

THE INDEPENDENT FILM DISTRIBUTORS' LICENSING CONSORTIUM

DIGITAL DELIVERY OF VIDEO SURVEY REPORT July 17, 2007

Several months ago Bullfrog Films, California Newsreel, First Run/ Icarus Films, and Women Make Movies announced the formation of the Independent Film Distributors' Licensing Consortium (IFDLC).

An outgrowth of our collaboration on Docuseek www.DocuSeek.com the IFDLC was established with the objective of constructing a common approach and mechanism for the licensing and delivery of digital content to educational and non-theatrical institutions, such as school, colleges, universities, and public libraries.

The IFDLC's first step has been to conduct a survey of our customers on key issues relating to digital licensing, delivery, and usage.

We are pleased to now be able to share the results of that survey with those of you who were generous enough with your time to participate, and with other concerned members of the field and the public.

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Survey Design

The survey was designed to focus on three areas of inquiry; the general state of implementation of digital delivery within (mostly) higher education institutions, issues specific to local and remote delivery, and pricing and licensing models.

Survey Audience

An invitation to participate in the IFDLC survey was sent to a total of 320 institutional customers of consortium members. The majority of the institutions receiving the survey were universities and colleges, the remainder being made up of community colleges, k-12, and public or state libraries. The customers receiving the survey were predominantly media librarians responsible for acquiring media for their institutions. An invitation to participate in the survey was also posted to the VideoLib list.

Survey Response

216 customers responded to the survey. The percentage of response by institution type breaks down as:

- 75% University/College
- 17% k-12
- 5% Community College
- 3% Public/State Library

Respondents did not answer all 38 survey questions. Respondents were either directed to skip sections not applicable to them (customers who had not considered local delivery of licensed content or using a remote delivery service, skipped sections dealing specifically with those areas) or they simply chose not to respond. The number of responses to each question is indicated in the selected survey results.

Methods of digital delivery defined

The two categories of digital delivery explored in the survey were local and remote delivery. These can basically be defined as follows:

Local delivery:

- Institutional customers maintain a local video server which is used to store and deliver licensed digital video content.

- The delivery system, user interface, administrative and user tools are the responsibility of and are controlled by the institution.

Remote delivery:

- Institutions access video content through a distributor's web-based digital delivery platform.
- The delivery system, user interface, and administrative and user tools are the responsibility of and are controlled by the distributor.

GENERAL STATE OF DIGITAL DELIVERY OF VIDEO IN HIGHER EDUCATION MARKETS

The survey results show that although only 30% of the 214 responding customers currently deliver licensed video from a local server and 27% of 163 responding customers currently use a remote delivery service, when factoring in the responses of customers who are currently considering local delivery (35%), or using a remote service (29%), a potential majority exists of customers that are using some form of digital delivery of video.

29 (13%) of responding customers had not considered either option: local delivery or a remote delivery service.

Survey Data

Remote Delivery

Does your institution stream video from a distributor's website/remote server?
(163 responses)

- 27% (44) - yes
- 29% (48) - being considered
- 14% (23) - considered and decided against
- 30% (48) - not yet considered

Local delivery

Does your institution deliver digital video from a local server? (214 responses)

- 39.2% (85) - currently or plan to deliver video from a local server
- 35.5% (77) - considering a local video server
- 5.1% (11) - have decided against a local server
- 20.3% (44) - have not considered local delivery

Question directed to the 162 customers who have, or are considering, a local server:

Do you license content from distributors for delivery from your local server?
(153 responses)

- 42.5% (65) - currently, or plan to, deliver licensed content
- 50.3% (77) - are considering delivering licensed content
- 1.3% (2) - have decided against delivering licensed content
- 5.9% (9) - have not considered delivering licensed content

Question directed to customers who have not considered a local server:

If your institution has not considered delivering digital video from a local server, do you foresee this issue being addressed in the next few years?

