offers...)
- Leads to further adaptation of business models (complementary revenue streams, windows, impact on financing sources...)
- Opens new horizons (still unknown)

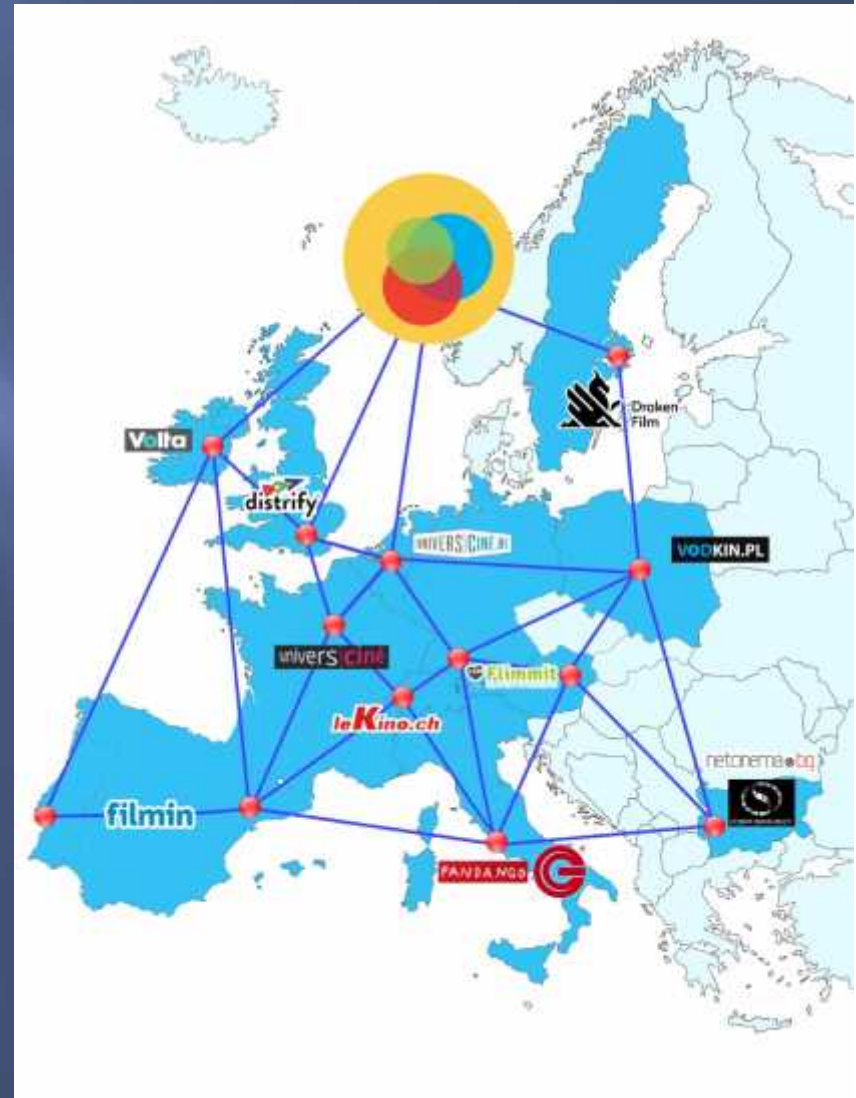
➡ *The European VoD market is highly competitive and still not consolidated.*

Nota Bene

The following solutions are proposed on behalf of the EuroVoD platforms.

They concern portability of the EuroVoD offers (primarily cinema content / feature films, secondarily documentaries, animation, short films, TV series) on their web-based platforms and their attached applications for Connected TVs, tablets & smartphones and Over-the-Top services.

These solutions do not concern other business models and types of content, for example TV broadcasters, sports, video games, etc.



Portability of VoD Offers & Cross-border Access

Possible Technical Solutions for the EuroVoD Platforms:

- Combined identification of users through IP and their user's account;
- Possibility for cross-border access when travelling abroad;
- High level security for both customers' details and content licensors' rights

Legal and business implications:

- Necessary to inform users that if they act in contradiction with the Terms & Conditions, the service will be interrupted;
- Necessary to inform rights holders and re-sign contracts with them;
- Necessary to enable rights holders to authorize or not this type of exploitation of their films.

Availability of Language Versions

Technology allows exploitation of several linguistic versions:

- Commercial platforms (iTunes) delivering content through national stores
- Institutional platforms (Institut Français / IF Cinema) exploiting non-commercial rights
- Local platforms in plurilingual countries (leKino.ch)

However, linguistic versions are closely related to the promotion and the exploitation of audiovisual content:

- A distinction to make between new films (in process of negotiations, sales, distribution and releases) and catalogue films.

➡ *Necessary to ensure flexibility for rights holders.*

➡ *Need for financing of subtitling / dubbing (MEDIA Programme incentives).*

Final Remarks

- The **exploitation of audiovisual content according to** territory, language, channel and/or media corresponds to the reality of the European audiovisual markets – Europe is a linguistic, cultural and economically diverse continent.
- The European audiovisual industry **builds and experiments new tools** for financing, distribution and broadcasting of audiovisual content, adapted to the digital age and to market demand. However, this evolution has to be managed intelligently, in order to ensure financial viability and sustainability of the new models and avoid damaging the industrial ecosystem in Europe, mainly composed by SMEs.
- Since each film has its own business model, there is no 'one size fits all solution'. It is crucial to ensure **flexibility** for rights holders when choosing the best way to exploit their content.
- Culture is one of Europe's main assets and **the best vehicle for its values**. Therefore it deserves special attention.

Благодаря!

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