Rights Management

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Content is King

“We’re in the content business”

“Without content, the Internet is just AM Talk radio”

“Content to the right place at the right time”
Rights are key

- The *right* to distribute content to the right place at the right time
- Content = Video + Audio + Metadata
  ... Liability
- But... Content + Rights = Asset
Introduction

- What is Rights Management
- Rights Management Workflow
- Types of Rights
- User Requirements for Rights Management Systems
- Rights Management Systems and Other Systems
- Next Steps for SMPTE
What is Rights Management

- Rights management maximizes opportunities for rights exploitation while assuring compliance with license agreements
- Rights determined through complex process of negotiation and interpretation
Rights Management Workflow

1. Content Identified for Licensing
2. Deal Negotiated
3. Contract Prepared & Executed
4. Content Scheduled For Air
5. Media Ordered from Distributor
6. Content Exhibited
7. Contract Ends
8. Content Returned or Destroyed
Making the Deal

- Network head/Programming
  - Interested in Rights
    - Research
      - Ratings Analysis
        - Ad Revenue
  - Due Diligence Process
    - Estimate
      - Content Value
- Business Person
  - Makes Business Deal
- Legal
  - Creates Contract
Creating the Contract

Network Operations
- CC and DV Rights

Legal
- Creates Contract
- Promotions Department
  - Excerpt Rights
  - Tie-in Rights

Cable Sales
- Territorial Rights
- Language Rights

Ad Sales
- Right to Insert Ads

Standards & Practices
- Editing Rights
Types of Rights

- Distribution Rights
- Exclusivity Rights
- User Rights
- Use Rights
- Editing Rights
- Element Rights
- Actor Rights
- Advertising Rights
- And many others...
Distribution Rights

- Determine where and how content may be distributed
  - Distribution Method
    - Terrestrial, Satellite, Internet, Theater
  - Geographic
    - U.S. only, World Wide
  - Revenue
    - Free-to-air
    - PPV
Exclusivity Rights

- The granting of a right to one and only one exhibitor
  - Exclusive broadcast rights (does not cover PPV and VOD)
  - Exclusive rights in a region
  - Exclusive rights for syndication
User Rights

- Determine what the end user can do with the content (how controlled?)
  - Live viewing
  - Record and view once
  - View as many times as desired in a given period
  - View as many times as desired over an indefinite period
Use Rights

Determines how the content is to be used

» May be exhibited only in its entirety. No excerpts permitted
» Pre-determined excerpts may be used
» Any and all excerpts permitted
Editing Rights

Whether the content may be edited

» Absolutely no editing permitted
» Editing with Director’s approval permitted
» Editing granted to a specific user for a specific purpose
» Editing permitted at will
Element Rights

- Rights associated with individual elements within a completed piece of content
  - Audio rights not secured internationally
  - Right to sub-title not granted in Europe
  - Credits must be shown in their entirety
Actor Rights

- Rights (and royalties) determined by actor contracts
  - If content airs in Mexico, royalty fees are three times higher
  - Actor does not give permission for voice excerpts
Advertising Rights

- The right to advertise services and products during exhibition of licensed content
  - Must be exhibited commercial-free
  - Tie-in placements allowed
User Requirements for Rights Management Systems

- Flexible
- Bullet-proof
- Secure
- Easily modified and extended
- Adapts to individual business characteristics
- Appropriate authorization model
User Requirements for Rights Management Systems

- Easily interfaced to other systems
- Capable of storing a lot of data
- Easy and intuitive to use
Rights Management & Content Management Systems

- Two systems work together
- Moving content may be restricted by rights
- Rights management system is a Decision Support System - Content Management is an operational tool
- Important to keep distinction between systems
Rights Management and Amortization

- Special rules for amortization
- Authorized number of exhibitions addressed in contract but critical for amortization
- Important topic because of value and risk involved
Next Steps for SMPTE

- Be aware of difference between Rights Management Systems, Content Management Systems and Amortization Systems
- Provide standardized names and characteristics for objects (SMPTE Metadata Dictionary)
- Stay away from Rights Management (??)
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