

# Developing the Digital Market

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Mitch Singer, CTO  
Sony Pictures Entertainment



# The End Game

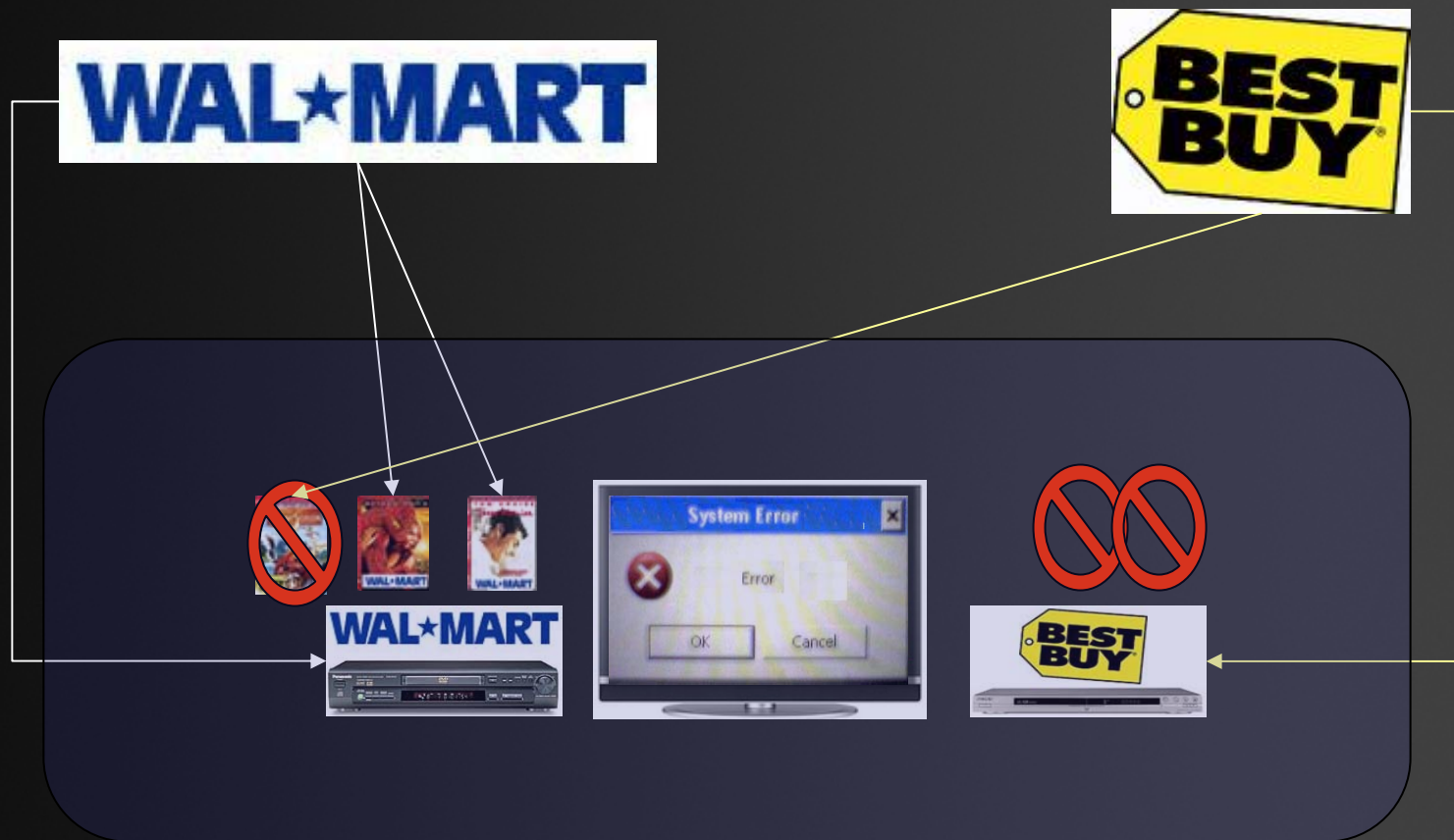


Consumer

*"Let 1,000 retailers bloom."*

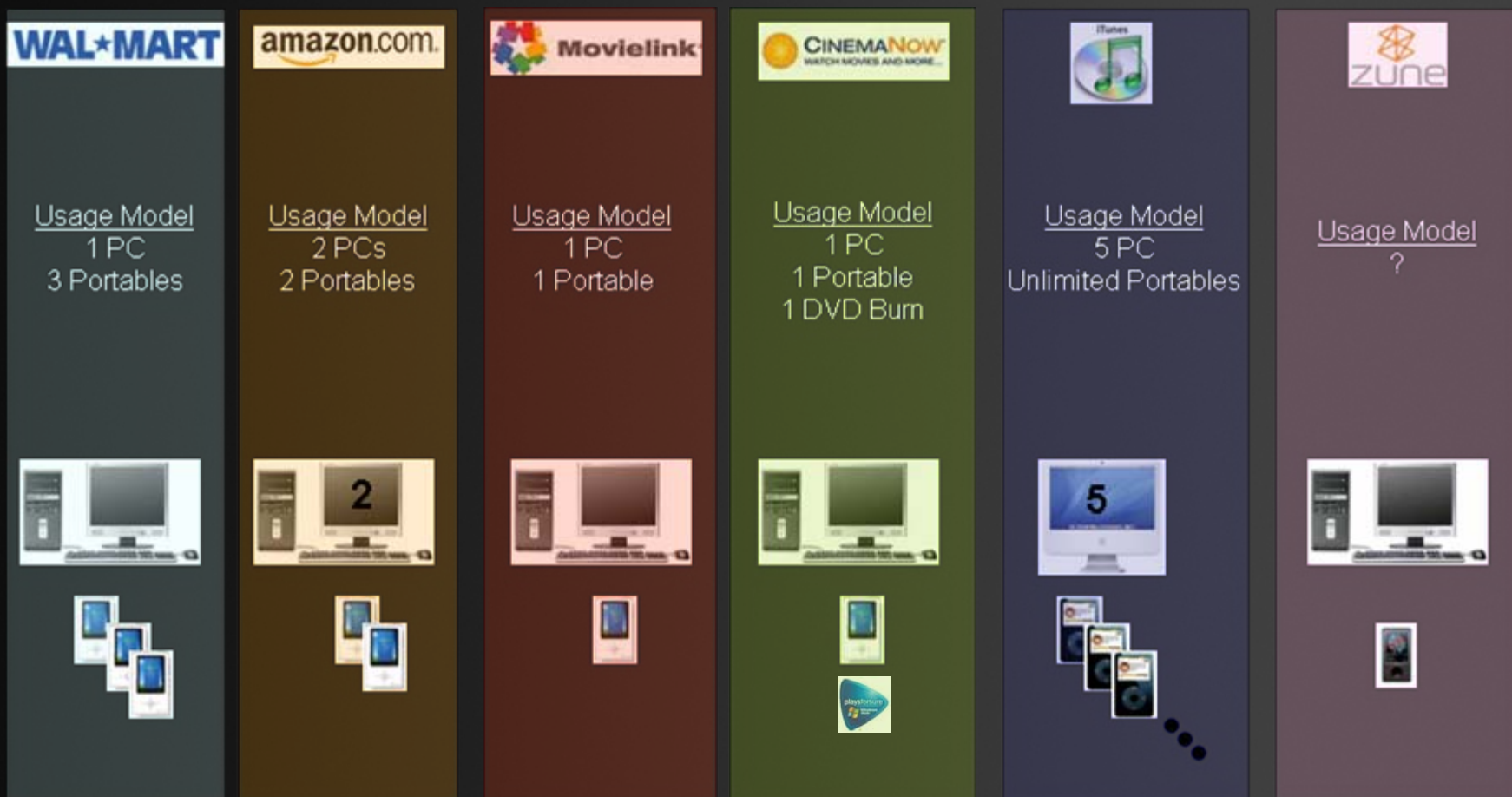


# What if DVD Rolled Out This Way?



People would think we were crazy

# Digital Market Today



Each store is a silo with a slightly different digital offering  
Supported devices and formats may vary from store to store  
Consumers must make technology decisions before buying content

