

# Cultural Daily

Independent Voices, New Perspectives

## Streaming Video Unstoppable at Stream Market 2015

Catherine · Thursday, June 11th, 2015



Business models are breaking, MCNs (MultiBrunico Publications brings its smash conference Channel Networks) are replacing the televisionback to Los Angeles

networks, smart phone saturation in the US has surpassed 73% and Big Data is “the new black.”

The question is: what are we supposed to do about it? This year’s Stream Market got off to a fast and furious pace and delivered a two-day, non-stop flow of positive suggestions. But if you read StreamDaily.tv – the online publication of Brunico, the parent company that sponsors this event – you already know that they are on top of the subject. What you may not have realized is that since they are a Canadian company, they bring (and attract) an entirely different crowd than one typically encounters at an LA conference. As they tend to be well-educated, cordial and capable, I’ve never met a Canadian I didn’t like. Stream Market merely reinforced my bias toward our northern neighbors.

The ecosystem surrounding streaming video is changing at an unstoppable velocity. At first look, it may seem like an impossible challenge to step into the mix at this point. Yet, there are three excellent reasons to jump into the streaming pool and start to play. In an environment that has an extremely low barrier to entry and doesn’t require anyone to give you “permission” or funding to create video content, you can have complete creative control (and who among us hasn’t had the occasional wet dream about that one). If you do your deal correctly, you will get to retain ownership of your Intellectual Property rights and therefore participate in the monetary flow if the IP becomes successful. Possibly the best advantage is the amazing speed to market that exists in this arena. Given the proximity to Hollywood, where the major share of film projects wither away in development hell without ever commencing principal photography, this might be the most seductive advantage of all.

Drew Buckley, Chief Operating Officer at Electus (*Marco Polo*, *Jane the Virgin*, *Get Out Alive With Bear Grylls*), scared everybody in the room when he explained the biggest challenge facing everybody who wants to score a win in streaming video is that we only get 3 seconds to hook the

audience. If they're not interested by then, they will most likely turn to the next piece of content on the endless buffet of offerings.

The Cashing in on Digital panel focused our attention on next gen monetization strategies. Far too often, a company dealing with digital is collected in the silo of technology rather than content. The hurdle that has to be overtaken is a self-indulgent pride of startups in NOT monetizing. However, when the focus shifts to content, it is quite easy to monetize your work. David Freeman, Co-Head, Digital Talent and Packaging Group at CAA pointed out that in the five years he has been at CAA, the media landscape has been disrupted and evolved. Now, we are at the point where traditional talent is looking for ways to create deal models that monetize through different window schedules. But brands now see themselves as publishers and have made a big push into the digital space with YouTube stars who, along with their fans, have never inhabited the world of traditional media. Traditional media talent may have played hard to get for a little too long to find traction and relevance when their competition comes fully equipped with both of those qualities. Freeman suggests that the right package starts with a great idea and combines a digital talent coupled with a traditional talent.

In one way or another, everybody agreed that YouTube remains “the mother ship” of streaming media. However, it seems to have reached scale and is showing signs of rebellion in the ranks of those who think it's unreasonable that the platform that enables everything they do should retain 45% of the ad revenue generated on the site. Vimeo announced plans to launch a subscription service that would be ad-free (a clear win for a certain segment of consumers) and retain only 10% of the revenue (a perceived win for the filmmakers). No mention was made of how they would replicate the search / discovery model that YouTube has built with their parent company, Google.

Repeatedly, Periscope and Meerkat were cited as game-changers because they put the capacity of LIVE streaming into the hands of the average consumer. The possibilities are both endless and terrifying (if one considers the idea of LIVE streaming in the hands of a teenager). Professional content creators can (and should) use these tools, but they must never take for granted the idea that professional content cannot be replaced by user generated content (UGC).

Another buzz word of the season is OTT – over the top content channels. Susanna Lee, VP Biz Dev & Strategy for Digital Networks at Cinedigm explains that her company approaches OTT in a niche branding way. They are building a portfolio of channels that includes, Docu-Rama (documentaries) and Con-TV (Comic Con and related properties) are already in play. Cinedigm plans to roll out 3 to 4 networks each year for the next 3 to 4 years. First up will be a Faith and Family network. Soon they will release *Mythica* – a 5 part film series that, if the trailer is any indication, is made with the best special effects 1979 has to offer. I mention this not to be snarky, but because it seems that there is a willingness to cut corners to the point where the production quality is considered with an “it'll do” shrug. In a world where the competition for your audience attention is an MMORPG game with better SFX, there is probably not a seat at the table for many offerings at that level.



The film that proved iTunes could be a viable distribution platform for first-run feature films. Awesomeness TV demonstrates one of the best examples of what can happen when streaming video is done right. Their first feature length “film” *Expelled*, hit the ground running and broke a lot of records in the process. Triple-threat Writer /

Producer / Director Alex Goyette had made approximately 100

videos for the MCN before he pitched the story. With a log line like “epic prankster gets expelled from school and has to hide it from his parents” it is not a big stretch to see similarities to *Ferris Bueller’s Day Off*. After developing a number of drafts, the script had six weeks of pre-production, followed by a four-week shoot, with little more than a month in post. No monetary figures were offered, but rumors have circulated about a budget that came in well below \$500,000.

One can assume that the distribution handled through 20<sup>th</sup> Century Fox was significantly higher. Ultimately, 80% of the movie’s income came from iTunes. The takeaway here are that there are very few films being made specifically for teens where they can see the same stars they watch online every day. However, be advised that you have to build your audience loyalty long before you try to charge them for something online. This model would be extremely difficult to replicate without the shell of an MCN like Awesomeness TV.



Innovator Lance Weiler co-founded The Digital Storytelling Lab at Columbia University to provide a home for Research & Development in the new evolution of storytelling.

The real show stopper of this market opened the second day of presentations as Lance Weiler, Co-Founder of Connected Sparks discussed his work with in transmedia. As founder of the Digital Storytelling Lab at Columbia University, Weiler believes that storytelling will drive the next generation of both software and hardware. How, he wondered, can we harness technology to evoke empathy and emotion, while at the same time enabling an intuitive, invisible and fluid storytelling experience for the audience? He worries that it’s too easy to become intoxicated by what the technology can do and forget the emotional components of storytelling.

Stream Market is annual event in Los Angeles. It definitely goes on the do-not miss-this list for those who understand the incomparable benefit of attending the right conferences. See you there next year, eh?

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