

Predicting the future



Predicting the future, let alone the future of packaged media, is a perilous exercise, and possibly counter-productive, as the exercise closes doors rather than keep them open, argues JEAN-LUC RENAUD, DVD Intelligence publisher. Consider that: Apple was left nearly for dead 10 years ago. Today, it becomes the world's most valuable technology company, topping Microsoft.

*L*e cinéma est une invention sans avenir (the cinema is an invention without any future) famously claimed the Lumière Brothers some 120 years ago. Well. The *cinématographe* grew into a big business, even bigger in times of economic crisis when people have little money to spend on any other business.

The advent of radio, then television, was to kill the cinema. With a plethora of digital TV channels, a huge DVD market, a wealth of online delivery options, a large counterfeit underworld and illegal downloading on a massive scale, the cinema box office last year broke records!

The telephone was said to have no future when it came about. Today, about 5 billion handsets are in use worldwide. And people prioritise mobile phones over drinking water in many Third World countries.

No-one predicted the arrival of the iPod only one year before it broke loose into an unsuspecting market. Even fewer predicted it was going to revolutionise the economics of music distribution. Likewise, no-one saw the iPhone coming and even fewer forecast the birth of the developers' industry it ignited. And it changed the whole idea of mobile phone.

Make no mistake, the iPad will have a profound impact on the publishing world. It will bring new players, and smaller, perhaps more creative content creators. And who predicted the revival of vinyl?

The DVD days are numbered, we are told *ad nauseam*. Revenues are plateauing in many countries, falling in others. But we are talking sales, not units shipped. The DVD installed base is mind-numbingly high – 1.5 billion DVD playback devices globally. Last year, 25 million extra DVD players were sold to US consumers, roughly the same number to Europeans. On the software side, DVD is still a \$50 billion industry.

We are told the Internet will sound the death knell of packaged media as content distribution vehicle. I have heard it now for the past 10 years. It sometime looks like the Internet is a solution in search of a problem when it comes to disc content. There is no inevitability to this predicted death, though. But it is up to the packaged media industry to redefine the place and role of its products.

DVD is not the successor to the CD. It is a

new, different carrier. Both media cohabit and if, and when, they die, they will die holding hands.

In truth, DVD is really the successor to the ill-fated CD-i. The causes usually given for the demise of the Philips format miss the mark. Rather than the alleged wrong positioning of the product, a misguided marketing strategy or the proprietary nature of the media, it is the fact that CD-i called on consumers to treat their living room TV set as an active partner in an interactive relationship. That was too early. The couch potatoes were still glaring at a dumb device.

No-one predicted the idiotically rapid fall in the price of DVD titles, not even the result of consumer push. It was the industry's self-inflicted wound. And no-one predicted that this lesson would *not* be learned when Blu-ray arrived!

Blu-ray is promoted as a successor to DVD. That is a strategic positioning error. Blu-ray is a new platform, an enabling tool, as our Blu-ray Disc Academy Forum vividly demonstrated in May in Frankfurt. BD is a bridge, a connective tissue between the world of packaged media and the Internet sphere. If BD is seen as the last packaged media, it ought to be defined as the first Internet media.

Yes, use of the exponentially-stretched creative boundaries of a Blu-ray disc is somehow limited by budgetary constraints, these days. But BD-Live enabling tools are getting more affordable, and when a BD disc allows it, the interactive, web-connected experience it offers is valued by large numbers of customers, as Todd Collart, from Deluxe Digital Studios, uncontroversially showed with hard data here in this magazine. It is vital to preserve the format's creative space, the unique nature of the Blu-ray Disc format.

It remains to be seen if offering only prettier pictures will sustain consumers' long-term investment. The industry seems to have said 'yes' and has pushed down the price of a BD title at a suicidal speed. Here again, not really as the result of consumer push. It is no surprise, then,

that Blu-ray stands to be defenceless in the face of the Internet onslaught!

As a judge for the British Video Association Awards this year, I received over 20 BD titles to review, all from important publishers and studios. Only one was BD-Live enabled (sadly to be discarded as it turned out to be authored in the US, against awards regulations). Most of the other titles had menus straight out of their DVD version, no more.

I keep hearing that HD broadcasting is a half-way house, that only Blu-ray is the real thing. Theoretically correct, but in reality sheer complacency. I wish all BD titles I have seen were as good as the BBC HD coverage of Wimbledon Tennis Championship!

So, it's no surprise that 3D is increasingly seen as the only redeeming feature of Blu-ray, as if the industry had given up on anything else the format was designed to offer. Make no mistake, I love 3D, and if that is what BD meant to be, so be it. But, let's make sure 3D is properly done, and don't fall for the easy option of 2D-to-3D conversion.

No, 3D is not a fad. Some film critics, unconsequential scribes at the best of times, are trying to make a name for themselves with idiotic statements: "Nobody complains films are too flat," uttered a notorious Brit. Well, during the black & white television era people did not complain the TV picture lacked colours, and yet they embraced colour TV. Later, they did not complain the TV picture was too narrow, and yet they embraced widescreen 16:9.

Later still, they did not complain the TV picture lacked details, and yet they are embracing HDTV. I bet they will embrace 3D with the same fervor.

So, what about the future? My hope is that the industry sees to it that there is more to Blu-ray than just 3D. There is a generation

of authors and producers who are hungry to push the creative boundaries of the format. And there are increasing numbers of consumers who value the resulting experience. Don't abandon them!