- 46.87% (15) - no, we do not see this happening
- 43.75 % (14) - yes or possibly
- 9.35% (3) - not sure

Local and remote delivery considered together

The survey results indicate that:

- Customers who have not considered local delivery are more likely to have not considered remote delivery and vice versa.
- Customers that use, or are considering using, one method of digital delivery, are more likely to at least be considering the other option.
- Customers that currently deliver licensed content from a local server have the highest percentage of choosing not to go with a remote server, as opposed to the other customer groupings identified below.
- Of the 44 customers that have NOT considered LOCAL delivery:
 - 8% (3) - currently use a remote streaming service
 - 11% (4) - are looking into using a remote streaming service
 - 5%% (2) - have decided not to using a remote streaming service
 - 76% (29) - have not looked into using a remote streaming service
- Of the 47 customers that have NOT considered REMOTE delivery:

- 21% (10) - currently or plan to serve video from a local server
 - 13% (6) - are considering using a local video server
 - 4% (2) - have decided against a local video server
 - 62% (29) - have not looked into a local video server
- Of the 44 customers that use a remote streaming service:
 - 43% (19) - currently or plan to serve video from a local server
 - 41% (18) - are considering using a local video server
 - 9% (4) - have decided against a local video server
 - 7% (3) - have not looked into a local video server
 - Of the 85 customers that currently deliver licensed content from a local server:
 - 28% (19) - currently use a remote streaming service
 - 31% (21) - are considering using a remote streaming service
 - 26% (18) - have decided not to using a remote streaming service
 - 15% (10) - have not looked into using a remote streaming service

LICENSE TERMS, SCOPE OF RIGHTS GRANTED AND PRICING STRUCTURES

The most fundamental issues to be addressed in digital delivery for educational markets are those of license term, scope of rights granted, and pricing structures.

License Terms: Local delivery

Institutional licensing of digital rights/files for delivery of content from a local server is most similar to purchase of content on a physical distribution format (DVD). In both situations, content is purchased and stored by the institution, and the institution controls user access.

Termed license agreements for purchase of content on digital formats appears challenging for customers accustomed to the license terms offered by purchase on physical distribution formats. In a survey question about the license terms required when licensing content for delivery from a local server, the most customers listed "in perpetuity" as the preferred license term, even though this was not listed as an option, but was written into the comments text box by the responding customers.

When you license content to stream from your local server, what license term(s) do you require? (87) (more than one response permitted)

32% (28) "in perpetuity rights" (customers offered in comments text box)

27% (24) - Five years
21% (18) - Three years
14% (12) - One year
10% (9) - One semester
8% (7) - Single class

Digital delivery and time-based leasing options: Local delivery

Although neither hard copy nor digital licensing transfer actual ownership of content to purchasing institutions, the terms of hard copy sales, being based on the premise of a lease being offered for "the life of the tape or DVD", has created a legacy of purchasing institutions being granted the right to use a title "in perpetuity", as long as the specific distribution format purchased remained playable.

Term based licenses for sales of content in digital formats would seem to be based on the assumption that these licenses cannot be framed by language limiting usage as defined by the limitations of the distribution format, as is the case with distribution on physical formats. While digital files do not in fact have a physical format that will inevitably become unplayable over time, they do have specific container and file formats that will most likely need to be updated to remain useable within institutional delivery systems that will be modified and updated over time.

License agreements for digital files could be structured to include limitations specific to the format issued at the time of sale. Institutions could receive or be licensed to make a file, or a suite of files, with the parameters specific to their local delivery system. The license agreement would prohibit copying or transcoding of this file to other formats.

Termed licensing: Archival and Didactic content

Recent discussions on the VideoLib list offer a framework for customer consideration of termed leasing through the concepts of "just in case/archival" and "just in time/didactic" approaches to media collection development and usage. (The usage of "archival" in this context refers to content, not archival quality media formats.)