# Smaller, Fragmented Market



**Consumers are locked into a single store and format**  
**First movers have tremendous advantage**

# Domain is Key

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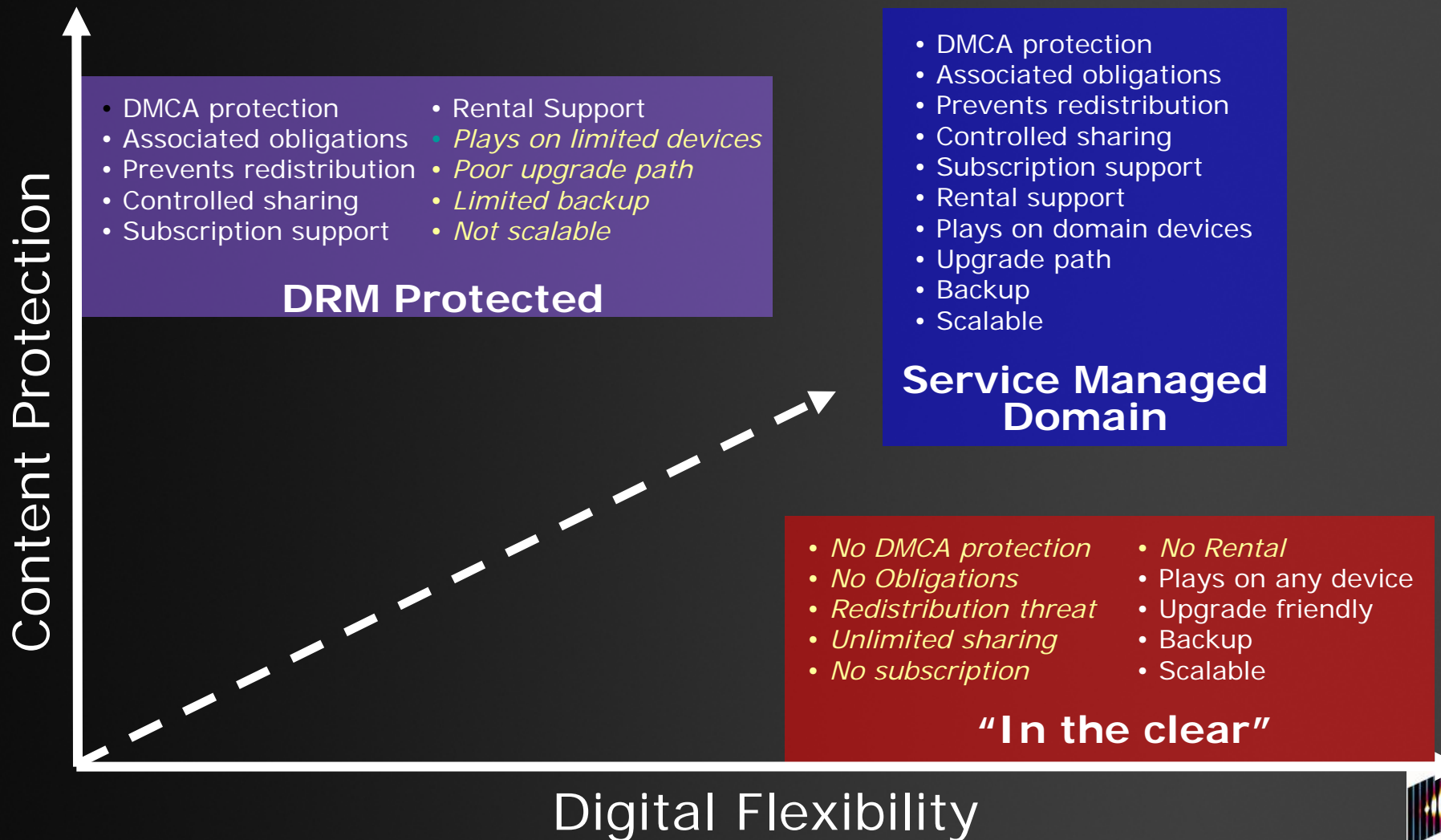


## Domain

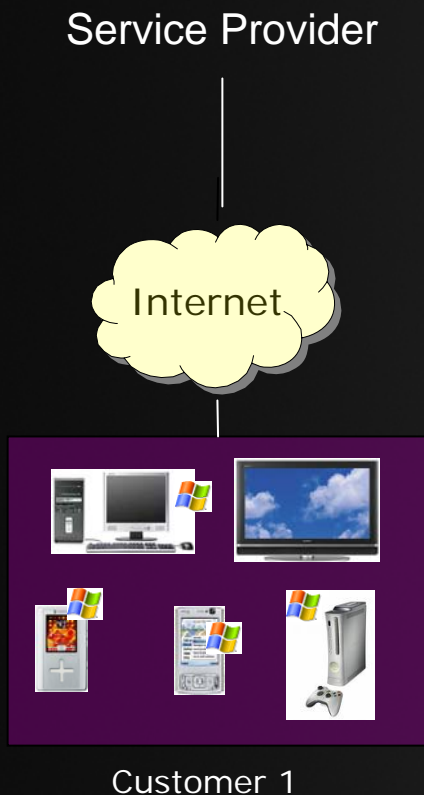
A set of registered devices on which a consumer may freely access purchased content

→ *In a domain, counting copies is not required.* ←  
*Content can only play on devices in the Domain.*

