
Blockchain in the Media & Entertainment Industry? Fit or Mismatch?

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ITech-Webinar

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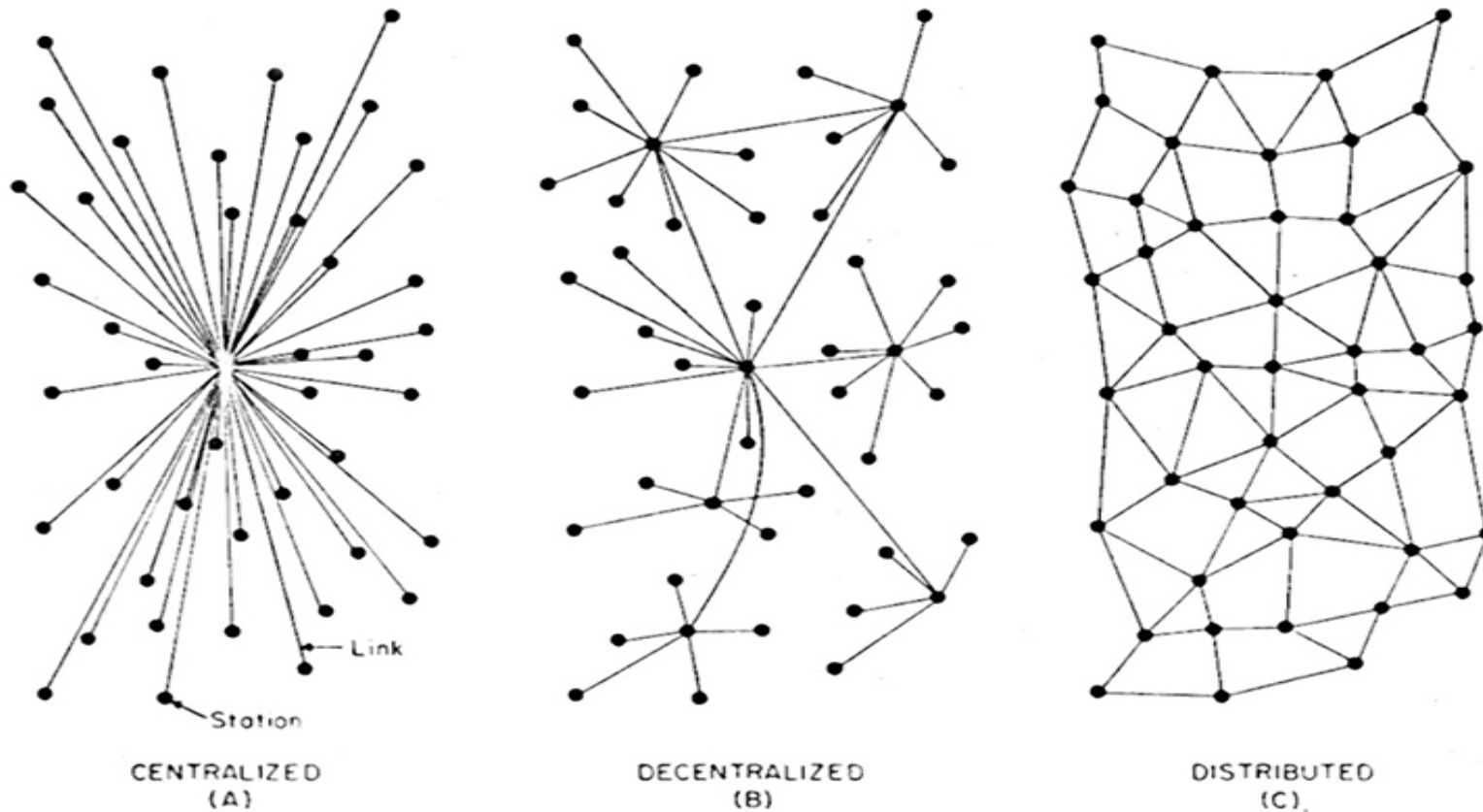
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Introduction

– Short Blockchain Technology-Recap:

- **Distributed Register:** Register («ledger») listing holders of certain rights which is not centrally administered, but shared (distributed ledger technology «DLT»).
- **Rightholders & Keys:** Usually anonymised and transact with other rightholders with (i) a private key (to identify themselves) and (ii) a public key (as public reference point).
- **(Block-)Chain:** Each transaction creates a new line item in the record, building a chain of transaction blocks («Blockchain»).
- **Network of replicated ledgers:** Blockchain is stored on every computer participating in the blockchain («nodes») and constantly synchronized on every computer.
- **Immutable Change Log:** Every transaction history is recorded/evidenced in the Blockchain and immutable/irreversible.
- **Smart Contracts:** Conditioned transaction instructions with automated execution mechanisms. Instantaneous Transactions are possible. But once in place, little possibilities for change afterwards (immutable).