"Archival content includes any title that is likely to be relevant or worth preserving beyond five years from its production date. Historic titles, social issue titles and documentaries fall into this column. Didactic content covers titles made with the intention of teaching something or raising awareness about something but with a limited shelf life." -- Mark Ritchie

Ritchie referred to a study that concluded that the average life of an educational video title was 5-7 years. Although the study was conducted 30 years ago, the assumption could be made that this is still relevant for many educational titles today.

In the end, termed licensing may not have a great impact on many titles actually needing to be re-licensed by institutions for continued use. However, termed licensing will require both distributors and customers to have systems in place to track and manage lease expirations and renewals that are not currently required for content sold on hard copy. Distributors will also need a system, if DRM protections cannot be applied to files, to monitor customer compliance of removal of titles with expired lease terms from their servers.

How institutions will determine whether a title is archival or didactic will be an objective choice that will become a more proactive decision with termed licenses. How institutions will maintain digital rights for standing collections of archival titles will be more challenging with termed licensing. For the time being, institutions will most likely address archival considerations by continuing to purchase titles on DVD.

License terms: remote delivery

License terms for content delivered to institutions from remote servers will always be term based. No argument can be made for "in perpetuity" rights for remotely streamed or controlled content, as beyond other rights considerations, it is impossible to promise a service in perpetuity.

Managing lease terms

Local Delivery

Even if many licenses end up not being renewed, term based licensing of content, stored and delivered by institutions from local servers, will require distributors to have systems in place to manage lease renewals and expirations and to monitor customer compliance.

Remote Delivery

Managing lease terms for content that is controlled and accessed by a distributor's web-based delivery system, whether that content is stored on the institution's local server or the distributor's can be fairly straightforward.

Customer access to titles with expired leases can simply be denied when content is streamed directly from the distributor's server.

Files that are stored on an institution's local server, but accessed via a remote delivery site, could be wrapped by the distributor with DRM protections. In this situation the DRM protected file would not be viewable unless accessed via and authorized by the distributor's remote delivery service. Once a title reached its expiration date, access would not be validated by the distributor's system and the file would no longer play.

Even though the content would still reside on the institution's local server, it would not be playable without the required authentication from the distributor's web-based service.

Standardizing licensing

A few customer comments that follow indicate the need for more standardized licensing policies around digital rights.

"The licensing issue in general is a huge issue here at a large university. Our university counsel insists on negotiating each and every license to get us the best rights - this is great in the long run but it often takes several MONTHS to get a license negotiated and signed! This is unacceptable to the end users...I don't know the answer but a way to streamline the process - such as one blanket license per institution - for all vendors would be a great help."
-- survey comment."

"I personally think that your consortium needs to begin by asking institutions about how incredibly difficult it is to even get copyright holders to allow us to stream content. This survey makes assumptions that there is a lot of digital streaming of films taking place. That's not true on my campus and I really question how much it is going on elsewhere. It seems like we beat our heads against the wall again and again over this issue. For us -- a 30,000+ enrollment state institution -- we need to stream films to DE students sometimes and simply can't obtain copyright to do so. As you know, fair use copyright arguments only allow for a small percentage of a film -- typically less than instructors *need* to use in order to have substantive learning take place with the film. On the other hand, most copyright holders simply won't let us digitize and stream their films. Your consortium is on the right track."
-- survey comment

DVD and digital files

At present, DVD is still the predominant format for institutional sales. The majority of customers purchasing digital rights for local delivery continue to purchase a version of the title on DVD. Hard copy versions may be seen as being something of a "gold standard", with digital rights being purchased in addition to the standardized, known, and theoretically more long-term rights offered by hard copy license agreements.

