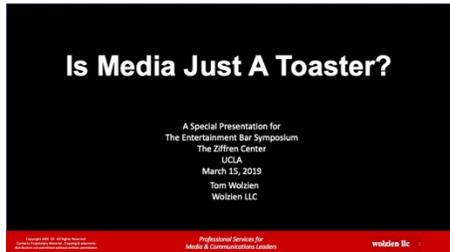


Is Media Just a Toaster?
Tom Wolzien
Entertainment Bar Symposium
Ziffren Center for Media, Technology, Entertainment, & Sports Law
UCLA
March 15, 2019



Thank you, Matt (Thompson), and hello, Ken (Ziffren) and thank you everyone for having me back here at the Ziffren Center as your opening act for this 43rd annual Entertainment Bar Symposium. Valerie and I always appreciate your hospitality.

Here's what we're up to today. We'll start with the basic status report on studios and advertising, Talk about texts from god and toasters—our title—and the growth of mobile device viewing including why it might make sense for AT&T to use Friends to sell bits. Move



on to the growing power of global distribution, something we flagged here a decade ago. I'll take you on a bit of an adventure through Netflix and my international viewing this past year and the stunning cost to linear advertising if many people did the same. And we'll wrap up with some new ideas for interlinking conventional video content and interactivity through mobile phones with potentially

positive impact on advertising.

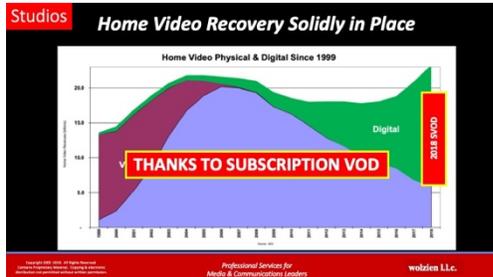
Of course, as your token non-lawyer, I recognize that you are experts in your specific areas and know far more than I, so please take this as a generalist's view of the industry from 50,000 feet.

First, my normal disclosures because I think you have a right to know where I have interests. I continue to work with Discovery, Inc. and am very pleased again to be contributing to the Directors Guild of America's every three year Forecast Project. That project helps everyone on all sides in this town get on the same page for the start of the next cycle. And you will want make it a point to see one of those presentations over the next few months because they contain a lot of original research and concepts, none of which is included here today.

I have investments, through my 401k I have media-related investments in Disney, Vodaphone, Salon, and for those who consider pot entertainment, Aurora Cannabis, which replaced Microsoft. And I know this will take the fun out of the Q&A, but we don't smoke...we do invest.

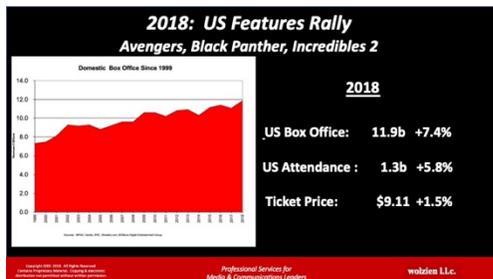
And Valerie and I continue to work with the Video Call Center—the group that says smartphones make smart television—providing carefully screened high quality remotes by

smartphone on the air daily with clients from Major League Baseball and Fox regional sports nets, to TLC's 90 Day Fiance'. After being awarded multiple US patents covering VCC's technology, approaches to assure reliability, and unique workflow, we just received a patent in China, six years after filing there. Who would have thought.



Status Report. The big headline is there was a great triumph in 2018. Last year was the year home video returned to record highs. The ugly chart we've been looking at each year with varying stages of horror since the high point in 2004 is once again on a roll, as we see digital growth more than offsetting those precipitous declines in sales and rentals of physical media. And you can attribute almost all of that

recovery to subscription video on demand. The king is dead. Long live the new and very different king, with its huge shift away from the movies that drove DVD rentals, to television formats from around the world. More on that later.

