

THE INTERNET & CINEMA

Toward a better comprehension of the Internet in order to develop the films digital distribution

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Internet, or INTERconnected NETworks, is a method for information distribution and also a means of collaboration and interaction between individuals and their computers without any geographic constraint.

Internet, e-mail, downloading, multimedia, web cam... Nowadays all these terms are part of the everyday language. For some these words are synonymous with decadence, elitism, solitude, misinformation. For the others these new technologies are leverages for social transformations, for the development of a new economy, for open access to culture, knowledge and information.

Most of the researchers and industrialists, who are interested in the challenges of the evolutions linked with the Internet development, describe the phenomenon as a real revolution¹. The Internet turns the entire mechanism of production and knowledge sharing upside down.

We have to admit that the Internet corresponds, at least partly, to the definition of *revolution*: “A great change in conditions, ways of working, beliefs, etc. that affects large numbers of people²”.

From the first professional softwares of the seventies to the “information highways”, our modern societies have thus become acquainted in about thirty years with important technical evolutions. Industrialists and authorities, at the national as well as international level, have been busy for many years equipping what has become known as “the information society”, with resultant economic and social consequences comparable to the discovery of printing or the industrial revolution³.

Nevertheless, beyond the word and myths, the Internet is a technology that does not create sense in itself. So it is not the invention of printing that opened an era of exchange and liberty but a favourable context that allowed printing to soar (birth of the commercial and financing capitalism, development of exchange and transportation processes of equipments and ideas). However, there remains dialectics between technique and society. The one acts on the other and *vice versa*.

¹ Francis Balle, a teacher at the University of Panthéon-Assas in Paris, describes in his book *Media and Society* the arrival of the Internet as a “digital revolution, pointing to a new deal in the media word”.

² Oxford Advanced Learner’s Dictionary: <http://www1.oup.co.uk/elt/oald/bin/oald2.pl>.

³ One has just to recall to mind the effervescence of the political and industrial classes after the declarations of the American vice presidency Al Gore about the development of the information highways. Most of the industrialised countries have increased initiatives, since the beginning of the eighties, to study the impact of the new digital technology.

The Internet, far from revolutionizing our society and its ways of operating, can be compared to a “big pipe” able to convey data a lot faster than before – indeed in a different way. The “net of the nets”, as a misuse of language, is more a new medium than a new media – like cinema or television.

Performance and signification are mixed up when new technologies of communication are seen as impelling societal transformation. The Internet facilitates easier communication. However, it does not say what or to whom.

Every time a new medium of communication and information appears, the same oppositions and ideological speeches surface. Two themes are recurrent. These are media replacement and technology dynamics. Thus with the arrival of the Internet, some announce the end of the other media. It was the case for the newspapers and cinema when television appeared. It is important to understand the medium to be able to use it at best.

The Internet is conquering the general public at the same time as it is searching for new directions. From now on there are two aims. On the one hand, it is important to discover how to reach the final client, that is to say which technique to use that would allow an easier, safer and less expensive Internet. On the other hand, the goal is to find out which services or programs to propose to the general public. The Internet’s future will be thus written after the reciprocal adjustments between supply and demand, combined imagination and efforts from the engineers, salesmen and those who conceive or realize the services.

Today, after the newspapers and music, it is the turn of cinema to see its economy overthrown by the Internet. With the emergence of “all digital⁴”, efficient compression formats, high-speed connections, the Internet becomes an attractive way to distribute films to the masses. All the big cinema studios are reacting. The reaction is both commercial and preventive⁵.

What are the specificities and functions of the Internet? Which socio-economic disorders did it drag with it? To what extent should the digital distribution strategies of films in place should be adapted to the pending sociocultural mutations?

Features of the Internet: after the newspapers and music, it is cinema’s turn

The primary function of the Internet is to allow distance communication and information exchange. Nowadays, electronic mail, forums and instant messaging are commonly used. The newspapers followed. They adjusted themselves and are now online. Then entertainment appeared on the Net.

⁴ « All digital » means the possibility to carry out all the film production steps digitally: taping of video sequences, copying on the computer hard disk, virtual editing, typing and distribution on the Internet. In his book *The digital video – How it works?* Jean-Charles Fouché calls this new possibility “The revolution”.