When licensing digital rights for titles not already in your collection, do you also purchase a DVD or VHS copy? (76 responses)

72% (55) - Yes
16% (12) - Yes, but we are looking to phase out purchase
of hard copies
12% (9) - No

What percentage of your AV acquisitions budget goes to licensing digital rights
vs. purchasing DVD/VHS? (79 responses)

Last year:
0-20% - 78% of respondents
21-40% - 10%
41-60% - 4%
61-80% - 4%
81-100% - 4%

Current year:
0-20% - 75% of respondents
21-40% - 9%
41-60% - 8%
61-80% - 3%
81-100% - 6%

Next year:
0-20% - 61% of respondents
21-40% - 19%
41-60% - 9%
61-80% - 4%
81-100% - 6%

Technical considerations in local delivery for Distributors

The basic technological demand that distributors deal with in local delivery is to supply encoded video files to customers for delivery from their local server. This basic demand is complicated by the fact that there is no standard file format for digital delivery.

Customer vs. distributor encoded files

The distributor can supply digital files for local delivery or customers can encode the files themselves from a physical copy (DVD/tape) of the title currently in their collection or from one purchased along with the digital rights.

How are digital files acquired? : (78 replies)

74% - digital file encoded by distributor

63% - digital file encoded by customer from DVD/tape

Distributor encoded files

Ideally, to ensure the best quality encodes, distributors would produce the encoded files at a professional lab, from masters of a higher quality than the distribution formats of VHS and DVD that customers would use to produce the encoded files.

As institutions require encoded files with attributes unique to their particular delivery systems, (file type, frame size, data rate), distributors may find themselves running their masters repeatedly to produce the range of files requested.

What file formats are used for locally delivered files? (73 responses)

59% (39) - Windows Media

53% (39) - QuickTime

37% (27) - MPEG

30% (22) - Real

19% (14) - Flash

Do you require unique files for different purposes (frame size, bitrate, frame rate) ? (58 responses)

53% (31) - streaming over a local network

48% (28) - streaming over the Internet

29% (17) - classroom projections

21% (12) - Download over a local network

A solution to running master tapes repeatedly, would be to produce a high quality master digital file from which all subsequent encodes could be produced without possible loss of quality through transcoding. Having a high quality digital master file would save wear and tear on tape masters and reduce future encoding costs by creating a complete digital workflow.

As requests for streaming files become more common, an archive of the various files could be created, which would allow these files to be used for customer requests when the existing file specs match the customers needs; reducing the encoding costs passed onto the customer and adding incentive to customers to use files of guaranteed quality produced by distributors. However, providing an evolving number of different files for institutions, may prove to be an unworkable burden to distributors that necessitates leaving the specifics of encoding to institutions.

Customer encoded files

It is entirely possible to produce good quality encoded files for streaming and download from DVD, as long as the DVD itself was produced using a high quality MPEG-2 encoded file. However, this method essentially involves compressing an already compressed video file. Any artifacts from the MPEG-2 compression made for the DVD will be amplified in the subsequent compression to produce files for streaming or download. The dropouts and noise inherent in VHS only makes producing a good encode for digital delivery all the more difficult from this format.

Although encoding a video file is, practically speaking, something that can be done by someone with a moderate knowledge of video software, it is best left to professionals to ensure the best image and audio quality. Although institutions may have highly skilled compressionists, there is no way for distributors to ensure the quality of files that are encoded by customers.

SCOPE OF RIGHTS AND USAGE

Digital delivery has greatly increased the potential for access and use of video within educational communities. It has also created uncertain terrain for distributors and customers in defining usage rights beyond the models offered by content on physical formats.

Institutions can utilize digital delivery in a number of ways:

- for distance learning, non-campus-based courses via a web-based Learning Management System (Blackboard) or library/media website
- for on-line components of traditional campus-based courses via a web-based Learning Management System (Blackboard) or library catalog or media website
- for non-course based access to a wider institutional community through a library catalog or media website (electronic journal model)

Scope of rights and usage: Local Delivery vs. Remote Delivery

The rights requested and usage of files would be similar for local and remote delivery scenarios. However, distributors would have direct access to usage reports with remote delivery, which would not be the case with files delivered and controlled by an institution's local system.

