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Article title: The politics of digital distribution: exclusionary structures in online cinema

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Abstract: The hype around digital film distribution is now at fever pitch, with promises of a brave new world of instant delivery, unfettered consumer choice and new revenue streams for filmmakers. Surveying the current array of commercial online video-on-demand (VOD) services, this article offers some critical reflections on these emerging circulatory models. The focus is on power relations within the online VOD industry and on issues of audience access and equity. The article argues that distribution should be a key concern for contemporary film researchers, given the power of distributors to determine the range of films available to viewers and the conditions under which they are accessible. While the ‘democratizing’ potential of online distribution may be appealing, it is important to recognize that digital delivery infrastructures may not result in any real diversification of film culture, that much of
the Australian audience will be excluded from their reach and that the vast majority of digital film exchange will continue to take place in the extralegal realm.

**Keywords:** digital distribution, online cinema, video on demand (VOD), long tail, iTunes, piracy
The digital cinémathèque?

Predictions of the demise of cinemagoing and the rise of online movie distribution are a common feature of the Internet age. Many media commentators, film producers and industry boosters envisage a day when digital film distribution will replace all other forms of delivery, allowing a potentially infinite array of titles to be streamed into our lounge rooms via high-speed broadband. According to this popular narrative, cinemas will eventually wither and die, video stores will close and the personal computer, TV, and DVD player will converge into a single device serving all our entertainment needs. Viewing opportunities will no longer be determined by the whims of multiplex programmers and broadcasters, and consumers will be able to watch what they want, when they want. According to its advocates, digital distribution will also be a boon for independent filmmakers, who will be able to cut out the middle man and deal directly with their audiences. In the words of one enthusiastic producer, ‘The gatekeepers in the old days controlled everything, but with new technology there are no more gatekeepers. Everybody can get their film out. It’s very democratic’ (cited in Ward 2009).

However, while increasing amounts of cinema now circulate digitally, the fantasy of total online distribution has failed to materialise. None of the commercial movie download services rolled out over the last decade have been popular with consumers and a large number of these – Cineclix, Movielink, Cinemanow, Pop, Spotflix, IFilm, Reeltme, Anytime, Mediatrip, Sightsound, Vongo, Vizumi, Clickstar and Jalipo, to name a few – have crashed and burned. In contrast, conventional distribution channels have proven to be surprisingly resilient. International box office revenues for the major studios rose 15 per cent in the past two years, even in the face of a global recession (McNary and McClintock 2009). Australian box office takings climbed significantly in 2008, reaching $945 million, with DVD revenues topping A$1.3 billion (Screen Australia 2009). Around the world, multiplexes are doing better than ever, and new 3D projection systems are expected to draw even larger crowds in coming years (Aveyard, this volume).

Researchers have struggled to keep up with developments in digital distribution, and the literature that does exist is spread across disciplines including media studies, economics, information systems, geography and legal studies. This is not surprising given that digital distribution as an object of analysis sits at the intersection of culture, technology, law and commerce, and as such lends itself to interdisciplinary and transdisciplinary analysis. Nonetheless, there are some common threads to be found in the existing scholarship. Chris Anderson’s bestselling study of online retailing, The Long Tail
(2006), has been very influential in setting the terms of the digital distribution debate, which has largely revolved around the perceived ability of Web 2.0 to increase audiovisual diversity and empower consumers. A related argument is developed by scholars including Henry Jenkins (2006) and John Hartley (2009), who emphasise the new forms of literacy and access enabled by digital distribution. This discourse exists alongside a number of detailed industrial and empirical studies of digital film networks (for example Silver and Alpert 2003, Zhu 2004, Currah 2004, Sparrow 2007, Garon 2009, Cunningham et. al. 2009), which focus more specifically on the economics of movie downloads and other technical/legal issues, and which offer many important insights into this rapidly changing space. Richard Harris’ Platform Paper ‘Film in the Age of Digital Distribution’ (2007) is another prominent contribution to the discussion, addressing concerns specific to the Australian screen industries. It should be noted, however, that much of the existing coverage of digital distribution has come from outside the discipline of film studies and usually from outside the broader orbit of media studies. As a result, there are analytical emphases within this body of work that reflect a different set of disciplinary orientations and concerns. The widespread tendency has been to focus on one of two aspects of the digital distribution debate – consumer empowerment or business strategy. As a result, digital distribution is often addressed either as a democratizing force to be harnessed or a business puzzle to be solved.

