Checking In...

Conversations with DEG Members about their business and life in 2020

GET TO KNOW:

Jeremy Settle AT&T | Rebecca Heap Comcast | Chris Reynolds Deluxe | Ron Geller Dolby Laboratories

Danny Fisher FilmRise | Lucas Bertrand Looper Insights | Pedro Gutierrez Microsoft | Ricardo Solar The NPD Group

Dan Goman Ownzones | Dan Cohen ViacomCBS | Darcy Antonellis Vubiquity

Debbie Neveu WarnerMedia | Alisa Joseph Whip Media Group
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Q&A

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Hope you enjoyed these 2020 events:
2020 Hedy Lamarr Awards
Honoring Sara DelValle of PBS Kids Digital (top) and UCLA student Molly Melkile (bottom, r.) with DEG’s Bekah Sturm.

Checking In...

Get to know these Members through short Q&As intended to show how leaders across the industry are coping with, and innovating during, WFH life amid a pandemic. We hope you’ll learn something about each subject’s business, but also some little personal detail. Maybe you’ll even find a conversation starter for the next time you really “see” them – in person – or when you meet them for the first time. We look forward to the time next year when we are able to gather safely in person. It’s been a long time.

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DEG advocates and promotes entertainment platforms, products and distribution channels that support the movie, television, music, consumer electronics and IT industries. DEG can be reached via email at getinfo@degonline.org, through its website at www.degonline.org or @deg_online @deg_wah20 @degcanonclub
No More “Normal”

As I thought about how to start this column, the news came that a 90-year-old grandmother of four in the U.K. became the first person in a Western nation to receive a COVID-19 vaccine outside clinical trials. (The second was an 81-year-old called William Shakespeare.)

I feel safe in saying that most of us are looking forward to one or more vaccines beginning to be administered in the U.S. and around the world this month, with a goal of establishing herd immunity to the novel coronavirus as soon as possible. There is much said, and written about, our ability to go back to “normal” with the help of the vaccines. This all with a goal towards being able to conduct daily activities without a mask, resume travel, entertain friends inside our homes and grocery shop without worry.

At the same time, however, I feel strongly that we need to stop calling, and thinking about, things as “normal,” new or otherwise.

Environment for experimentation

As we begin to emerge from the pandemic, will the entertainment business go back to “normal,” with premium content making its way through a rigid series of windows from theaters to homes and personal devices, cycling through the same, established payment models as it goes? Clearly not.

With theaters forced to close and productions shut down, the pandemic created the perfect environment for overdue experimentation with distribution models. All major studios have jumped to take advantage of this unique opportunity to offer consumers new ways to consume content, and consumers have embraced the change. Will windows be re-sorted again once consumers feel safe watching a two-hour movie in an enclosed theater? I’m sure they will, but this won’t be a return to “normal” or to a “new normal,” as much the next step in the ongoing evolution of our business.

WFH Productivity, creativity

By the same token, will the way we do business go back to “normal” with individuals driving across town to meet in their offices with coworkers, on a prescribed schedule each day, and traveling, road warrior style, to meet far-flung colleagues and clients in person? Again, now that we have seen the innovation, productivity and creativity that can happen without full staff in an office every day, I don’t see a return to our former ways. People will go to offices, but not all of them, and not every day. In the future, working remotely at times, and in a central workplace at other times, will be accepted as the way we do business. Just look at the way we’ve come to accept, even embrace, kids and pets on video calls.

If you’re looking for a pandemic silver lining, perhaps it is the increased value we are all learning to place on flexibility and resiliency. But don’t call it the new normal. It just is what it is.
AT&T analytics maven sees opportunity in new content aggregation models

**DEG: How can DEG best help the membership navigate all the change that the entertainment industry is experiencing – in consumer behavior, business models, windows, and even the new ways we are all working?**

**JS: I believe it was Albert Einstein who said, “Education is not the learning of facts, but the training of the mind to think.” The challenge for many of us is sitting through the mountains of information to (1) determine truth and (2) connect to data that challenges us to think. This is even more difficult in an industry where there is no shortage of information being circulated daily. I believe that DEG can continue to play a key role in driving education (not just information spreading) within its membership. We see this today through the many Expos and Summits that are hosted by DEG. We find a curated and expansive list of key news in The DEG DEN newsletter. And most notably, we see this through the leadership of Amy Jo Smith and her team who daily advocate for the industry and for the membership.**

**DEG: What’s a surprising insight about digital consumers that you’ve gained this year?**

**JS: Who would have imagined going the better part of a year without sports, movies and new TV programming? And yet, video viewership hit all-time high during shelter-in-place guidelines of the COVID-19 pandemic. Where new content was absent, consumers reconnected with shows and movies from the past. Families re-established movie night rituals and binge through series and movie franchises from yesteryear. In a world of “content is king,” consumers found a way to connect their families to what they watched when they were growing up. This connection with the past shows the power of storytelling and the desire within each of us to connect to these stories…past, present and future stories.**

**DEG: What is currently the biggest area of opportunity in digital entertainment distribution?**

**JS: As with many industries, the entertainment industry is going through a massive evolutionary change as a result of COVID-19. The status quo of movie release windows has collapsed and will likely not go back to the way it once was. Studios are testing the market trying to find a new path forward with everything from shortened windows, to direct to PVOD, and even same day theater and streaming. We do not have a clear view of what a post-COVID-19 world will look like for digital entertainment distribution. However, we know that there are many stories still to tell and many passionate people who will blaze a path to connect these great stories with audiences across the globe.**