Survey questions (more than one answer allowed to the following questions)

When you license content to stream from your local server, what scope of rights do you require? (93 responses)

48% (44) - Off campus (distance learning)

40% (37) - One campus

33% (30) - Regional or state consortium

30% (29) - Multiple campuses

3% (3) - School districts, counties

How are files delivered from your local server? (89 responses)

47% (42) - over a local network

64% (57) over the Internet

Do you provide downloads and/or streaming of files? (91 responses)

89% (81) - streaming

40% (36) - Download

How are digital files accessed by end users? (89 responses)

44% (39) - OPAC (online library catalog)

44% (39) - Blackboard or other learning management system (online course resource sites)

45% (40) - Separate website (Media center or separate library site for accessing digital video content)

Pricing

"Do the vendors feel that media offered in a password protected, digital environment of a higher education institution is viewed by more viewers than media offered through traditional library or closed circuit methods? Do they vendors feel they are missing out on a sale if they allow us to digitize the media to allow more convenient access to our clients, the same clients who would have simply driven to the library 5 years ago to do the work they can now technologically do on their home pc? Based on our experiences, streaming is just another delivery method. The same faculty are using the media and the same students are watching it."

-- Survey comment

Survey questions

Do you see the current model of purchasing or licensing nonfiction video titles on a title-by-title basis continuing as streamed or downloaded video becomes more widely used in educational environments? (88 responses)

Yes - 84%

No - 10%

Comments:

"Unless there is a critical mass of titles - created by large package purchases - teachers and administrators won't notice that this is out there. After critical mass - sets of 100+ titles sold together - is achieved, then title by title makes sense."

-- Survey comment

"The model of having to acquire libraries of material lock/stock is not and will never be acceptable...except for a very small group of distributors whose catalogs are relatively small and central to our collection (California Newsreel and MEF come to mind)."

-- Survey comment

Do you think license fees could be based on FTE? (88 responses)

Yes - 47%

No - 39%

Comments:

"Yes, tiered pricing is a way to balance pricing for small vs large schools, but use within reason. Some vendors who use FTE have priced themselves out of our budget by looking at total FTE, not the FTE in the intended audience (ex: specialized area that a small % of campus will need/use, but priced as if all would use)." -- Survey comment

"We have a huge FTE but the number of students who would have an interest in watching a health science title like Applying Dressings and Wound Care will be much smaller. I think it should be based on type of university (Carnegie classification) which has more to do with the budget." -- Survey comment

"I think it should be a flat price. PBS initially suggested this and priced their licenses way out of my range." -- Survey comment

"They should be. We are very small (500 FTE). We cannot afford databases unless they have an affordable pricing scheme." -- Survey comment

"We are a very large university and we often are unable to take advantage of programs that we would like to because they are based on FTE and we simply cannot afford the fees involved." -- Survey comment

"The vast majority of titles are used by a few people and much of it stays dormant "just in case" it might be shown in class. FTE may be a way to structure general price categories but within those categories there should be finer distinctions. For instance, now you charge all colleges and universities higher prices (significantly higher prices) but you make no distinction between small or large universities, urban or rural, community or city colleges. That seems unfair and ignores huge budget discrepancies. Don't make the same mistake with streaming!" -- Survey comment

"Pricing kind of depends on the video itself. Some that are so general in nature could be priced by FTE. But, videos that have a more specific, defined audience should not be priced that way." -- Survey comment

Would your institution find it advantageous to have access to all of the titles in our four company's (Bullfrog Films, California Newsreel, First Run/ Icarus Films,

and Women Make Movies) collections from one site/interface for a single annual minimum fee, and pay an additional license fee depending on usage?