This article adopts a slightly different approach. Focusing on legal movie downloads, it examines what the transition to digital distribution may mean for film culture in Australia in terms of the range of films likely to be available through legal online channels and the audiences most likely to access them. The first section of the article provides a survey of selected online film distribution services (websites, software, and hardware offering paid downloads of feature films) available to Australian consumers. The second section offers a critical discussion of the power relations within this emerging market, with reference to the structural constraints on online content and issues of audience access and equity. The focus throughout is therefore on the politics of online film distribution, as well as its practice. Distribution lends itself to critical/cultural critique as well as industrial analysis because it ultimately functions to regulate access to texts, the conditions under which they are accessed and the range of texts available. In this way, distribution works to shape film culture in its own image. To understand how distribution functions, it is useful to begin with its political economy, but this is not where the conversation need end. More than just a sector of the film industry or a set of technical procedures,

1 Note that I exclude most of the “geo-blocked” services such as Hulu, FilmFresh, Crackle, and Amazon Video on Demand (formerly Unbox) which forbid ISPs outside the US to access their content and are therefore unavailable to Australian customers. I do, however, discuss Movielink and Hulu, as they occupy an important place in the history of the paid download industry.
distribution is also about the regulation, provision and denial of audiovisual content – it is about cultural power and cultural control. Understanding distribution is the key to understanding the past, present and future of cinema as a ‘social practice’ (Turner 1988). Analysis of the structural features of online distribution can also yield crucial information about the extent to which online distribution may provide a viable alternative for independent filmmakers – a claim frequently made but rarely tested.

**Online distribution: the state of play**

Worldwide, there are now more than 220 websites streaming film and other screen media, many of which are commercial VOD sites (Cunningham et. al. 2009). Increasing numbers of gaming consoles, flat-screen TVs and personal video recorders are broadband-enabled and thousands more new devices capable of downloading and screening paid video content will be released onto the market in coming years. In every respect, infrastructures for digital film delivery are expanding. Yet even in the United States, where the market is most developed, paid online VOD services account for only a fraction of home entertainment spending – around three per cent, compared to 88 per cent for DVD and Blu-ray (Ault 2009). However, this is likely to change in the near future, as giants like Apple and Microsoft seek to further leverage their market dominance in the paid downloads economy and the Hollywood studios find more effective ways of converting pirate peer-to-peer traffic, which accounts for the vast majority of online film circulation, into paid downloads. In Australia, online VOD infrastructures will also play an increasingly important role in shaping patterns of film consumption with the imminent rollout of the National Broadband Network (NBN).

For the purposes of this analysis, the existing online VOD services have been divided into three different categories – VOD websites offering commercial movie downloads/streaming; the iTunes movie store; and other hardware-based services, including game consoles. It is important to note that this online VOD market is only one part of a much larger digital distribution ecology, which also encompasses free video-hosting sites (YouTube, Veoh, Blip.tv), mobile media platforms, digital pay-TV and pay-per-view, digital self-distribution services (Createspace) and peer-to-peer networks (BitTorrent, Limewire). However, it is not possible to address the full range of online distribution.

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2 The convergent nature of digital media means ‘online’ and ‘DVD’ are no longer discrete categories, as evidenced by the increasing number of value-added online services bundled with Blu-Ray discs. Blu-Rays are commonly sold with a digital copy that can either be downloaded from the studio’s website or which come on a separate disc in an unlockable version, allowing the movie to be transferred to other devices without Blu-Ray drives. This is also part of a broader consumer education strategy by the major studios to familiarise consumers with legal downloading and device-shifting, thus moving downloading into an officially sanctioned space where it can be more easily controlled and monetised.

3 I have discussed digital piracy in more detail elsewhere – see Lobato 2008, 2009.
services here, and it is also the case that by the time this article appears in print, the online VOD landscape will have changed further as new services emerge and others disappear. The purpose of the following brief survey is, therefore, to identify key players and dominant industrial logics as of late 2009.

**Video-on-demand websites**

Websites offering paid movie downloads have been around in various forms since the 1990s, and many businesses have tried their hand in this competitive market. Movielink and Cinemanow are the two best-known sites, and their respective fates are instructive. The former was the joint creation of Sony, Warner Bros, MGM, Paramount, and Universal, which set up their own online shopfront in 2002 as a response to rampant online piracy. Designed to be the default portal for new Hollywood content, Movielink was a spectacular failure, burning through around US$150 million in funding before being offloaded to Blockbuster in 2008 for US$6.6 million (Ali 2008; *The Economist* 2008). It recently ceased operating as a standalone website and has been absorbed into www.blockbuster.com.

