

8 Laws of All Media (1)

- McLuhan's

1 Extension

2 Closure

3 Retrieval

4 Reversal

8 Laws of All Media (2)

- My Corollaries

5 Exponentiality

6 Entropy/Fragmentation

7 Synchronicity

8 Spread

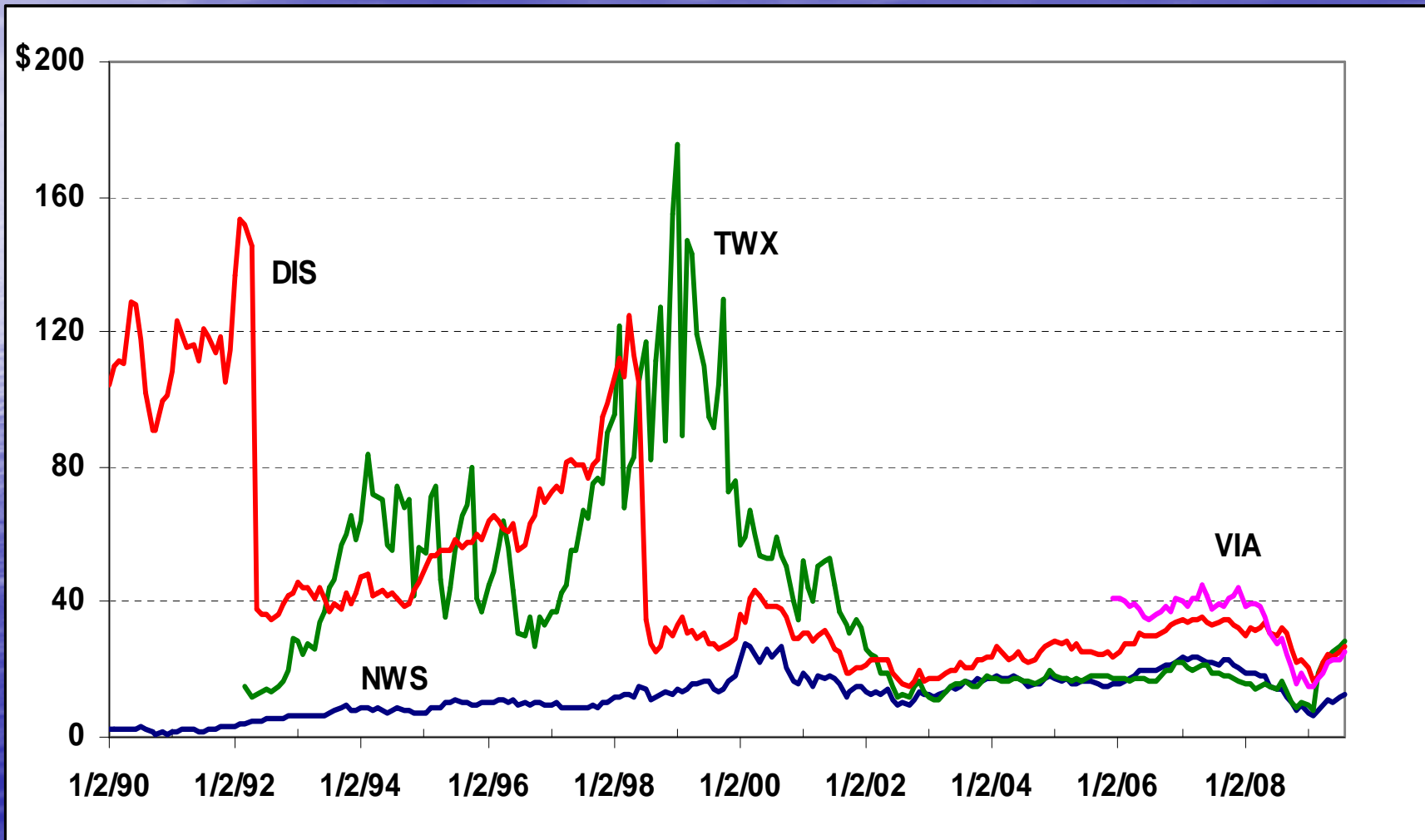
Rights, rights, and more rights

- Permissions:
