

Speaking note  
Carolina Lorenzon

CULLEN'S PRESENTATION PROVIDED AN EXCELLENT SUMMARY OF THE CURRENT ECOLOGY FOR HYBRID DEVELOPMENTS AND THEIR RIPERCUSSIONS IN THE WAY WE FUND, DELIVER AND CONSUME AV CONTENT.

I WOULD DARE SAY THAT THE INTRODUCTION OF CONNECTED TV SERVICES IS THE END OF THE OPEN WEB WE KNOW IT.

IN NOVEMBER 2010, CHRIS ANDERSON - EDITOR-IN-CHIEF, WIRED MAGAZINE, AND ACCLAIMED AUTHOR OF FREE AND THE LONG TAIL - DELIVERED AN INSIGHTFUL SPEECH AT AN IAB CONFERENCE IN MILAN. HE CHALLENGED THE AUDIENCE WITH FOLLOWING STATEMENT: THE WEB IS DEAD....

HE POINTED OUT HOW CONSUMERS, IN QUEST OF A REFERENCING SYSTEM WITHIN THE POTENTIALLY UNLIMITED OFFER ON THE WEB, ARE DRIVEN TO OPT FOR CLOSED SYSTEMS THAT COUNTER THE VERY LOGIC OF THE WEB. IN HIS WORDS, I'M QUOTING:

- *THE WEB WAS CONCEIVED AS AN OPEN PROTOCOL THAT WOULD ENCOMPASS ALL COMMUNICATIONS: (...) EVERYTHING WOULD BE ABSORBED BY THE BROWSER AND BE OPENED TO EVERYBODY AND ACCESS GUARANTEED. AS INTERNET EVOLVES AND DEVICES AS IPAD AND IPHONE HAVE EMERGED, THEY HAVE CHALLENGED THE OPEN MODEL OF THE WEB AND CREATED A CLOSED MODEL THAT CONSUMERS ARE CHOOSING.*
- *THE INTERNET (APP MODEL OF CONSUMPTION), VIDEOGAMES AND MULTIPLAYER GAMING CONSOLES, TABLET, FB, TWITTER AND PAYWALL (MORE AND MORE PROFESSIONAL CONTENT GOES BEHIND IT) ARE ALL PLATFORMS THAT BREAK THE IDEA OF OPEN INTERNET.*
- *ON THE WEB WE ARE SEEING THE FRAGMENTATION OF INFORMATION, THE INCREASING RISE OF BARRIERS AND WALLS THAT INTERFERE WITH THE FUNDAMENTAL NOTION OF THE WEB AND CONTRIBUTE TO THE DEATH OF THE ORIGINAL CONCEPT OF THE WEB.*

(END OF QUOTE)

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AT MEDIASET, WHILST COMPELLED TO PURSUE CONSUMER DEMAND IN A STRATEGY THAT DOES ENCOMPASS A LOW COST, HIGH QUALITY PREMIUM OFFER – BOTH PAY-PER-VIEW AND ON A SUBSCRIPTION BASIS - WE ARE CONVINCED THAT THE AGGREGATION OF PROFESSIONAL CONTENT ONLINE SHOULD ENABLE ALL USERS TO ACCESS AN ENHANCED ONLINE EXPERIENCE IN AN OPEN, INTEROPERABLE AND SAFE ENVIRONMENT, CATERING BOTH QUALITY AND CHOICE.

Accordingly,

- MEDIASET IS MORE THAN EVER COMMITTED TO PRODUCING, DISTRIBUTING AND PROVIDING QUALITY PROFESSIONAL CONTENT TO ANY PLATFORM ATTRACTING SIZABLE CONSUMER DEMAND.
- MEDIASET'S MULTIPLATFORM STRATEGY IS A PERFECT EXAMPLE OF HOW THE EUROPEAN AV INDUSTRY CAN DEVELOP THRIVING LEGAL OFFERS IN AN ATAWAD ENVIRONMENT.

