

Over-the-top (OTT) services



National Film Board of Canada
November 16, 2011

Outline

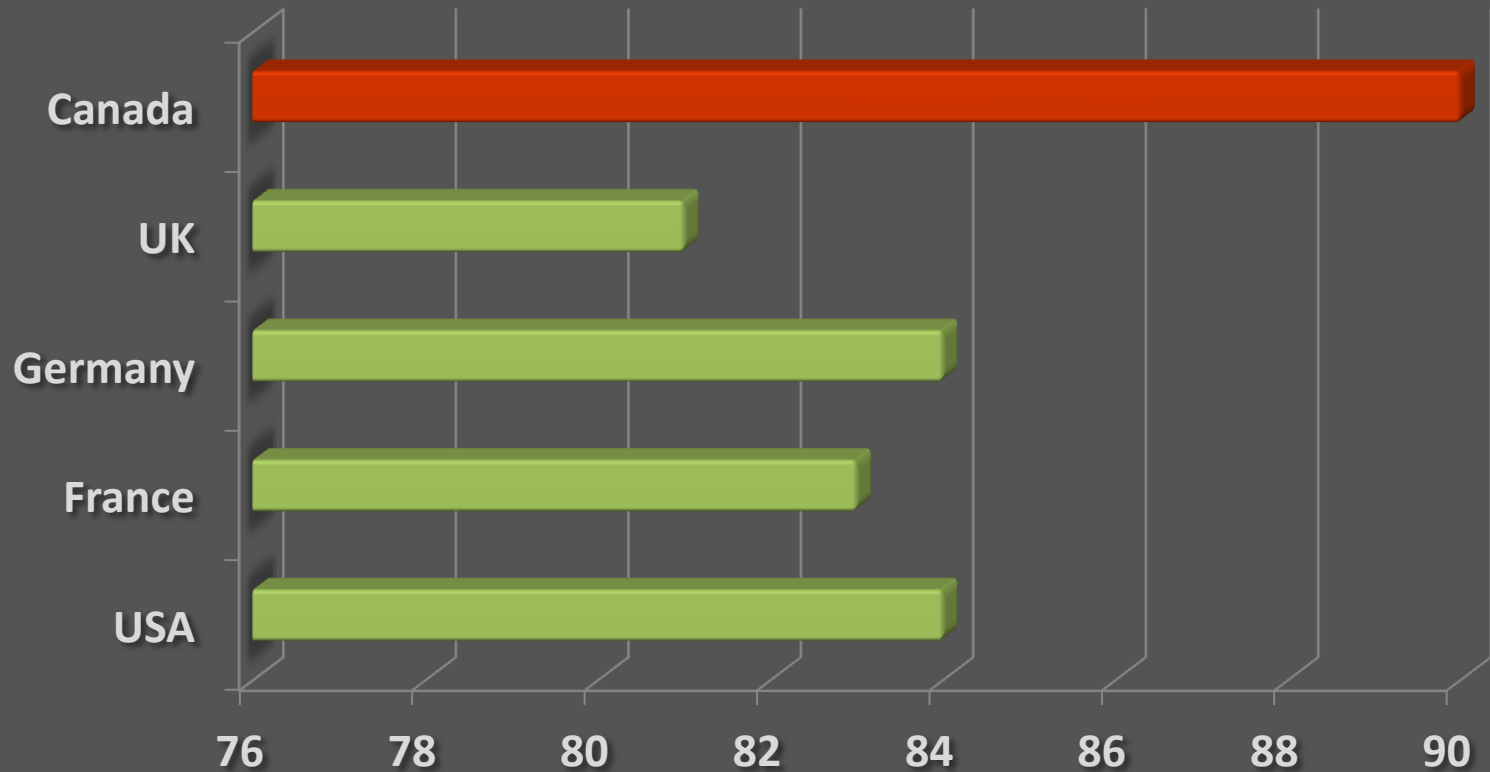
- ✓ Impact of OTT services on the Canadian broadcasting system (current trends, and outlook)
- ✓ Lessons learned from NFB's response to a changing environment
- ✓ New opportunities for Canadians:
a National Screening Room