# Why Domain?



# Domain Is Possible Today



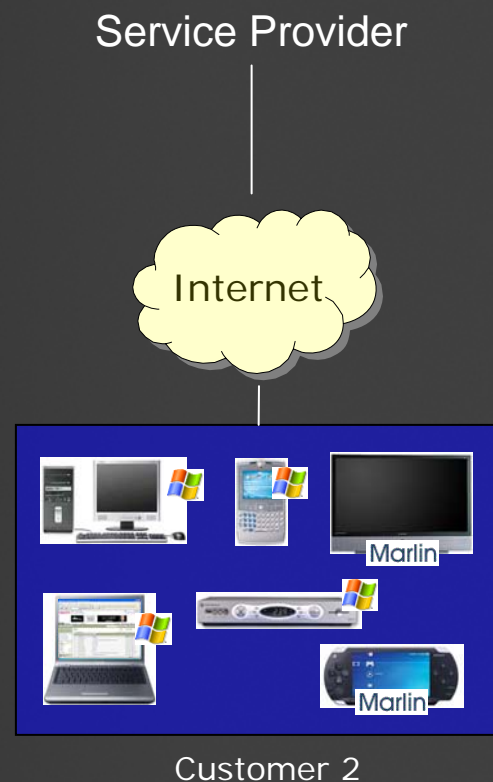
Possible with today's technology.

Multi-DRM / DRM agnostic.

Meet consumer needs / expectations.

Credible domain model.

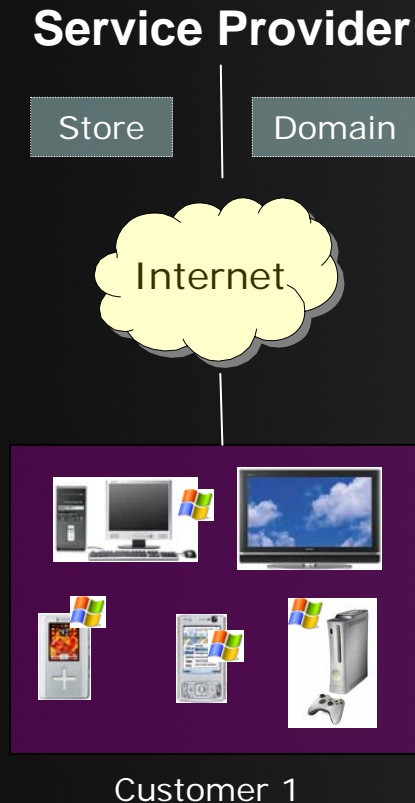
Service level control.  
(vs. device or DRM)





# Remaining Problem

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*A problem remains...*

Operators end up performing two functions: store and domain.

The domain operator becomes the only available store.

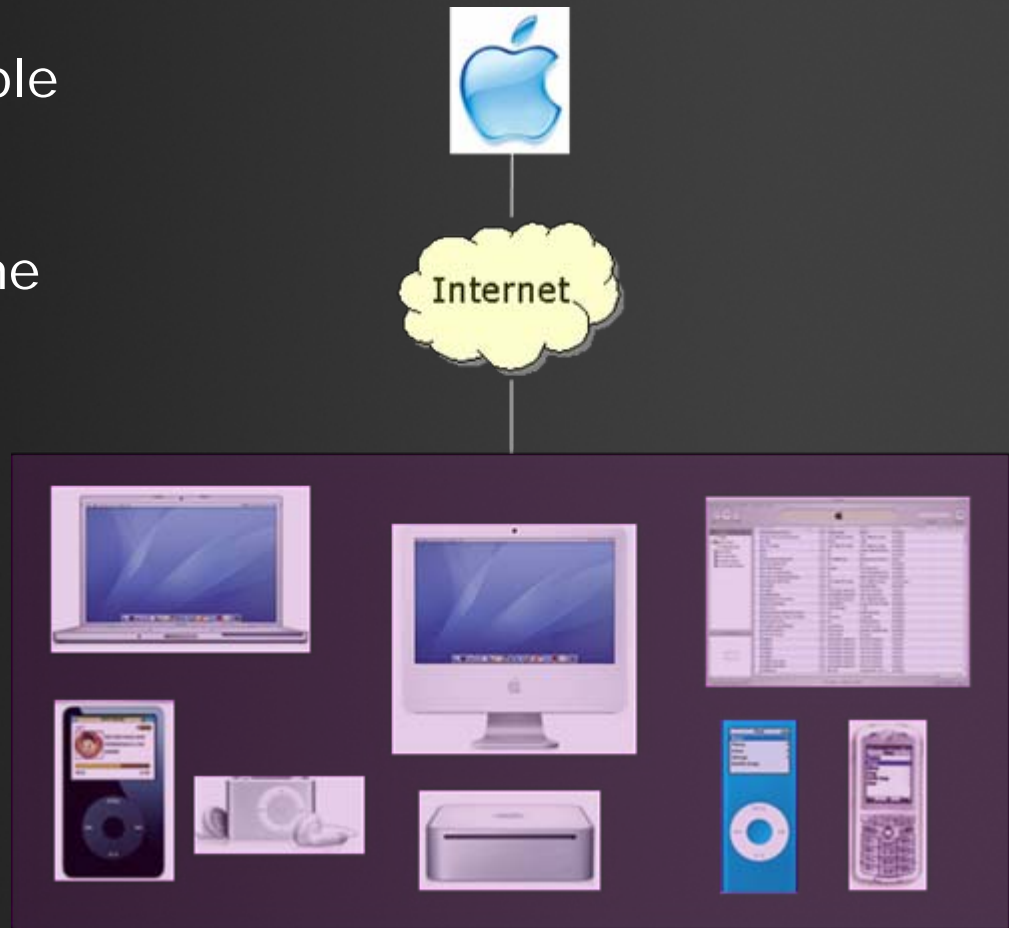
A domain with a single store presents problems for content owners and consumers.