Yes - 48%

No - 33%

Comments -

"Offer a reasonably priced five year lease for blocks of 25 titles where the user can pick and choose from all Bullfrog, FRIF, Cal Newsreel, and WMM titles. This would provide a critical mass of high quality college-level content and a true test of whether the users embrace the format." -- Survey comment

"I do not have a media budget sufficient to cover both licensing and usage fees. I would rather license title-by-title and have unlimited use during the license period."-- Survey comment

"Annual fee might be acceptable (though as noted above, both because of performance concerns and because we prefer outright purchase, wouldn't have this option as top choice) but additional fee based on usage is a metric that is not used in any of our other electronically licensed (text and audio) collections, and would not be looked on favorably."-- Survey comment

"It would have to be discussed fully by all involved with some real numbers, but fewer interfaces for our users to learn seems like a positive." -- Survey comment

Is there any part of the way libraries buy access to online journals that you think can be usefully applied to digital video? (51 comments)

"The IP access. There are some similarities in licensing, expectations of use both by us and by the provider." -- Survey comment

"I don't see how it would be possible to buy video content that way and keep it affordable. Currently, the annual cost for a single video title can be almost as much as an entire database subscription."

"Non-restrictive campus use (e.g. through reserves, in the classroom, class assignments, recreational)." -- Survey comment

"In general, this is a model that has hurt libraries as much as it has helped us. Budgets have exploded, and we often do not have preservation copies of these very expensive materials." -- Survey comment

"Ability for multiple users materials housed on vendor site - we cannot support all that bandwidth." -- Survey comment

"Heaven forbid" -- Survey comment

"Absolutely. I think this model is a good one. However, I think the title-by-title option is important to keep when purchasing access to video titles." -- Survey comment

"Journals and videos are very different. I don't want to buy packages of videos that will never be used." -- Survey comment

REMOTE DELIVERY SYSTEMS

An institutional model of remote delivery was explored in the survey. In this model, the institution remains the primary, point-of-sale customer of the distributor as in the model of hard copy distribution.

Although not considered in this survey, digital delivery technology does offer distributors the potential to directly reach individual members of institutions as unique purchasers of video content. This model would most likely be an e-commerce model for individual use that could have modified procedures to facilitate institutionally affiliated purchases.

Remote delivery: institutional access model

In this model, institutions purchase access to content and then offer controlled access to that content to their user communities as defined by the terms of the lease, be that a single class or an entire institutional community. The institution remains the primary customer of the distributor, not the individual end user. The institution manages user access to leased content to valid users, much like they manage access to content purchased on hard copy.

Remote delivery: individual access model

A theoretical model for reaching individual members of institutional communities could be based on the model of how books are purchased by students for course work or research. In this model students would go directly to the vendors website, have a unique customer identity as an individual, make an e-commerce payment as an individual, and then access the selected content. Much like instructors order books for course work and

have them made available for student purchase at the institutions book store, instructors would contact distributors to make sure that the desired content would be available for the required period from the remote delivery service. As with book purchases, the student would then be required to make a direct purchase, in this case from the distributor, to access content. The individual would be the customer in this scenario, not the institution. The distributor would manage individual user accounts and individual access.

Primary considerations of remote delivery services for institutional use

The most important features of remote streaming services indicated by customers:

- Ability to integrate remote system with existing institutional user authentication systems (the one sign on solution)
- Ability to integrate remote system with existing content management systems
- Ease of use for administrators and end users (design of site and portals to content with one user interface)
- Functionality of service that allows segmenting of content and integration of content into web-based teaching systems (BlackBoard)

Reasons listed by customers for deciding not to go with a remote server:

- Inability of service to work with existing authentication systems. Not wanting users to have unique user names and passwords for each remote delivery services.
- Better quality in delivering from a local server over network
- Not wanting to buy packages of content
- Bandwidth usage considerations/network clog
- Lack of appropriate content
- Lack of control of access to content over time
- Actual cost and fear of costs
- Wanting to have a local system that could incorporate other vendor content

Survey Response: Remote streaming features

The following are the top features that customers indicated were either "essential" or "important" in a remote delivery service.

