



WIPO

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Global Film Industry

What is the current scenario?

Films still are a major entertainment medium

- ◆ Total number of films produced globally in a year exceeds 3000.
- ◆ The Global Film Industry turnover is over \$180 billion*, and is expected to grow at the rate of almost 20% to about \$450 billion by 2005.
- ◆ Hollywood currently accounts for about 35% by value (almost \$63 billion) , whereas India accounts for 27% by volume (800 feature films produced annually).
- ◆ Current box-office admissions globally is 21.4 billion annually, in 205,000 theatres, with seating capacity of 13.6 million#



* source: *Screen Digest*

source: *UNESCO report*

Global Film Industry

What is the current scenario?

Non-theatrical revenues looking up

- ◆ Non-theatrical releases account for nearly \$53 billion* (includes sales and rentals, of DVDs, VCDs, and video cassettes), with an annual growth rate of 7% to about \$70 billion by 2005.
- ◆ Digital downloads and Video on Demand/Pay Per View on the rise.



* source: *Screen Digest*

Global Film Industry

What are the emerging trends?

Theatre screenings will continue to be popular

- ◆ Global box office admissions is predicted to rise at 4.5% to 27 billion in 2005.
- ◆ Worldwide spending on cinema tickets will reach \$24 billion* by 2005, and India, China and USA will account for 75% of the Global Film Admissions.
- ◆ Box office admissions in the Asia-Pacific region was 4 billion in 2000, predicted to rise to 5.6 billion in 2005, with India accounting for 89 per cent of that increase.+
- ◆ Number of multiplexes and digital cinemas will increase.



* source: *Screen Digest*

+ source: *PriceWaterhouse Coopers*

Global Film Industry

What are the emerging trends?

Broadband connectivity increasing rapidly, leading to

- ♦ Digital Storage, Retrieval & Delivery of Films
- ♦ Video on Demand
- ♦ Movies on the Net



Global Film Industry

What are the emerging trends?

Digital storage, retrieval & delivery of films to become common

- ◆ For digital distribution, broadcast and archival purposes, films are being stored in digital formats.
- ◆ Improved compression technologies with MPEG 7 and above, as well as digital cinema technologies developed by Qualcomm, Technicolor, BARCO, etc will lead to DVD quality screenings in theatres.
- ◆ Digital Delivery to Multiplexes and theatres worldwide (currently about 100 in the US) to screen feature films without print. Jurassic Park 3 is the recent example of direct server to screen experience.



* *source: Screen Digest*

+ *source: PriceWaterhouse Coopers*

Global Film Industry

What are the emerging trends?

Digital storage, retrieval & delivery of films to become common (contd.)

- ♦ 2/3rd of the theatres in the US, 60% in Europe, and at least 50% in the rest of the world expected to be digitally served by 2010⁺.
- ♦ In India, about 1000 multiplexes will be set up in the next 2 years. By 2005, over 100 theatres will be digitally served.



* source: *Screen Digest*

+ source: *PriceWaterhouse Coopers*

Global Film Industry

What are the emerging trends?

Video On Demand - The next home entertainment driver

- ♦ On-demand TV services, video gaming and multimedia services revenues will exceed \$60 billion by 2005, according to Ovum Research.
- ♦ Ovum expects that television commerce (t-commerce) revenues will reach \$45 billion by 2005.
- ♦ Video on Demand, currently a \$100⁺ million industry, is expected to be 7.3% of total movie revenues by 2004 (\$25 billion) and 10.2% of the worldwide pie by 2008 (\$80 billion)[#].



+ source: *PriceWaterhouse Coopers*

source : *Morgan Stanley Dean Witter*

Global Film Industry

What are the emerging trends?

Movies on the Net - The fruits of convergence

- ♦ Wireless technology to connect homes with high speed connections of above 4Mbps will be available by 2005.
- ♦ The Moviefly venture has been formed by MGM, Sony, Paramount, Universal and Warner Brothers to distribute movies on demand over the Web. The service to be launched by end 2001.
- ♦ Walt Disney Co. and News Corp. are creating a new broadband entertainment service called Movies.com, that will deliver video-on-demand movies via cable and the Internet by beginning of 2002.



Global Film Industry

What are the emerging trends?