# “Let One Retailer Bloom”

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iTunes is the best example of the problem.

The only place to buy the leading digital music format is iTunes.



# Open Market Model



Common Domain

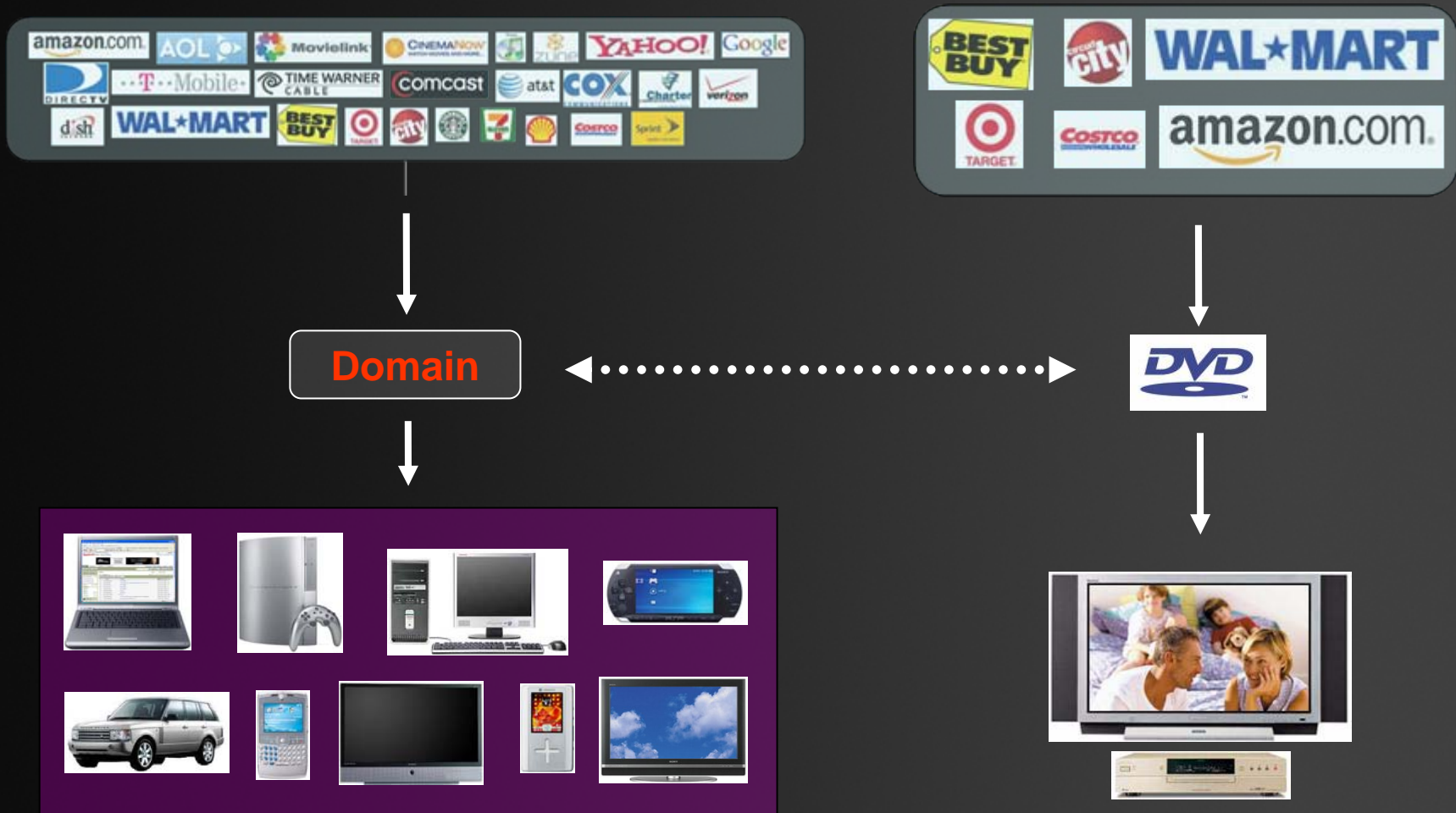
Internet

Separation of stores and domain.