**DEG: What will be the biggest opportunity in five years?**

**JS: I believe that one of the biggest opportunities over the next few years is going to be a reshaping of the TV programming industry. For years, the industry has relied on distributors including satellite, cable and, most recently, OTT services, to package programming from across the industry into small, medium, and large packages. Consumers buy packages of hundreds of channels, yet only watch 15 to 25 channels regularly. The emergence of SVODs, most notably the growth of original content, provides consumers with a new opportunity to ‘pick and choose’ the programming they want simply by subscribing to specific services. In the end, they reduce the unwanted content, but end up with multiple subscription services, experiences, and payments. And while SVODs switching may be a concern today, compelling content, simple pricing, and password sharing (yes, even that!) will help sustain subscriptions over the long-haul. Ultimately, this will have a dramatic impact on the current distribution model, while paving the way for a new aggregation model. Subscription fatigue and slowed engagement will drive an opportunity for aggregation across key content discovery features like search, recommendation, and profiles. Services will want and need to own the experience within their app, but consumers will want to have a level of integration across services to drive simplicity in content discovery.**

**DEG: What’s a surprising insight about digital consumers that you’ve gained this year?**

**JS: When my wife and I had our first kid, we made a commitment that Christmas morning would always be celebrated at our home. This has always made extended travel difficult, but we still managed to make our extended families over the holiday time. Since our move to Los Angeles in 2017, we have had to forgo the trips back home and focus on creating unique memories for each year. For 2020, the pandemic has limited our range of options for big plans. Christmas Eve candlelight service on the beach will be replaced with a family walk through the neighborhood. Christmas parties with friends will be replaced with family game night. In the end, what we do is not as important as the fact that we do it together as a family.**

“When Settle and his wife Genevia had their first child, they agreed every Christmas morning would be spent at home. The pandemic has further focused them on family holiday activities.
REBECCA HEAP
SVP Video and Entertainment, Comcast Cable
DEG Board Director

Survivor fan “Bec” Heap hails from Sydney and the capital of New South Wales is at the top of her 2021 travel wish list.

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Comcast’s Heap sees it as her job to help consumers find and enjoy entertainment content, whether they subscribe to Comcast for pay TV or internet alone

DEG: You’re in a very senior position within your organization and have a remarkably busy schedule, why have you chosen to take a leadership role with DEG?

RH: Comcast has had a positive and fruitful partnership with DEG for years, and I’m honored to continue that tradition and sit on the board alongside my industry peers. Our Xfinity X1 and Flex platforms give our customers access to a growing amount of digital entertainment and DEG has been a great advocate to help grow the industry and enhance innovation among its members.

DEG: How can DEG best help the membership navigate all the change that the entertainment industry is experiencing – in consumer behavior, business models, windows, and even the new ways we are all working?

RH: Consumers love entertainment more than ever, but the way they want to consume it continues to evolve. Industry forums, events and speaker panels to connect and learn from our peers are invaluable in a fast-changing landscape. DEG does a brilliant job helping to educate and connect its members.
DEG: The pandemic has really accelerated media consumption trends that had started earlier, including cord cutting and the growth of digital, in both transactional and subscription forms. How do you see these trends continuing into 2021?

RH: What we’re seeing is that the pandemic is really just accelerating trends that were already underway or soon to begin, such as the growth of OTT, AVOD, new theatrical movie windows, etc. I think you’ll see these trends continue into 2021 and we’re well-positioned to embrace them with our entertainment platforms, X1 and Flex.

X1 will continue to be our flagship entertainment platform, offering our customers the most entertainment choices via the best aggregation platform, but we’re also embracing Flex for our internet-only customers. In our minds, whether they take our pay-TV service or just internet, we see them as an entertainment customer, and we want to super serve them with the best platform to find and discover all their favorite entertainment — subscription-based, ad-supported, transactional and most recently premium video on demand (or PVOD). We’re going to continue leaning into this strategy and will look for ways to evolve both platforms to suit the unique needs of each customer and make entertainment enjoyable and easy in a more complex world.

DEG: How does the proliferation of new OTT services impact Xfinity’s business?

RH: Being able to bring our customers their favorite content, regardless of where it’s coming from and how it’s being delivered, has been our mission since Brian Roberts laid the framework for “Project Infinity” at CES in 2008. As a company, we’ve been embracing OTT services since 2014 when we first integrated NBC’s digital coverage of the Sochi Olympics Games directly into X1. Today, we have more than 250 streaming services on both X1 and Flex, and we expect that number to keep growing. But the big differentiator for us is not the amount of OTT services we offer on both X1 and Flex, but the way we aggregate it all together and present it to customers. Without seamless aggregation, the proliferation of OTT services can make entertainment a chore for consumers and that’s why we put so much focus on getting it right. Entertainment, done well, keeps Xfinity customers engaged and satisfied, delivering incredible value back to the broader business.

DEG: How does the proliferation of new OTT services impact Xfinity’s business?

RH: A visit home to Sydney to see family and hit the stunning Sydney beaches is currently on the top of my very long travel wish list.

DEG: We’ve all been a bit cooped up for the better part of year. If you could travel anywhere in the world (safely) in 2021, where would it be?

RH: A visit home to Sydney to see family and hit the stunning Sydney beaches is currently on the top of my very long travel wish list.

“Without seamless aggregation, the proliferation of OTT services can make entertainment a chore for consumers and that’s why we put so much focus on getting it right. Entertainment, done well, keeps Xfinity customers engaged and satisfied, delivering incredible value back to the broader business.”
DEG: What is currently the biggest area of opportunity in entertainment distribution outside the U.S.?

