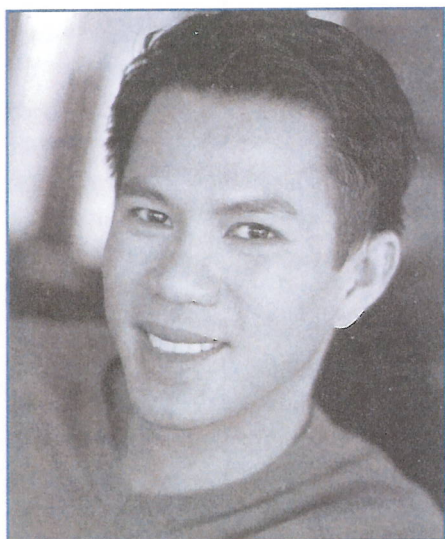


# The Moving Picture



JAMES D. NGUYEN

*Wildman, Harrold, Allen & Dixon LLP*

## CITIUS, ALTIUS, FORTIUS: NEW MEDIA LESSONS FROM THE BEIJING OLYMPICS

THIS SUMMER, I WAS GLUED to the Games of the XXXIX Olympiad. I marveled at the 8-gold medals won by swimmer Michael Phelps, appreciated the grace of gymnastics all-around women's champion Nastia Liukin, and soaked up the sunny energy of women's beach volleyball winners Misty-May Treador and Kerri Walsh. I've always been an Olympics junkie, but in 2008, there was something special in the air—or perhaps in the new media airwaves. Significantly more so than in Olympiads past, I satisfied my Olympics-mania via DVR, the Internet, and even by wireless updates. Apparently, I wasn't alone; millions of Americans gobbled up Olympics coverage via new media platforms. The Beijing Olympics were living proof that digital media can deliver "swifter, higher and stronger" than ever before.

Of course, this was great news for NBC, which is paying \$5.7 billion for the U.S. television rights to the Olympics from 2000 to 2012. At NBCOlympics.com, NBC streamed live over 2,200 hours of Games coverage. That website served up more than 1.2 billion pages and 72 million video streams during the Beijing Olympics—more than twice the combined web traffic to NBC's website from both the 2004 Summer Games and 2006 Winter Games. NBC also provided video on demand and content via mobile phones. All this led to estimated profit from ad sales of more than \$100 million.

NBC was not alone in its achievement. Though NBC was the sole source of Olympics online video in the U.S., Olympic websites operated by Yahoo!, AOL, ESPN and others experienced high levels of traffic during the Games. In the UK, BBC offered a live video service which attracted up to 3 million page impressions a day.

Part of the Internet explosion has been due to the International Olympic Committee's mandate. Unlike private sports organizations, the IOC is chartered to ensure the widest possible audience for its Games. The IOC recognizes that digital media is important to achieve that goal. It has thus taken a more liberal approach in allowing reuse of Olympic content on the Internet, even entering into a historic deal to permit official video clips to be posted on YouTube. Thus, viewers in smaller countries—where broadcasters were not posting content online—could also catch Olympic fever with a mouse click.

The Olympic flag contains five rings, so I found it fitting to draw five lessons from the new media success of the Beijing Games:

1. **TV is still king.** Before we think digital distribution has taken over, rest assured that TV is still the gold

medal standard for where consumers get their Olympic programming. More than 92% of viewership for the Beijing Olympics came from TV, with online users accounting for 5 to 8% of daily audience. Television remains, far and away, the preferred place where consumers want to view their content—especially long-form and programming targeted for family viewing.

