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THINKING WITHOUT A BOX: THE PROMISE OF SELF-DISTRIBUTION
IN THE NEW AGE OF EXPRESSION

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* The views expressed in this document are those of the authors, and not necessarily those of the WIPO Secretariat or its Member States.

Thinking, Withoutabox.
The Promise of Self-distribution in The New Age of Expression

The French Jesuit thinker Pierre Teilhard de Chardin came up with a useful metaphor for the evolution of our planet. Imagine the Earth growing as a series of concentric spheres. It began with the formation of ageosphere, inanimate matter, which evolved out of itself a biosphere of life that encircled the globe. Out of life, humankind reached up uniquely to develop a sphere of shared thought and cognition, which Teilhard called the noosphere – spelled N-O-O-S, from the Greek, meaning “mind.” Finally, in his goal-oriented view of evolution, Teilhard wrote that human consciousness would condense to a single point he called Omega, where we all become one, essential being. He saw this achievement as Christ, but the concept has many names and is a yearning within each of us.

We know that evolution works over great expanses of time and then suddenly all at once. We are privileged and frightened to live in one of the accelerated times. Things are happening suddenly all at once. Even as unprecedented human upheaval rushes in on us, a Cambrian-like explosion of new forms offers hope and possibility. Before our eyes, a generation has just passed the relay baton from the analog age to the digital age, and another generation is sprinting out of breath with it. With cosmic irony, our cherished IP – Intellectual Property – is liberated as never before and threatened as never before by the newer IP on the block: Internet Protocol. Here in 2007, Teilhard’s evolutionary striving is viscerally familiar to those of us inspired by and mired in the transformational collision of these twin business phenomena.

Withoutabox – that’s the name of our company – was sprung appropriately in the year of the millennium from a modest but inventive idea. What if we could bring together in one place all the independent filmmakers of the world, by providing useful information systems on which they could operate cottage businesses, like bungalows on a virtual studio lot, while pursuing their own creative destinies?

In other words, we were frustrated filmmakers, trying to break into the market. We felt the talent and the vision, but no access, no love – and we didn’t want to ask permission anymore. We thought transforming the entire media distribution paradigm would actually be an *easier* way to do what we wanted to do – which was to make our films and to find an audience for them. Suddenly we were businesspeople. Independents learn to be. (Of course, we haven’t made a film since.)

We set out unassumingly – but with highest purpose – by patenting and building a wiz-bang aggregation machine for filmmakers and their films, in the form of a one-stop-shop international film festival submission system. You can fill out one entry form, once, then just pick, click, and apply to more than 700 now partner film festivals and script competitions in North America and increasingly the world. We make our money on each transaction and on marketing our festivals to qualified submitters. It serves all parties well. It’s become popular, even cultish. In our experience, this festival thing was a messy pain point in the process of getting film to market, a crucial *first step* in the chain, and one badly in need of organization. As well, we had watched the cost of independent production plunge while in film school, and

we predicted that film festivals, and more generally independent promotion, would soon proliferate to act as both filter and agent for a booming supply of new content.

We now work with more than 150,000 filmmakers in 200 countries, growing by thousands each month. More than ever we see and believe that independent owners of creative property can be given tools to access the worldwide market and to directly exploit their own rights, according to their talents and their willfulness to do so. Any film, backed by the marketing efforts of just its creators and piped through an exquisite and benevolent system, ought to generate *some measurable return* over time, if not always profit, but at very least a more fair and honest answer back from the marketplace of ideas and entertainments.

The Declaration of Independents on our website reads: “With this revolutionary suite of online tools, Withoutabox declares all members of the film community to be free from restrictive distribution channels. Withoutabox grants the power to simply and economically manage the entire process — from production to festivals to distribution to connecting with fans — and the inalienable right to enjoy all artistic and financial rewards to which one is entitled.”

In our lives to date, the media landscape has been dictated to us by powerful flows of capital, sweeping licenses on Intellectual Property, and imperious top-down marketing. Teilhard died in 1955, but his prophetic vision has taken shape in what some have since dubbed the infosphere, wrapping the Earth in a fit and frenzy, profoundly connecting us all. Within the infosphere, Withoutabox sees the emergence of a vital and highly participatory sub-region – call it the “mediasphere.” It is here that we generate our vision and lay our larger plans. Each sphere of evolution can be seen as an invitation to participate in creation at a higher level, and so our mission, stated in today’s metaphor, is to become a commercial platform and a playground for a more open and creative mediasphere. Our daily mission is simply to connect artists and audiences.

