

November 19, 2010

What's New?
PACA's Twice-Monthly Newsletter



PACA'S 15TH ANNUAL INTERNATIONAL CONFERENCE REVIEW: MOVING INTO MOTION by Pat Hunt

Innovation and the ability to manage change are keywords inherent in running a digital imaging business today. Image producers cope with ever changing business models, from equipment upgrades and file transfer methods to novel distribution systems, and pricing models. They have weathered the onslaught of competition from user generated material and style shifts demanded by the customer. They are now facing a generation of image users who thrive on motion, sound, and dynamic editing, and enjoy enhanced methods of delivery by virtue of the Internet, iPads and cell phones.

Classic still photographers and stock agencies are having to take a hard look at the possibility of adding motion footage to their content offerings. For photographers, this feels like the traumatic era of switching from analog to digital equipment. It represents a whole new and costly investment and a steep learning curve.

For this reason, PACA, The Picture Archive Council of America (the trade organization for stock image collections), has featured seminars on upgrading to motion production for the last two years of their International Conference. For the 2010 meetings in New York City, Alan Bailey, Co-Founder of Rubberball (a still and motion production company) and Secretary of PACA, moderated a panel of experts to help the image producers understand the advantages and the pitfalls of the business model expansion into motion production.

Panelists on the cusp of this change included:

- Bill Miles, commercial photographer specializing in still and video production (billmiles.com)
- Lanny Ziering, CEO of Superstock, a general stock agency (www.superstock.com)
- Lori Farber, Director of Business Development at Thought Equity, a motion distributor (www.thoughtequity.com)
- Lisa Curesky, Director of Photography at Image Source, a Royalty-Free production company (www.imagesource.com)

This group represents a wide variety of challenges facing the change from still to motion. Lanny, from Superstock, explained that the company was purchased two years ago with the vision of being a future footage platform. He says: *"It's where our customers are going. A year ago,*

clients were saying that they sell print and use electronics to support the print. This year, they are demanding more for electronic publication, iPads, and the Internet."

Superstock's framework is to source imagery. According to Lanny, their core processes are to inject the metadata into the imagery and to merchandize it by adding value, distributing and analyzing the results. He says, *"Everything along there has to change in footage."* To store one million clips, they might need five times the storage capacity. They may need to build out the infrastructure for a delivery system, or tap into companies such as Thought Equity, that already have that framework established.

Lori, of Thought Equity, explains that their company was built on footage distribution, so, *"we invested in the technology to meet the challenges that come with video content. Our storefront and sales force has become the largest client of our platform, and we are now licensing out that platform to other footage companies, such as BBC Motion Gallery, Corbis and the National Geographic Motion Gallery."*

Each company has a different approach to structuring the clips that make up their footage. At Thought Equity, they provide a long form, so each client can identify the moment within that footage to find their perfect length clip. Lori states, *"Where one hour of footage may have put fifteen clips into someone's library, we may create 150 clips, and the important issue is where the client feels that clip is important to them."*

Lisa, from Image Source, explains that they have produced Cross Media Packs, where each production is shot the same day with still and motion. They have been successful at creating this business model without layering a lot of cost onto their current productions. This allows them four areas of potential revenue, from traditional stills, the clips, the Cross Media Packs and their traditional CDs.

Use of the storyboard can be the biggest challenge from the beginning. Going to a shoot with a thorough brief is a key to success. Bill Miles likes to explain that, *"you have to learn how dumb you are."* Understanding the equipment and directing the talent and crew are skills that have to be acquired. He recommends hiring a cameraperson skilled in motion equipment to start, as they can be cost effective, and allow you time to properly conceptualize and direct. He also explains that, *"a lot of talent may not be good at acting. You have to watch them like a hawk. There are 100 things that can mess up a clip."* Smooth camera movements and a lack of trademark logos in the images are constant issues that separate the pro from the amateur. How you see motion in a frame and how you see space and subtleties may offer high production value.

What equipment is acceptable for professional production is always the first thing on the minds of image producers about to make the change. According to Lisa, Image Source demands that all production be done on HD. There is a small list of cameras they accept, including the Red, the Sony EX cameras, the Canon 5D, and 7D, along with the 60D and 550D, and also the Panasonic P2 series. Thought Equity, on the other hand, will take any format and their decisions depend on the content of the footage. They say there are as many as 80 file formats that need transcoding. Issues that most concern Thought Equity are exclusivity of content, and rights & restrictions, making the content as accessible to client use as possible.

The Red camera is very technical and the image quality has very large files sizes. It only offers raw files at production, which are not easy to view on the computer screen. The 5D is excellent for immediate screen viewing, but more restrictive for motion and pulling focus. On the other hand, production costs go up a lot with the Red and the revenue in price per clip will be the same. Photographers have to decide with they can afford, as, according to Alan of Rubberball, it can cost from \$50,000 to \$100,000 to outfit yourself in the Red and under \$10,000 for the 5D.

What is the return revenue for this business? There still seems to be a lot of speculation on this matter, as the industry is still growing. However, Alan Bailey says they have an inventory of 5500 clips now and they are commanding about twice the revenue per clip as the still imagery. However, it can be two years before one gets a return on investment. Rubberball hopes to be producing content that will be relevant for ten to fifteen years out. Alan aptly reviews the pros and cons to making the move to motion:

Pros – It's still an unsaturated market, and there are tons of holes to fill. The global transition is happening; the market is growing; there are more technological options; and the cannibalization by amateurs is less likely.

Cons – It's harder to create good content; and talent is difficult to direct. It's almost impossible to Photoshop out logos; and your storage requirements are much higher. Also there is no clear standardization on delivery format.

These challenges will seem like the cost of doing business for some and insurmountable for others. It's key to know your strengths, your niche areas for success and your ability to endure change and innovation as you chase the technology of the future.

Pat Hunt is a writer and workshop leader for the stock photo industry, and Managing Director of Huntstock.com in Boston, in partnership with Mark Hunt, Creative Director. Huntstock is a lifestyle image production company specializing in People with Disabilities, Hispanic Lifestyle, Industry/Technology and Boston Lifestyle. Mark has been featured in magazines for his iconic travel photography, and for the community being built around Positive Lifestyle with Disabilities.

pat@huntstock.com