Movies on the Net : The Moviefly example

- ◆ Moviefly allows viewers to download complete movies before watching rather than streaming video.
- ◆ Compression technology used allows a film to be compressed to 500 Mb. This, in addition with high speed broadband connections will enable fast, and high quality downloads.
- ◆ A full length feature film can be downloaded in less than 10 minutes.
- ◆ Microsoft and RealNetworks have added support for third-party Digital Rights Management packages.
- ◆ Launching with 100 titles, films will be available for playback for 30 days, but once the film is watched it can be viewed only for 24 more hours.
- ◆ Secure delivery and payment ensured through unique subscriber identity.



Electronic Commerce

What is the present scenario?

Inspite of a slowdown, E-commerce has a bright future

- ◆ E-commerce generated US\$132 Billion in revenues worldwide in 2000 - double the \$58 billion reported in 1999*.
- ◆ B2B revenues are predicted to top US\$1 Trillion by 2003. Global business e-commerce revenues are set to grow from \$185 billion this year to \$336.2 billion next year, \$684.3 billion in 2002 and \$1.26 trillion in 2003*.
- ◆ Common purchases online are computers, electronics, toys, flowers, clothing, music & books.
- ◆ Movies will eventually form a large component of online transactions



source: Forrester Research

IPR : Infringement & Protection

What are the IPR issues facing us today?

Copyright theft is a major problem worldwide

- ♦ Piracy of film through illegal DVDs, VCDs, video cassettes, and film prints.
- ♦ Illegal digital downloads from Internet sites.
- ♦ Local anti-piracy laws in several countries are lax.
- ♦ Poor enforcement of copyright regime in many countries.
- ♦ Digital storage & retrieval making copying easier.
- ♦ Geo-location drawbacks: If someone from country A hosts a website from a server in country B, which is against the law in country C, it becomes difficult to determine which country's copyright laws apply.



IPR : Infringement & Protection

What are the IPR needs?

Need for a global copyright regime

- ◆ Improve copyright protection and enforcement measures for copyright owners in the digital environment.
- ◆ Promote legal certainty in the usage of the Internet by clarifying the rights and obligations of copyright owners, intermediaries such as network service providers and consumers.
- ◆ Need for Internet Content Regulation: Singapore has a 3-prong approach.
 - A license regime which provides minimum standards to safeguard values and promote healthy growth
 - Encourage industry self-regulation
 - Active public education programme to promote parental supervision.



Solution to IPR Infringements

What should be done to address infringements in the digital world?

Universal standards and practices be implemented

- ◆ International Copyright Regime should be strictly implemented.
- ◆ Unified regulatory approach like The Indian Convergence Bill for transmission and content
- ◆ WTO - Rules to be framed for Audiovisual products
- ◆ Geo-Location specificity for Internet websites
- ◆ Geographic boundaries for Online Transactions & identification of material traded
- ◆ Privacy issues as regards immersive nature of content as well as addressibility through networks.
- ◆ Secure payment gateways, delivery systems, and digital rights management systems need to be in place.



Framework for the Convergence Era

What are the key elements and roles?

Audio-visual framework needs to be formulated

- ◆ Define Transmission to encompass “carriage and content of communication in the scenario of convergence of telecommunications, broadcasting, data-communication, multimedia and other related technologies and services” (Indian Convergence Bill definition)
- ◆ Set up a Commission with universal jurisdiction across countries for addressing copyright infringement complaints.
- ◆ Global Network across Countries for Electronic Copyright Management
- ◆ Nodal agencies at global & national levels for IPR protection to be identified.



Framework for Convergence Era

What are the key elements and roles? (contd...)

Audio-visual framework (contd.)

- ♦ ICON - A unique digital identity for all audio-visual products to be made mandatory.
- ♦ WIPO copyright register for IPR Information to be made available online.
- ♦ Setup uniform standards for
 - Technical Infrastructure & delivery systems
 - Digital watermarks and Key numbers for identification
 - Privacy Issues
 - Walled Gardens & Electronic Fences



WIPO

An International body that performs the role of

- a watchdog
- a complaint redressal system
- a standards body for technical, legal and information issues



There's a lot happening in Digital Cinema .
p.s. Will someone invent digital popcorn please???

Thank You