2. **New media platforms do not have to cannibalize viewers from television.** In years past, television broadcasters worried that simultaneous coverage of events on the Internet would siphon away viewers from TV ratings (where most advertising revenue is earned). But in Beijing, NBC experienced a television ratings success—while simultaneously experiencing record online traffic. Digital media thus enhanced, rather than detracted, from viewership. While this may not be true for more routine programming (such as a weekly series), it does demonstrate that when the content is right, new distribution platforms don't have to siphon viewers away from television.
3. **New media platforms are good for fans of niche and customized programming.** Given the large number of sports in the Olympics, NBC can only feature a small number of events in its primetime broadcast. Combined with showing additional sports on its affiliated cable channels, NBC was able to use Internet video to provide fans coverage of all the sporting events. The Olympics is a feast for the sports junkie but only certain fans may want to watch, for example, fencing. The Games are thus a



perfect example of how new media platforms are perfect for viewers to customize programming choices to their niche interests. Digital distribution is ideal for other major sports competitions, music festivals (such as the worldwide Live 8 benefit concerts in 2005, which was an Internet video phenomenon), and other events which feature a mix of programming opportunities.

4. **Mobile video is growing but has not been fully adopted.** While viewers used the Internet to catch Olympic coverage, they still have not widely adopted mobile phones as a video platform. In the U.S., approximately 450,000-500,000 users each day requested Beijing Olympic content over their mobile phones. Compared to Internet usage, those are pretty small figures. But NBC's research did find that many of those users were watching video via mobile phone for the first time because of

the Olympics. This signals that there is a market for mobile phone video content—especially with time sensitive and special events.

5. **Community-sharing remains a key function for new media platforms.** I've said it before and I'll say it again: one of the most powerful features of new media vehicles is their ability to facilitate community sharing. Americans downloaded 1.7 million streams of the 4x100 freestyle swim relay where the U.S. men's team caught the French team in stunning fashion in the final leg, keeping alive Michael Phelps' run for 8 gold medals. Some 1.5 million streams of this video were emailed from one person to another. When great video footage happens, users like to share the content and discuss it. The Internet and social networking sites are ideal for viral spreading of content.

For IP lawyers, these lessons provide a

clear directive: *digital rights are important to protect and will become a bigger piece of the negotiating pie.* As media and IP packages are negotiated in the future, digital rights will increasingly account for bigger part of the pricetag. That also means efforts to stop piracy must be fought with renewed resolve, to protect the investment made into digital rights exploitation.

As for me, I can't wait until 2010. For as much as I love the Summer Games, it is the Winter Olympics that truly capture my heart. There is nothing like nightly figure skating with its wild costumes and judging scandals. It's that kind of human drama that will make me set my DVR, watch video on the Internet, catch the latest hub-bub at online community sites, and await the latest updates to my hand-held PDA. By 2010, digital platforms will be even swifter, higher and stronger than they were in 2008. And during the XXI Winter Games in Vancouver, I most certainly will not be alone in the Olympian new media village. ■

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## New Matter Author Submission Guidelines

1. Articles should be on topics of interest to a significant number of IP lawyers and in the range of 1500–6000 words long. Acceptable types of articles include reasoned opinion, practice tips, and scholarly analysis; they must be within the bounds of good taste and must have accurate references. Once within these guidelines, acceptance will depend on the flow of other articles, timeliness, editorial schedule, etc.
2. Contact any of the editors to discuss whether your topic fits NM editorial policy, schedule, etc. (e.g., analysis of a recent case may have already been accepted).
3. Authors are encouraged summarize in the initial paragraphs what will be covered and generally why it is important. They should also make use of headings to emphasize the main issues and key contours of the article. Most readers welcome a roadmap and highway markers.
4. Provide a draft to the Editor in electronic and hard copy (or PDF) formats. All charts, graphs, and images should be provided as separate greyscale TIFF-formatted graphics.
5. Include:
  - Name, affiliation, address
  - Contact phone and e-mail
  - One paragraph summary of article and its relevance
 Review may take 2–6 weeks depending on article length, topic, etc.
6. Upon acceptance: Supply author headshot(s): high-resolution electronic images (.tif or .eps) should be 300 DPI digital file (TIFF or JPEG) at least 1 MB in file size; physical photos can also be scanned, and ideally they should be 5"x7" glossy black and white with light-colored background. If that is unavailable, we can often extract a usable image from any photo with reasonable contrast and a light background. Provide a bio of up to 50 words.