Like any declaration of independence, it’s easy to declare and hard to win. If the inalienable right of any IP in the mediasphere is a life of possibility, in perpetuity, we can already see the beginnings. Our business model at Withoutabox is about giving our customers options, the information to weigh them, and a clickable button to execute on them. Our customers are filmmakers and writers, film festivals and script competitions, sales agents and distributors, promoters and exhibitors, ticketers and ticket buyers, and fans of film. For them, Withoutabox is becoming a place to submit, collect, select, deliver, license, distribute, ticket, promote, consult, and browse – film.

As a media company, we are rights neutral. In our model the question is not “How many of the rights that flow through us can we own,” rather “How many of those rights are finding owners, promoters, or audiences through us?” The first hundred years of film were about consolidating exclusive libraries and then licensing pieces in controlled “windows,” with a firm reliance on constructing a mass market. The next hundred years will be about setting libraries loose, even non-exclusively among competing entities within the same territories, and then bridging opportunity more “on the fly” to maximally exploit assets. The company that wins this will be the company that understands how to facilitate all these transactions, not the company that demands to lock up all the rights associated.

Withoutabox has already seen opportunity multiply with film festivals. There are more film festivals competing for submissions than ever before, yet they report getting more and better films than ever before, and as a result more and different films are getting seen by larger and more diverse audiences than ever before. It's not just the same old stuff getting recycled on the same old circuit. Buy-in to the system on all sides now supports a shared platform for discovery, where we daily find truth in the old adage: One person's trash is another person's treasure.

A new business model is emerging for exploiting creative properties, and it will be dualistic, at least. On the one side will remain traditional exploitation through sales relationships, guaranteed output deals, and formal contracts. On the other side will be system-managed exploitation, where a user uploads content in one side, opts-in to a menu of monetization services, and then waits for cash to fall out the other side. This may seem like a ridiculous simplification, but we must think of it as a direction for now, not an end, and one that can accommodate established professionals, aspiring careerists, and hobbyists alike. The vision does not privilege traditional over system. Each method can be a fully formed economic option on its own, and we will see many complementary uses of both.

In the new system, rights will become segmented, rather than omnibus. Licensing and delivery will become just-in-time, rather than laborious. Exclusivity will become less fetishized, and values will be driven less on acquisition myths and more on real-time market feedback. Pricing itself may be leveled to runtime equations, or foregone altogether as many throw their hands up to piracy and move to corporate sponsorship, consumer patronage, or other DRM-free models. Creators may better concentrate their efforts on making money not from those who will steal no matter what, but from those who will show their gratitude sufficient to compensate for the thieves, provided that 1) you show them your respect; 2) you give them something they value; and 3) you make their payment or micropayment absolutely effortless and perfectly in-line with their experience.

Indeed, many of us will throw down \$10 at a movie just to find out that we don't like it half as much as we liked the ad for it, perhaps wishing we had paid \$3 or nothing. But many of us would also pay \$30 to reward a movie that we truly love. The world is watching as the rock band Radiohead conducts just this experiment with its latest album release, asking fans to pay what it's worth to them. Another well-known group, Nine Inch Nails, has also jumped in to the fray, dumping its irrelevant record label. Lead singer Trent Reznor sums up the point: "I have been under recording contracts for 18 years and have watched the business radically mutate from one thing to something inherently very different and it gives me great pleasure to be able to finally have a direct relationship with the audience as I see fit and appropriate."

Does this mean that we can expect a world where creative property devalues to the point of commercial irrelevance, once there are enough people with access to the market that are willing and able to work for free or subsistence? Today, the idea of a blockbuster film goes hand in hand with handsome profits and the trappings of success. The world to come may see blockbusters routinely distributed under Creative Commons and hybrid licenses, as the competition just to have an audience with the masses makes profit of secondary concern – as long as there is humble shelter and sufficient food on the table. Distributors need to make money to justify their existences. Creators need only to communicate and feel good about

themselves. Among even the highest paid artists, how many will tell you they do it for the money? They do it because they want to do it, because they need to do it.