- To make
- To distribute
- To use
- To profit from

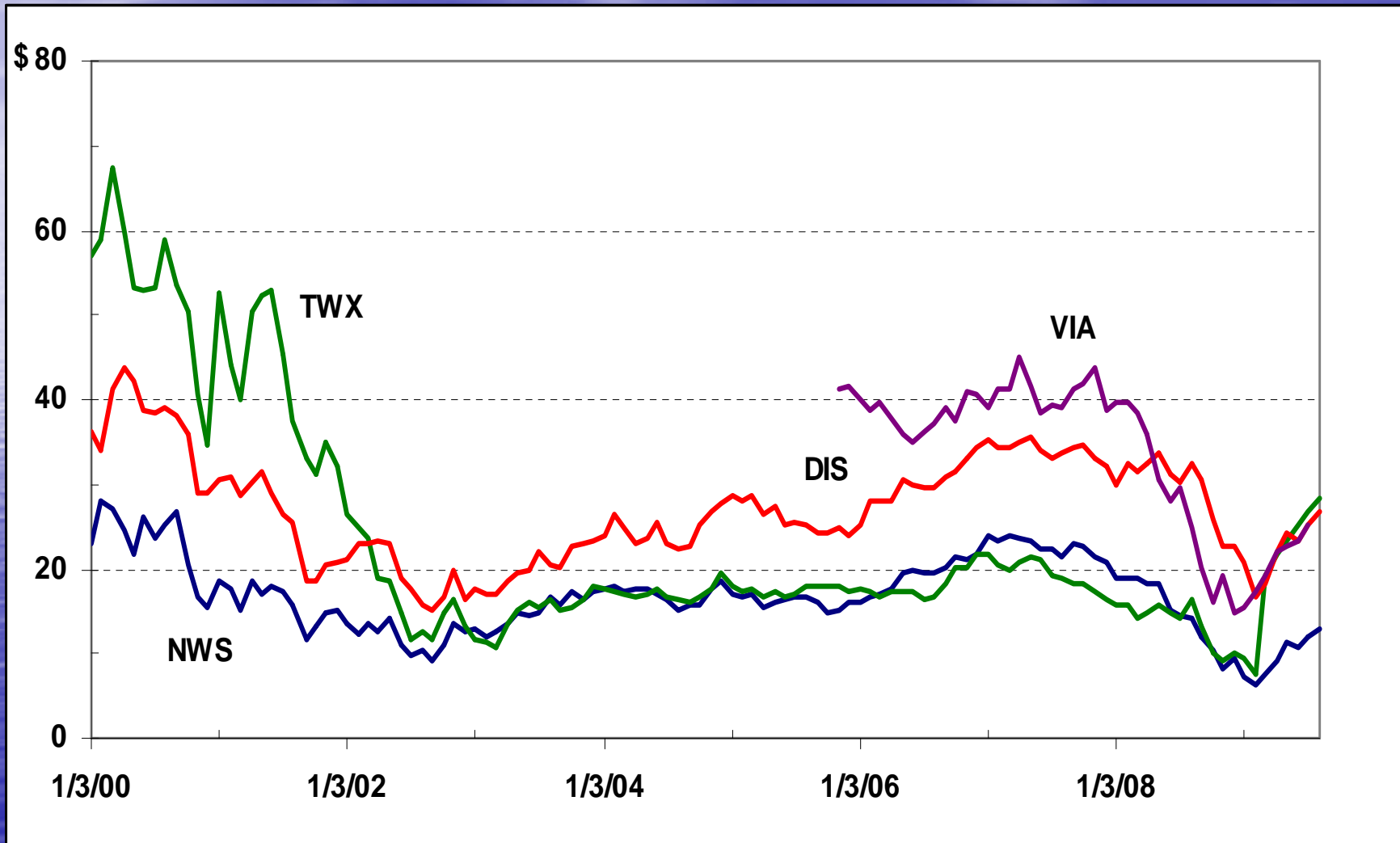
Previous rights “fences”

- Broadcast – local geography + transmitter strength
- Cable – Regional homes subscribing
- Music – Carrier format (DVD, tape, etc.)
- Film – Theater or VCR