CR: Platforms. No matter where you are in the world, platforms are launching with great content that originates both in and out of the U.S. This ranges from existing major international platforms like Netflix, Amazon and Apple, as well as the global roll-out of Disney+, HBO Max, Paramount+ and more. There is a lot of opportunity for local and localized content to be enjoyed all over the world through the major platforms and other more regional players.

DEG: In what way is the pandemic affecting the movement of local content to different territories around the globe?

CR: We’ve all seen a major impact to theatrical exhibition and distribution and have seen major studios pivot those releases to platforms, with more announcements that content will continue to shift to streaming only or dual-release windows, so that’s an obvious impact. Beyond theatrical content releases, the ability for production companies to finish shooting and posting content has impacted global supply, and the ability of dubbing studios to operate safely at full capacity has also been challenged. While most countries are able to support studio work, there are still limits to operating hours and the number of people allowed in studios that have impacted traditional dubbing workflows, timelines and associated costs.

IN THIS JOB: Recently promoted, but with Deluxe for more than 10 years

PRIOR EXPERIENCE: Started as an audio editor and mixer and then moved into a variety of operational, technical, product and administrative roles covering the full media supply chain and localization.

HOMETOWN: Simi Valley, Calif.

LIVES NOW: Valencia, Calif.

ENJOYS, OUTSIDE OF WORK: Music – I play guitar, bass, drums and piano and spend a lot of time listening to music. I also enjoy hiking, backpacking, mountain biking, road cycling and generally anything outdoors. Finally, I love good stories so enjoy reading and watching great content at home or in the theater (when we’re not in a pandemic)

linkedin.com/in/chris-reynolds-a8062113

DEG: What’s your favorite success story that your teams have accomplished during this unprecedented virtual period?

CR: I was very impressed by the way the Deluxe teams around the globe were able to instantly pivot to a completely remote work-from-home operation for all of our subtitling, scripting, audio description, packaging, transcoding and delivery workflows. We were able to leverage our cloud-based platforms in a big way and we’ve all been very pleased with how well everything has been working. Additionally, we’re very proud of One Dub, which is our fully cloud-based remote recording application. From the time we launched it early this year it’s been used for thousands of recording sessions around the world for original ADR and international dubbing. There are full lip-sync dub streams on platforms today that were entirely recorded using One Dub, which is quite an achievement for something that Deluxe launched in Q2 of this year.

DEG: What is one change you hope to see in 2021?

CR: As much as I love all of the technology we’ve been able to leverage, and our new ways of working, I’m most looking forward to seeing humanity overcome this pandemic so that we can work together in person again, travel again, and get back to being able to put out more great content for audiences to enjoy all over the world without having to worry about exposing each other to COVID-19.

Challenged dubbing studios carry on safely with cloud-based platforms, says Deluxe’s newly promoted localization leader

CHRIS REYNOLDS
EVP Localization & Fulfillment Services, Deluxe Media, Inc.

“No matter where you are in the world, platforms are launching with great content that originates both in and out of the U.S.”

Reynolds is a musician who started his career as an audio editor.
With theaters shut during the pandemic, Dolby sees consumers compelled to share premium in-home experiences

DEG: There are varying predictions about when consumers will be comfortable returning to theaters. Do you anticipate the box office bouncing back to where it was before the pandemic, or might there be a new normal? With cinemas heavily impacted by COVID-19, what has been the effect on the world of home entertainment in recent months?

RG: The last few months have highlighted that home entertainment is more important than ever. In fact, Dolby recently commissioned a global survey to better understand consumption and purchasing behavior for the home during this incredibly unusual period in our history, which found that home entertainment consumption is, predictably, way up. For example, 72 percent of U.S. adults have increased how much they spend on entertainment since the start of the year. But what’s more interesting to me is the power of entertainment as a shared experience. Consumers are craving human connection. According to the survey, 86 percent of global respondents had over the last six months connected with family and friends virtually while enjoying the same entertainment content at home. And for the vast majority of consumers, it was their first time doing so.

It has been amazing to see the resilience of our industry, which has adapted to these changes. This has been exemplified through the release of several major studio titles like Hamilton, Greyhound, Mulan, Onward, and Trolls World Tour that made their debut in the home. While there is no substitute for the shared magnificence of a cinema experience, consumers were still able to enjoy these films with spectacular audio and picture quality powered by Dolby Atmos and Dolby Vision. We also remain confident that studios will continue to create great content for cinema, and that when audiences return, they will seek out the best cinema experiences.

DEG: With consumers spending so much time this year watching content on home and personal devices, have you observed a growing demand for premium in-home experiences? If so, what upgrades are they most interested in?

RG: Definitely. Back to the survey, we found that 64 percent of global respondents plan to purchase a device specifically to upgrade their living room entertainment experience (e.g., new TV, soundbar, home theater speakers, receiver or streaming device). Respondents feel that better picture and sound quality impacts how they connect with the story. I’m actually not surprised by this finding because we know that the more recent immersive technologies such as Dolby Vision and Dolby Atmos help create a more emotional and even physical reaction to content experiences than was possible historically.

DEG: Geller’s career advice might also apply to the pandemic: “The tougher it is at the beginning, the sweeter it is at the end.”

2020 has forced us all to try new things, think differently and do whatever it takes to keep bringing the best entertainment to our customers. We especially could not have made it through this year without the commitment from our content providers, OEM partners and technology providers. Thank you once again and we look forward to 2021 with renewed hope, optimism and a belief that we can keep solving problems together.

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Like many others, I think there is a lot of benefit to a hybrid of in-office and home work. This is because many homes, including mine, now have quasi-permanent workspaces that weren’t there before COVID-19. We are finding out, myself included, that we can be as productive at home as we are in the office. However, there is no replacement for in-person interaction – especially when it comes to team brainstorms and engaging with partners.