Lawrence Lessig writes, “The digital world is closer to ideas than things,” and he challenges whether we should treat these ideas as we treat things. He suggests we not burden them with the same controls as traditional property, and that “perfect control is not necessary in the world of ideas. Nor is it wise.” We concur. We see the world without a box.

This does not mean we should not value creators, and value them highly. It does mean we may come to realize that a sizable portion of our thoughts, arts, and inventions lend themselves to social utility, to open source, to collectivity, more than to definitions of property, capitalized for the prosperity of an individual or the corporate ego.

We live in an age with more than enough talent and subject matter to amaze us from the day we are born to the day we die – maybe always have, except now it is surfacing exponentially. The ease of digital expression has caused the public to rise out of alienation and share themselves in astonishingly simple and sometimes prodigal ways.

User-generated content – stuff posted on the Internet and not intended for explicitly commercial use – shows just how little is required to capture our imaginations. Most of these creators would welcome the opportunity to monetize their work, especially passively, but also to direct that monetization in small, and if successful, larger ways. Creative ambition unfurls quickly with even a taste of affirmation and reward – and Withoutabox is designed to meet that demand. The user-generated content phenomenon is just an early, rising tide of semi-professional and professional media-makers and IP rightsowners, who only think they are ordinary citizens. According to Deloitte’s 2007 State of the Media Democracy Survey, “40% of all consumers are creating their own entertainment, such as editing movies, music, and photos. Millennials [ages 13 to 24] may be the majority of the creators at 56%, but Matures [ages 61 to 75] are also participating – 25% of them report creating their own entertainment.” Put another way, most ordinary citizens are set to become rights portfolio owners.

The nature of much content now flooding the marketplace is that it’s not made by careerists, but is often quite compelling – much funnier or scarier or lovelier or informative – than most of what we see in the sanitized media. There is also no end to the many worthy independent films being made, festival winners among them, even films that once found respectable distribution and decent returns, but whose licenses have since lapsed back to the original producers after five or seven years. The creators have gone on with their lives while great content goes dormant, like sunken treasure. Studios represent their properties in highly-valued back catalogs decade after decade, resuscitating, re-mastering, and recycling concepts. Likewise, Independents need a trustworthy platform on which to park their assets in perpetuity, rather than in a musty garage or on the desktop hard drive that crashed last week.

So much creative property simply does not rest in the hands of an agent best equipped to exploit it, and too often agents are quick to condemn early non-performers to the death vault of perpetuity. But what if the vault *were* the agent, a living vault, always ready to make a deal? Traditional media companies covet the first look at content hitting the marketplace; Withoutabox sees a great future in the last look, too.

For every one of us here today, our favorite film on the planet is one we have not seen. It's already out there, but we have not found it; it has not found us. As principals in Withoutabox, we get handed DVDs from time to time that are some of the best things we see anywhere. That doesn't mean it's always mass marketable; we get that. It just means it needs to be matched with the right audiences, over a longer period of time, across non-traditional demographics and sometimes sprawling geographies. To solve this problem requires advanced taxonomies, efficient beyond genre, that place association over literality and delve more to the essence of a piece, to the mood and psyche of the viewer, to undiscovered frequencies. Day will dawn when a student film from Rwanda has as much or greater chance of being discovered by you as a film with a bloated Hollywood marketing budget. With that, we will all experience "the next big thing."

The new media conglomerates will be the Amazons, the Googles, and the Facebooks that cater not to the least common denominator but to the highest individual connectedness, and who place their emphasis on discovery, sharing, and monetization through authentic affiliation (or affiliates) rather than through strict ownership and licensing. In the self-distribution scenario, anyone will be able to aggregate an audience (even audiences themselves) and sell directly to consumers via physical copies and digital transmissions, aided in the most successful cases by viral marketing. A Withoutabox rightsholder will be able to syndicate his content to outlets in multiple channels and distribution windows through a dashboard of opt-in, express licensing agreements, where the revenues – whether pennies or small fortunes – can flow back to their management accounts. Withoutabox plays the role of a utility, collecting incremental fees for use of the platform.

Professional, independent creators far eclipse the volume of product being generated by the established conglomerates. In acting together, independents can create a powerful market force that is fully supported and requested by evolution and by the natural curiosity of every human being to be enriched – to love something. At least as long as they don't have to get off the couch.