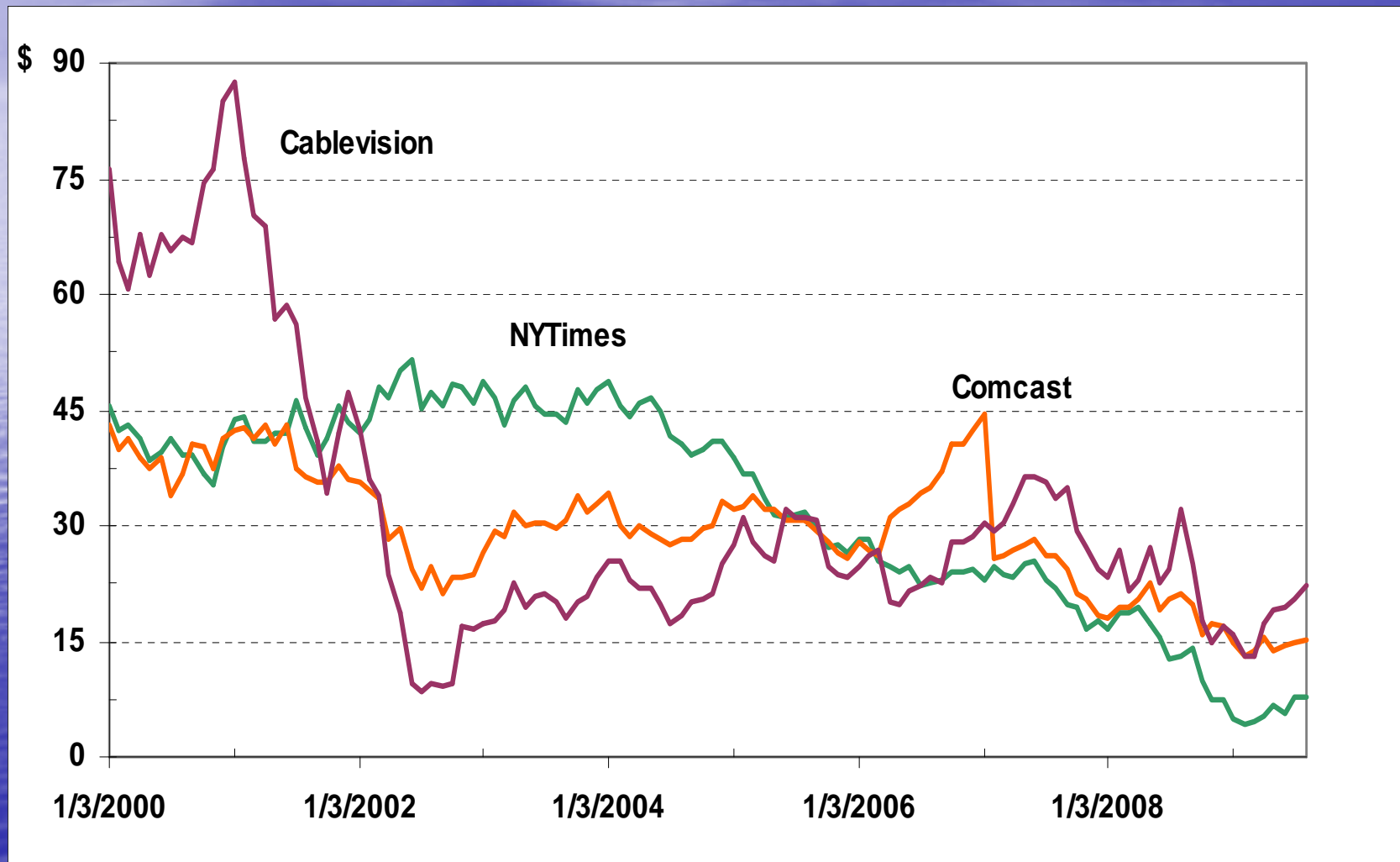
Major M & E Stock Performance



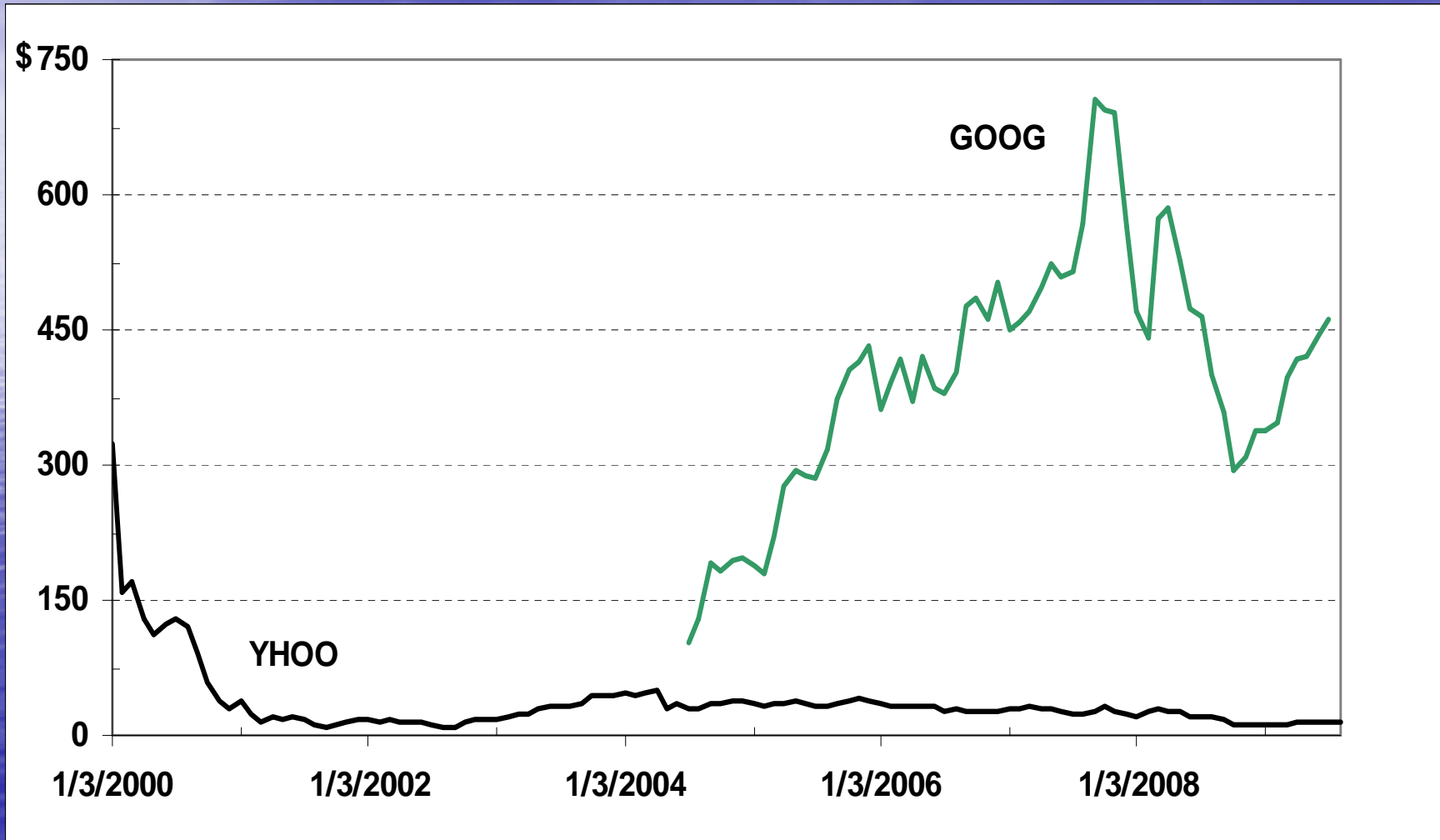
The Lost Decade (1)



The Lost Decade (2)



The Lost Decade (3)



What Happened?

- Disruptive tech
- Too many shares issued in options & acquisitions, e.g., TWX 500mm to 4.5 bn.
- Too much of everything – oversupply, with hundreds of channels, thousands of films, etc. **New competes with best of old.**
- Oversupply against unexpandable time for consumption.
- Implication: Much more spending on marketing & advertising.
- Cyclicity, hence lower p/e & cf ratios.

Web Effects

- No more ring-fenced rights.
- Infinite time and space lowers ad prices and value of content.
- More visual – away from text
- More mobile – away from home
- Vicious circle – lost audience leads to need for lower cost programming – leads to more lost audience, less quality, etc.