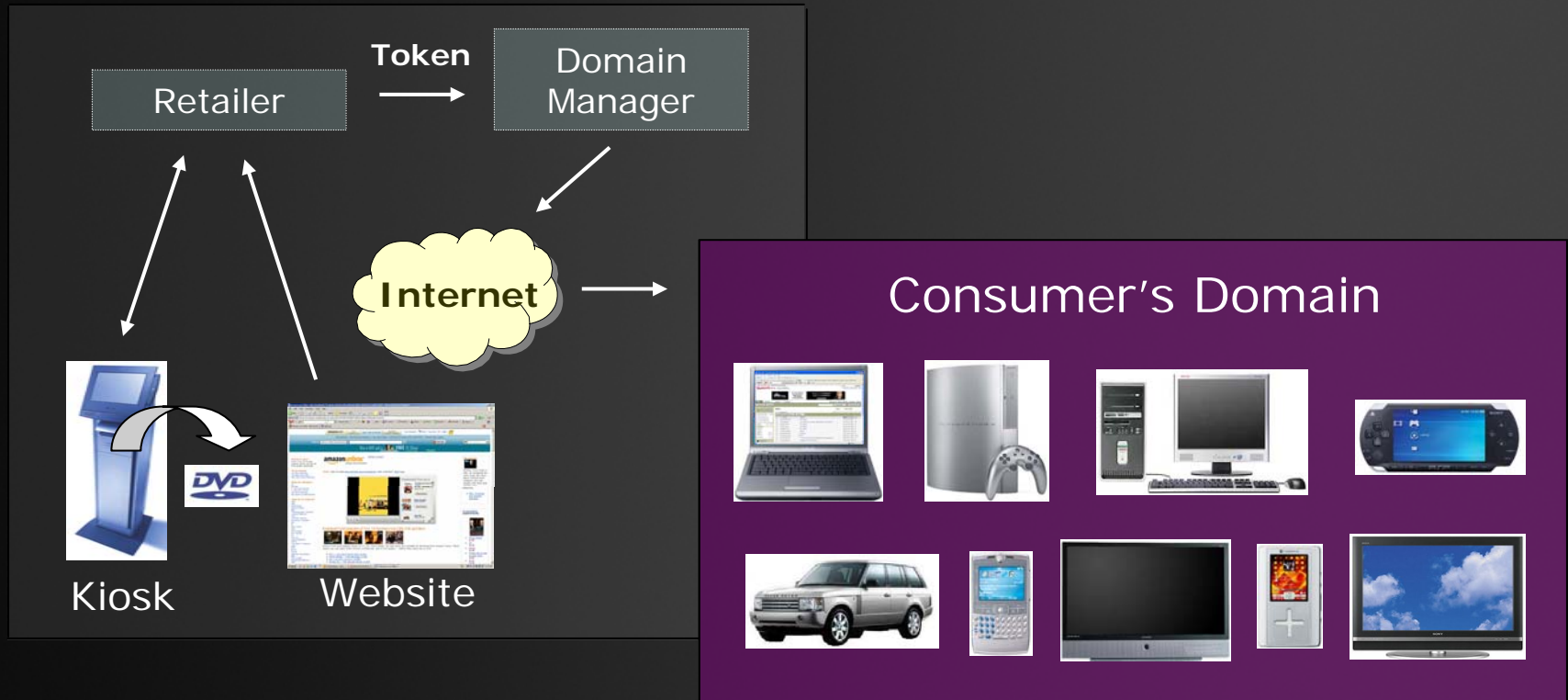
Consumer choice of stores and devices



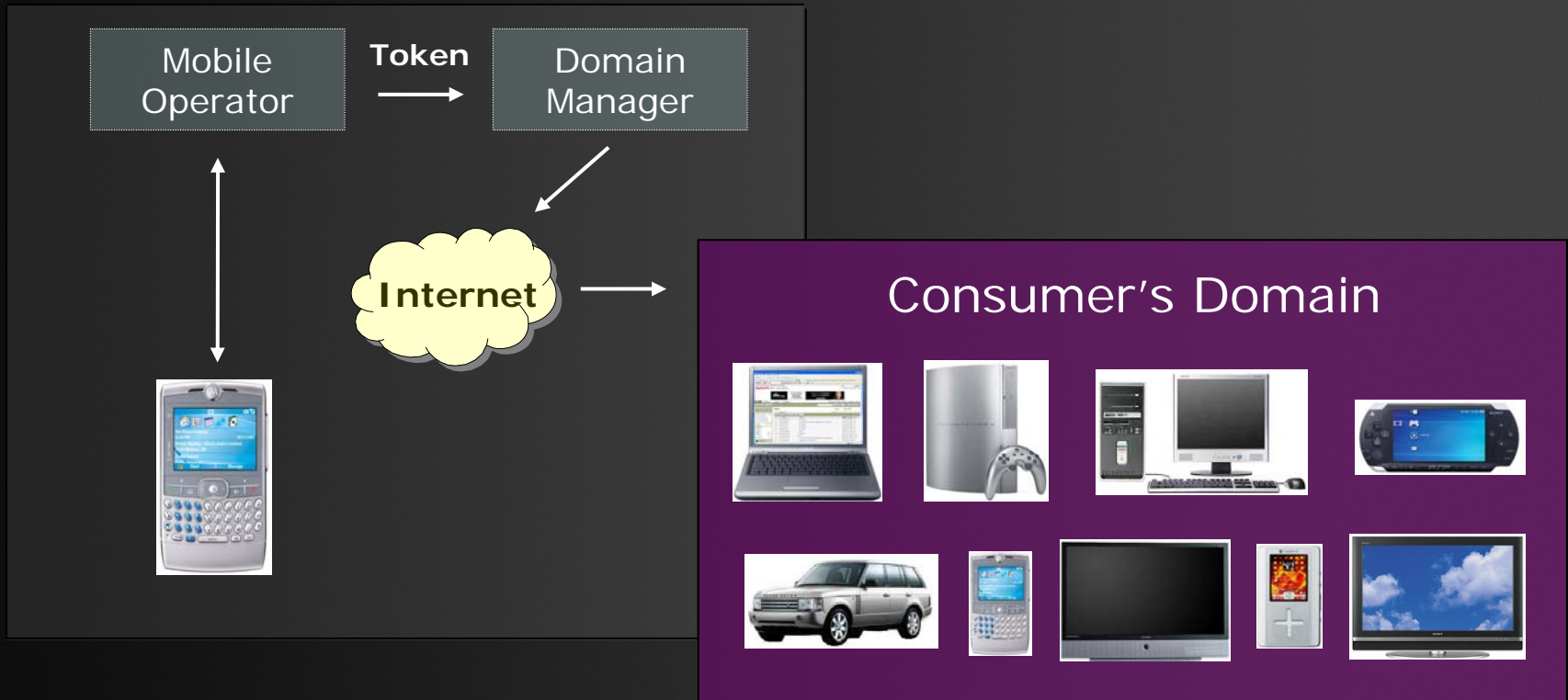
