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Quarterly Newsletter of the Entertainment Merchants Association (EMA)

Annual Report Arriving Soon

EMA's annual report on the home entertainment industry, *The D2 Report: Discs to Digital 2014*, will be sent to all EMA members shortly.

The report aggregates data from leading industry analysts on the home video and video game markets, both physical and digital, with a particular emphasis on the retail sector. This year, for the first time, the report will include commentaries from executives at leading retailers and distributors, providing their perspectives on the major industry trends.

Organizations and companies contributing data to the report include Digital Entertainment Group, Frank N. Magid Associates, iHS Technology, The Nielsen Company, The NPD Group, Parks Associates, Rentrak, Super Data, and Wedbush Securities.

Additional copies may be purchased by phone at 818-385-1500 or online at www.EntMerch.org.



EMA's Mission

To protect the rights of, promote the health and vitality of, and provide a forum for those engaged in the sale, rental, and/or commercial delivery of video or video game content to consumers through physical media or over-the-top Internet-based delivery.

EMA Drives Digital Supply Chain Efficiencies

EMA has assumed a leadership role in bringing key digital entertainment retailers, distributors, and content providers together to develop standards, specifications, and best practices for the supply chain for online video.

Workgroups convened by EMA have developed a metadata schema, specifications for mezzanine files, best practices and standards for content availability (avails) metadata, and best practices and specifications for image artwork. In addition, best practices for closed captioning of online video programming are in process.

The DEG-EMA Media Entertainment Core Metadata, developed in conjunction with DEG – The Digital Entertainment Group, MovieLabs, and others, robustly describes a structure and data fields to communicate descriptive, logical, and technical metadata for media entertainment from content providers to retailers/video programming distributors and ultimately to consumers. The DEG-EMA Media Entertainment Core Metadata is being adopted across the supply chain.

Mezzanine files are digital masters that are used to create copies of video for streaming or download. The standard for the delivery of mezzanine files was created because it is costly to have individual files produced to meet each digital retailer's or distributor's individual requirements, and the time utilized to prepare individualized mezzanine files could be redirected to making more content available in digital format sooner.

EMA's Content Availability Metadata eliminates inconsistency and inaccuracy by standardizing the communication of content availability data from content providers to digital retailers. It is being widely embraced across the digital video supply chain.

EMA's best practices and specifications for image artwork establishes recommendations for a standard set of image artwork files for each video title (including aspect ratios, minimum dimensions, layers, file formats, color, and naming conventions) that would fulfill all the various merchandising needs of digital retailers/video programming distributors.

In addition, EMA has established a Digital Supply Chain Review

Committee to review and provide feedback on the digital supply chain work products created by EMA digital video retailer/distributor workgroups and to drive adoption and implementation of the work products.

The review committee consists of approximately 30 representatives of retailers/video programming distributors, studios and other content creators, and service and technology companies that help facilitate the digital entertainment supply chain.

Retailers and content providers that are utilizing EMA's digital supply chain standards, specifications, and best practices are reporting significant efficiencies. One retailer reported that implementation of EMA's content availability metadata standard reduced the time it takes to ingest content availability data by 99% and virtually eliminated errors.



EMA's Sean Bersell (L) and Craig Seidel (R) of Movie Labs discuss the DEG-EMA Media Entertainment Core Metadata schema at Metadata Madness on March 25

Digital Retailing Council Formed

In April, EMA created a Digital Retailing Council consisting of representatives from Amazon, Best Buy, Google, Microsoft, Redbox Instant, Sony Network Entertainment, and Target.

During the group's initial meeting, Council members defined their objectives for participating as: collaboratively addressing supply chain initiatives; developing improved and more consistent consumer messaging; and establishing a forum that is prepared to address issues and opportunities as they arrive.

The council identified the following priority issues to work on:

- The digital value proposition: Convincing the customer that digital ownership is a “real thing.”
- Cloud/locker ownership: the legal complexities, prevailing business models, and understanding consumer resistance.
- Supply chain efficiencies and asset sharing.
- Electronic sell-through product lifecycle.

The council will hold its first face-to-face meeting in May.



Digital EMA held a Salon in Studio City, California on February 26. More than three dozen opinion leaders in digital entertainment participated in the networking session and a discussion of windows for online video.

John Marmaduke Retires from the Video Industry

By Mark Fisher, President & CEO, EMA

“The end of an era” is an over-used phrase, but I cannot think of a more-apt description for the announcement that John Marmaduke is stepping down from Hastings Entertainment.

John has been in the video industry since its beginning. He has been Chief Executive Officer of the 135-store Hastings Entertainment chain since July 1976 and chairman of the company since 1993. He served as the President of Western Merchandisers Inc., Hastings' former parent company, from 1982 to 1994, including from 1991 to 1994 when Western was a division of Walmart.

John has served several stints on the EMA Board and the boards of our predecessors, the Video Software Dealers Association (VSDA) and the Interactive Entertainment Merchants Association (IEMA), and currently is vice chairman of EMA. He also is a former President of the National Association of Recording Merchandisers (now MusicBiz.org). John was instrumental in crafting the merger between IEMA and VSDA and has continued to challenge the Association (and me personally) toward growth and excellence.