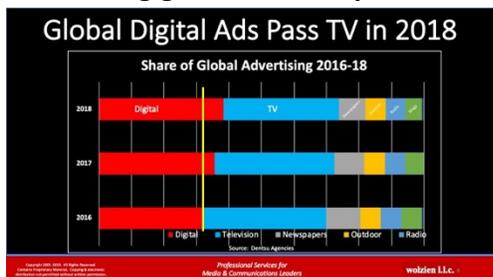


Studios. Very good year for the movies, as well. US Box up 7.4%, admissions up 5.8%, and pricing up 1.5%... all thanks to huge hits like the Avengers, Black Panther, and Incredibles 2. But the success of Black Panther in the first quarter of last year makes this year's comps difficult. The biggest movies of the this year, Captain Marvel and Aquaman, are just starting to make a dent in Panther's legacy, and box office is

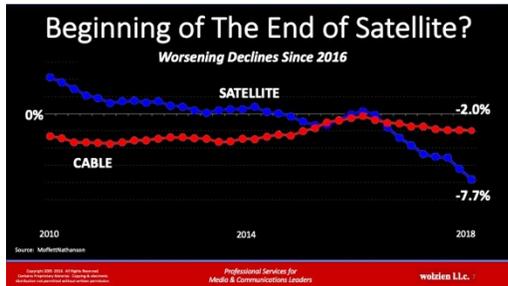
down 21% year to date as of this morning.



Advertising is a mixed bag, as we look at this chart covering back to 1960. Nominal GDP growth—that's real growth plus inflation—in the blue and ad growth in the red. You see the huge ad growth during the inflationary years of the 1970s, and the big dips in '91, '01, and '08, followed by the long recovery. Last year ad growth was 4.3%, down from 6% in 2017, and that's a bit strange for a year with both winter Olympics and an off year election. Overall advertising grew almost a point slower than the economy, an indication of some weakness that goes back to 2000.



Globally, 2018 was the year that digital advertising surpassed television, as the two swapped the market shares of just two years before. And, not surprisingly, newspapers and magazines continued to lose share, while outdoor and radio held their own, small niches.



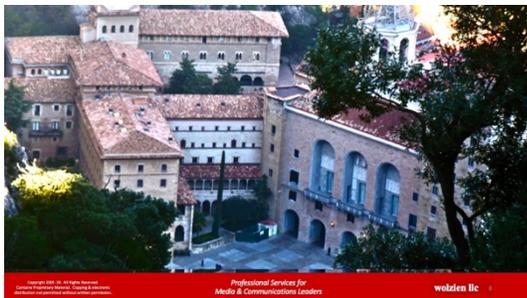
We've talked about consumers reducing their reliance on cable and satellite for several years, but year end results from the satellite companies indicate not so much cord-cutting, but dish smashing. While cable was down 2% in the fourth quarter, satellite subs were down 7.7% at year end. Really, really bad news for satellite, which has been on a downward trend since 2016. Overall, the

combination of traditional cable and satellite were down 4% at the end of 2018, but when the new, broadband based virtual multi video program distributors –vMVPDs--are included, subscribers were down only about a point—a number pretty consistent across the last few years.

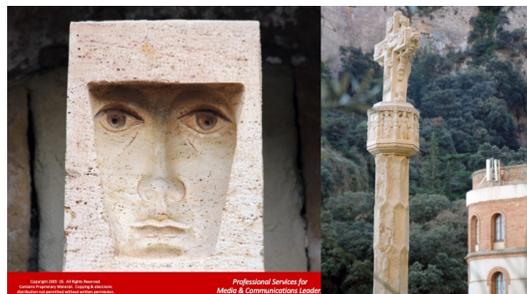
So there certainly is some cord cutting... but overall we're seeing more of a change in transmission methods from satellite and cable packages to wired and unwired broadband based approaches. However as these changes occur, we'll have to watch for signs of unbundling and negative impact on secondary and tertiary cable networks.

Godly texts and toasters. In the beginning. Well, not exactly, make it NEAR the beginning God told Moses he wanted to send him ten texts and wondered how they should be delivered. Yahweh, Moses said, please send those short message texts by gravity-efficient stone tablet. So, while our English-speaking God would have chiseled out something around 310 characters for his commandments in English, the Hebrew speaking god was able to do it in only about 60—Hebrew being more efficient than English, apparently. And then god dropped all ten episodes of those texts on Mt Sinai all at once. That was then.

