## MPAA ONLINE VIDEO REPORT: 2<sup>ND</sup> QUARTER 2015

## **Key Developments in Movie & Television Online Services in Q2 2015**

## **Multi-Territory Services**

### Netflix (Spain, Italy, Portugal, India, Australia)

• In June, Netflix announced it will be launching in Spain, Italy, and Portugal in October with plans to expand into India by 2016. In Australia, Roy Morgan Research reported that Netflix has already surpassed all other competitors since launching in March. According to their report, Netflix reached 1,039,000 viewers in May, which is much higher than other Australian online providers, notably: 97,000 by Presto, 91,000 by Stan, 43,000 by Quickflix and 40,000 by Foxtel Play.

## DPlay (Norway, Denmark, Italy, Sweden)

• In June, <u>Discovery Communications expanded its over-the-top streaming service in Europe with the launch of Dplay</u>, which offers live sports and non-fiction programming direct to consumers. Dplay will first be available in Norway, Denmark, Italy, and Sweden, and Discovery says it plans to add more markets by the end of the year.

## **Key In-Country Services**

#### Canada

• In May, Rogers and Shaw Media announced that their streaming service, <a href="Shomi">Shomi</a>, will be available to all Canadians this summer. The streaming co-venture launched last fall and has since been available only to Rogers and Shaw customers while in beta testing. The streamer will be available through set-top boxes for Rogers and Shaw, as well as online, through Xbox 360, AppleTV and Chromecast.

### China

- In May, <u>China announced that TV2U</u>, a state-owned video streaming service, will launch later in 2015, as part of its efforts to combat content piracy in the country.
- In June, Baidu's online video subsidiary unit, <u>iQiyi, signed a deal for the Internet broadcasting rights on 800 films and future movies from Paramount Pictures</u>. The 800 Paramount films to be featured on the <u>iQiyi platform</u> include the *Transformers* series, *The Godfather, Forrest Gump*, the *Mission: Impossible* series, *Shrek, Terminator, Kung Fu Panda* and *Madagascar*. To date, iQiyi has around 6,000 films in its library from China, the U.S., Japan, South Korea, India and several European countries.
- In June, Alibaba Group Holding announced it will soon launch an online video streaming service in China, hoping to emulate Netflix and HBO. The service will be called <u>'TBO'</u>, or <u>Tmall Box Office</u>, with content from China and other countries, as well as in-house productions. 90% of TBO's content will be paid for, either by monthly subscription or on a show-by-show basis, and the remaining 10% is expected to be free to the consumer.

### **France**

• In June, French telecom Orange <u>announced an OTT HDMI dongle to be launched on July 9th</u>. This will allow viewers to watch Orange's TV channels and services (VoD, replay, Dailymotion) anywhere, regardless of broadband provider. A direct rival to Google's Chromecast, Orange is

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the first French company to deliver this kind of OTT dongle that can plug-in to any connected device.

• In June, <u>a new online TV service</u>, <u>Molotov was launched</u>. Promoting itself as a Spotify-type service for TV, it is set to go into beta testing this summer with a public launch in the fall.

#### Russia

• In April, <u>CTC Media launched a free online video service</u> offering its own titles, as well as films from the Paramount library. The ad-sponsored model operates on the broadcaster's websites ctc.ru, domashniy.ru, peretz.ru and videomore.ru. By the end of 2016, a total of 120 movies from the Paramount library are expected to be available for viewing.

### **United Kingdom**

• In April, Sky TV announced that it has started making its <a href="Sky Store's Buy & Keep movie service">Sky Store's Buy & Keep movie service</a> available to everyone- even people who don't subscribe to its pay TV services. Consumers can buy latest films via Skystore.com and at the Sky Store app for streaming or download. The Buy & Keep service also sends users a DVD of the movies they buy by mail.

### **United States**

- In June, Showtime announced that it is launching a stand-alone streaming service, making the premium channel available for the first time without a cable subscription. The service, also called Showtime, launched on July 8th through a partnership with Apple, Hulu, and Roku. Apple TV, iPhone, iPad, iPod Touch, and Roku users will be able to subscribe to Showtime on the app anywhere in the U.S. and the service will be accessible on all Apple devices as well as on Showtime's website with additional platforms and providers to be added. Hulu also offers a subscription at a discounted rate for members. Subscribers to the streaming service will have access to the live East and West coast feeds of Showtime and unlimited viewing of every season of its original series and movies, documentary and sports programming.
- In June, AMC Networks announced an invite-only beta test of their <a href="https://horror.centric.org/horr
- In June, <u>Lifetime Network announced the launch of the Lifetime Movie Club app</u>, a commercial-free, OTT subscription video service. The Lifetime Movie Club app, which launched on July 2, will not stream Lifetime's linear network feed but subscribers will have access to more than 30 movies, grouped in themed playlists like "Summer Loving" & "Dramatic Affairs," and the selection of movies will be refreshed weekly.
- In June, the Dish-owned online TV streaming service, <u>Sling TV, launched a new Spanishlanguage base package</u> dubbed Sling Latino Paquete Esencial, which offers viewers 16 live channels. Consumers who want additional programming can also opt for a 22-channel package called Paquete Total, which features live feeds from networks like Univision, UniMás, Galavisión, Univision Deportes Network, beIN Sports en Español and others. Sling is also offering two country-specific live TV packages from Columbia and Spain.