Regarding content post-production, where my team spends a lot of time, the benefit of remote workflows, and remote review and approvals, will likely continue in some form even after the pandemic, especially if it means creatives and studio executives can avoid L.A. freeway traffic. I also expect we’ll see more tools that will make remote workflows much easier.

When we are able to safely return to what was once known as “normal” business operations, what will have changed?

Even in your first job doing a lot of grunt work, you’ll learn something (though it won’t seem like it at the time): Handling the work with grace will likely get noticed. Try to remember that the tougher it is at the beginning, the sweeter it will feel at the end.

What business advice would you pass along to someone just starting a career?

In a survey, Dolby found that 64 percent of [consumers] plan to purchase a device specifically to upgrade their living room entertainment. Respondents feel that better picture and sound quality impacts how they connect with the story.
FilmRise CEO Fisher sees robust opportunity for AVOD in the U.S. and abroad

DEG: What are the biggest opportunities created for an independent content provider like FilmRise as a result of the proliferation of new OTT services?

DF: FilmRise has grown to become the largest independent provider of content to the AVOD streaming platforms by using our proprietary data analytics algorithms to identify content that has very high demand from viewers, but are either under the radar, or significantly underestimated by the industry.

A recent case in point is our acquisition of *The Rifleman*, which is a black and white TV series that is over 60 years old. Our analytics identified this show as having extremely high viewer demand. Now that we have released the show on the major AVOD platforms, we have corroborated our algorithms, as it is one of the most popular shows in the AVOD space.

DEG: Are there also challenges, or pitfalls, to be avoided?

DF: For FilmRise, our biggest challenge is keeping our eye on the ball and not deviating from our analytics-based approach. The cost of licensing content for AVOD has increased significantly over the past three years, and we are developing new strategies to acquire content in a more competitive environment. One area that is of increasing interest to us is original production, and we have entered into several recent co-production deals, such as Bloodline Detectives, hosted by Nancy Grace, which is in TV syndication right now but will soon be syndicated to OTT platforms.

DEG: AVOD is getting more attention since homebound consumers have started to look for more, and more affordable, sources of content since the start of the pandemic. What are your expectations for AVOD’s growth over the next two years?

DF: Our expectations are for massive growth in the AVOD space, and for growth outside the U.S. to be much greater than in the U.S. AVOD outside the U.S. is at the state that U.S. AVOD was perhaps three years ago, so the rate of growth of AVOD internationally is much higher than the rate of growth in the U.S. currently. Established AVOD platforms will continue to grow, and new platforms like Peacock will grow at a faster rate, as they have just started out. More new platforms appealing to niche audiences will proliferate, and that collectively will aggregate into a meaningful market share. We also believe that smart TVs will grow their AVOD audience significantly.

Audiences will not want to pay for multiple paid services, whether cable or SVOD, and will learn that they can try out multiple AVOD services for free — without even having to sign up in most cases. Audiences will learn that there is programming that is outside the box but of high quality and will develop a taste for content that they had previously not heard of. I myself have become addicted to some of the content that FilmRise is offering on AVOD, such as Doc Martin.

DEG: What best practices can you share for keeping your teams engaged, positive and well during this time of remote work?

DF: We have a staff of 70, all working remotely, and we are all engaged closely with each other via Zoom conferences, emails and texts daily. We have been supportive of each other on matters of business as well as personal support. We act like a large family, and continually share issues with each other, whether professional or personal. As CEO, I make sure to communicate separately with each one of our 70 team members on a regular basis. It’s all about communication, being open, supportive and sharing.

DEG: What advice you would pass along to someone just starting a career in film or television?

DF: I am asked this question a lot. I always have the same answer: get in the door, become an intern or take an entry level position of any kind. Be a team player, and do what needs to be done, even if it means making coffee, organizing the shelves or other such work. If you work hard and are diligent — regardless of the task — you will be noticed. I have promoted for diligence, hard work, fulfilling the task one is given — as opposed to promoting based on one’s great ideas. Ideas are welcome — but first get the job done that you were asked to do — and give it 100 percent.

“As CEO, I make sure to communicate separately with each one of our 70 team members on a regular basis. It’s all about communication, being open, supportive and sharing.”
The pandemic has raised stakes for digital entertainment merchandising, says Looper Insights boss Bertrand

DEG: Looper is a new DEG member. For people who aren’t familiar with the company, how would you describe the company’s role in the digital entertainment ecosystem?

LB: We provide visibility, data and insights of apps and titles across OTT and connected device environments including smart TV, games consoles, streaming devices and set-top-boxes.

DEG: How has digital merchandising of film and TV changed since the onset of the pandemic?

LB: It has become even more crucial and higher stakes, requiring more real-time and accurate data to effectively manage and track ROI. Observing the data, we see a massive shift towards connected devices engagement as viewers want to watch high value content on their biggest screen: the TV. Distributors are focusing on where the audience is (at home and on demand) and delivering content-led merchandising campaigns across platforms and stores to get in front of the consumer. That’s hard in an on demand fragmented world. Securing visibility across platforms means more platforms are now selling placement and becoming the new gatekeepers to audiences.

As soon as the pandemic allows, Melbourne native Bertrand is headed “anywhere with some wind and sea!”

DEG: What merchandising data do you think is currently being underutilized by content owners and distributors?

LB: The biggest problem is just knowing where your app or title is on a service and for how long it’s being promoted (or not) within each UI. That data exists and the insights are super valuable for those competing in this space. We are seeing the broadcasters now realizing that the carriage negotiation for position on the electronic program guide is now a daily battle to get their titles and app brands promoted over the competition. Without this visibility you are flying blind in that negotiation.