But now, when it comes to getting God's word, religious people have learned a thing or two



over the past couple or three millennia. So when you find yourself in the monastic enclave of Monserrate, up the steep hills of Spain's Catalonia as we did recently, you'll find evidence that the monks are just as ready to communicate with God as Moses... perhaps even more ready because they've got their mobile antennas in place, ready to catch the latest tweets from on high.



And that's going to be our focus today... not tweets from on high, but rather the growth to critical mass of mobile smartphones, and it is that growth that will allow growth of video content consumption. Mobile has led our Status Report since 2015, but this year it is even more important—it is and will be the primary reception medium for the consumption of content across the developing world.

Global Smartphone Update

World Populations: 7.6 Billion

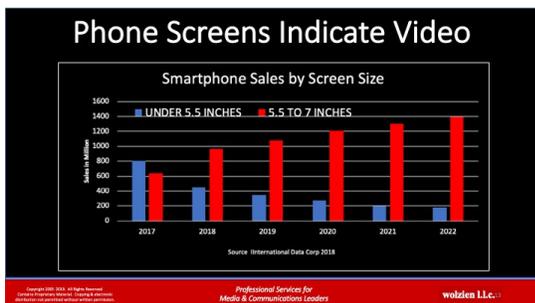
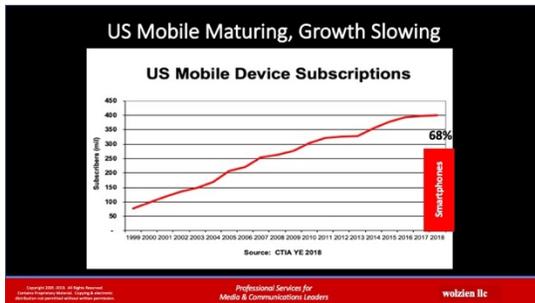
Online Users: 3.9 Billion

Smartphone Users: 3.0 Billion

Smartphones as Percent of Online: 77%

Source: Newzoo **Smartphones as Percent of Population: 39%**

Copyright 2019, All Rights Reserved. Content: Professional Services for Media & Communications Leaders. wolzien LLC.



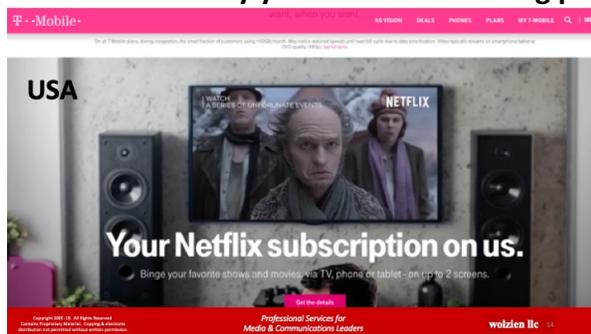
Some quick stats from Newzoo research. 7.6 billion people in the world. 3.9 billion on line. 3 billion with smartphones, which, of course, get video. That's 77% of the world's online users with smartphones, and 39% of the population of the whole world. And we may be getting near a steady state level. Overall smartphone and mobile growth is flattening. Global sales were down slightly in 2018, expected to pick up again this year.

In the US, we've watched this chart climb for years, but now the number of mobile subscriptions is flattening at around 400 million, around 70% of which are video capable smartphones. But it looks like bigger screens may help smartphone sales, but most of those will be replacements as people find ways to consume more video. These numbers are from the International Data Corporation, and show a shift from smaller to larger screens, reaching 1.4 billion in 2022. By the way, if you have an iPhone and think you are the globe's dominant species... you might be interested in knowing that 85% of the world's smartphones are Android.

Slowing growth brings us to the toaster title.

