

Hi Everyone,

We have done a detailed write-up of exporting to legacy formats (i.e. DVD, Blu-ray, USB) from the MediaZilla platform. We feel this approach will help view the issue with the same set of facts that we have. You can elect to read the entire document or focus on specific sections that are most relevant to you and your clients.

Overview

We built support for legacy formats in 2015 as a transition solution to help our members and the industry migrate to streaming video. Now that we are in 2019 just launching the new platform we must revisit the issue and understand the Pros and Cons of supporting legacy formats going forward.

We have made a final decision about the method we will pursue to support physical media going forward. Just to confirm we have NOT eliminated legacy formats with the launch of the new platform. Also, we will NOT be eliminating support until we have a viable solution as a replacement, including our ecosystem of streaming apps and offline syncing of content.

You will have legacy export access until December 31, 2020. We want to ensure members who still need physical media have 16 months advance notice to plan accordingly. Here is the approach we will follow:

1. Current members will be grandfathered into the legacy export feature. Only active paid members as of December 31, 2019 will have access to this feature.
2. Members that reactivate an expired account after December 31, 2019 or new members that create their account after this date will not have access to the legacy exports.
3. If you cancel your membership after December 31, 2019 you will permanently lose access to legacy exports.
4. If you have a declined membership renewal payment after December 31, 2019 that is not resolved within 25 days you will lose access permanently as this is considered a de facto cancellation.

Considerations

For existing members that still use the legacy export feature we realize the phaseout timeline is one of the biggest concerns. There are a lot of considerations here. We noted the biggest issues below.

Engineering Time and Effort

The legacy export feature is a complex process that is not easily modified. Significant changes in the workflow are time consuming and require a lot of effort for our engineering and product teams.

Based on our engineering estimates it would take 4-6 months to completely rebuild our legacy export system to be fully integrated with the new platform. As such, we will not be pursuing this option but rather leveraging our old platform.

We also looked at viable alternatives to rebuilding the entire system and estimated they would take 3-4 months to implement.

Opportunity Cost

Time we spend modifying the legacy export process is time NOT spent on widely requested new features such as 4K, streaming video apps, folders for projects, multiple login profiles, video backgrounds, photography support, detailed stats, more menu templates, etc. We have a large community of filmmakers that have been patiently waiting for these features. They will be further delayed with the time we spend on updating legacy exports. They could be delayed by 3-6 months by integrating legacy exports into the new platform.

Member Impact

We understand our members make money from duplication of physical media for large shows and as an add-on to packages. We have also found that members who have DVD and/or Blu-ray as their default delivery rarely price in the amount of time it takes to actually prepare this type of deliverable.

We will replace this revenue stream by freeing up your time on physical media exports to focus on landing more clients and selling your content via e-commerce (future feature). Also, you will no longer incur the hard costs of physical media exports.

Client Impact

We realize many clients ask for physical media for various reasons. However, as industry professionals we all have a duty to educate clients and provide the best possible viewing experience. When clients request a DVD in 2019 and beyond, we have to ask ourselves why?

As entrepreneurs it is not sufficient to simply fulfill a request without understanding the reasoning behind it. Within MediaZilla we focus on [First Principles thinking](#) as opposed to reasoning by analogy or simply doing what everyone else is doing.

We also plan to make an explainer video to show your clients why it is in their best interest to adopt streaming.

Dying Medium

We all know legacy exports are a dying medium of consuming media. To build a long-term, sustainable business you have to continue to innovate and push the envelope. Pursuing a strategy of staying the course with stagnant technology can be a death sentence for businesses. The best detailed analysis of this rule is [The Innovator's Dilemma](#).

Bad End-user Experience

Physical media is not the best end-user experience compared to viable alternatives. We have detailed the pitfalls of various physical media deliverables below.