DEG: On your website, we noticed your 1 percent pledge for the Crisis charity. Can you tell us about that – how did you decide to make a charitable commitment? And why Crisis?

LB: Here in London and in L.A., like many big cities, we have a terrible problem with a lack of cost-effective housing and accessible care for people on the borderline. Since the pandemic, it’s become even more invisible to many of us who are no longer commuting and seeing familiar if desperate faces. It’s our pledge to donate 1 percent of time, profit or product development, whichever is the greater value, to them each year to recognize and contribute back to our communities.

DEG: When do you expect to be traveling regularly again? Where will you go?

TA: My normal work route is between L.A. and London and I don’t see that opening up or being as necessary until next summer. As soon as we can, I’ll get back onto the water for some sailing with family and friends and I’ll do that anywhere with some wind and sea!
Microsoft Digital Stores leader is optimistic about the potential of windows experiments to connect consumers with more content

DEG: Theaters in parts of the country, and the world, have been closed for a long time, and that has created an opportunity for experimentation with windows and an opening for premium VOD that’s been a long time coming. How do you see this playing out in the coming year?

PG: I believe we are just at the beginning of the experimentation process. All studios and distributors want to connect consumers with their desired entertainment, and the constantly changing impact of COVID-19 restrictions on theatrical, the growth of streaming services, and greater consumer understanding of transactional services lead to a myriad of opportunities for testing and optimization. We are going to see a proliferation of different strategies that are all going to take time to be understood and adopted by consumers. Hence, I see this coming year as being full of new opportunities for both content owners and consumers to connect, and, as a platform, I am excited about how Microsoft can fulfill against these opportunities.

DEG: Is there anything that has surprised you in consumers’ entertainment consumption habits since the start of the pandemic?

PG: Microsoft, as an organization from the top down, places employees first and has the technology to efficiently enable work-from-home scenarios. We all miss the hallway banter and drop-ins, but we make those up by purposely and thoughtfully checking in on each other, getting together virtually not just for work but to bond over online bingo or GIF battles, and being understanding of each other’s individual needs.

DEG: Theaters in parts of the country, and the world, have been closed for a long time, and that has created an opportunity for experimentation with windows and an opening for premium VOD that’s been a long time coming. How do you see this playing out in the coming year?

PG: The biggest surprise to me as been the popularity of Contagion. I have been watching movies and shows to disappear from today’s reality, yet many have found Contagion as the movie to watch again during these times. The other item I have noticed is the people who missed shows when they were initially popular are now catching up and wanting to discuss them. Whether it is older shows like The Wire or the first seasons of Yellowstone, people are now discovering these shows later and bringing back, albeit virtual, “watercooler talk” about them. It is a bit of nostalgia and a whole lot of fun to revisit great content.

DEG: How have your business teams experienced remote work as a result of the pandemic differently, depending on where they are located?

DEG: What’s your favorite success story that your teams have accomplished during this unprecedented virtual period?

PG: At the start of the stay-at-home orders in March, the Microsoft Movies & TV team rallied with our studio partners to bring the latest content straight from theaters and PVOD to consumers. It was amazing to see how the team members and studios coordinated quickly to share these titles, promote them to consumers, and add individual components to differentiate the offerings, growing the business for all. These joint efforts reinforced what were previously strong relationships and make the ongoing planning and experimentation easier.

PG: I have gotten addicted to maximizing my step count, leading to behaviors that are driving my family and dog crazy. I try to reach a minimum of 12,000 steps a day and, when I know that my schedule is a bit tighter, I purposely take longer paths to the kitchen or backyard, or eat my meals while walking just to increase my step count. My path to reaching my daily step “achievement unlock” may not be the best but at least it is a healthy habit!

DEG: What is one new habit you’ve picked up while working from home this year?

Gutierrez is committed to logging 12,000 steps each day, even when it means eating on the go.
The pandemic created many new entertainment consumers, says this NPD Group leader. The challenge for IP companies is how to keep them engaged for years to come.

**DEG:** What is currently the biggest area of opportunity in entertainment creation, distribution or technology?

**RS:** For us at NPD, it is about the intersection and insights of our data across all of entertainment as it evolves and blends digital with physical. For example, the correlation between content viewing in SVOD and its impact on the shelf for toys, video games, books and DVDs. We are looking at best practices on the windowing and distribution strategies that maximize these correlations delivering incremental sales and profit. I think that the content creators, consumer product divisions, licensors, and retailers that understand how their IP and products navigate the entertainment ecosystem will maximize their revenues and win in the market.

For example, through our tracking systems, we can see how old content for a kids’ series generates an incremental audience and interest that will boost the new content as it is released on a platform. Because of the pandemic, kids and adults play more video games, read more books and watch more movies than ever before. The competition for dollars into these segments will be fierce. For example, 13 million additional people played with toys this year compared to 2019. Many of these new consumers may be lost when other forms of live entertainment come back such as theaters, amusement parks, sporting events and camps. Companies need to understand who these newly acquired consumers are, what they are doing, what and where they are watching content now, and how they can keep them engaged with their IP across the ecosystem for years to come.

**DEG:** What will be the biggest opportunity in five years?

**RS:** For media, we believe, that TV content service fragmentation will lead to completing the cycle of distribution unbundling. The most successful distributors will be able to fully monetize the platforms that we are just now seeing hit the market.

**DEG:** What can home entertainment learn about digital distribution from the music or videogame industries?

**RS:** The music industry missed the opportunity to monetize digital because they were focused on piracy instead. They saw the transition coming and didn’t get behind the consumer shift and develop distribution capabilities to capitalize on it. In the end, the consumer still moved to digital and it took the industry 10 years to revert back to monetizing that engagement.

