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# Boeing digi-cinema has landed

By David E. Williams

Slyly alluding to their company's experiences with super-secret government "black projects," Boeing Digital Cinema co-directors Fred Medina and David Baker said at Cannes that the challenge of creating a secure, satellite-based digital delivery system for theater owners and movie distributors has been no less-daunting a task.

"We certainly have experience in this area," Baker said. "And we've found that data encryption is only one part of security. You have to have interlocking security, which is what will ensure that copyright owners retain control over their properties — in this case motion pictures — and not let a Napster-like situation happen to the studios."

Boeing, which can be found in this year's International Market of Technologies and Innovation in Cinema (MITIC) exhibition in the Palais des Festivals, has been eyeing the digital delivery market for some five years and is poised to complete this arena's toughest tech circuit.

"We've formed alliances with



"Spy Kids"

some of the best-known people in the digital cinema field, such as Texas Instruments, whose DLP chip is such a key part of the digital projection portion of the process," Medina said.

He explained that Boeing would not be building every component of this network but coordinating the technology.

"This is the same process by which we build aircraft," he added. "We rely on specialists to supply key components while we build the overall structure. We may design a 747 and construct the airframe, but someone else supplies the seats and avionics. We then put it all together."

"This is a very complex sys-

tem," Baker admitted, "but the space shuttle and the many other aerospace and military contracts we've delivered have put us in a unique position to make it happen."

Aside from tech conundrums, the most pressing question about digital cinema is about who will pay for the system, the studios or theater owners? But Medina and Baker insisted that the flexibility and economy offered by digital delivery will be irresistible to both parties.

They project that digital delivery will save 75% of the \$2,000 cost of the creation and shipping of a standard film print. At that rate, the distributor of a feature opening wide on 2,500 screens could save roughly \$3.75 million if employing digital delivery over real-world shipping.

How that windfall will be split between the parties involved is still up for grabs.

Medina and Baker refuted recent reports that Boeing is interested in taking a percentage of ticket receipts in exchange for installing and maintaining a delivery system.

"That's not a good business model for anyone," Medina insisted, adding that Boeing can make their technology affordable to theater owners, possibly to the tune of about \$2,000 per month, which they feel theater owners can easily defray by programming other forms of content, such as sporting and cultural events.

Asked who they saw as early adopters of the Boeing system, Medina and Baker pointed to Miramax, noting the digital delivery demo of the Dimension Films hit "Spy Kids" at the recent ShoWest confab in Las Vegas. Boeing transmitted a binary copy for a digital-projection premiere of the film.

"Miramax, as well as Disney, have been the most active," Medina said. But he noted that the tech-diversified AOL Time Warner is another company that will presumably be on point.

"But this is a global business," Baker said, "and that's why we've come to Cannes. This is the center of the global film business, so making international film distributors aware of what we can offer is our mission here." ☉