FILMMOVEMENT
www.filmmovement.com

Film Movement in the VOD Space:

Film Movement Company Background

- Film Movement was founded in 2002 as a DVD-of-the-month club
  - One feature film + One short per month shipped to U.S. subscribers' homes
  - Launched a few years after Netflix but with reverse model – highly curated as opposed to massive selection
- Quickly expanded into additional spaces:
  - limited theatricals; DVD sales on Amazon and brick & motor; large library and educational reach; extensive exposure in US festivals from national to regional/ specialty fests; airlines, hotels and cruise ships
- Moved into VOD in 2007:
  - Began working with cable and expanded to telcos and satellite
  - Very early partner of Netflix electronic delivery/ streaming and Hulu ad-supported
  - Launched a Film Movement branded app for Roku, iOS, Amazon Fire

Film Movement Digital Partners

- *TVOD/ EST Services* – Transaction Video on Demand/ Electronic Sell-thru
  - iTunes
  - Amazon Instant Video
  - Vudu
  - Google
  - Microsoft Xbox
  - Sony Playstation
  - Film Movement TVOD on Site
- Advantages: ability to reach a vast range of customers across dozens of services
- Drawbacks: hard to stand out

Film Movement Digital Partners

- *SVOD Services* – Subscription Video on Demand
    - Netflix
    - Amazon Prime
    - Hulu
    - Fandor
    - Mubi
    - YouTube
    - Film Movement Streaming Club on Site
- Advantages: often sizable licensing fees
- Drawbacks: cannibals other transactional windows and precludes exclusive TV sales and possibly other platform enthusiasm for promoting

Select US Digital Platforms

- *AVOD Services* – Ad Supported Video on Demand
  - Hulu
  - Crackle
  - Facebook
  - YouTube
  - Film Movement OTT on Roku, iOS, Amazon Fire
- Advantages: endless sea of media consumers willing to take a chance on nearly anything
- Drawbacks: lack of audience investment

Windowing

- More traditional model
  - 90 day theatrical window
  - Followed by 60-90 day cable VOD simultaneous with Digital VOD and EST
  - Followed by DVD release (160-180 days from theatrical)
  - Followed by SVOD exclusive or non-exclusive (190-210 days from theatrical)
- Early windowing
  - Day & Date theatrical/ VOD release
  - Day & Date DVD/ VOD release
- Aggressive Industry windowing
  - Ultra VOD release – 30-45 days prior to theatrical
  - Day & Date theatrical/ SVOD release (Netflix – *BEASTS OF NO NATION*)

Practices/ Strategies

- Cable Video on Demand
  - Folder mapping has a huge impact: ‘Just In,’ ‘New Movies,’ ‘Day-and-date,’
    - Often thresholds based on box office, budget, talent
    - Scheduling around early release windows can be effective
    - Helpful to program around themes/ stunts
    - Co-op marketing: cross-channel spots, banner ads on guide pages
  - Talent for barkers / barker placement…luck
- Digital Video on Demand
  - On-platform marketing/ placement is key
    - Some platforms program through careful curation – gatekeeper selection
    - Some platforms rely virtually exclusively on algorithms
    - Some platforms rely almost exclusively on paid placement
    - Social media promotion
    - Talent promotion

Challenges in Digital Distribution

- Differentiating your films
    - Stand out through merchandising
    - Cohesive brand identity
    - Co-op buys/ social media promotion with platforms
- Tailoring Programming
    - What films are the best fit for download-to-own, download-to-rent, ad-supported streaming, subscription video on demand
    - What material is generally well-suited for:
        - Netflix: Docs
        - iTunes: Movies/ Music films
        - Amazon Video: Television
- Cannibalizing windows
    - Determining where a film will find its audience
    - Weighing risks vs rewards of shortened windows – cost benefit analysis

1,000 TIMES GOODNIGHT - VOD Case Study

- Release Windows
  - Modest North American film festival release
  - Day & Date theatrical/ Video on Demand Release
    - Theatrical run over two months in 50+ US markets
    - On Cable (90MM+) & Digital TVOD (All major platforms) same day
    - DVD available 2 months after theaters/ TVOD
    - Netflix exclusive SVOD sale 3 months after theaters/ TVOD
- Approximate Proportions of Revenue Generated
  - Theatrical – more or less broke even
  - Cable –25% overall sales
  - DVD – 25% overall sales
  - SVOD sales – 50% overall sales