**Craig E. Holden, Vice Chair**  
*MGA Entertainment, Inc.*  
16360 Roscoe Blvd.  
VAN NUYS, CA 91406  
TEL: (818) 221-4403  
EMAIL: CHOLDEN@MGAE.COM

**Matthew A. Neco, Liaison**  
*Former VP and General Counsel  
Stirling Bridge, Inc., & GC to subs.,  
including StreamCast Networks, Inc.  
(dba Morpheus®[Peer-to-Peer])*  
P.O. Box 161  
Santa Monica, CA 90406-0161  
FAX: (310) 493-1943  
EMAIL: MATTHEW.NECO@GMAIL.COM

#### NEW MATTER

**Elizabeth E. Powers, Editor**  
*Powers Law Firm*  
1484 Pollard Road, Ste. 162  
Los Gatos, CA 95032  
TEL: (408) 438-3391  
FAX: (408) 399-3472  
EMAIL: ELIZABETH@EPOWERSLAW.COM

**Nicole A. Smith, Acquisitions Editor**  
*Exeros, Inc.*  
2953 Bunker Hill Lane, Suite 101  
Santa Clara, CA 95054  
EMAIL: NASMITHLAW@GMAIL.COM

#### PATENT

**Georgann Grunebach, Chair**  
*Fox Group Legal*  
Fox Plaza Building  
2121 Avenue to the Stars, Suite 700  
Los Angeles, CA 90064  
TEL: (310) 369-3055  
EMAIL: GEORGANN.GRUNEBACH@FOX.COM

**Thomas A. Ward, Vice Chair/Liaison**  
*Fliesler Meyer LLP*  
650 California Street, 14th Floor  
San Francisco, CA 94108  
TEL: (415) 362-3800  
FAX: (415) 362-2928  
EMAIL: TAW@FDM.L.COM

#### TRADEMARK

**Matthew A. Powelson, Chair**  
*LaRiviere Grubman & Payne LLP*  
19 Upper Ragsdale Drive, #200  
Monterey, CA 93942  
TEL: (831) 649-8800  
FAX: (831) 649-8835  
EMAIL: MPOWELSON@LGPATLAW.COM

**Mary A. Harris, Vice Chair**  
*Mary A. Harris, Attorney at Law*  
960 Toro Street  
San Luis Obispo, CA 93401  
TEL: (805) 543-0855  
FAX: (805) 781-3427  
EMAIL: COPYTMLAW@AOL.COM

**Alan M. Kindred, Liaison**  
*Kindred Law International*  
5481 Ocean View Boulevard  
La Canada, CA 91011-1215  
TEL: (818) 636-5933  
FAX: (818) 248-6202  
EMAIL: ALANKINDRED@HOTMAIL.COM

#### TRADE SECRETS

**Benjamin D. Scheibe, Chair**  
*Dreier Stein Kahan Browne Woods & George LLP*  
450 N. Roxbury Drive, 7th Floor  
Beverly Hills, CA 90210  
TEL: (310) 274-7100  
FAX: (310) 275-5697  
EMAIL: BEN@BWGFIRM.COM

**David P. Morales, Vice Chair**  
*The Morales Law Firm*  
406 Main Street, Suite 416  
Watsonville, CA 95076  
TEL: (831) 649-8800  
FAX: (831) 649-8835  
EMAIL: DMORALES@MORALESLAWFIRM.COM

**Joanna R. Mendoza, Liaison**  
*Law Offices of Joanna R. Mendoza*  
P.O. Box 2593  
5955 Granite Lakes Drive, #170  
Granite Bay, CA 95746  
TEL: (916) 781-7600  
FAX: (916) 781-7601  
EMAIL: JMENDOZA@THEIPLAWFIRM.COM

## Exec Comm

CONTINUED FROM PAGE 85

**Tejinder Singh, Advisor**  
*Klein O'Neill & Singh LLP*  
43 Corporate Park, Suite 204  
Irvine CA 92614  
TEL: (949) 955-1920  
FAX: (949) 955-1921  
EMAIL: TJSINGH@KOSLAW.COM