In contrast, Cinemanow (www.cinemanow.com) has been the great survivor of the download business. Founded by Trimark and later acquired by Lionsgate Entertainment, it has been through a number of different incarnations and business models since it opened for business in 1999, none of which have been particularly successful (*The Economist* 2008). Today, it offers around 1500 titles for online rental and purchase, most of which are either B-grade genre movies, straight-to-video films or adult titles. As of January 2009, Cinemanow had linked up with Blockbuster as well, and now supplies the video rental giant’s back-end technology (Netherby 2009). This alliance reflects the degree to which online movie distribution is integrated with and reliant upon the commercial infrastructures of conventional film distribution.

Most VOD businesses are based in the United States, but a few Australian operations have also come and gone over the years. The multi-million-dollar venture Reeltime, which was backed by Sony Pictures, former Ten Network boss John McAlpine and VideoEzy CEO Jim Zavos, described its download-to-own service as ‘a revolutionary new model’ but went bust a year later with only $20,000 in sales to its name (Reeltime 2006: 2; Colley 2008). Other failed Australian startups include the DVD rental and download business HomeScreen, backed by the Packer family and AnyTime on Volt, backed

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4 As Currah noted in 2004, adult content has been crucial for CinemaNow: “The margins on pay-per-view adult titles are much higher than non-adult titles: adult content has a higher price point and only 20 per cent of the gross revenue is returned to the distributor (compared to 60-65 per cent on a lower priced studio title)” (Currah 2004: 66).
by Fairfax Media. The Australian mail-order DVD rental business Quickflix (www.quickflix.com.au) also experimented with a paid download operation in 2009, but withdrew from the online VOD market after only a few months.

The only remaining Australian player with any real clout is Telstra’s BigPond Movies (www.bigpondmovies.com). The site offers around 1500 films to rent at prices ranging from around $2.95 to $5.95, using Windows Media Player as a viewing platform. No reliable revenue or usage figures are available for BigPond Movies, but it does have one major advantage over its competitors – downloads are unmetered for BigPond subscribers. Given the cost of broadband access in Australia and the extent of BigPond’s market power as an Internet service provider (ISP), this is very significant.

Although there is a great deal of diversity among the movie download sites, there are also many common tendencies. For example, a large number of sites, including Cinemanow and Movieflix (www.movieflix.com), specialise in ‘orphaned’ movies, public-domain material and/or independent titles acquired at low cost. While this is a boon for fans of cult cinema, these businesses’ interest in obscure (and therefore, low-cost) titles seems more by necessity than design. Operations such as these may struggle in future, given the abundance of freely available public-domain material on Archive.org, YouTube and other free sites.

Sites with more clearly defined strategies include The Auteurs (www.theauteurs.com), an online rental service for fans of arthouse cinema. Founded by the banker Efe Cakarel, the site features a carefully curated catalogue of distinctive and often very hard-to-find arthouse films sourced from distributors including The Criterion Collection, a partner in the venture (Macnab 2009). It offers films by Harmony Korine, Zhang Yuan, Jafar Panahi, François Ozon and many others for between $1 to $3 each. Other sites with a similar focus include the ad-supported free site Indie Movies Online (www.indiemoviesonline.com), which has a catalogue of independent and arthouse titles, mostly from the United States. Jaman (www.jaman.com) features a curious mix of international cinema (especially Bollywood films) and independent cinema (Hal Hartley films, political documentaries) available as paid downloads or free streaming with ads. Given the dominance of American content across almost all of the VOD sites, Jaman is a welcome addition to the lineup, but it has been reported that it too is teetering on the verge of financial collapse (Kaufman 2009). There are a number of other commercial services for international cinemas, including Izogn Movies (www.izognmovies.com), a well-established legal streaming site for Nigerian movies which caters to the African diaspora (especially in
the United States and United Kingdom). Movies typically cost US$1.99, and its subscribers watch an impressive average of 38 streamed movies each per month (Kavukattu 2008).

