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**JOURNAL**

Today's localization challenges are enormous. The opportunities are unprecedented. Is the industry ready for the mayhem?

# GIVING VOICE TO CHAOS

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The threats to our most valuable assets are many. M+E vendors are on top of it.

## **WORKFLOWS AND THE CLOUD**

Much has changed in the way we track, access, move and store everything we deal with.

## **SMART CONTENT**

The many ways the industry adopts new technologies to make content smarter.

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# TRACKING MOVING TARGETS: RIGHTS MANAGEMENT IN AN EVOLVING LANDSCAPE

**ABSTRACT:** It's hard to track a moving target. With today's entertainment industry and the distribution models that support it moving and changing at an unprecedented pace, how have the mechanisms we use to track rights and financials been impacted, and how will that shape the future of entertainment?

**Building tools to  
enhance creativity**



**By Jason Kassin, CEO, FilmTrack**

As humans, our ability to string together stories that captivate each other makes us unique among Earth's creatures. From the beginning of time to the present, people have needed to pass on events, imagined or real, and the medium, from petroglyphs to Netflix, has shaped how we tell those stories.

In a year or less, the pandemic has ushered in changes that otherwise may have taken years or decades to happen, specifically with the collapse of the theatrical window and how content moves to video on demand (VOD). Syndication is also no longer the holy grail in television as you can now conceivably make an eight-hour film by slicing it into episodes and making it a series.

The gap between episodic series and film is narrowing

to the point that the two are no longer separate industries. As a result, we now have A-list talent doing what was unthinkable just 20 years ago: migrating from film to television.

These changes not only impact storytelling but also affect how rights and the corresponding financials must be tracked.

Due to the rapid proliferation of platforms, an intense thirst for content has emerged. The scarcity of content has made the ability to license new and old content much more valuable. Consider what happened to the automotive industry during the pandemic – the supply dried up, used cars became expensive, parts were unavailable, and new vehicles sold above MSRP.

## *I DON'T WANT TO BE THE LAST GUY selling buggy whips, writing a rights management system for yesterday's distribution model.*

To understand the similarity with rights management, look at how the demand for video has exploded in just the past year or two:

■ *More than 80 percent of all U.S. households have at least one streaming subscription.*

■ The video streaming industry extended to \$72.2 billion in 2021 and is projected to reach \$115 billion by 2026.

■ Within one day of its launch in November 2019, Disney+ earned 10 million subscribers and, in three months, had 28.6 million users.

■ In 2020, over 500 hours of video were uploaded to YouTube every minute.

■ The global streaming market was worth \$372 billion in 2021 and is expected to grow nearly 20 percent annually until 2030 when the industry could be worth \$1.69 trillion.

In the olden days (three or four years ago!), you could license theatrically — onesies, twosies, etc. — but now you're licensing giant sets of content, maybe even your entire library. It's a fluid situation, and every single major player has its own platform. Those who are not creating original content are experiencing that thirst for acquisition.

As a result, knowing what's available and where the opportunity for profit is in your content library has become even more vital. For example, it was an easy question to ask whether some old film (or maybe not so old) was available in French for distribution in Europe. And that question was just as easy to answer. But now people are asking, "Tell me what's available for the French language across your entire library of a hundred thousand titles, and if they're not available, why aren't they, and when will they be?"

Those answers are not quite so easy since it requires a calculation of potentially billions of rows of data that need to be analyzed quickly, efficiently, and at scale. Add to that the increased complexity of episodic data, and

suddenly, there's a nesting hierarchy to the IP itself — series, season, episode, and maybe even clip. Moreover, with the proliferation of platforms, insight into what's available, when, and the corresponding financials becomes even more complicated.

Tracking all these moving targets with Microsoft Excel or a comparable platform built for yesterday's distribution model is absolutely impossible.

Licensing with these platforms is done at a vast and complex scale. As we see VOD platforms that are explicit to a particular language, territory combination, or type of content, we'll see an increased complexity of how those deals are structured. To manage this growing complexity, rights management systems must be flexible. Think of an accordion — sometimes, you need to roll it up, and sometimes, you must stretch it out.

How can we best manage today's distribution model from a financial basis? By using a system that serves as a general ledger that can accommodate all this complexity, track specific measurements, and tie it all back to a financial system. These modern mechanisms handle real-time information at scale, tie in the financial calculations, and efficiently communicate with accounting systems.

Storytelling has changed. The medium still drives the story, but consumers, not advertisers, drive the content. Subscriber counts, clicks, and views, not ticket sales, co-op advertising, and syndication are driving modern stories.

Broadcasting is now considered "last century." Today, we're microcasting, and there's a platform for everyone — animal lovers, chess nuts, and gamers who like to watch other gamers play.

I don't want to be the last guy selling buggy whips, writing a rights management system for yesterday's distribution model. Technology vendors must evolve with the industry and focus on solving tomorrow's problems. They need to provide systems that can handle the never-ending complexity of rights and connect directly to financial systems. ■



*Jason Kassin is the CEO and co-founder of FilmTrack. Since the company's inception, he has evolved it into an extensive ecosystem that encompasses content creation, distribution, rights management, and monetization. He is responsible for orchestrating the strategic development of FilmTrack products and solutions. [info@filmtrack.com](mailto:info@filmtrack.com) @filmtrack*