

# BLOCKCHAIN + MEDIA

Hype vs. Reality



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**NYC MEDIA LAB**

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 COMCAST  
NBCUNIVERSAL

# HOW MIGHT WE

Leverage the emerging blockchain protocol to redefine existing product potential and create new opportunities in the media space?

NYC Media Lab + NBC Universal Blockchain Prototype Fellowship

Content Monetization  
March - April 2018

# Why blockchain?

**Blockchains have the potential to make every centralized process, activity, and organization fully autonomous, eliminating intermediaries, authorities, and institutions. They can streamline business, governance, and non-profit activities.**

- Many of the largest institutions today operate as trusted third parties. Opportunities abound for companies that can create applied blockchain technologies targeting the specific types of transactions they facilitate
- Blockchain can often remove the need for middlemen in contracts and can store critical information in a tamper-free environment
- Blockchain's strength as an encrypted ledger provides unsurpassed security, addressing many modern-day security concerns
- Blockchain projects are predicted to exceed other major emerging technologies like IOT and cloud computing in venture capital investment

# What can blockchain do **to** media?

Over time, the media value chain has become extremely heterogeneous.

Artists are the primary creators of content, and aggregators and platform providers act as a collection house handling their royalty payments.

**Blockchains could bypass this system entirely, endangering the media value chain from end to end.**

- New types of interactions with media properties to build engagement and loyalty
- Fundamentally reset pricing, revenue sharing, attribution, and royalty processes
- Shifts the market power to the copyright owners, not distributors
- Payments no longer need to be centrally collected, eliminating advantage of economies of scale
- Transactions become less costly, and distribution of revenues is automated by smart contracts, allowing anyone to become a content creator and recipient

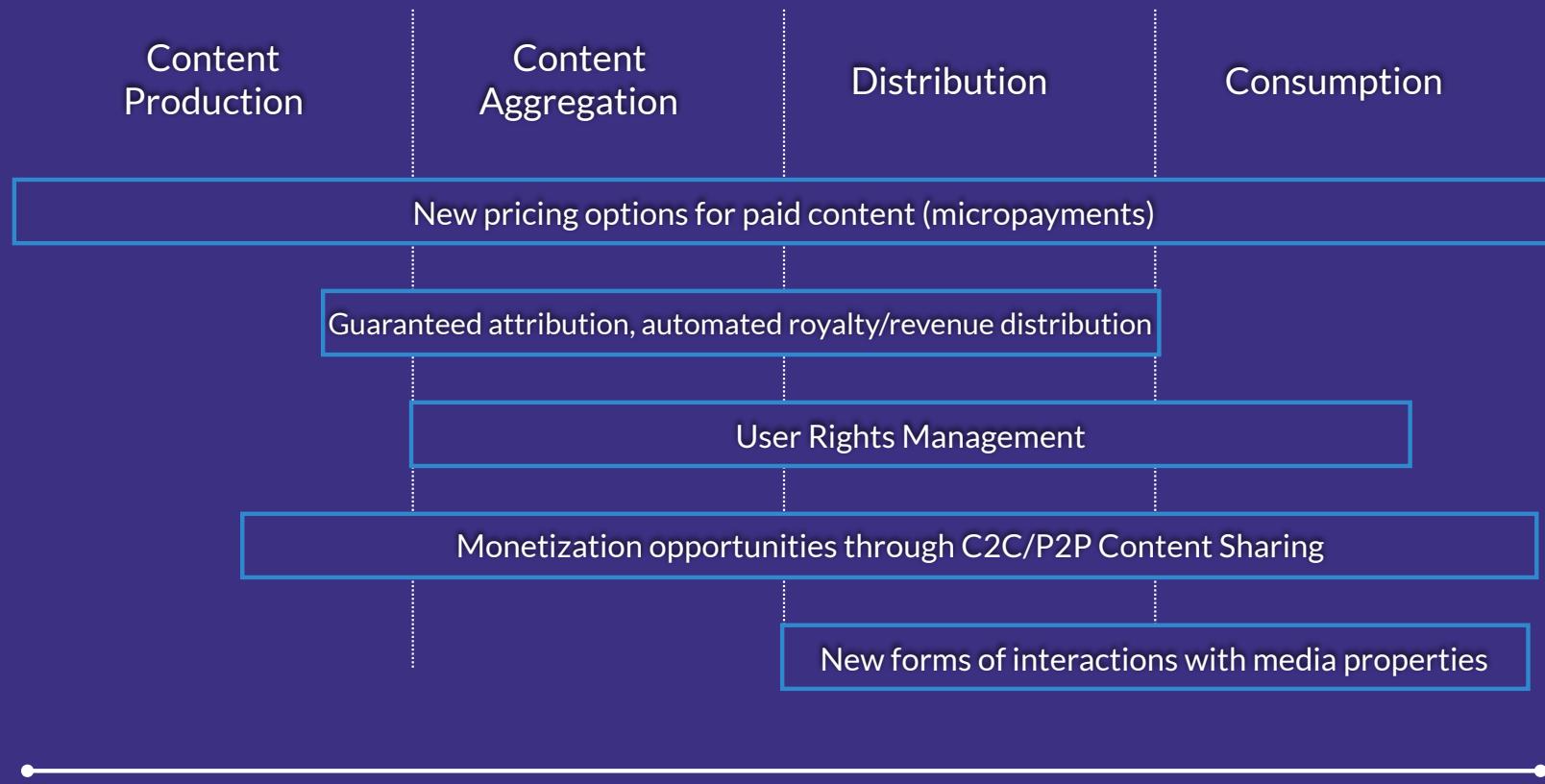
# What can blockchain do **for** media?