For insight on the video games industry, I solicited help from NPD’s U.S. games industry analyst, Mat Piscatella. According to Mat, video games publishers in gaming want to move to subscription and digital models to control the consumer relationship and improve margins. They incentivize digital purchasing by offering pre-order discounting and exclusive content for those that buy digitally.

**DEG:** Now that you’ve experienced almost all of 2020, if you could go back to March and give yourself some advice, what would it be?

**RS:** Besides don’t sell your Tesla stock, I would tell myself not to worry too much about our business. At the beginning of the pandemic, we didn’t know how the bricks-and-mortar store closures across the globe would impact our tracking and consumer business in many of the global categories we measure, such as toys. Of course, NPD being a data and analytics company, created multiple business scenarios, some of them not so positive. We soon realized that the value of our data across physical, digital and e-commerce, and the industry expertise of our people were critical to our customers who were looking for our guidance to successfully navigate through the uncertainty. At the end, and so far, all went well, and I feel fortunate and grateful for working in such a great company.
Longtime software executive Goman explains the benefits of cloud supply chain for an improved consumer experience with digital entertainment

**DEG:** In layman’s terms, what are the three biggest business benefits to moving the digital entertainment supply chain to the cloud?

**DG:** Efficiency. Cloud-based technologies give us a more informed view of the value relationships between content creation, content ownership, and content consumption. This is incredibly important as we experience an explosion of new outlets and online services. The cloud allows us to be more agile as an industry, to work more rapidly and efficiently, and to monetize content in new ways.

Saving. Just as there is a proliferation of new OTT services and unprecedented growth in content production, there are also exciting, new opportunities to monetize existing content. This brings the challenge of tighter margins as the market for eyeballs becomes more and more saturated.

Cloud-based supply chain technologies, like Ownzones Connect, for example, have the ability to utilize artificial intelligence and automation to rapidly analyze and identify all of the components. Files are scanned as they are moved into the cloud and replicated content can be removed from the archive, which with many archives measured in petabytes means savings of millions of dollars for content owners.

**DEG:** What benefits will consumers experience as a result of this change?

**DG:** Consumers are benefiting from the shift to the cloud in many ways. The most obvious is the proliferation of choice from the new streaming services which are all hosted in the cloud and use cloud-based technologies to deliver compelling entertainment experiences to mobile and set-top devices and televisions. Add to that the level of interactivity that cloud-based technologies enable for the consumer, including customized user experiences based on artificial intelligence (AI) to deliver highly personalized content choices based on viewing habits, customized e-commerce experiences utilizing embedded metadata and demographic information to maximize relevance and sales engagement.

An interesting area where cloud-based technologies are contributing to consumer experience is the ability to localize content. Ownzones Connect incorporates the Rekognition microservice from AWS to allow content owners to automatically create machine generated subtitles. Not only does this open up a world of content experiences for the audience, but it also opens up global market opportunities for content owners. Very soon we will be able to experience lifelike machine-generated voices in multiple languages using the speech patterns of the lead actor, adding to the realism of the experience, and raising the production value of the content for the audience.

**DEG:** Where is the industry in terms of its transition to the cloud now? Has the pandemic played a role in hastening the transition?

**DG:** The media and entertainment industry is rapidly adopting cloud-based technologies at every stage of content creation and the digital supply chain. This adoption has been greatly accelerated by the impact of the global pandemic forcing everyone to work remotely. For example, content can be immediately uploaded on the set and it is automatically logged, transcoded, and delivered to all of the people down the line who need to work with it next. Editors and visual effects artists are working from home using powerful computers hosted in the cloud. Studios are finding these virtual environments are more powerful, faster, and less expensive to operate than managing and maintaining on-premise infrastructure.

**DEG:** Now that you’ve experienced almost all of 2020, if you could go back to March and give yourself some advice, what would it be?

**DG:** It’s very difficult to say, this year has been the year of “the unexpected” in many ways. It would probably be something like – buckle up, it’s going to be a wild ride and it’s going to last longer than you think.

**DEG:** When it’s time for you to relax, what is your go-to entertainment, and how do you experience it?

DG: We “cut the cord” a long time ago in our house, so we stream everything, and we subscribe to three major streaming services for all programming. Even though I spend a lot of time on my phone, I prefer to consume entertainment content on a large screen TV. While mobile device screens get better and better with each iteration, there’s nothing like seeing your favorite movie on a large screen, high resolution TV with a good sound system.

““The ability to collaborate and share content in real-time enables a new level of creativity that ultimately contributes to a richer experience for audiences. We’re in a period of rapid change and the possibilities are endless.””

Goman’s advice on 2020, in hindsight: Buckle up, it’s going to be a wild ride and it’s going to last longer than you think.
Distribution veteran Cohen says that while production delays hurt, the pandemic has also created opportunities for innovation

DEG: The pandemic has really accelerated media consumption trends that had started earlier, including cord cutting and the growth of digital, in both transactional and subscription forms. How do you see these trends continuing into 2021?

DC: I definitely see these trends continuing, if for no other reason than the pandemic won’t disappear in 2020. I also see merit in a number of new initiatives in-and-around the way content is being consumed (and distributed).

DEG: Do these changing consumption trends impact content licensing in a positive or negative way? How so?

DC: It’s some of each. The delay in new production hurts our business, given it’s the new movies and series that drive a lot of our revenue. We have, however, also found great new opportunities — including the explorations into PVOD and the return of the CBS Sunday Night Movie. I love seeing iconic movies like Forrest Gump and Ferris Bueller back on broadcast television!