**Elizabeth E. Powers, New Matter Editor**  
*Powers Law Firm*  
1484 Pollard Road, Ste. 162  
Los Gatos, CA 95032  
TEL: (408) 438-3391  
FAX: (408) 399-3472  
EMAIL: ELIZABETH@EPOWERSLAW.COM

**Jon Streeter, Board Liaison**  
*Keker & Van Nest*  
710 Sansome Street  
San Francisco, CA 94111  
TEL: (415) 676-2249  
FAX: (415) 391-7188  
EMAIL: JSTREETER@KVN.COM

**Saul D. Bercovitch, Legislation Advisor**  
*The State Bar of California*  
180 Howard Street  
San Francisco, CA 94105-1639  
TEL: (415) 538-2000  
EMAIL: SAUL.BERCOVITCH@CALBAR.CA.GOV

**Pamela Wilson, Director of Sections**  
*The State Bar of California*  
180 Howard Street  
San Francisco, CA 94105-1639  
TEL: (415) 538-2395  
FAX: (415) 561-2368  
EMAIL: PAMELA.WILSON@CALBAR.CA.GOV

**Mitch Wood, Section Coordinator**  
*The State Bar of California*  
180 Howard Street  
San Francisco, CA 94105-1639  
TEL: (415) 538-2594  
FAX: (415) 561-2368  
EMAIL: MITCH.WOOD@CALBAR.CA.GOV

**Ana Castillo, Section Admin. Assistant**  
*The State Bar of California*  
180 Howard Street  
San Francisco, CA 94105-1639  
TEL: (415) 538-2071  
FAX: (415) 561-2368  
EMAIL: ANA.CASTILLO@CALBAR.CA.GOV

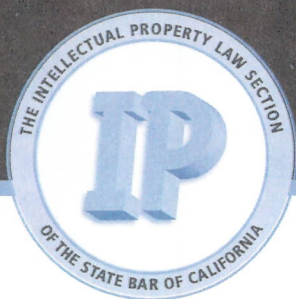
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James D. Nguyen is a partner in the Beverly Hills office of Wildman, Harrold, Allen & Dixon LLP. His practice encompasses counseling, transactions, enforcement and litigation in the entertainment, copyright, trademark, trade secret, advertising and sports arenas. He has particular expertise with intellectual property issues on the Internet and with new media and entertainment technologies. He is an officer of the Executive Committee for the California Bar's IP section. He can be reached at jnguyen@wildman.com.



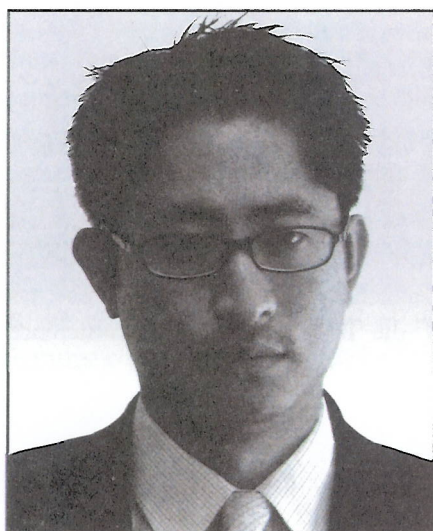


# New Matter

Official Publication of the Intellectual Property Law Section of the State Bar of California

## The Newest IP Threat in China: IP Hijacking (Part 2 of 2)

# inside



**ENOCH LIANG**  
*Lee Tran & Liang*

*This is the second of a two-part series of articles relating to IP protection in China. Part one is available online through IPSection.org.*

### INTRODUCTION

PART ONE OF THIS SERIES discussed the rise in the awareness of Chinese entities regarding the importance of IP rights. As a result, the number of patent and trademark applications filed by Chinese entities has significantly increased in the last few years. The latest statistics from



**ANDY AN**  
*An, Tian, Zhang & Partners*

the first half of 2008 from the State Intellectual Property Office (SIPO) indicate that this trend is continuing, as Chinese entities continue to apply for more and more patents, particularly for utility models and design patents:

- » SIPO has received 345,569 patent applications in the first half of 2008—a 28.5% increase from the same period in 2007;

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