Introduction



– Source: Paul Baran, «On Distributed Communication».

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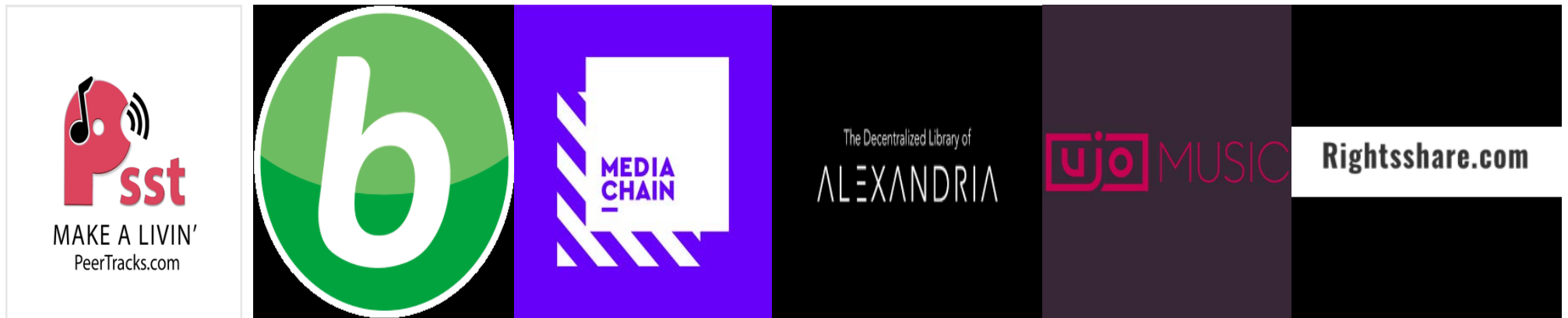
- **Blockchain as a «solution for problems» or «identifying problems» first and then building a Blockchain?**
 - **Perspectives:** Inventor's view vs. Businessmen's view.
 - **Success:** Blockchain is only an «enabling technology». It can be used to implement problem solving. Whether it is successful depends on the problem addressed and the solution chosen to implement.
 - **Potential of Blockchain-Technology:** Any types of applications requiring
 - fast, cost-efficient transactions;
 - reliable evidence with a permanent authoritative record;
 - tradeability of «digital assets»;
 - without reliance on a trusted authority (or intermediaries in general);
 - without the need of managing contractual relationships or value exchange.