Rumours have been circulating that YouTube is about to enter the paid download market. According to a recent Wall Street Journal article, Google’s video-sharing site is currently in discussions with Lionsgate, MGM and Warner Bros about starting up its own paid VOD operation (McBride et. al. 2009). If these reports are accurate, the entry of such a big player will really shake things up. It remains to be seen, however, whether a generation of consumers accustomed to free access will accept paying a cover charge for their online viewing. This may also be a problem for the massively popular American VOD site Hulu (www.hulu.com; geo-blocked in Australia), which is reportedly also considering moving to a paid download model (Sandoval 2009).

iTunes

Apple’s iTunes is now unequivocally dominant in the online movie distribution business with an 80 per cent share of the download-to-own market (The Economist 2008). Since it began offering movie downloads to customers in the United States in January 2008, sales in that country have grown to around 50,000 a day (King 2009). iTunes boasts a comprehensive catalogue of new movies from all the major studios at prices close to or a little below DVD rates.

The iTunes movie download service was launched in Australia in August 2009. The service offers around 1300 feature films for local rental or purchase – about half the number of titles available to customers in the United States. Movie rentals cost between $3.99 to $5.99, while prices for the download-to-own titles range from around $9.99 to $24.99. Unlike the music section of iTunes, which has a diverse catalogue, the iTunes movie store is decidedly mainstream. iTunes Australia’s 2009 list of most popular downloads is virtually indistinguishable from the Australian box office charts (Rewind charts, iTunes programme, 9 Dec 2009). At the time of writing, the Australian iTunes store contained only four downloadable films in its Foreign movie category, with only one film in the Independent section.

Steve Jobs would no doubt attribute iTunes’ success to innovative design and easy-to-use interface, but in fact Apple’s most important advantage is its near-monopoly status as a paid content portal, which it owes to the massive popularity of its hardware (Screen Digest 2008: 195). As a result, Apple can afford
to keep its margins low and even to lose money on its downloads because the margins are so high on its iPods, iPhones and Macs.

Apple also manufactures a set-top-box, Apple TV, which currently retails for A$329. Apple TV is a digital video player with wireless Internet access capabilities and a storage size of 160GB. Owners can rent movies from the iTunes store as well as access free online content. At present the product is not widely available or popular in Australia, but this may change in the future. Developments overseas suggest that in the future the bulk of revenues in online distribution will come from broadband-enabled hardware (see below) rather than websites, so this set-top-box gives Apple yet another commercial advantage. However, there are also some difficult questions to be addressed in regard to the technical standards and architecture used by Apple TV, which enable it to selectively control and exclude certain forms of content (Thomas forthcoming).

Other services
There are a few other significant online distribution platforms in Australia that are worthy of consideration. Australian pay-TV provider Foxtel recently launched Foxtel Download, a free VOD service streaming a wide variety of scheduled programming to current subscribers via the Foxtel website (non-subscribers cannot access this content). This strategy has also been popular with American cable companies and the mail-order video rental operation Netflix, which have placed content online for subscribers to access at no extra charge (Netherby 2009). Another local VOD option is provided by Tivo, a brand of personal digital video recorders. Under a deal with Blockbuster, Australian Tivo owners can currently download from a selection of 250 movies at a cost of $3.95 to $5.95 per film, with some advertiser-supported titles available free. This is done through the Tivo set-top-box, which must be connected to the Internet. However, the Tivo hardware is relatively expensive, currently retailing at around A$699, and has not been widely adopted by Australian households.

Internet-enabled gaming consoles provide another format for movie downloads. Microsoft’s Xbox 360 console has been offering movie hire in the United States for some time and there are signs it has done well out of this strategy, although no reliable data is available. In Australia, movie downloads for the Xbox 360 began at the end of 2009, with Sony’s PlayStation 3 launching a similar service around the same time. Also coming onto the market are the new breed of broadband-enabled flat-screen televisions, which can download content directly without the need for a computer or console to be connected. No reliable usage figures for these services are currently available, but for reasons of
consumer convenience, console-based rather than computer-based downloading is likely to become a significant growth area over the coming years.

**General issues**
A number of issues continue to reduce the attractiveness of online distribution to Australian consumers. Technical compatibility problems are among the most significant in this respect. Many VOD services will only work on one operating system (BigPond Movies does not work on Macs, for instance), or they may require the user to have the latest version of browser software installed. Viewers’ fondness of remote controls and their disinclination to watch movies on computer screens is another big issue. Getting a computer to output to a TV can be an exasperating process involving at least one converter/cable and high levels of tech-literacy. Movie download services which use hardware already connected to the TV – game consoles, Tivos, Apple TV – are at a distinct advantage in this respect.

