

Interview with Mitch Singer

Carsey-Wolf Center at UC Santa Barbara

8-10 minutes

At the time of our interview, Mitch Singer was the Chief Technology Officer for Sony Pictures Entertainment, Inc. and Executive Vice President of New Media and Technology for the studio. Since June 2014, he's been special advisor at content protection tech company Verance. His new post makes perfect sense to anyone following his career: Singer has been involved in digital rights management since the initial launch of DVD technology, and was the lead negotiator for Sony Pictures in content protection technology licensing. In fact, Singer coordinated the studio's anti-piracy activities worldwide. Furthermore, since 2008, Singer has been President of the Digital Entertainment Content Ecosystem (DECE), an international and cross-industry consortium of more than 20 leading studios, consumer electronics and technology companies that are working to define and build a new digital media framework of industry standards.

Singer spoke with MIP from the Sony Pictures Entertainment offices in Culver City, stressing the importance of user experience in digital media consumption and the opportunity

"disruption" represents for even established media companies.

User Experience and Disruption

When you're reviewing license agreements with third-party services, what are you looking for? Are there trends that are emerging? Are there red flags that you keep an eye out for?

Everybody wants to develop the best service that they can for their consumer and differentiate what they offer from their competition. I totally understand that. So, one of the things I look for, first and foremost, is whether the content is being delivered to the consumer in a secure way. Does the content have appropriate protection across devices within the domain of the service's control so consumers have easy access to content but at the same time, widespread copying and redistribution is difficult? The second thing I look for is a usage model.

Obviously, we want to limit the number of devices to which content is delivered. Services, on the other hand, want to expand the number of devices for content delivery. We're always looking to strike the right balance that gives the consumer a great opportunity to collect content within the service ecosystem and at the same time, do it in such a way that the threat of unauthorized distribution is minimized. And of course I also want a commercial guise to get these various retailers to migrate to UV [UltraViolet] so that we can offer an even better usage model for consumers than a service can offer as a typical proprietary satellite.

What about the consumer experience? Or is that something

that stays within the realm of those distributors or partners whose licenses you're reviewing?

First and foremost, it's important for the studio to license content in a way that consumers actually want to consume it. So the user experience is very, very important. User experience is always about the extent to which they can copy and play content within the home. So from a service provider's standpoint, they want the broadest rights possible. From a studio standpoint, we want to make sure that the consumer has a great experience from the service side, but we don't want to grant broad rights that increase the threat of unauthorized sharing.

How do you develop a sense of what the consumers want?

I'm an avid consumer myself. So, I start with my best judgment on what consumers want to do with content. Then, there's lots and lots of research that gives insights into consumer behavior. You also get that information from talking with service providers because they know what their customers are doing.

Let's talk digital theft policy. How have things changed in the past 10 years?

I think the biggest change is how we view new technology. Disruption is no longer a threat. It's an opportunity. Ten years ago I was an intellectual property lawyer for the music industry; we firmly believed we could stop people from stealing content through peer-to-peer decoys and litigation. We understood those technology changes that were rocking our business models as huge threats. Now, we're slowly starting to ask, what opportunities do these changes offer? The industry is educating

itself around disruptive technology more than ever before, and you can see attitudes slowly shifting. So, for example, we still protect our content from digital theft, but now we're looking at those tools as a way to empower the consumers as well. In a way, it's another form of security—make sure the product is secure first and foremost but start to use that same technology to expand what's possible with our content and limit the trend toward unauthorized services.

Do you think this new attitude extends to the way the industry perceives media users who are operating in a digital environment?

If you look only at the last couple of years, consumer spending on home entertainment products has remained fairly constant. But what we're finding from an industry perspective is the percentage of those revenues that come back to the studio is less than what it was before. That's because there's a trend towards more subscription and video-on-demand and a movement away from ownership.

Music is a great example. Early music models—PressPlay or Rhapsody—were subscription models. But consumers still wanted to own music and that drove the popularity of iTunes, which is not a subscription model at all: it's an ownership model. Over the last couple of years, however, we're seeing the trend shift again with the advent of subscription services like Spotify and Pandora. Netflix and Hulu are facilitating change for movies and television shows, as well.

But I don't think this trend is irreversible. Collecting is in our

DNA. Cavemen collected antelope antlers in their caves and drawings on their walls. It defines who we are. I collect like crazy at home. My girlfriend hates me for it. I have a bookshelf full of movies. If you look at my collection, it tells you something about me, perhaps more than I can tell you myself. Look at my Facebook page. It'll tell you what music I enjoy and what television shows I watch. You'll learn more about me. Collecting books, music, and movies really just defines us as human beings, and I firmly believe we have an innate desire to own things as long as that process is frictionless.

Here's what I mean: the motion picture industry launched the DVD in 1997. It gave the consumer the ability to collect our movies in a much more efficient manner than any technology before it. It was very easy. It was very convenient. They fit perfectly on a bookshelf. I could share it. Rental, however, had a lot of friction associated with it. I had to get into my car and find the local Blockbuster. I wasn't even sure the title was going to be available when I got there. I had to browse the shelves to find it. I had to wait in a line. I had to bring it back on their terms. If not, I was charged a penalty. All those things? They cause friction. At the time, then, buying was frictionless and renting had friction.

As the digital model emerged, friction switched. Video-on-demand, which replaced the physical rental model, was frictionless. I press the rent button. I pay my fee. I watch the movie on my television screen. There are no late fees. I don't even have to leave my sofa. Buying content, however, was more complicated. If I bought it from one platform provider, I swore

allegiance to that platform. I wasn't able to view it across my devices. I couldn't share with friends without also sharing the device. I couldn't play it on a big-screen television. It was harder to keep track of what content existed where—there was no more bookshelf where I kept all my titles, or now there were multiple bookshelves on Amazon, iTunes, PlayStation, Xbox. There was no way to aggregate my collection.

In this environment, it makes total sense that you'd start to see video-on-demand and subscription increase, and you'd start to see the ownership model decrease.

[Read the complete transcript of our conversation with Mitch Singer in *Distribution Revolution: Conversations about the Digital Future of Film and Television.*](#)