Introduction

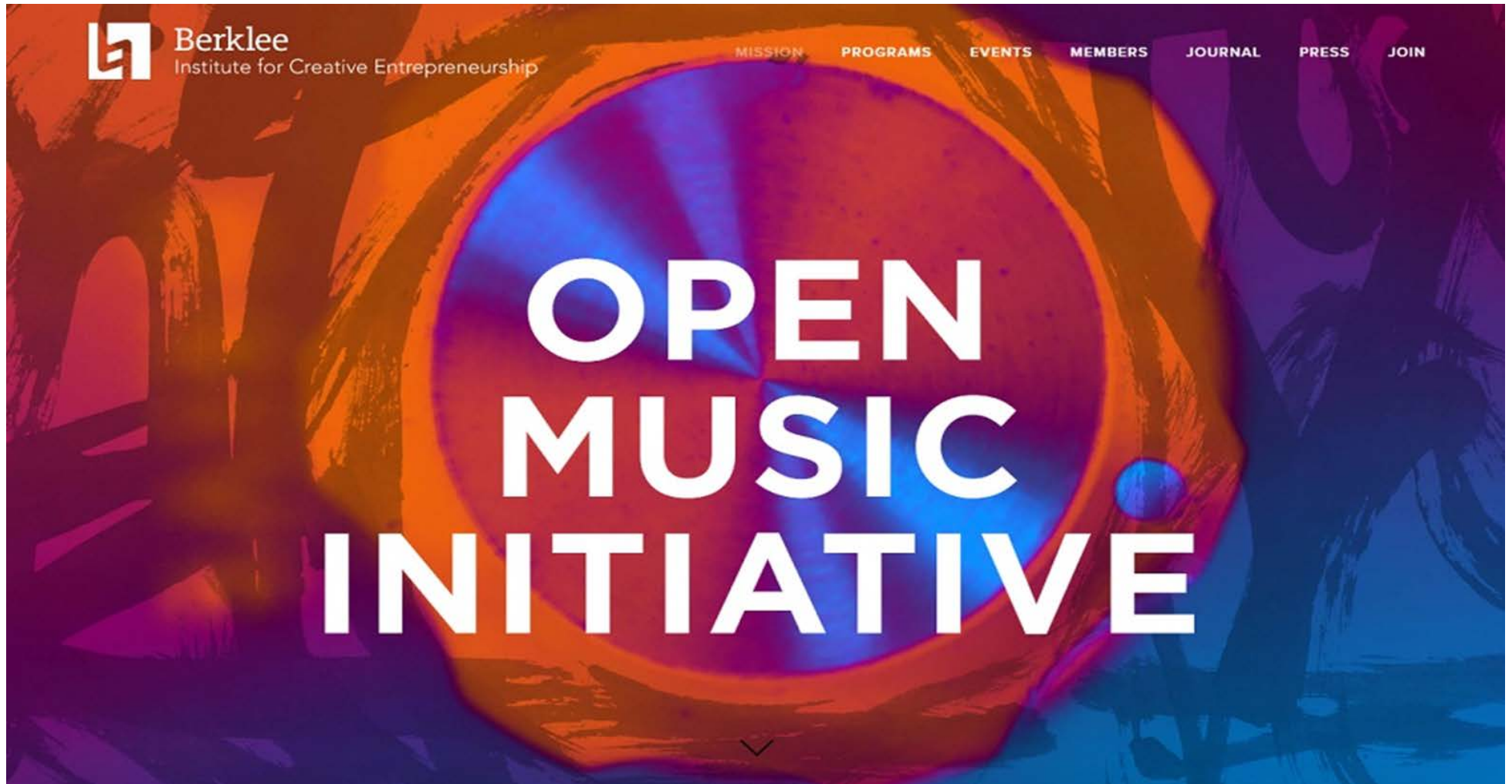
- **Challenges for today's Media & Entertainment Industry:**
 - Data overload (streaming).
 - Inefficiency of making micropayments/granting microlicenses.
 - Obstacles in obtaining licensing permission (right clearance).
 - Failed monetization and tracking monetization (e.g. royalty-splits).
 - Counterpiracy in the digital world: Sisyphus-work?
 - Publishers as Intermediaries: Are they needed anymore?
 - Entertainment Business is highly unpredictable (1% vs. 99%).

Introduction

- **What can Blockchains do to solve problems in this area?**
 - They are here...
 - What do they build and what do they promise?
 - Take a look at an example video: <https://rightsshare.com/>



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 - *Counterpiracy in the digital world: Sisyphus-work?*
 - *Publishers as Intermediaries: Are they needed anymore?*
 - *Entertainment Business is highly unpredictable (1% vs. 99%).*
- (*-issues captured/addressed by Blockchain-Technology in a promising manner)*

Introduction

– Pitfalls/Concerns:

- Lack of interoperable data standards for content rights management.
- Latency issues.
- Collective societies provide for statutory and mandatory licensing schemes in many countries.
- Smart contracts are not «smart». Lack of «nuance and interpretation» for major/complex entertainment licensing contracts.
- Yes, you can get rid of publishers/intermediaries, but you might still need them.
- Vulnerability of Blockchain to Hacking/Cyberattacks.
- Trust-based, closed vs. non-trust-based, open Blockchains.

Thank you for your attention!

- Please welcome ITech-members James Gatto and Tim Ryan!
- James and Tim will now follow and share their professional experiences on Blockchain in the media & entertainment sector.

Any questions?

- Feel free to ask any questions!