Developing the Digital Market

Mitch Singer, CTO
Sony Pictures Entertainment
The End Game

"Let 1,000 retailers bloom."

Consumer
What if DVD Rolled Out This Way?

People would think we were crazy
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

Consumer’s 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?

DRM Protected
- DMCA protection
- Associated obligations
- Prevents redistribution
- Controlled sharing
- Subscription support
- Rental Support
- Plays on limited devices
- Poor upgrade path
- Limited backup
- Not scalable

Service Managed Domain
- DMCA protection
- Associated obligations
- Prevents redistribution
- Controlled sharing
- Subscription support
- Rental support
- Plays on domain devices
- Upgrade path
- Backup
- Scalable

“In the clear”
- No DMCA protection
- No Obligations
- Redistribution threat
- Unlimited sharing
- No subscription
- No Rental
- Plays on any device
- Upgrade friendly
- Backup
- Scalable

Content Protection vs. Digital Flexibility
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

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”

iTunes is the best example of the problem.

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

Separation of stores and domain.

Common Domain

Consumer choice of stores and devices

Internet
The Domain is the Offering

Domain

DVD
Retail and Domain

Kiosk
Website

Retailer
Token
Domain Manager

Internet

Consumer’s Domain

SONY PICTURES
Mobile and Domain

- Mobile Operator
- Token
- Domain Manager
- Internet

Consumer’s Domain
Cable/Satellite and Domain

Cable/Sat Operator → Token → Domain Manager

Internet

Consumer’s Domain
DVD and Domain

Auth Service → Token → Domain Manager

Internet

Consumer’s Domain

Ser# → DVD
Open Market Summary

Common Domain

Internet