- 91% - Integration with existing user authentication systems
- 81% - Segmented programs
- 81% - Administrative, reporting, and search tools
- 76% - Integration with Media Catalog Systems
- 73% - Ability to create custom bookmarks and playlists
- 71% - Closed captioning
- 70% - Integration with LMS tools

69% - Multiple file formats, including frame size and bitrate

The following are the breakdown of the percentages from the "essential" and "important" section options.

How important are the following features in considerations of using streamed video from a distributor's website/remote server?

Essential: (number of responses indicated in parenthesis at end of line)

- 65% (51) - Integration with existing user authentication systems (78)
- 41% (32) - Integration with Media Catalog Systems (78)
- 38% (29) - Segmented programs (77)
- 35% (27) - Administrative, reporting, and search tools (77)
- 28% (18) - Integration with LMS tools (65)
- 26% (18) - Multiple file formats, including frame size and bitrate (70)
- 24% (17) - Ability to create custom bookmarks and playlists (72)
- 20% (15) - Closed captioning (75)

Important: (number of responses indicated in parenthesis at end of line)

- 51% (38) - Closed captioning (75)
- 49% (35) - Ability to create custom bookmarks and playlists (72)
- 45% (35) - Administrative, reporting, and search tools (77)
- 43% (30) - Multiple file formats, including frame size and bitrate (70)
- 43% (33) - Segmented programs (77)
- 42% (27) - Integration with LMS tools (65)
- 35% (27) - Integration with Media Catalog Systems (78)
- 26% (20) - Integration with existing user authentication systems (78)

Questions relating to file features:

How important is it that digital files have Closed Captions? (58 responses)

- 7% (6) - essential, cannot buy without
- 79% (66) - very important, but not determinative
- 10% (8) - not required
- 5% (4) - other

Would you find digital files with embedded markers for learning objects to have added value compared to digital files without? Would you pay a higher price for availability of these learning objects? (82 responses)

- 17% (14) - Yes, and I would pay a higher price for them
- 41% (34) - Yes, but I would not pay a higher price for them
- 18% (14) - No, embedded markers would not have added value
- 24% (20) - other ("maybe", "what are digital markers"..)

Definitions of remote streaming features

Integration with existing user authentication systems (Automatic Authentication):

The ability to integrate existing user authentication systems with a remote delivery service was listed by 91% of responding customers as being an essential or important feature in considerations of using a remote delivery service.

Integration of authentication systems allows authorized institutional users to access remote licensed content using institutionally issued credentials. The specifics of how this works would vary upon the systems being used, but essentially institutions would manage authentication of their users and pass this authentication to the distributors remote delivery service.

For institutions, this enables a one-sign on solution for their community of users. Users would not be required to have unique user names and passwords for different remote content sources.

For distributors, integration of authentication systems means they would not be required to issue and manage access (user names and passwords) for the potentially large number of individual members of leasing institutions using their remote system. However, individual or unique usage could be monitored, as individuals would still be required to sign into the system.

The four primary authentication systems used by institutions are; IP or referral URL authentication, Proxy Servers, and LDAP authentication.

Pre-defined learning objects and segmented programs

Pre-defined learning objects are individual segments from videos that can be integrated by educators into lectures, presentations, and student playlists. Pre-defined learning objects are created by distributors and added to files that are then accessed by users through its web-based delivery system.

Most of the remote services geared to the K-12 market feature pre-defined learning objects that directly correlate to state educational standards and sections of textbooks. FMG on Demand also offers segmented programs for titles aimed at the higher education markets with similar features found in K-12 services.

Pre-defined segments seem to be most appropriate and easily applied to educational titles that are actually pre-defined and structured as educational titles, like for example, the FMG title "Applying the Concepts of Equilibrium". Of course, all titles could be segmented into key or teachable moments, but the effort and cost to do this according to educational standards would be an upfront cost for distributors that a majority of the surveyed customers indicated they would not pay an extra fee for.

