

The panel discussion entitled "The digital revolution - opportunity for or threat to the creative economy?" on February 5th presented a number of crucial considerations and challenges that affect the speed and nature of the digital industry mobilisation and growth within Europe. The conversation touched upon the following four themes:

Data worries hold back European digitisation

Germany - which currently lags behind the UK and France for broadband uptake was singled out as a country to look into, in a bid to uncover what blocks exist for greater levels of business and consumer engagement in the digital space. Professor Jo Groebel, Director of the Deutsches Digital Institut (German Digital Institute) touched upon privacy and security of data, explaining his position thus:

And one reason why it is probably a bit slower in Germany is worry. And I am also worried – and coincidentally, Microsoft and the Deutsches Digital Institut recently presented a study on data protection concerns. And here we are not talking about what the constant worriers worry about, but what do the users, the people, actually think? And some of the answers are not surprising.

Worries are primarily not simply that the data can be seen someplace, but that data are collected and processed; we have applied a catchword for this, that such a thing as "digital helplessness" is developing.

In his expansions on this point of view, he covered issues such as unauthorised use of personal or corporate data by third parties (especially when social networks, which encourage users to share content come into play), levels of trust in online banking and dealing with governmental organisations and authorities online:

What remains... is that now there is also a whole new dimension, the so-called communities or social networks. That is now one of the main user worries not so much companies per se, and also not the government and authorities, but that other users may abuse data, that they may misuse photos.

What happens if I publish a photo on Facebook, MySpace, StudiVZ, etc. of me together with someone else and the other person did not give his or her consent?

So, in general banks have been placed under suspicion, nevertheless, people believe that they are careful when handling data collected during online banking. And surprisingly in Germany, the government and the authorities also enjoy quite a lot of confidence.

Professor Groebel also explored the transparency implications of digital data, touching upon the role that search engines may play:

It's just the growing independence of data in the digital domain. That means it moves increasingly further away from an individual's control, transparency is lost. As, for example, is the case with certain search engines, particularly where these are using the user.

Digital development creates new opportunities for filmmakers

Professor Groebel was quick to assuage the industry concerns that online platforms such as social networks and the content generated within those user networks would somehow prove detrimental to traditional media. He gave the following three reasons:

Firstly, digital channels could offer the potential for filmmakers to devise new ways of communicating with audiences:

Well, I think that, to perfectly highlight the situation, in the digital world we potentially have a similar revolution ahead of us as was seen with W.D. Griffith, namely the beginning of a separate film language.

Secondly, because interlinked part of the enjoyment of film is the ability to passively entertained and thirdly that the cost of film production is in itself a barrier to entry for most amateur producers:

Here, I would say quite clearly that users will always have an interest in being passively entertained, informed, gladdened or saddened. And that does not work equally well with user-generated content. It is sometimes possible by fluke, but the production of a major, expensive film is still not seriously possible for amateurs. There are nice gimmicks and occasionally there are certainly odd stories.

I remember there was the "Blair Witch Project" many, many years ago. People said, was that fake or real? I don't know, no idea, so a new film language has now arrived. Yes, sorry, if you look at major film productions, which are so elaborately made, that is not serious, amateur content does not represent a threat.

Where negative impacts of digitisation are concerned, piracy was touched upon briefly, but shall be expanded upon in a separate theme where it was explored with more fervour. The only visible 'victim' of the move to the online channel that was suggested was the DVD industry, as more people become comfortable with receiving and paying for content online.

Rights and refinancing: the future of filmmaking in a 'social media' society

Patrick Jacobshagen, author, solicitor and expert in film law joined the film discussion, suggesting that the growth IPTV is worth watching in terms of how that impacts upon the film industry. The rest of his thoughts were focussed upon the protection of creators' rights within that industry, which he remarked were "*in full swing especially on the Internet.*" Sustainability was also touched upon in which he appeared to reflect Professor Groebel's assertion that the process of making a film would be something that would have to come from industry, for the following reasons:

...where people say we see the user-generated content - it's new, it's fantastic, it's exciting. But it has very strong limits.

Making a film is such a complicated undertaking that has to be learnt over so many years, because of that it will not go away. There are people like Quentin Tarantino and Robert Rodriguez who, over many years, have somehow taught themselves. It is a very complicated art form.