DEG: How can, or should, DEG best help the membership navigate all the change that the entertainment industry is experiencing — in consumer behavior, business models, windows, and even the new ways we are all working?

DC: DEG is a great resource for us all. The daily industry news updates are terrific and the DEG virtual sessions are providing such great industry information, data, trends and best practices. I’ll do my part to support all of this continuing.

DEG: What’s your favorite job that you’ve had in the entertainment industry?

DC: I joined Home Premiere Television (now known as INDEMAND) just prior to its launch in 1987 (!) as one of the first national pay-per-view networks. There was something incredibly special and exciting about helping launch a service in a very nascent business model. We launched with the movie Ishtar, which perhaps is a different story!

Cohen, pictured at a football match in Germany before the pandemic, calls in-person time with colleagues one of the best aspects of his role.

“We have found great new opportunities — including the explorations into PVOD and the return of the CBS Sunday Night Movie. I love seeing iconic movies like Forrest Gump and Ferris Bueller back on broadcast television!”

IN THIS JOB: 1 year
PRIOR EXPERIENCE: Previously head of television and home entertainment distribution for Paramount, after having spent 20 years in distribution at Disney.
HOMETOWN: Pittsburgh
LIVES NOW: Los Angeles (Hancock Park)
ENJOYS, OUTSIDE OF WORK: Tennis, hiking, hanging at home with my wife and our three crazy dogs
linkedin.com/in/dan-cohen-6a23655

DC: The best part has been using these new technologies to allow more of our team to participate in meetings, discussions, and helping us map out plans. The part I miss the most is just seeing my colleagues and our clients in person. While I’m happy to not be traveling all over, I do miss the in-person time, which is one of the best aspects of my role.

DEG: What’s your favorite part of working from home? What do you like least?

DC: I joined Home Premiere Television (now known as INDEMAND) just prior to its launch in 1987 (!) as one of the first national pay-per-view networks. There was something incredibly special and exciting about helping launch a service in a very nascent business model. We launched with the movie Ishtar, which perhaps is a different story!

“...
Vubiquity’s Antonellis: Distribution continues to grow in complexity as much more content comes to market

DEG: How are your teams at Vubiquity working differently as a result of consumers’ increased consumption of content since the onset of the pandemic?

DA: Newly produced content has been replaced by significant library distribution around the globe. There is significant volume to support the existing and new global OTTs — both with launches and extended campaigns. UHD and bespoke formats are getting more attention. Rights/avails coupled with new monetization models naturally continue to grow in complexity.

DEG: What’s your favorite success story that your teams have accomplished during this unprecedented virtual period?

DA: I cannot say enough about the commitment and work the organization has put into virtualizing almost all of our commercial functions around the globe. In the course of about 48 hours from the start of the pandemic, more than 1,000 employees were working remotely. For all of our lessons learned and appreciated, it’s been their resilience and perseverance that has been so inspiring.

DEG: How will the entertainment distribution business look different in 2022 than it did in 2019?

DA: With the largest content creators spending in excess of $100 billion in the aggregate, and coupled with a backlog within release planning, global programming complexity comes top of mind. With social activities challenged in 2020 and a looking ahead to theatres and other venues open at scale, people will want to go out for entertainment, live events and travel.

DEG: Who has been your most valuable career mentor, and in what way have they been most helpful to you?

DA: My suggestions would be to start with identifying those areas you’re most passionate about — if you don’t love it, it’s a waste of time and talent. Second, build your own personal network of mentors, supporters and peers. Last, recognize that it isn’t always going to be easy, so find your own personal path to satisfaction in dealing with the challenges as well as the successes.

DEG: What advice would you give to a woman just starting a career in entertainment technology?

DA: My family members have been by biggest mentors: from work ethic to decision-making and much, much more.
**2021 DIGITAL EVENTS**

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**DEBBIE NEVEU**

VP Financial Reporting, Digital Transaction Streaming, WarnerMedia Chair, DEG Finance & Accounting Committee

Neveu, pictured with husband Jeremy Ross, enjoys long walks on the beach, and also a spin around the racetrack in a performance automobile.

**WarnerMedia finance VP Neveu sees business potential in interactive companion apps for content viewing**

DEG: The pandemic has really accelerated media consumption trends that had started earlier, including cord cutting and the growth of digital, in both transactional and subscription forms. How do you see these trends continuing into 2021?

DN: I expect that, in 2021, working, relaxing and learning from home will drive even more growth in digital film and TV entertainment distribution (cable cutting, AVOD, TVOD, SVOD). Until there is a vaccine and likely afterward, there will be continuing growth in videogames (especially online gaming, because of the social aspect in a time of isolation) and, more than ever, in edutainment, as parents need to provide a rich and varied learning environment at home to supplement traditional schooling. In education, people will continue looking beyond the standard STEM disciplines to embrace new areas of learning that can be delivered especially well digitally, including creativity and emotional intelligence. Everyone’s enthusiasm about finding connection and community through video interactions via Zoom and FaceTime is going to have a long-lasting effect on learning, engagement and the ways stories are told.
DEG: What business models do you see used in other industries—microtransactions in video games might be one example—that you think might have potential for film and TV?

DN: Interactive augmentations to traditional lean-back viewing have been tried over the last two decades by businesses but have not been accepted widely. However, people increasingly use their phones and tablets while watching to discover new shows, look up episode guides and databases of actor/creator information. A promising example of how to turn this into a business model is TVTime, an app that lets people voluntarily post reviews and share their favorites, wish lists and much more data that goes well beyond traditional ratings. This not only benefits users but also provides a trove of rich data about likes, engagement and emotional hooks that is distilled for providers to help optimize content programming.