But for more fun, this "last look" is also where anyone with an eye for discovery or a point of view *can* get off the couch and become a distribution player. In one not-too-distant scenario, an ordinary citizen in Boise, Idaho or Lyon, France will be able to discover any film on Withoutabox, strike a license for a single exhibition, obtain a delivery copy (likely digital), book a venue, and become promoter-for-a-day, selling tickets and putting on a show for 250 of her closest friends' friends' friends. Maybe it's a church or a synagogue. Maybe it's a film society. Maybe it's a theatrical chain. With our patent-pending Critical Mass Ticketing, this promoter would even be able to license the work and book the venue entirely risk-free, contingent upon pre-selling a critical mass of tickets for the event. Buyers also would not be charged unless and until the pre-set critical mass of tickets were reached. In this scenario, the system acts as the agent, collecting commissions on closed deals like eBay and earning service fees for booking space, trafficking deliverables, and fulfilling tickets.

So much contemporary dialogue obsesses with protecting what exists today, our massive and precarious economies with ecosystems of all kinds dependent upon them. Disruption in markets can be expensive and scary, sometimes deadly, especially for the reigning class of supply chain controllers that has the most to lose. Extinctions can come quickly; look at the record business. This is not a time to judge our success by how efficiently or effectively we can preserve and expand the status quo. Like our geosphere and

our biosphere, the info-mediasphere is already challenged by looming questions and urgent issues of sustainability. We might as humans take this rare moment in our self creation to step back and to use our *noodlespheres* up here, to ask ourselves not just what we can do in a blind heat to fatten our wallets, but also, what kind of possibility do we want to create for our endangered race, whether it lasts another fifty or fifty-million years?

When we read a great book or watch a great movie, we find ourselves filled with an ineffable feeling. We value it so highly. What is that? Is it that we have *expressed* ourselves through a work just as meaningfully as its creator? Have we met in the world and understood each other perfectly? Whether it's an enlightening documentary, a soaring love story, or an elephant farting in the lens – it doesn't finally matter. Life is affirmed in such moments.

While a well-financed and appropriate role will remain for the commercial media, now begins a greater opportunity for individual expression and individual consumption. There will be no shortage of customers on Earth, enough to sustain both economies profitably, even as quantities of great content will be freely given away. Ask not “What are best practices for the business of creativity,” but “What is best business for the practice of creativity?” How can we support the most creativity, in all its forms of expression as well as consumption? When filmmakers and independent promoters can access the pipelines and the channels, spreading themselves out in the mediasphere, and when consumers can passively and accurately profile themselves in comparison with the tastes of anonymous millions of others, we have the potential for life to affirm itself boundlessly. This should be our guiding wish for the New Age of Expression, a promise for makers and viewers alike. A deep want in people.

More than we know, the future of us may lay in the wise handling of our IPs. These are the batons with which we race into the digital age: Intellectual Property. Internet Protocol. Independent Production. Independent Promotion. In Perpetuity. Can anyone make a business of all this IP convergence? If so, it will likely thrive more in a beneficial system of interpersonal gratuity, ad hoc patronage, and community of interest, than under a suffocating body of protectionist – and practicably unenforceable – commercial law. Advance the mediasphere, and we advance the world. We have an opportunity to make the institution of Intellectual Property a citizen of the world, an embracing sphere that shines like a sun. In reality, there is no lasting protection against it. None of us can prevent the continents from drifting, life from mutating, awareness from spreading, consciousness from informing itself, spirit from connecting.

Thinking now way out of the box and into the higher spheres, individual expression and promotion on a mass scale may be the greatest mechanism for the creation of spiritual wealth ever devised by us clever humans. It is suddenly possible that each one of us is a latent messiah, capable of bringing concept into form and of spreading ourselves out to others. Beyond the colorations and the content of our content, we all have one essential message: “I am here with you,” a statement of grace that lifts every one of us high into Teilhard's noosphere. Or does it go further – “I am you” – a statement of sublime unity that draws us all toward his theoretical Omega.

What would we charge for that? What would we pay to go there? It's either priceless or it's free. We will all find out together. As for now and for Withoutabox, we too are here with you – serving the mediasphere.

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