Understanding there are edge cases. It would not be prudent to fulfill 100% of members needs

We realize not 100% of the world is able to stream video. However, it is not practical for any company to pursue a business strategy that tries to satisfy the needs of 100% of the market. The more effective approach is to follow [Pareto's Law](#) or the 80/20 Rule. The vast majority of people can effectively stream content or watch content offline that has been downloaded. Global internet coverage and speeds are only improving.

Focus on the Future

In order to stay relevant as a tech company we must pursue a strategy of continuing innovation and improvement. This rule is summarized well in the book [Zero to One](#).

Physical Media Pitfalls

Current industry physical media deliverables have many pitfalls as outlined below. Our industry has many options to move beyond these solutions and look out for the client's best interests.

Pitfalls of USB

USB was never designed as a medium for delivering professional video. USB is for storing and transferring files. The end-user experience is greatly subordinated. Plugging a USB into a TV and going through the native menu system on many TVs is a horrible experience.

Professional filmmakers mainly got tired of authoring and delivering DVD and Blu-ray and used this as an alternative for simplicity.

The universal file system of FAT32 has a limit of 4 GB per file. For 4K content this translates to a 15 minute video at 40 Mb/s. Nearly 100% of our members will need to deliver a file longer than 15 minutes or 4 GB to at least one of their clients in the next 12 months.

When it comes time to deliver, it is a guessing game if the client's TV will support the exFAT or NTFS file system of the USB drive (required for files over 4 GB) or if it will support the format and bitrate of the video.

Not all computers natively support standard USB. In order to get content from a USB drive to these computers clients must purchase an adapter, increasing client friction with this format.

If USB is the only client deliverable a single point of failure has been created. As such, if the client loses the drive or it becomes corrupted or fails, the client could lose their project forever. Putting the burden of long-term redundancy on the client is not looking out for their best interests.

Pitfalls of DVD

Delivering a beautiful project to a client at 480p on a DVD should be a criminal offense. Well maybe that is a slight exaggeration. However, this medium needs to be phased out completely for our industry. The vast majority of content is filmed at 4K or 1080p. Subordinating the final deliverable to 480p into eternity is not looking out for the client's best interest.

This medium will not be playable forever. Standard burned discs will fail (generally last around 10 years) and the client will potentially be left to fend for themselves. We have seen many cases where cinematographers are no longer reachable to provide a back-up when this medium inevitably fails. Some of our members only deliver DVD and thus have created a single point of failure for the client to deal with.

In addition, forcing your client to keep a DVD player forever to watch their projects is far from ideal. How many people still have a player for VHS, Betamax, Cassette Tapes, Reel-to-reel, CDs, 8-track, records, Laser Disc, etc?

Pitfalls of Blu-ray & Ultra HD Blu-ray

Similar to DVD you are requiring your clients to keep a physical player going forever to access content in this format. Also, this medium will fail in the future, causing headaches for the client and yourself.

If this medium is the only client deliverable you have again created a single point of failure.

Psychology of something tangible

There is no denying the psychological aspect of a physical deliverable in conjunction with our industry. However, we ask ourselves why is this the case and are there better alternatives than DVD, Blu-ray and USB?

Many customers are simply uninformed about their options. They simply ask for what they know or what seems easiest. More often than not their decision can be short-sighted and NOT in their long-term best interests.

Receiving a 480p DVD can be satisfying, but is a poor long-term solution. We can bridge this psychological gap in a number of ways.

- Creating a similar experience via the digital delivery process. The process is superior to simply sending a link to your client.
- The process of taking digital possession of their project into their own account can be used to replace a physical deliverable all together.
- We will be rolling our native apps for Amazon FireTV and Chromecast. This will help bridge the gap between physical delivery and digital possession. Clients are also not confined to a 480p version into eternity.