DEG: What's a surprising business insight that you've gained this year?

DN: The whole world seems broken right now, but I see huge business opportunity in the fact that each and every part of our lives is being reimagined and reenvisioned, all at the same time—from climate change solutions, to altered world economies, to virus-safe travel and leisure, education, government, retail, entertainment and even space travel. The challenge is to enthusiastically embrace change and business experimentation in order to achieve successful results.

DEG: Interactive augmentations to traditional lean-back viewing have been tried over the last two decades by businesses but have not been accepted widely. However, people increasingly use their phones and tablets while watching to discover new shows, look up episode guides and databases of actor/creator information. A promising example of how to turn this into a business model is TVTime, an app that lets people voluntarily post reviews and share their favorites, wish lists and much more data that goes well beyond traditional ratings. This not only benefits users but also provides a trove of rich data about likes, engagement and emotional hooks that is distilled for providers to help optimize content programming.

DEG: Now that you've experienced almost all of 2020, if you could go back to March and give yourself some advice, what would it be?

DN: I would counsel my March self to lean into adventure, seek joy and grow resiliency by facing challenges. I put this advice into practice even back in March. The weekend before lockdown began, 75 ladies from my AllBright sisterhood and I descended on the BMW performance center in Indio for an International Women’s Day event. With the help of several professional race car coaches and a bit of instructional training, we faced our fears and felt pure exhilaration as we enjoyed off-roading, drifting, drag racing and some very intense laps at high speeds on the racetrack—picking up the pace after each turn to again stomp on the gas. The joy and confidence that the experience brought has fueled my ability to push through a number of challenges in the last nine months.

DEG: What business news source can you not do without?

DN: John Oliver, of course! He is a reliable news source with sardonic humor to help me get perspective on daily events. I also love Apple News+. It brings me stories from so many diverse sources and helps me discover things to broaden my interests. I love getting lost in reading about topics I never knew I’d be interested in—from the impact of devastation in the rain forests or Australian wildlife, to hilarious human behavior and technologies that can change the world.
DEG: The pandemic has really accelerated media consumption trends that had started earlier, including cord cutting and the growth of digital entertainment through transactional and subscription models. What does Whip’s consumer data tell you about how these trends will continue to play out in 2021 and 2022?

AJ: Our data validated that OTT was already transforming our industry and that the pandemic simply fueled those trends that were already well underway. While consumers are getting overwhelmed by the number of services available to them, they’re more in control over what content they want to watch. In this increasingly crowded market, data becomes more critical to understand not only what consumers are watching but why. This will vary by any combination of territories, platforms, and consumer preferences and tastes. Add to the picture rising content costs and the increased demand for catalog content, and integrating data and insights into the decision workflow becomes essential to predicting the success of what content needs to be licensed next to engage viewers and drive retention and acquisition.

DEG: Do consumers have a content saturation point, in terms of number of services, or time or money spent?

AJ: In a recent survey that we fielded to users of our TV Time app, the world’s largest TV and streaming platform, we saw the emergence of sticker shock on how much consumers are willing to pay. On average, respondents subscribe to 4 services and pay $40 per month. While they may be willing to subscribe to one additional service, there is some resistance since they may feel satisfied with what they already have, are experiencing expense fatigue, or are not interested in the content being offered. This may help explain the growing popularity of ad-supported video on-demand and bundling. AVOD provides both financial relief and fresh content. Bundling offers a one-stop approach and different content that can attract and engage audiences who otherwise might not try a service.

DEG: What’s a surprising consumer insight that you’ve gained this year?

AJ: During times of massive social shifts, connecting consumers with the right content is a game changer. For example, as the pandemic hit, our insights showed consumer predisposition towards comedies and drama which provided relief from the ominous headlines. Traditional metrics are unlikely to detect these emotional motivations, resulting in programming and licensing choices that are not capitalizing on consumer sentiment and assigning a premium to the value of that content. In these uncertain times, sentiment will continue to evolve and understanding how audiences are engaged and anticipating content will be critical to making smarter licensing decisions and positively impact business outcomes.

In the early days of the pandemic, news genre viewing nearly doubled, while sports declined sharply because of the cessation of live events. Now we’re seeing news programming level out as consumers seek lighter fare and escapism programs. Indeed, A+E Networks grew viewership in both prime and total day, outsourcing the cable marketplace. But the power and value of cable and broadcast was clearly evident when ESPN aired the NFL Draft in late April and the 10-part documentary, The Last Dance. Both yielded record-breaking results, suggesting that viewers could return in high numbers when original fare is again abundant.

Predicting the lifecycle of these trends depends somewhat on the course of the health emergency itself — if, how, and when Americans return to pre-COVID-19 lifestyles, business environments resume and sports seasons move forward. Returning to live production is also an important A-factor to consider. But an informed guess would be that broadcast and ad-supported cable viewing will return to pre-COVID-19 levels, and that streaming growth will continue.

DEG: What was the biggest insight from the Whiplash research you conducted?

AJ: As consumers seek lighter fare and escapism programs, we’re seeing more people turning to streaming platforms. For example, when we analyzed 163 episodes across 69 dramas from 8 different networks, we found that streaming viewers watch an average of 7.4 episodes before each series finale aired on broadcast.

DEG: How are you planning to relax during the holidays in this most unusual year?

AJ: I will spend time with my immediate family and our new Goldendoodle puppy. We’ll be celebrating both Hanukkah and Christmas at home and helping our community food banks to meet the growing needs that have come with the pandemic.
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