

Increase Licensing Revenue with Real Time Rights Information

“A typical telenovela has 1,500 contracts and 10,000 payments. When a salesman asked me to estimate the cost of a specific sale, it would take me anywhere from four weeks to three months to respond... (Now) I can provide answers to licensing or programming in minutes!”

Eduardo Sepulveda,
General Director Administration,
Televisa

Licensing media content without a comprehensive, accurate and real-time understanding of your product catalogue and rights impedes the sales force and lowers revenue. Oracle Media’s Intellectual Property Management fundamentally changes this organizational model because it allows sales administration and legal departments to deliver complete, integrated results in a fraction of the time required previously.

Sales Support Organizations Are Increasingly Overwhelmed

The Sales Administration and Legal departments review all sales activities, and validate whether or not the organization has the underlying rights to sell their products in specific territories, languages, devices, time-frames, and exclusivity. In addition, these groups estimate underlying costs such as residual payments to artists and guilds that may be triggered by the sale. Less than a decade ago, the type of content was relatively static; the distribution channels were well demarcated, and windows of distribution dictated a healthy distance between licensing cycles. However, the unrelenting proliferation of entertainment devices, delivery mechanisms, and content variations has changed this landscape. Consumer expectations have broken down distribution windows, collapsing the time between licensing cycles while increasing the number and complexity of licensing transactions.

While validating that a product can be sold to a new device or in to a new territory was once a rare occurrence that required weeks or even months to accomplish, today’s environment may require the same task be accomplished in a matter of days to maximize revenue. Media companies have reacted to this new paradigm by either accepting weeks or months of delays or shortcutting the validation process. Each of these reactions has potentially difficult consequences.

In a typical media licensing cycle, the sales person makes offers to potential clients armed with only an elementary understanding of the product catalogue and rights. Only when a client agrees in principle to a deal, will the Sales Administration or Legal department validate it. By definition, the validation processes may result in a change to the offered products or the re-definition of rights granted. Changing the fundamental elements of the deal (after several weeks or months of negotiation) is a poor reflection on the sales force, caps the potential revenue by reducing the window of opportunity, and opens the door for the competition to pilfer the opportunity itself. This situation could be prevented if the sales force understood the legal rights of the product catalogue early in the sales process.

Why Oracle Media Intellectual Property Management?

- Maximize revenue from content portfolio – gain real-time visibility to available and exploitable rights
- Reduce sale cycles and optimize pricing –automate diverse, complex deal and license fee models
- Enable footprint expansion – determine in real-time where new channels and services can be launched
- Avoid financial exposure – pay partners via accurate and timely settlements Avoid infringement penalties – comply with contractual terms on the use of acquired rights

Ironically, for all of the lost revenue caused by the delay to market and the erosion of customer loyalty caused by revisions to offers, the validation processes are not nearly as thorough as they should be. The sheer volume and complexity of the task forces many groups to cut corners or forego a thorough analysis. Checking only 40 or 50% of the underlying contracts is considered an acceptable risk. The risks of unwittingly triggering expensive residual payments or litigation are, too frequently, considered the cost of doing business.

Superior Risk Mitigation and Increased Revenues Can Co-Exist

Oracle believes that these costs of doing business are unnecessary. In fact, what is really required in today's environment is an enterprise-wide management system that is tailored to the media and entertainment industry. Through a single platform, media and entertainment industries could:

- Track all licensing
- Easily add new products and product types
- Define new sales channels
- Easily configure new, highly complex licensing fee structures

With such a system, companies could have a common set of rights dimensions. Research and sales cycles could be expedited as sales people are armed with relevant data at the beginning of the sales cycle. In addition, automated approval workflows could support monitoring and reporting for continuous improvement as a transaction moves through the system.

Creating an enterprise-wide management system is not a figment of imagination. In fact, it exists today with Oracle Media's Intellectual Property Management (IPM). Televisa is just one company that has taken advantage of IPM. An average telenovela has 1,500 contracts, and 10,000 payments. Before Oracle IPM, each validation could take up to three months, and Televisa required a tremendous amount of support processes. Because of Oracle's deep understanding of the television business, and willingness to work with Televisa to completely understand its challenges, the implementation of Oracle IPM was a success. "I am very happy with the tool... I can provide answers to Licensing or Programming in minutes rather than weeks, or months," says Eduardo Sepulveda, Televisa's Director of General administration.

The Televisa example does not stand alone as proof of Oracle's ability to simplify workflows and improve the speed of customer deliveries. As a leader in offering similar systems for many other critical media and entertainment workflows, Oracle can be relied on to deliver a solution that is complete, integrated, and based on open standards. You are encouraged to learn more about how Oracle can eliminate or greatly reduce resource wastage, and improve sales conversion timelines by reaching out to Oracle via the contact information below.

CONTACT US

For more information about Oracle Media Intellectual Property Management, please visit oracle.com or call +1.800.ORACLE1 to speak to an Oracle representative.



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