An inefficient process for creating physical media

- Maintaining a functioning printer for DVDs, Blu-rays and cases
- Stocking and reordering inventory
 - Printer Ink
 - Cases
 - Discs
 - Luster paper (or premium equivalent)
 - USB drives
 - USB delivery boxes
 - Delivery boxes and packing materials
- Maintaining a functioning Blu-ray / DVD burner
- Dealing with failed burns and wasted discs
- Dealing with redoing the physical media delivery process for client changes or correcting mistakes
- Time and expense spent on physical shipping
- Delayed gratification for your client

Harnessing the power of the cloud

100% of media uploaded to MediaZilla is stored on Amazon Web Services (AWS) that powers some of the world's biggest companies (e.g. Amazon, Apple, Netflix, etc). Content is backed up in at least three separate physical data centers as well as being backed up multiple times in the same data center. This is why AWS has a Service Level Agreement (SLA) designed to provide 99.999999999% durability and 99.99% availability of objects over a given year. It is also designed to sustain the concurrent loss of data in two facilities.

USB, DVD and Blu-ray will never match this peace of mind for clients to protect their masterpieces and family heirlooms.

By delivering physical media only you are putting the onus on the client to backup their project in multiple locations thus removing single points of failure.

Ease of Access

One of the greatest benefits of using apps to view content is the instant gratification. People generally do not carry around the DVD, Blu-ray, or USB of their project in the off chance they want to show it to someone. But they almost certainly have a smartphone or they are somewhere that has a smart tv or smart device connected to the tv to stream content. By having streaming access to your films they can be viewed instantly from anywhere and by more people.

Future Proofing Content

By having the source files preserved in the same resolution as they were filmed creates a world of possibilities for future proofing client projects. For example, they can be converted to different digital file formats and easily backed up for redundancy. They can then be streamed to any device in the future, regardless of what formats or codecs are rolled out. Backwards compatibility is rarely an issue for new digital formats. The same cannot be said for DVD and Blu-ray.

Migration to the New Platform

Beginning in late September 2019 members will be able to migrate their entire membership, including their user profile, billing, videos, collections and client accounts to the new platform by opting-in. By January 10, 2020 all members will have their user profile and billing migrated to the new platform.

Based on our engineering estimates it would take 4-6 months to completely rebuild our legacy export system. As such, we will not be pursuing this option but rather leveraging our existing system.

We will help with the transition to streaming. We will provide resources from other members about how they updated their packages, communicated with their clients and updated their client delivery workflow. We also plan to make an explainer video to show your clients why it is in their best interest to adopt streaming.

Many of our members have reached out to past clients to transfer their projects online for a fee. MZ member Matt Davis was able to land ~50 past clients at \$150 each, grossing ~\$7,500. He sent out an eblast to his past clients and included the following video, in addition to following up with sales calls. <https://mediazilla.com/Eo1I6nlh0>

How Physical Media Exports will work going forward

This path will involve keeping the old platform available at legacy.mediazilla.com strictly for creating legacy formats (DVD, Blu-ray, USB). The old platform will NOT be used for sharing a link or digital delivery. These features will be removed from the old interface.

There will be a one-time migration of your account to the new platform by December 31, 2019. After this time you will continue to see all your previous projects in the old platform interface. They will be accessible on the new platform as well where they will benefit from all the improvements. After the migration, projects would need to be uploaded and sent from the new platform for online delivery and sharing. If you need to export a legacy format for any project created on the new platform, it would need to be uploaded and created on the old platform. If you needed to export any old project to a legacy format, it would still exist on the old platform for this purpose.

After the initial migration, any new projects created on the old platform would not be migrated to the new platform. Since they will not live forever on the old platform when the legacy platform is retired on December 31, 2020, these uploads will not count against your quota on the new platform.

Pros

- Significantly reduced engineering and product resources to implement
- Allows much faster implementation of new features on the new platform.
 - 4K, streaming video apps, folders for projects, multiple login profiles, video backgrounds, photography support, detailed stats, more menu templates, etc.
- Still provides a method for creating DVDs, Blu-rays, and USB exports
- 16 months advance notice to transition your business away from physical media
- Old platform uploads will not count against your quota after account migration

Cons

- After you migrate your account, if you need to deliver both online AND a legacy format, the project must be uploaded and created twice. However, it will only count against your quota once.