For higher education markets, enabling the web-based delivery system with a feature that would allow instructors to create their own segments, may suffice to meet the needs of instructors to be able to present segments of titles to their students.

Custom bookmarks and playlists

This feature enables a user to create unique viewable segments of a video title. Ability to use this service may be offered to all users or limited to instructors.

This is a key feature of remote delivery systems, which enables videos to be incorporated into teaching environments, allowing instructors to create clips and playlists for student viewing.

The segments are created by an interactive feature in the viewing window that allows users to make clips using in and out points. Usually, an open text field is available for each clip created, where a user can write comments. Links to the segments are then made available to other users. Instructors could use this feature to create links to playlists for their students.

Note: Technically, these segments are not considered edits. They are considered to be points of access to a full program, similar to chapters on a DVD.

Integration with LMS (Learning Management Systems)

Blackboard is the predominant LMS used in institutions by both distance education and campus based student populations. (WebCT is also widely used, but recently merged with Blackboard). Blackboard essentially functions like a web-based classroom, having links to e-resources, posting of assignments, readings, student work and other content.

Integration with a LMS system, would mean that the instructor is able to put a link to the full program, or a playlist of customized segments of a program, within the Blackboard page.

Integration with Media Catalog Systems

This feature allows institutions to integrate access to content into their existing on-line media catalog system.

Administrative, reporting, and search tools

Administrative features could include web-based tools to view lists of titles licensed and monitor terms, create usage reports, and monitor user access. Instructor features could include personal playlist pages to create and store title lists, created playlists and comments, and folders to organize titles used and accessed for different course usage.

Multiple file formats, including frame size and bitrate

Institutions have many different communities that require files that can be accessed with slow connections. It is not assumed that every member of that community will have a high-speed connection that can handle large streaming files.

GENERAL CUSTOMER COMMENTS

What issues or topics not included in this survey should the Consortium be considering in order to best address your needs or concerns pertaining to digital licensing and delivery?

"I think you've covered everything. Our biggest problem so far is finding products that are accessible in the same way that other materials are. We don't want to create separate websites for various products. We want to provide them with full cataloging within the basic search tools our patrons use. Additional access points will be added as identified. Also, it is very important that a large screen viewing option is available, and that the larger screen quality is high." -- Survey comment

"In the K-12 arena most customers are looking for the videos to be correlate to state standards." -- Survey comment

"We are only interested in buying rights to content. We aren't interested in buying a service, especially one which uses the Internet." -- Survey comment

"My biggest concern is being tied to any one interface that determines which content and vendors can be accessed through it. I would prefer to see us have our own interface and purchase and produce content from a variety of vendors." -- Survey comment

"Many schools like ours may not want or be able to take the time and expense to host." -- Survey comment

"Again, the licensing issue is the biggest stumbling block for us. It has to be as simple and as standardized as possible." -- Survey comment

"Flexibility of purchase, IP authentication, ability for seamless connectivity for patrons. I think you've touched on all these points, but they are particularly important." -- Survey comment

"The need for lifetime licensing" -- Survey comment

"How will instructors who wish to use a portion of a digital program in class (or on reserve) be able to access the needed portion if streamed from a remote site?" -- Survey comment

"You know what faculty really want? They want movies...clips from movies... They want content that can't be licensed... But they don't want to screw around with network connectivity in the classroom." -- Survey comment

"Consider licensing at our consortial levels. Make certain your streaming is near flawless in execution. Make it compatible with easy passwords or via IP address ranges so that students don't have to jump through too many hoops to access material. Make your stream compatible with Blackboard and other large courseware without having to do too much in the way of passwords and verifications and hold-ups. NetLibrary is not a bad model." -- Survey comment

"When a print title is purchased, it comes with certain rights and restrictions based on copyright law. To try and make the same kinds of rights and restrictions pertain to an entirely different form of content delivery is not easily accomplished. Perhaps this new consortium might have some input for those making and interpreting copyright laws?" -- Survey comment