Digital Cinema Issues in 2006

Michael Karagosian
22 April, 2006
Digital Cinema: Macro & Micro

• Macro issues
  – Market forces prevalent today
  – Fast vs Right
  – NATO DC System Requirements
  – Interoperability & Certification

• Micro issues
  – Exhibitor handholding
  – Network security
  – System availability
Market Forces

Pushing Back

- No ROI for exhibition
- 4K projection technology not ready
- Invest in new technology, new skills

Pushing Ahead

- Virtual print fee subsidy available NOW
- 2K projector technology is mature
- Technical support industry is growing
System Installations

• Beta systems
  – Cautious approach
  – Building supply-chain logistics
  – Minimize risk of upgrade liability

• Fast to market
  – Driving the market
  – Ahead of competition
  – Balance upgrade exposure with benefit of market share
NATO DC System Requirements

- POS driven systems
  - Show Schedules
  - Show Playlist
- Facility List
- Movement of Shows
- Network security
- SOX compliance
Interoperability

- Desired organization
  - Open to studios, exhibitors, and manufacturers
  - Technology staging
  - Field coordination
  - Antitrust expertise
Why Certification?

• Support manufacturer R&D
• Build confidence in the marketplace
• Prevent fragmentation of technology standards
  – International
  – Post-subsidy
Micro issues

• Exhibitor handholding

• Network security

• Availability
  – Film: 99.98%
  – Digital: ?
Thank you

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http://mkpe.com

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