Here's the question. And as mobile matures, will packages of media—movies and TV become the come-on to get people to sign up with a specific service, or use more data on their existing service as they watch more data consuming video content. It is all reminiscent of the mid century days when banks gave away everything from toasters to electric frying pans to get people to move their money. I remember my mom got our first electric frying pan when she opened an account with \$25 at a savings and loan in Boulder.

So will Media be the same? Looking at this ad from T Mobile giving away "free" Netflix would seem to say yes. As would this big poster on mobile phone store in Spain.



MUSIC & DEALS

TV

WHOLE FOODS DELIVERY

Amazon Day delivery
Your new favorite day of the week

Professional Services for Media & Communications Leaders | wolzien llc

Amazon Prime. Oh... Prime already is using media as a marketing come-on... with Mrs Maizel right there in between exclusive deals, Whole Foods, and free delivery on the day you choose.

How AT&T MIGHT Use Warner Media

Introducing "The Friends Phone"

Free* Access To All 236 Episodes

*you just pay the data for all 236 Episodes

Professional Services for Media & Communications Leaders | wolzien llc

And of course, last week's reorganization at AT&T's Warner Media raises the potential of the Friends Phone. Maybe you'll get all 236 episodes—including those to be recovered from Netflix after this year's 100-million deal expires—all 236 episodes FREE. All you have to do is pay for the data through what might not be a very friendly data plan. Now I know most of the discussion to date has been whether to use a property like Friends to build an SVOD or AVOD platform.

But I was curious about the potential use of Friends to drive just the simple sale of data and I'd never seen an analysis of this idea before. So I did a few calculations since I know the math is really why you come to these sessions.

How AT&T MIGHT Use Warner Media

	Low \$ & Quality	High \$ & Quality
Mobile Video Data Use GiBy/Hr	0.27	1.00
Mobile Video Data Use GigBy/Min	0.005	0.017
Cost per Gig	\$ 6.00	\$ 10.00
Cost per Minute	\$ 0.03	\$ 0.17
Show Length Minutes	22	22
Data Cost per Episode	\$ 0.59	\$ 3.67
Show Episodes	236	236
Data Cost for Series	\$ 140.18	\$ 865.33

Professional Services for Media & Communications Leaders | wolzien llc

This chart shows some samples of lower and higher use of data for video and lower and higher pricing out there today. These vary all over the place, but here are some examples. At the low end, we'll use about 270 megabytes an hour, or point two-seven gigs are needed for a lower quality picture, while the high end is about a gig an hour, with pricing ranging from \$6 to \$10 per gig, sometimes more.

For a 22 minute show like Friends in these examples, that means you're paying somewhere between 59 cents to well over \$3 per episode for the bits—just the bits. And across 236 episodes that totals out to somewhere between \$140 at the low end to \$860 at the high end. Who knew.¹

Now as we do know, Netflix paid AT&T \$100 million for another year of Friends...so I was curious how many AT&T device users would be needed to match that revenue through the sale of data. And with these levels of data usage and price, the number is somewhere

¹ Using his own data plan, the author streamed the Friends pilot and measured data usage based on the record provided by his phone. When multiplied by the series of 236 episodes, the data cost for Friends was \$220.

How AT&T MIGHT Use Warner Media

	Low \$ & Quality	High \$ & Quality
Show Episodes	236	236
Data Cost for Series	\$ 140.18	\$ 865.33
Netflix Friends 1 Year Payment to AT&T	\$ 100,000,000	\$100,000,000
AT&T Subs to Match Netflix Payment	713,348	115,562
ATT Connected Devices YE 2018	52,335,000	52,335,000
Pct AT&T Friends Subs to Match NFLX Pmt	1.4%	0.2%

Copyright 2019, All Rights Reserved. Content is for informational purposes only. All other trademarks are the property of their respective owners.