- PREMIUM PLAY WITH OVER 2000 VOD PROGRAMME ITEMS (ACROSS ALL GENRES) AND 400 WEEKLY CATCH-UP SERVICES WAS LAUNCHED LAST SPRING AND CAN BE ACCESSED THROUGH DTT STBs, PCs, MICROSOFT'S XBOX. AS OF TODAY, the launch was actually scheduled at noon today in Milan, IT WILL BE FEATURED ON THE IPAD AS WELL. ONGOING NEGOTIATIONS WITH SAMSUNG MAY SOON RESULT IN THE DELIVERY OF PREMIUM PLAY AS A WIDGET ON SMART TV-SETS.
- ALONG WITH STATE-OWNED RAI, LA 7 AND TELECOM ITALIA, MEDIASET ENGAGED IN TIVÙON! – ON DISPLAY HERE TODAY AND SOON TO BE LAUNCHED FOR A TRIAL INVOLVING 200.000 HOUSEHOLDS. ITS AIM IS TO PROVIDE USERS WITH AN EASY, GUIDED ACCESS TO AN ENHANCED OTTV EXPERIENCE FEATURING CONTENT FROM ALL MAJOR ITALIAN BROADCASTERS: AN OPEN, INTEROPERABLE, LEGAL AND CONTENT-RICH CONNECTED TV OFFER.

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**REGULATORY CHALLENGES:**

- PROFESSIONAL CONTENT OFFERS HINGE ON THE FUNDAMENTAL PRINCIPLE OF EDITORIAL RESPONSIBILITY: ALL OF OUR CONTENT IS PRE-VETTED AND LICENSED EX ANTE, IN FULL COMPLIANCE WITH THE EXISTING REGULATORY FRAMEWORK.
- RESPONSIBILITY DOES NOT MERELY ENTAIL REGULATORY COMPLIANCE, IT MEANS BEING ACCOUNTABLE TO OUR VIEWERS AND BUILDING CONSUMER TRUST OVER TIME, ESTABLISHING AND PROTECTING BRANDS CONSUMERS AND FAMILIES CAN RELY ON.
- THE LAUNCH OF CONNECTED TV SERVICES CALLS FOR AN URGENT CLARIFICATION OF A FEW PROVISIONS IN THE EXISTING SECTOR-SPECIFIC REGULATION WHICH ARE NO LONGER FIT FOR PURPOSE AND NO LONGER ENSURE A PRO-COMPETITIVE LEVEL PLAYING FIELD.
- THE CURRENT REGULATORY ASYMMETRIES AFFECT THE VERY PLAYERS WHO FINANCE OVER 90% OF ORIGINAL AV PRODUCTION IN THE EU.
- MEDIASET ALONE INVESTS AROUND 1BN EURO/YR IN ORIGINAL CONTENT AND DESTINES ON AVERAGE 100 MIO EURO/YR TO CINEMA PRODUCTION. OVER 20 YEARS OF QUOTAS BEING APPLIED SINCE THE ADOPTION OF THE 1989 TVWF DIRECTIVE DELIVERED TANGIBLE RESULTS:
- ITALIAN TITLES SUCCESSFULLY COMPETE WITH US BLOCKBUSTERS AND GENERATE UNPRECEDENTED BOX OFFICE PROCEEDS;
- MEDIASET'S FULLY OWNED SUBSIDIARY MEDUSA DEVELOPS INTERNATIONAL PRODUCTIONS AND PROMOTES ITALIAN TALENT WORLDWIDE.

WE PLAYED OUR PART AND WISH TO CONTINUE TO DO SO, PROVIDED THAT THE REGULATORY FRAMEWORK DOES NOT LET US DOWN...

IN CONCLUSION, A MUCH NEEDED CLARIFICATION OF THE SCOPE OF THE AVMS DIRECTIVE (DEFINITIONS: *WHO DOES WHAT*) AND OF THE E-COMMERCE DIRECTIVE (ART. 14, DIRECTIVE 2000/31/EC ON INTERMEDIARIES' LIABILITY, I.E. : *WHO IS RESPONSIBLE FOR WHAT*) COULD CERTAINLY ADDRESS THE CURRENT, UNJUSTIFIED REGULATORY ASYMMETRIES AND GRANT A LEVEL PLAYING FIELD IN A PRO-COMPETITIVE - PRO-CONSUMER CONNECTED MARKETPLACE.

EPRA'S TIMELY INITIATIVE IS A STEP IN THE RIGHT DIRECTION...

THANK YOU.