All of the services outlined above require a lot of bandwidth, representing another cost for the consumer. Movie downloads via Tivo or iTunes are around 1.5 gigabytes per movie, which require moderate to heavy viewers of online cinema to maintain expensive Internet subscriptions with high download limits, probably 50 gigabytes or more per month. Vertically integrated companies like Telstra have the edge here, as they offer subscribers unmetered access to their movie download services. While a few other ISPs have also started offering free access to partnered VOD sites, most users are charged twice for movie downloads – first by the distributor for the film and then by their ISP for the download. This does not help endear consumers in Australia to any of these services and it is one of the reasons online VOD is likely to remain marginal until the NBN becomes operational and broadband access costs decrease. How long this takes to happen remains to be seen.

**The politics of online distribution**

Having surveyed the current range of movie download services, I now want to examine some possible implications for film culture in Australia. Which audiences will benefit from online distribution and which will be left behind? How diverse will the range of available titles be? What does all this mean for independent filmmakers? As a way into these questions, I want to address two specific issues around online distribution – capacity and filtering.

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5 A 60 gigabyte (30gb peak + 30gb offpeak) ISP broadband plan with market leaders Optus or Telstra currently costs between A$109 and $129.95 a month.
It is often suggested that one of the wonders of digital distribution is the elimination of the capacity constraints that plague theatrical circuits. Every year, more than 5000 films are produced worldwide, but only a tiny proportion of these (a little over 300) make it to Australian cinema screens (Screen Australia 2009). Video stores have a similar problem – they occupy expensive real estate and cannot host infinite archives of film content. Digital retailers, on the other hand, are supposedly immune to these capacity constraints because all that is required to expand their inventories is some extra server space. This is the influential argument about digital distribution advanced by Chris Anderson, who also claims that addressing capacity constraints will diversify consumption. ‘Give people unlimited choice and make it easy for them to find what they want,’ he argues, ‘and you discover that demand keeps on going into niches that were never even considered before – instructional videos, karaoke, Turkish TV, you name it’ (Anderson 2006, 130).

In practice, however, digital distributors run into other obstacles that function to reduce the diversity of content available online through commercial channels. One of these is rights clearance. As Currah (2004: 31) notes, clearing content for digital distribution can be a messy and expensive affair, and a vast array of elements – from a film’s soundtrack through to third-party footage within the film – may be subject to separate negotiations:

Legal work (costing on average between [US]$30,000 and $50,000 per title) is required for movies where the studio does not have all-media worldwide distribution rights. In addition, the rights associated with movies produced before 1997 need to be clarified, because it was at this time that Internet rights began to be included in film distribution agreements.

As Currah suggests, a great deal of effort, time and capital is required to make digital distribution function effectively. In comparison to the ostensibly friction-free velocity of digital culture, the legal processes that underpin the digital economy are messy and slow. There are also costs involved in the conversion and encoding of digital files, which can be considerable.

Of course, distributors will only go to this effort for films that have demonstrated abilities to make their money back. As a result, the pool of films that get cleared for legal online digital distribution will overlap to a very large extent with those that are theatrically released, and the vast majority of other titles will stay locked in the vaults. The inherent logic of ‘distribution begets distribution’ (see Cubitt
remains unchanged in the digital environment. This is one of the reasons that utopian visions of distributive democracy via VOD are misguided.

Another issue to be considered is filtering. Many media commentators, such as the producer quoted at the beginning of this article, insist the Internet has put paid to gatekeepers – anyone can now get their film seen by an audience, using Web 2.0 technologies to spread the word. But the reality is not so simple. Consider the case of iTunes, which, as noted earlier, currently controls most of the download-to-own market. iTunes does not deal with independent filmmakers – it does, however, deal with the major studios and with a new breed of content aggregators such as Cinetic Rights Management and IODA. These companies, which are almost always based in the United States, will package independent films for sale on iTunes, but first they require the producer to clear all rights, provide stills and promotional materials as well as undertake a variety of other tasks, at their own expense, that may require specialized technical skills and professional expertise. These aggregators will then take a substantial cut of the revenues, as will iTunes. So, while they may not resemble the movie moguls of old, aggregators are nothing if not gatekeepers – they represent another layer that must be navigated between producer and audience, another site of potential friction, and another expense to add to the budget.