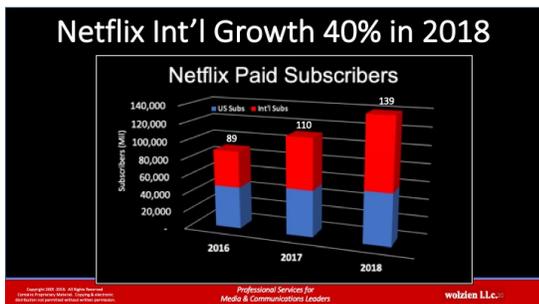
Professional Services for Media & Communications Leaders | wolzien llc

between 700-thousand at the low end of cheap bits and lower quality and only 115-thousand at the higher quality and higher priced bits. When put against AT&T's 52 million devices out there... that's somewhere between 1.4% of devices down to 2-tenths of a percent to match the Friends revenue AT&T gets from Netflix. If half the viewing is on WiFi, then double those small percentages. So yes, it is conceivable that Friends could be AT&T's toaster.

Credit where it is due here. Our friend John Penney, that most out-of-the-box thinking consumer strategy EVP who has been working over at Fox, came up with the toaster idea at dinner a few months back. And, never letting anything slip by that might be included in this presentation for you all... I snatched it...with permission.

So lets take a quick look at subscription VOD in the US, where Netflix reports 59 million paying subs. Amazon appears to have around the same out of 100 million total prime subscribers, but there's no way to know how many are using video as opposed to just free shipping. And Hulu, soon to be controlled by Disney, has 25 million, some through a cut rate deal with Spotify. Not quite clear which is the toaster... and which is the toast..in this one.

Of course, Disney is also building Disney Plus, and has been withholding both its own content...and is completing the Fox studio acquisition to further populate the service with another great library. Unlike the Netflix platform being used to help market distribution services, Disney is using its content to build a global platform. No toasters here for a while. Warner Media at AT&T and NBCU at Comcast both have announced hybrid advertising supported VOD platform with some sort of subscription component. TBD. And at this time we are awaiting an announcement from Apple that it will be entering the business.



Netflix saw 40% growth in international paying subs this past year, now totaling 139 million domestic and international subscribers. And that amazing growth comes as operating margins for the international operations have swung from negative 16% three years ago, to negative 2% in 2017, and then positive 8.5% this past year.

That tremendous international performance brings us to a discussion of the power of global distribution.

Flashback to March 6, 2009. The Entertainment Bar Symposium on this stage a decade ago. On that day we were concerned about what appeared to be two incompatible evolutionary trends of which we worried that only one could survive. One was the traditional licensing by

market—the classic windows approach where producers could maximize revenue by selling into a competitive marketplace with many distributors around the world. And the other was global ownership of distribution which would buy once for the whole world and then sell that

March 6, 2009

Cross Currents In Media Globalization
A Special Presentation for The Entertainment Law Group
March 6, 2009

An Evolutionary Process....
Multi-Market Distribution
Many Companies, Compete Locally for Content & Revenue
Upside to Producer: Competition With Multiple Players in Each Market, Higher Prices for Content; Risk to Local Buyer
Like Vertical Integration?
Horizontal Global Distribution
One Company, Competes Globally for Content, Locally for Revenue
Upside to Company: Few Global Companies in Same Niche
Downside for Producers: Little Competition

Copyright © 2009, 2008, All Rights Reserved
Content: Proprietary Material. Copying & retransmission without written permission is prohibited.

Professional Services for Media & Communications Leaders
wolzien LLC

one piece of content in each individual local markets. With some apologies to whom every came up with the other phrase, but this is “buy globally, sell locally.”

And as we said then, that would disadvantage producers who had done well under the windowing approach. Instead, the small number of global

players could leverage near monopoly purchasing power, or, if they didn’t like the price, could produce the content themselves.

That was ten years ago, but it sounds an awful lot like where Disney and Netflix are headed today as they build out their services in the global market, encompassing not just the West, but the giant and growing middle class markets of China, India, East Asia and places like Brazil. Much of that future is made possible, as we said, because of the penetration of video-capable smartphones receiving either data or WiFi.

Now here’s the twist for today’s presentation. That international shift goes two ways...not just the distribution of material from this town around the world, but also bringing the world’s content to compete in the US market where not only does it disintermediate linear television...but also reduces the value of stuff produced here. And Netflix knows exactly how much of that is happening. They keep a record on you personally, and on me.