Current environment

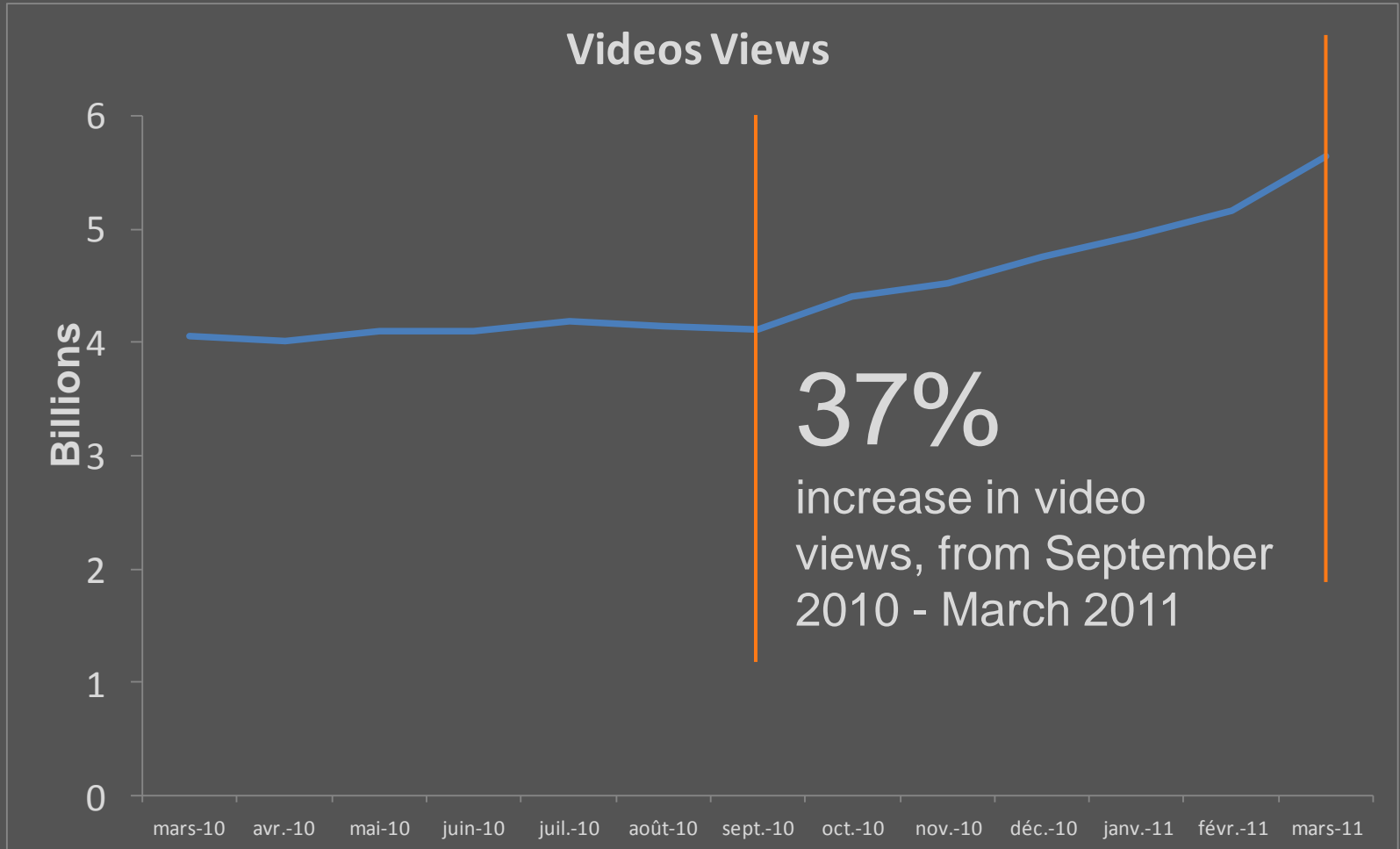
- TV will continue to dominate the media landscape (increase this year in: hours of television, TV advertising, TV audience)
- The substitution of traditional broadcast services in Canada by OTT programming services appears, so far, to be happening very slowly.
- Netflix's revenues--although it has seen its audience grow quickly— represent approximately 1% of total revenues.
- This picture, however could change rapidly...