# The Domain is the Offering



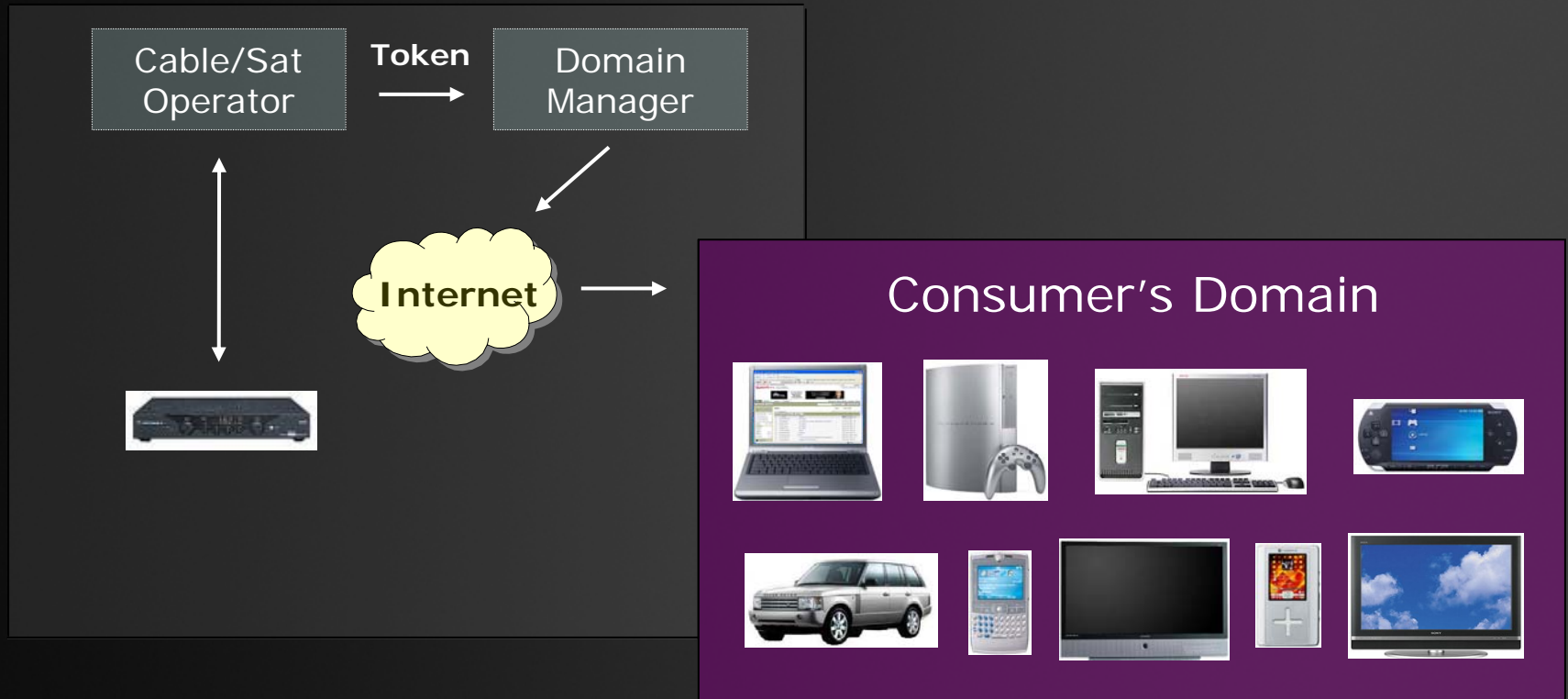
# Retail and Domain



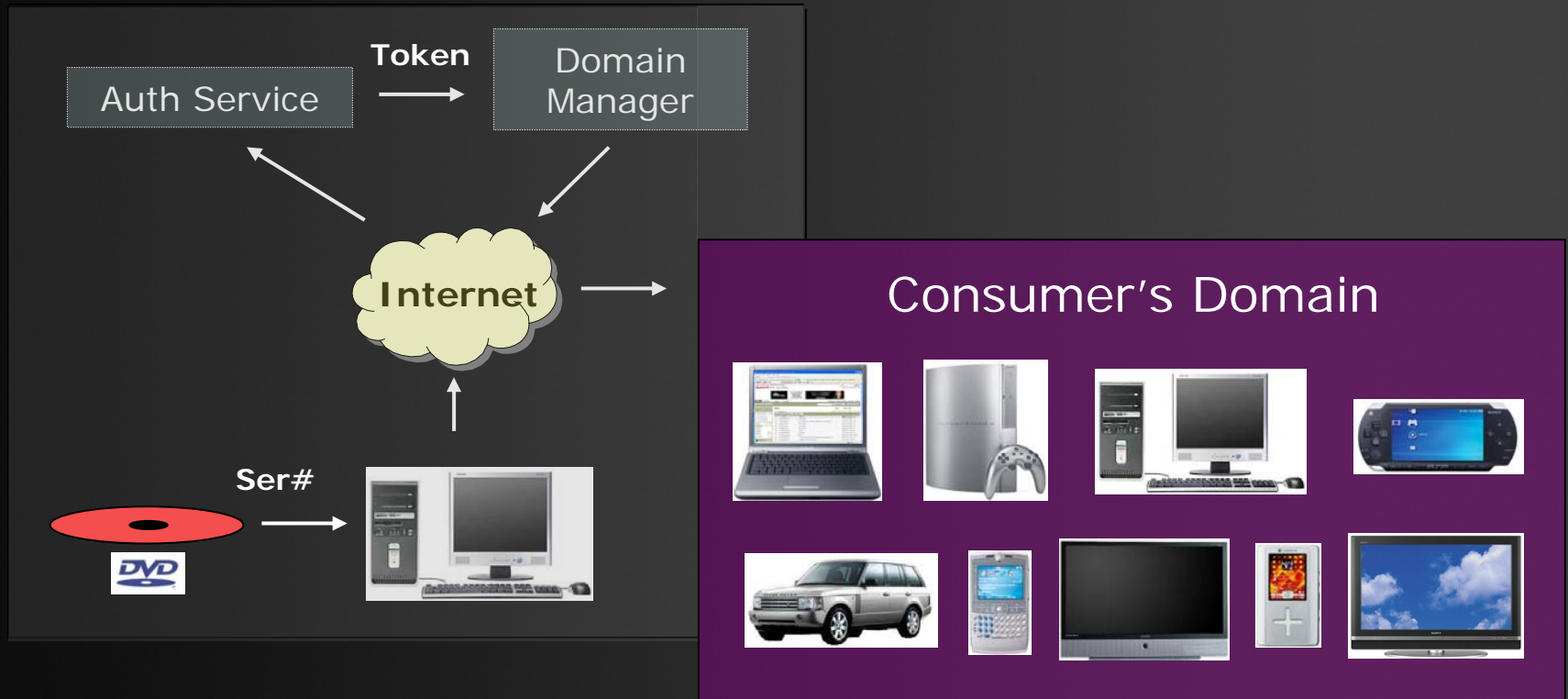
# Mobile and Domain



# Cable/Satellite and Domain



# DVD and Domain





# Open Market Summary



Common Domain