And you can find out just what they know about your viewing if you go to the Viewing Activity line on your Netflix Account page.

1 Year, 47 Shows, 308 Episodes

77% NON-US/CANADA SHOWS

Arrested Development Season 1: Episode 1	0/10/09
Arrested Development Season 1: Episode 2	0/10/09
Arrested Development Season 1: Episode 3	0/10/09
Arrested Development Season 1: Episode 4	0/10/09
Arrested Development Season 1: Episode 5	0/10/09
Arrested Development Season 1: Episode 6	0/10/09
Arrested Development Season 1: Episode 7	0/10/09
Arrested Development Season 1: Episode 8	0/10/09
Arrested Development Season 1: Episode 9	0/10/09
Arrested Development Season 1: Episode 10	0/10/09
Arrested Development Season 1: Episode 11	0/10/09
Arrested Development Season 1: Episode 12	0/10/09
Arrested Development Season 1: Episode 13	0/10/09
Arrested Development Season 1: Episode 14	0/10/09
Arrested Development Season 1: Episode 15	0/10/09
Arrested Development Season 1: Episode 16	0/10/09
Arrested Development Season 1: Episode 17	0/10/09
Arrested Development Season 1: Episode 18	0/10/09
Arrested Development Season 1: Episode 19	0/10/09
Arrested Development Season 1: Episode 20	0/10/09
Arrested Development Season 1: Episode 21	0/10/09
Arrested Development Season 1: Episode 22	0/10/09
Arrested Development Season 1: Episode 23	0/10/09
Arrested Development Season 1: Episode 24	0/10/09
Arrested Development Season 1: Episode 25	0/10/09
Arrested Development Season 1: Episode 26	0/10/09
Arrested Development Season 1: Episode 27	0/10/09
Arrested Development Season 1: Episode 28	0/10/09
Arrested Development Season 1: Episode 29	0/10/09
Arrested Development Season 1: Episode 30	0/10/09
Arrested Development Season 1: Episode 31	0/10/09
Arrested Development Season 1: Episode 32	0/10/09
Arrested Development Season 1: Episode 33	0/10/09
Arrested Development Season 1: Episode 34	0/10/09
Arrested Development Season 1: Episode 35	0/10/09
Arrested Development Season 1: Episode 36	0/10/09
Arrested Development Season 1: Episode 37	0/10/09
Arrested Development Season 1: Episode 38	0/10/09
Arrested Development Season 1: Episode 39	0/10/09
Arrested Development Season 1: Episode 40	0/10/09
Arrested Development Season 1: Episode 41	0/10/09
Arrested Development Season 1: Episode 42	0/10/09
Arrested Development Season 1: Episode 43	0/10/09
Arrested Development Season 1: Episode 44	0/10/09
Arrested Development Season 1: Episode 45	0/10/09
Arrested Development Season 1: Episode 46	0/10/09
Arrested Development Season 1: Episode 47	0/10/09

Copyright © 2009, 2008, All Rights Reserved
Content: Proprietary Material. Copying & retransmission without written permission is prohibited.

Professional Services for Media & Communications Leaders
wolzien LLC

When I downloaded my viewing from that page, Netflix told me that I’d watched 308 episodes of 47 show titles—both TV series and individual movies--during the year ending in early February. And when I looked and counted carefully, I found that 77% of those shows and movies were non-US or Canadian productions.

And this viewing was way beyond must watch stuff like Roma from Mexico, or the must watch between-the-wars Babylon Berlin drama out of Germany, or the must watch but brutal Fauda from divided Israel. Much more than all that.

I found the extremely glossy but syrupy Mr. Sunshine out of South Korea about the Korean born US Marine who goes home along with turn of the 20th century gun boat diplomacy.

From Poland, there was the Stunningly modern Ultraviolet about web-tech savvy good-guy vigilantes.

The Paper out of Croatia puts a new high-gloss spin on industrial takeovers of media.