In the 21st century, media is ubiquitously available, in any variety, usually for free or accessible through a widespread piracy of intellectual property.

Blockchains transform how media is produced, distributed and consumed, solving these challenges.

- New pricing options for paid content - micropayments
- Guaranteed attribution of content authors and owners
- Automated royalty and revenue distribution
- User rights management that could drastically cut down on copyright infringements and piracy
- Monetization of C2C/P2P content sharing
- New types of interactions with media properties to build engagement and loyalty

# Use Cases Across Media Value Chain



# New Pricing Options | Streaming Money

Microtransactions are already possible today but can be prohibitively expensive as transaction volume increases. **What is the value proposition of smart contracts?**

- **Microtransactions + Smart Contracts = Streaming Money**, real-time payment for digital assets, IP royalties, work performed and more.
- Decrease transaction costs
- Transparent records make for easy accounting
- Revenue attribution at the transaction level
- Fine-grained control of user rights management for any size media
- Common platform facilitates access to users

# MVP

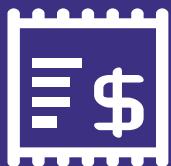




Microtransactions



User Rights Management



Revenue Tracking & Attribution



Microtransactions



User Rights Management



Revenue Tracking & Attribution

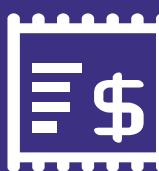
Microtransactions



User Rights Management



Revenue Tracking & Attribution



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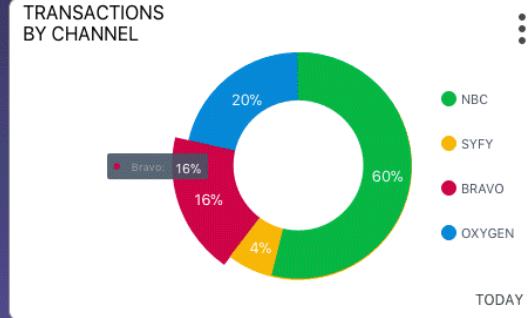
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TRANSACTIONS (2018)

12 Jan 2018

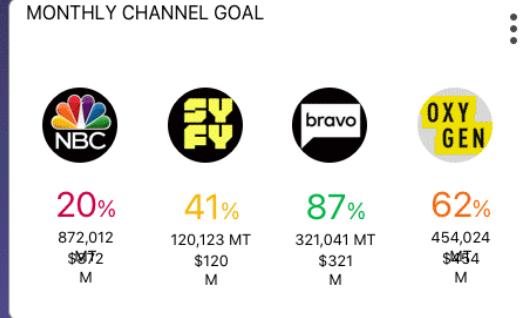


TRANSACTIONS BY CHANNEL



TODAY

MONTHLY CHANNEL GOAL



872,012 M

120,123 M

321,041 M

454,024 M

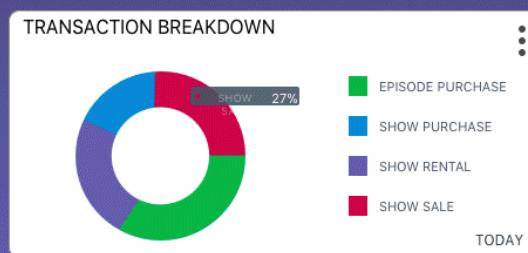
\$872 M

\$120 M

\$321 M

\$454 M

TRANSACTION BREAKDOWN

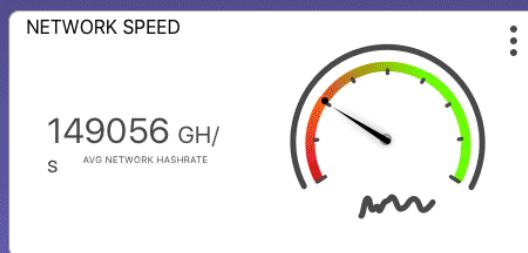


TODAY

NETWORK SPEED

149056 GH/S

AVG NETWORK HASHRATE



182,306,415 MT

\$1,823,064,150 USD (USD)

TRANSACTIONS

104.02 M

HASH RATE

149,056.12 GH/s

LAST

5494859 (0.6s)

ALL TRANSACTIONS

0xC1k3 • Bought Episode 20 seconds ago

bravo USER RENTAL 0xC1k3 → 0xB4fj2 VanPumpRules S3 45 seconds ago

bravo 0xD4f3 • Bought Season 1 minute ago

NBC USER SALE 0xD1k2 → 0xB3k1 SatNightLive S2 1 minute ago

SYFY 0xD3b4 • Bought Episode 2 minutes ago

FX 0xD4z2 • Bought Season 2 minutes ago

0xD1k2 •

# Moving Forward

Blockchain and Smart Contracts will introduce a paradigm shift in media over a **3 year time horizon**.

## Considerations

- Public Vs. Private
- Value fluctuation in token prices
- User adoption and ease-of-use (UX/UI is still lacking)
- Regulatory uncertainty (legality, taxation)
- Migration costs of existing solutions
- Integration of new technologies in the existing stack
- Scaling of blockchain solutions

## Where do we go from here?

- Continue to develop understanding of the underlying technology
- Partner with the blockchain ecosystem
- A media consortium for shared standards amongst producers and distributors
- Track industry developments and develop competitive intelligence on media startups with potential to disrupt

# THANK YOU

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