Of course, there are other options available to independent filmmakers. It is possible to host a film on a standalone website and charge per download, provided the producer is able to pay the associated setup and data costs. However, this alone does nothing to create audience awareness and the only films to have used this strategy successfully have been those with an established profile or highly innovative promotions. A more feasible option for many is to allow the film to be screened free via YouTube or BitTorrent. However, the bottom line is that for either of these alternatives to work effectively, a pre-existing demand for the film is required, and this is rarely generated effectively through means other than theatrical release and paid advertising. The same rule applies: distribution begets distribution.

This is a point made strongly by the producer Ira Deutchmann, a leading figure in US independent cinema:

I honestly think that eventually there will be a [digital distribution] platform that might emerge that might actually turn out big money, but [it won’t] as long as we have the fractured universe that we have right now, where nobody knows what the fuck to buy because there’s this box and there’s that box, and there’s
this model and that model, and this isn’t compatible with that. It’s [a great world] for aggregators who can make non-exclusive deals and make 10 cents here and 10 cents there and that adds up if they are handling a couple of hundred movies. But for people who are actually counting on that revenue to recoup their budgets, there’s nothing there. (cited in Macaulay 2008: 108)

This is sage advice for those Australian producers and academics endorsing a headlong rush into the digital future. While conventional film distribution structures are notoriously ineffective at returning revenues to filmmakers, it is a mistake to presume that online alternatives will necessarily perform better.

**Online distribution and social stratification**

Digital distribution presents another set of problems for audiences. The first of these relates to differential degrees of user access. An estimated 19 per cent of the Australian population has never even been online (Ewing et. al. 2007), let alone used a movie download service. In addition to a high-speed Internet connection, commercial online VOD also usually requires access to a credit card. What does this mean for a technology charged with the ‘democratization’ of film culture?

Of course, cinema has never been a universally accessible medium. As film historians such as Robert Allen (2005) have noted, cinemagoing has always been policed by exclusionary technologies designed to restrict access to certain classes, genders, age groups and ethnicities, either directly (e.g. segregated seating) or indirectly (e.g. the gendering of genres). However, my concern is that forms of exclusion and division may be further compounded in the digital realm. There is a problematic assumption in much of the literature on new media that the benefits of digital distribution will be equitably distributed across audiences and that the democratizing potential of Web 2.0 can resolve or somehow obviate highly variable levels of Internet access and media literacy. This fantasy needs to be laid to rest. Yes, there is an increasing diversity in the online distribution environment in terms of the range of content available, and yes, in theory, this is widely accessible – but who actually ends up using sites like TheAuteurs? And what kinds of other privilege do they enjoy?

Cultural and infrastructural politics are fundamental in determining who can access online cinema and media literacy. This fantasy needs to be laid to rest. Yes, there is an increasing diversity in the online distribution environment in terms of the range of content available, and yes, in theory, this is widely accessible – but who actually ends up using sites like TheAuteurs? And what kinds of other privilege do they enjoy? Cultural and infrastructural politics are fundamental in determining who can access online cinema and should always be a part of any critical work on digital film distribution, lest the discussion become a depoliticised celebration of consumer sovereignty. A kind of Bourdieusian sociology of the digital distribution transition would be very

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6 For empirical data on the link between arthouse cinema consumption and economic privilege, see Bennett et al 2006.
helpful here, and would, I expect, reveal online VOD’s potential to stratify audience access along class lines in a way that is less pronounced with other distributive channels, such as DVD and free-to-air broadcasting.

In conclusion, it should be stressed that this article is not intended as some kind of dystopian vision of an impoverished digital cinema future. The distributive capacities of the Internet are of course replete with democratic potential – this fact is widely accepted within media studies and within public discourse. However, this should not blind us to other, more subtle forms of control and exclusion. As this analysis of the nascent online VOD industry has demonstrated, the commercial structures now emerging introduce a new and different set of gatekeepers, blockages and bottlenecks. The potential for oligopoly is distressingly high in online VOD and the very real problem of access will need to be addressed.

This is one of the reasons why the pirate economy, as a vehicle for cultural provision that may be less prone to the structural restrictions and inefficiencies profiled here, should be taken seriously as an object of cultural policy. Reshaping the film industry for a digital economy may mean forever abandoning the prospect of revenues from online channels and thinking creatively about other ways to keep filmmakers in pocket. This, perhaps, would be the real distribution revolution.

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