Of course, lots of good stuff from Australia, where the equally glossy Pine Gap is a dramatic series about the people running the joint super-secret Aussie/US satellite intelligence communications intercept center—out in the outback outside Alice Springs. And, by the way, here's a satellite picture of the real CIA and NSA Pine Gap place.

And those two agencies might be interested in noting that both the Pine Gap show and another Aussie Netflix show, Secret City, frequently refer to throwing the Americans out of Pine Gap because of objections to US black ops elsewhere in the world. If you've got spook friends, you might want to tell them about this sign of potential trouble.

Jumping back to the mid-east, there's Turkey-produced The Protector -- gritty sci-fi from the tourist spots and back alleys of Istanbul... and quite decently dubbed.

I watched two heavy handed series out of Russia—actually everything I've watched out of Russia is heavy handed—The Road to Cavalry is a pretty slick patriotic look at the foundations of the Russian Revolution during World War I. And Trotsky is a very big bio-series heavy on heavy handed filmic art, heavy handed sex, and always heavy handed Stalin era politics.

But none of that is nearly as heavy handed as the high-gloss stuff out of China, like Operation Red Sea, where the title characters—literally the characters of the title—were rising out of the ocean in front of China's modern warships. And that was just the beginning. Tons of sub-texts in this story, allegedly true, about the rescue of brave Chinese development workers helping out in Yemen... rescued by even braver Chinese Navy Seal teams. Think of it as an upbeat Blackhawk Down, where the Chinese military comes out the heroes even though a batch of them don't make it.

Interesting to feel like you're on the receiving end of what is becoming a Chinese studio image machine for export— and thinking about how, for all these years, the primary view of the USA by many around the world has been through what this town produces. Now, thanks to high-value production and SVOD distribution, you've just got to wonder if the tables are starting to turn.

One more item. What were, I wondered, those 308 viewing hours worth? What would they have been worth had I been watching high end shows on a linear network rather than Netflix. Well, if I put a hour's worth of viewing at 25 cents—that's a \$10 cpm (cost per thousand) for 12.5 minutes of commercials or \$8 to 9 CPM at a higher number of cable spots per hour.

How Much Was My Viewing Worth?

Average Value per Viewer/Hour	\$ 0.25
* My Netflix Viewing in Hour =	308
Value of Lost Viewing	\$ 77.00
*Total US Viewers 12+ (millions) =	262
Potential Lost Ad Revenue (millions)	20,174

Copyright 2019 Wolzien LLC. All Rights Reserved.
 Content is Property of Wolzien LLC. Content is Property of Wolzien LLC. Content is Property of Wolzien LLC.
 All Rights Reserved. Content is Property of Wolzien LLC. Content is Property of Wolzien LLC.

Professional Services for
 Media & Communications Leaders

wolzien LLC.

Then the value of my 308 hours during the year came out to \$77. Probably closer to \$100 if I added in Prime viewing. And why is that important? It's important because not only was I substituting flat rate SVOD shows for ad-supported content to the detriment of the linear networks, I was also watching a huge amount of international content which made the work of this town just a smidge less valuable.

How less valuable? Well, just to understand this whole concept at scale, if I counted the television population of teens and above, and IF they all watched 308 hours of SVOD instead of linear TV, the value would be around \$20 billion of about a \$70-80 billion total TV ad market. Now, of course this won't happen with everyone... and as linear viewing goes down, CPMs increase... and all the other caveats of why this isn't an accurate number. And let's be real, analyst numbers are hardly ever dead on...but here we're looking for concept and direction. And the point can't be missed. This IS cannibalization. But I'm not quite sure if Netflix is the cannibal... or I was.

By the way, I ran this past a network exec friend the other day and he said sounds about right; maybe \$10 billion too high; or maybe \$10 billion too low. But sounds about right, he said.

Netflix Content VP Cindy Holland



Watch 2 Hours per Day on Average
80% Acquisitions Outside US
Mobile Device Viewing Dominant in Emerging Markets

Copyright 2019 Wolzien LLC. All Rights Reserved.
 Content is Property of Wolzien LLC. Content is Property of Wolzien LLC. Content is Property of Wolzien LLC.
 All Rights Reserved. Content is Property of Wolzien LLC. Content is Property of Wolzien LLC.

