Licensing Business Models
for the Future
“CHUNKS, NOT VOLUMES”
MEANS
“COINS, NOT NOTES”
AND
“LICENSES, NOT SALES”

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INEXORABLE (AND SOMETIMES CONFLICTING) TRENDS

• Remunerative value of pre-packaged content keeps going down
• Markets for highly granular content explode
• Number of transactions mushroom, value per transaction plummets
• Verticalization drives aggregation and new curation opportunities
• Creators often can choose most direct possible path to sales
WHERE CONTENT HAS VALUE

- To solve a very specific problem
- As “bait” to build a community
- As a tool to sell a product or service
- Structured within a workflow
- Structured within a learning experience (academic or professional)
WHAT PUBLISHERS ARE PLANNING FOR

• Professional: users want to buy solutions to challenges, not “content”
• College text: must sell learning systems that provide professors with testing and evaluation with content in that context
• School: states, buildings, and systems will adopt platforms and content choices will have to fit in
• Platforms deliver workflows for business and learning

• Consumer challenges (gardening, decorating, cooking) will also increasingly be addressed by platforms

• Platform providers become among the more important new content gatekeepers
MOST DRASTIC CHANGES COMING IN CONSUMER MEDIA

- The fall of the “book”, “magazine”, and “newspaper” as organizing principles
- Reorganization around verticals: topics and communities of interest
- Delivery of content through devices (and POD)
- Highly granular aggregation and curation of highly granular content
THE EVOLUTION OF “THE CLOUD”

• We all have our “virtual lockers”
• Authorizations for content use can be time-based, context-based, platform-based, aggregator-based
• Everything we create also in our locker, also with rights associated
• License our health data or spending data? Why not, if it has value?
LICENSING IS THE ONLY WAY (AND, OFTEN, COLLECTIVE LICENSING IS THE ONLY WAY)

- Number of transactions large enough to support negotiation is a small fraction of the whole
- Amount of truly high-value content is a small fraction of the whole
- “Owning content” in a cloud context makes no sense (only “owning objects” does)
- What can’t be licensed will only be stolen or unused