



Let's All Go to the Movies...at Home. Protecting Revenue in the Days of COVID for Content Originators and Distributors

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The response to COVID-19 has impacted almost every industry and every company around the world in some way – and the entertainment business is no exception. The film industry, in particular, has experienced unprecedented impacts. *The Hollywood Reporter* estimates the pandemic could cause **\$20 billion in revenue losses globally**.

Two factors are driving significant change in the cinema sector. One is that cinemas around the world are closed, or severely limited in capacity. People simply can't go to the movies as they once did. The other factor is that many consumers have less disposable income. The World Bank, for one, predicts that the pandemic is expected to send most countries around the world into a **recession**.

In response, streaming video services have continued to grow. Whether streaming content "live" or downloading for later viewing, the trend is to watch what we want, when we want. Moreover, studios have been making ready-to-release movies available for home entertainment far earlier than ever. Traditionally, studios would make a film available on video-on-demand three months after its theatre opening. Now, they are making movies available for home viewing in a shortened release **window**, or even on the same day, replacing the film's theatrical release.

Every rose has its thorn: The downside to PVOD

This service, known as premium video on demand (PVOD), may help the industry survive and thrive with its expanded access. But there's a downside. As consumer popularity grows, so too does interest in PVOD among content pirates. PVOD allows pirates easier access to more valuable content; material once classified as "Window 3" rental and/or purchase content due to its release cycle now becomes "Window 1" premium content giving pirates the opportunity to produce better quality stolen material.

Another consideration is the acceptability of piracy to consumers who can no longer afford access to premium content. Consumers with tighter budgets are resourcing different ways to access this content, because they can no longer afford to pay for it legally.

Keep in mind that when we talk about content piracy, we are talking about massive amounts of lost revenue to rightful owners. When copyrighted content is accessed or duplicated without authorisation, large-scale content piracy impacts customers, erodes brand value and strips the bottom line of entertainment businesses – to the tune of tens of billions of dollars in global revenues each year. Even before the advent of COVID-19, the **cost of overall online piracy** worldwide was projected to hit \$52 billion by the year 2022 – not including live sports or pay TV.

What's a content originator or distributor to do?

Stopping premium entertainment content theft in minutes

The good news is that effective ways exist to thwart piracy, and prevent content and revenue loss. One key, essential layer of video security is subscriber watermarking. Once deemed too complicated to put into ongoing use, technology **advances in watermarking** are enabling content owners, broadcasters and pay TV platforms to identify the specific individuals responsible for illegally redistributing their content, and do so faster than ever.

Friend MTS' ASiD watermarking deployments incur lower implementation and operational costs than other types of watermarking while offering broad coverage with a single technology for live and on-demand content across new and legacy devices for full security. In the race to establish PVOD services as a response to social distancing, only ASiD brings you full protection with minimal engineering and no changes at all to your content prep and publishing workflow.

ASiD: Support for PVOD

At Friend MTS, we pioneered the development of client-composited watermarking with our **ASiD service**. It is the most widely deployed and actively used subscriber watermarking in the world for good reasons.

- ASiD's enablement/embedding function embeds the ASiD watermark on video content on direct-to-consumer broadcasts (set-top box) or via OTT platforms.
- The watermark extraction service extracts watermarks and identifies the subscriber responsible for redistribution.
- ASiD can be customized with a specific configuration optimized for UHD/HDR content.

Even better, our ASiD products are easily deployable, and are proven in today's PVOD environment.

The piracy risks for PVOD content are more than substantial. Businesses know they need help and they are prioritizing content security.

In fact, we've already implemented ASiD for a number of major PVOD releases early into the global lock-down, and engaged in more deployments to support service launches over the coming weeks resulting from the changing times brought about by COVID-19.

Independent verification

Cartesian, the content security consultant, has completed rigorous robustness tests on ASiD subscriber watermarking. Compiled over a period of 12 months through a series of discussions with all major Hollywood studios, MovieLabs and the Motion Picture Association of America, the tests replicated key tampering techniques that video pirates use with live and on-demand content. These types of in-depth security tests provide one more confirmation of the strength of our ASiD watermarking.

The opportunity and the responsibility to protect your revenue

In an effort to give consumers a safe escape during their community's response to COVID-19, we're seeing the entertainment business evolve. PVOD, although not new to the industry, is a big part of the change, providing an opportunity for the film industry to persevere and prosper. With opportunity comes responsibility – the responsibility to stay one step ahead of content pirates, and protect revenue, content and brand.

If you're a content originator or distributor, we'd like to talk with you about how ASiD from Friend MTS can work with your PVOD service to **protect your revenues**.

For more information or to get in touch directly, [contact us](#).