Professional Services for
 Media & Communications Leaders

wolzien LLC.

Well this week there's some helpful new data from Cindy Holland, the Original Content VP at Netflix. Speaking in Israel, as reported by Variety, Ms Holland gave us three important data points. Average Netflix viewing is 2 hours a day per subscriber, and that's more than double my 308 hours in a year. Think of 2 hours a day at 25 cents an hour instead of my 50 minutes a day. She said that 80% of Netflix acquisitions are now outside of the US. And she said that mobile device viewing is dominant in the emerging markets, with multi-device viewing everywhere else.

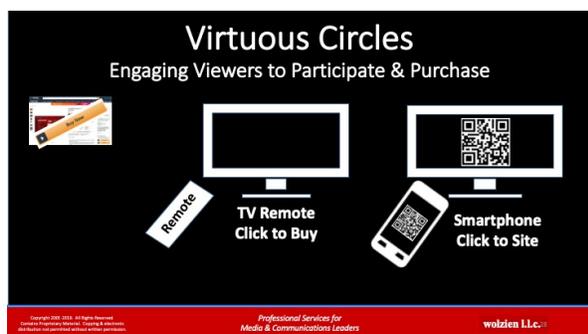
Today we've talked about the growth of smartphones for video, the pressures on linear by SVOD, and the new domination of digital advertising as it surpassed traditional TV advertising. This last segment before our responsive reading, tries to put those things together, and asks whether the smartphone with its interactive capabilities, may just be the glue that holds diminishing advertising on television in place.

We all know this page. Amazon, with the click to buy buttons down in the lower right, including the famous Amazon one click buy now button.



Of course the problem with television is that you can't buy anything from the TV super-easily, like Amazon one click. You have to go to a web site, even phone. You can't buy with a twitch like on Amazon. Well, back in 1996 when I filed for my first patent which subsequently issued as 5,761,606--you always remember your first number—I envisioned a system of electronic

triggers buried in the TV picture that would allow viewers to click on their remote to get more information or buy easily off their TV sets. In fact this patent, sold long ago and subsequently licensed before it expired to guys like Netflix and Disney, was used extensively when viewers clicked to ask for more information, but it never became ubiquitous as a purchasing tool.



Now lets come forward more than two decades and contemplate the fact that all smartphones are QR code capable, with cameras that will decode and link instantly to the web from any QR code they happen to shoot. What's interesting is that those codes can be on a TV screen just as well as on print ads or bike rental racks or on those scooters lying on the ground all over LA.

So, consider if commercials or shows themselves contained the codes to let viewers connect simply and directly to the advertiser's web site on the same phone that those same TV viewers were fooling with while they watch the TV show—whether linear or on demand. Could this approach allow viewers to participate and purchase instantly while watching? Would anybody ever do that?

Well, if you happened to be sitting in Paris one day watching the home shopping programs of



the Thai Global Network as I was a few months ago—by the way that's the network run by the Royal Thai Army—you'd be amazed to find there in the lower right, a QR code to buy the product on sale at the moment. Just pull out your smartphone and zap the code and get connected. It worked for me from about six feet from what was probably about a 50 inch screen.



And if home shopping wasn't your cup of tea, then perhaps this convention of monks might be. Same idea. Zap the QR code and, amazingly, there right



on your phone instantly is the Monk's encyclical. Or, at least that's my guess of what it is.

Watch, zap, go, and get. The smartphone could just be the thing that makes old fashioned television smarter and more valuable.



New ideas from around the world, production from around the world, all changing this business. Then come back to this stage a decade ago when I said... "We have always talked about waves of money coming TO Hollywood. What if we see an alternate being built, producing films for global distribution but at a fraction of the price?" A decade later what was then an "if" is now reality. Content--good and sometime great content--from everywhere.

But one thing is certain...and say it with me now...there will always...there will always...there will always be a need for Lawyers. And based on what we've discussed today, certainly a need for a lot of International Rights lawyers.

Thank you very much.

TW 3/15/2019