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Q&A DAVID BAKER

The co-director of Boeing Digital Cinema explains why the company's international content model is like a vast plumbing system. **Leon Forde** reports

What is Boeing Digital Cinema's international strategy?

What we are doing right now, aside from producing our architecture [putting the distribution infrastructure in place], is to educate the exhibition community about what a digital content distribution platform is all about. It is like swallowing a chicken whole. You are guaranteed to choke on the bones, but if you make it through the bones you are going to have a great meal. You have got to get to one little stage first — get out of physical [distribution], understand the economics, understand the ease, the quality, the security. This market is going to mature both with us pushing at it and us running trying to keep up.

What about the US?

In the US, you are seeing the consolidation of theatre chains. However that works out, you are seeing these [chains] come together as they go through bankruptcy. So you are going to have big amalgams that have economic power which will have to adapt to something new, because it does not work the old way. They know that; it is why they went bankrupt. Our message is that there will be a decrease in costs, which is good for their business.

How might digital distribution affect content?

If we talk about Europe, the best applicable model is the network affiliate model. Hollywood sends content to an affiliate which then plays it on their screens. But let's talk about European content being provided back. That is the way an affiliate works — it has its own content. Maybe it is a new show, maybe it is locally generated programming. Whatever it is, that content can be provided back. So we have this distribution and contribution effect. Long term, you will have networks in every country that will gather up that country's content, send it out to the theatres there and send it out to the world. That is the global network we are building. In Boeing's model, we see this as something of a franchise where our security, transmission and transactional capabilities are at locations worldwide, and which allow for the aggregation and distribution of content.



How will a growth in alternative content affect theatre owners?

They become programmers. If [an exhibitor] wants to distinguish himself from the other guy across the street, he should do so on his ability to exhibit — to programme, to show.

Will that localise distribution?

You can localise, nationalise or internationalise distribution. Think of it in terms of rain. I basically gather rain from the ground — absorbing content — and that water may be lifted up and moved around the world. You can think of it as a vast plumbing system. If Spanish content, Italian content, English content or Indian content is available to audiences in the US, Canada, Russia, Japan or China, there is reason to have that content there. Whether subtitled or not, there are people that live globally that speak many languages. It is ubiquitous access to creative content.

Would this mean the end of standard day-and-date release patterns?

If I said to someone "I've got a marginal movie here, and I have to get it out as fast as possible before the critics eat me alive," I have the potential to make a few hundred million dollars before anybody says anything. And my cost can be metered based on attendance, so I've got nothing to lose. I can let 5,000 copies go out because first of all it's 75% cheaper than it is today to do that. And if it does not work I will shut it down and change my costs. In a few hours you are going to see all those statistics, see what your numbers are, you are going to see whether or not you have an audience and you are going to shut it down or you are going to turn in on very big.

Wouldn't that kind of control have more benefits for independent rather than studio films?

It is relevant to all. Because when [studios] do their marketing, it is a lot of hit and miss. They are trying to determine and forecast what is relevant and what is not. Is that really something you can do? Not at all. They are very good guessers with a lot of experience. To really know is to take a sample. Otherwise what you are doing is extrapolating market information.