John Marmaduke

That's an impressive resume, but it doesn't begin to convey John's contributions to our industry. There isn't a major industry issue over the past 30 years that John hasn't been in the middle of. I've been in many board meetings with John, and whatever the issue, he had an uncanny ability to distill the issue to its essentials and summarize what he thought needed to be done, usually in a very colorful way. Sometimes his analysis could be tough to hear, but after reflecting on it, I would generally recognize the wisdom of what he said.

And he has been a stalwart supporter of, and active participant in, the industry's public policy initiatives. When we needed retailers to speak up to legislators, John was there.

John has been more than a colleague, though. We've developed a good friendship over the years, and there is no better dinner or wine tasting companion. And I have great respect for the value he places on spending quality time with his family, both at home in in their travels around the globe.

I'd better stop now, because I can hear John saying, “It reads like an obituary!” Which it shouldn't, because John will surely continue on in his tireless way – just not in the home entertainment industry.

So, on behalf of all of us in EMA, and indeed the entire home entertainment industry, I wish John well as he embarks on his new endeavors.

Redbox Instant's Joe Ambeault Joins EMA Board

The Entertainment Merchants Association welcomes Joe Ambeault of Redbox Instant by Verizon to its Board of Directors.

Joe Ambeault is CEO of Redbox Instant by Verizon, a joint venture formed by Verizon and Redbox to bring entertainment to audiences everywhere, where he oversees the strategic direction and day-to-day operations of the company and is charged with successfully securing position for Verizon and Redbox in the online entertainment marketplace. Ambeault joined Redbox Instant by Verizon as Chief Product Officer, where he was one of the chief architects of the service responsible for setting product and design strategy, defining the overall customer experience, ensuring return on investments, and managing a cross-discipline department of product managers, business analysts, user interface designers, and usability experts. With a background in various television and digital media industry firsts, he brought more than 15 years of experience in design, development, and product management to the Redbox Instant by Verizon leadership team.



Joe Ambeault

Prior to joining Redbox Instant by Verizon, Ambeault was responsible for a portfolio of award-winning products across Verizon's copper, fiber, and wireless network platforms. Before his product leadership role at Verizon, he was a director of Broadband Systems for SeaChange International.

Ambeault received a Bachelor of Arts from Brandeis University and resides in New York City.

EMA Welcomes AOL On Network, ITV Studios Global Entertainment, and Telestream as New Members

EMA recently welcomed the following to membership in the Association (through April 15). [Descriptions provided by the companies.]



AOL On Network (<http://on.aol.com/>) is the leading premium online video content platform, with more than 60MM UVs and 1.2B content streams each month.

The AOL On Network represents the next generation of online video, showcasing the most compelling, timely content that viewers want to watch. With over 850,000 premium videos, The AOL On Network has the largest curated library on the web that is actively programmed to match consumer passion points across 15 channels. That library, made up of AOL original content together with partner content from the most recognized brands in media, is syndicated across AOL's owned and operated brands and a network of publishers on every screen.



ITV Studios Global Entertainment [ITVS GE] (www.itv.com) is one of the world's leading international TV distribution, home entertainment, publishing, merchandising and licensing businesses. ITVS GE distributes celebrated content across all genres from both its in-house production business, ITV Studios, and in collaboration with leading producers from around the world. Titles include popular ITV Studios drama "Mr Selfridge," starring Jeremy Piven; Sundance Channel's critically-acclaimed scripted series "Rectify" and ITV Studios' hit entertainment show "Hell's Kitchen." Part of ITV PLC, which includes the UK's largest commercial broadcaster, ITV Studios Global Entertainment has offices in London, Hong Kong, Los Angeles, and Sydney.



Telestream (www.telestream.net) provides live and on-demand digital video tools and workflow solutions that allow consumers and businesses to easily ingest, transcode, caption, and deliver any type of video. Many of the world's most demanding media and entertainment companies, as well as a growing number of users in a broad range of business environments, rely on Telestream products to streamline operations, reach broader audiences and generate more revenue from their media. Products include Pipeline video capture, Vantage and FlipFactory transcoding/workflow automation, MacCaption and CaptionMaker closed captioning software, plus Episode encoding, Wirecast live streaming, ScreenFlow screen recording, Flip4Mac and Switch desktop applications.



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2014 EMA Events



Independent Product Market

June 3-4

Marina del Rey Marriott, Marina del Rey, CA

By Invitation Only

LOS ANGELES ENTERTAINMENT SUMMIT JULY 21 - 23, 2014



Los Angeles Entertainment Summit

July 21-23

Hyatt Regency Century Plaza, Century City, CA

By Invitation Only



Digital Media Pipeline

October 8

Skirball Cultural Center, Los Angeles, CA

For event sponsorship information, contact Carrie Dieterich: cdieterich@entmerch.org; 818-385-1500 x227