I think that user-generated content especially and our daily interaction with it will increase respect for real performance.

Intellectual property protection was a key consideration in this conversation; 'lessons learned' from the gaming industry's successes with IP protection contrasted with the challenges that the music industry face are illustrated with a personal example from an audience member, with additional commentary from Patrick Jacobshagen, and Professor Groebel:

The online gamers have succeeded very, very well; music has and will have great difficulties. Here, film has a much better chance.

To be able to say: "Okay, we are also able to provide our services through protection systems." And that's something gamers have truly perfected. This is something the film industry could emulate, if one finds a way. I totally agree with you that such a measure must be enforceable here.

Patrick Jacobshagen

... my daughter is ten years old - I can still explain to her that one shouldn't go to an illegal download site in Russia. I can also explain to her that one simply doesn't copy CDs and so on; however, I can no longer explain to her - incidentally, she likes the Monroes - that she just enters Monroes into Google. Here, she will wind up on YouTube - wonderful. Then she has the video, she can listen to it and then she finds a button, Realplayer for example, and can use it to download automatically. Super.

Because even she at ten years old she gets Google: great big company, very important, YouTube is on everyone's lips. It appears to be legal. And in my estimation, that is the problem today. As I said, if one accepts that there are only people who want to pay, yes. Because here is just my point, that children. and those who will be working with films tomorrow will be working with plotters in five years' time.

Audience member

The question of young peoples' attitudes towards respecting intellectual property were raised; Professor Groebel closed the conversation with the suggestion that new methods of enforcement might have to be devised to protect filmmakers going forward, especially given that:

Since together with the technical possibilities come possibilities for hackers. We have seen this. This is a bit like the tortoise and the hare. Here, I think that a sense of wrongdoing is entirely lacking and cannot be created by campaigns or with warnings. However, I believe - normally I really try and avoid referring to school - that is also certainly part of an acceptance process starting from very early on, which you rightly mentioned, a part of intellectual property.

The Future of the book and the impact of 'Book Search'

Dr Verena Sich, from Börsenverein des Deutschen Buchhandels (Association of German Publishers and Booksellers) discussed whether the Google Book search deal in the United States could impact booksellers in Europe. He concluded that he could not see it happening in the same way, but as a separate point highlighted a key change in how the Google's initial mass use of copyrighted materials without user permission created a unique shift in the power dynamic of information management, where booksellers had to approach Google to opt out of the arrangement after it had happened, rather than Google approaching the booksellers to ask for them to opt in:

The importance in terms of copyright is that here the first mass use of copyright has taken place rather than with the prior permission of the author to opt out of the proceedings. That is, basically the right enables the author to decide personally as to whether and how his or her works are used. The user must, so to speak, approach the author and ask for the permission of the author, which the author then either does or does not give.

And here, it is practically reversed, here, it is used and the author must now pursue this use and see whether his or her work is affected and to what extent he or she wants it to be. And if he or she does not want to or if he or she wants to participate in any revenue generated by Google, he or she must now register their works and, so to speak, assert his or her claim. Hence, it is reversed.

Christoph Keese, Director B2B Public Affairs at Axel Springer AG contributed to this thread to discuss search engines' impact on newspaper readership. While on a positive note, he remarked that search helps newspapers to pick up new readers that would not have otherwise stumbled across their titles, the business of generating new readers was highlighted as difficult, and moreover that contextual advertising solutions provided by search engines like Google AdSense often do not provide substantial revenue generation opportunities for newspapers online, and the financial benefits of keyword advertising are weighted heavily in favour of the search engine. He elaborates thus:

That is, the cash flow, yes, it's there, but it bypasses us completely. That is not satisfactory for us and therefore we monitor the book industry closely, which in terms of copyright is positioned completely different to ours, because it is involved with books, which are kept in the libraries and scanned whereas we deal with texts and images and image galleries and videos, which we make available on publicly accessible Web sites and to which links are directed. But it is not only linked, Google not only displays the so-called deep link, which is insanely complicated and probably nobody would click, on its search pages, but it also displays the title as well as a small leader, which we go to a great deal of trouble to write. These are things that we have made ourselves and on which we probably have a copyright and therefore we monitor it with great interest, what happens to it.