Online video consumption in Canada

Online Video Reach / Web Population



An Ever Growing Appetite



A change is imminent

- Social networks are likely to surpass the milestone of one billion unique members in 2011 and deliver over two trillion advertisements.
- 61% of Canadians prefer to flip on the TV and view them live, but there's a clear generation gap.
- Sales of Connected TVs have increased 38 percent compared to the same time period last year, and now make up nearly 12 percent of all flat-panel sales.

The Online video landscape





It seems likely that OTT will have a negative impact on:

- the revenue growth of broadcasting programming services
- on the acquisition and exhibition of Canadian programming
- on subscriptions to BDU (broadcasting distribution undertakings)

Regulation?

A regulatory response to existing OTT services may be necessary to some extent, but should not have as an unintended consequence the erection of strong barriers that create disincentives for innovation.

We must:

- Encourage innovation to strengthen and benefit the Canadian broadcast system
- Respond rapidly to the ongoing disruption of technological change.

Lessons learned NFB's digital presence

- ✓ Over 14 million films viewed to date
- ✓ Another 13 million plus views on partner sites
- ✓ Education +: a dedicated offering to teachers
- ✓ Quality online educational resources to 4 millions Canadian students



NFB Mobile Apps

- Building brand value for Canadian content



Partnering in the Digital Space



NFB Interactive

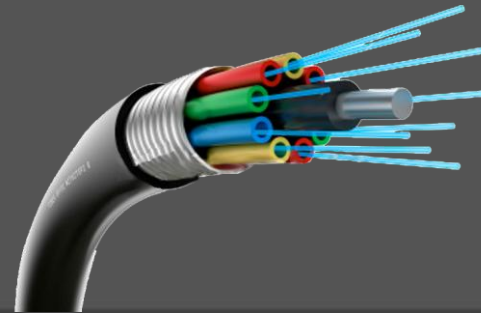
- An evolving collection of innovative, interactive stories exploring the world – and our place in it – from uniquely Canadian points of view.




Joining Forces

A National Screening Room

- There is room to create an alternative Canadian OTT service that would not compete with the existing commercial sector but provide unique opportunities for the Canadian private production industry and for Canadians.








Nationalscreeningroom.ca
 Watch hundreds of films online

Welcome Username

You might like...




September Five at ...
Hubert Aquin, 1962




Higglety Pigglety Pop!
Chris Lavis & Maciek Szczerbowski, 2010

Recommended by your friends




Circle of the Sun
Colin Low, 1960




Series 4
Normand Grégoire, 1972

Popular films



Everest from Within
Sylvie Van Brabant, Claude-André Nadon, 2001



The Downtown Project
Isabelle Longtin, 2011

Social networks

-
- #higgletypiggletypop
-
- #circleofthesun
-
- #hothouse
-
- #invisblecity
-

National Screening Room

- A private-sector Canadian OTT service
- An alternative choice to foreign OTT services
- A multiplatform infrastructure for the distribution of Canadian films and TV
- 100% Canadian content
- A completely bilingual and fully integrated user interface
- A non-exclusive platform where producers will decide what they want to put up
- An affordable transactional platform that offers download-to-own, VOD and Subscription VOD

Triple Play Access



A Personalized Experience



The social internet

Thank you

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