⁵ Indeed with the generalization of broadband, the “piratical” exchange of films over the Net (especially through the compression format DivX) is increasing. So much so that the DivX starts to put Hollywood in the shade, like the Mp3 and programs such as Napster did it with music majors.

Following online games, the entertainment industry arrived on the Internet accompanied by electronic commerce.

Messages are traditionally transmitted in an analogical format⁶, for sound at radio, human voice at telephone or image on television or at the cinema. With the Internet, data is digital. It is not the physical parameters themselves that are transmitted but their measurement. It is a number in the form of a coded tone in the binary language of computers (0 and 1) workable as a computer file. So this language allows encoding under the same sound or text-data as well as still or moving pictures. Thus they can pass over the same transmission channels and be stored in the same way.

The more data there is, the more important it is for the transmission to be broadband. Video, that contains a lot of data, imposes a quite long downloading time. This problem has been solved by digital compression techniques and generalization of high-speed Internet accesses⁷. Practically live listening and distribution of moving pictures or sound tracks is now possible.

From 2000, some Internet sites – peer-to-peer⁸ among others – place music at the audience disposal through a compressed format called Mp3⁹. It will have a huge success¹⁰. For a long time, video was of little interest for Internauts (who had to wait for days before they could watch a downloaded movie) and for manufacturers (who were confronted by juridical problems). The generalization of the video compression format DivX, the arrival of better efficient technologies for transmission (like ADSL), the proliferation of very competitive prices and the evolution of the P2P systems favour films downloading over the Internet and incite the movie sector to search for the right strategies regarding the distribution over the Internet.

To understand how to use the Internet in the best way, one has first to know the specificities of this new technology, in relation to the other media and for itself.

Specificities of the Internet: a new “all in one” and interactive media

⁶ Analogical transmission is made through continuous and variable electric waves. They have the same characteristics as the ones of a physical event. In the case of telephone for example, the amplitude of an acoustic diaphragm under voice exposure determines the oscillations of an electrical signal. It is this signal that is transmitted to the receiver device.

⁷ The fast Internet access is possible by choosing one of those four solutions: satellite, cable, Digital Subscriber Line solutions (DSL, High Speed DSL: HDSL, Asymmetric DSL: ADSL, Very High Speed DSL: VDSL, Symmetric DSL: SDSL) and local radio ring network.

⁸ On the Internet, peer-to-peer (referred to as P2P) is a type of transient Internet network that allows a group of computer users with the same networking program to connect with each other and directly access files from one another's hard drives. Napster and Gnutella are examples of this kind of peer-to-peer software. Major producers of content, including record companies, have shown their concern about what they consider illegal sharing of copyrighted content by suing some P2P users. Meanwhile, corporations are looking at the advantages of using P2P as a way for employees to share files without the expense involved in maintaining a centralized server and as a way for businesses to exchange information with each other directly.

⁹ MP3 (MPEG-1 Audio Layer-3) is a standard technology and format for compression a sound sequence into a very small file (about one-twelfth the size of the original file) while preserving the original level of sound quality when it is played.

¹⁰ End of July 2000, when Judge Patel declared that the complaint of the music majors gathered in the bosom of the RIAA (Recording Industry Association of America) was receivable, hundreds and thousands of people had already downloaded the Napster P2P system.

If you take a look at the definition of *media*: “The main ways that large numbers of people receive information and entertainment, that is television, radio and the newspapers¹¹”, we can say that the Internet corresponds to it. It is thus a way for large numbers of people to receive information and entertainment, like television, radio, the newspapers, telephone and cinema. The characteristic of the Internet is to cluster all the existing media on one same terminal.

The Internet is commonly called a “new media”. The qualifier *new* refers to the media’s character that is perpetually evolving. The media become new only when they are used in a different way or for different purposes. Indeed the Internet has allowed for the establishment of unprecedented ways of communication between people. These are radically different from the ones until now known and experienced, like the newspapers, television or radio.

At the same time as it answers to a demand that is mutating, the Internet creates deep confusion in the societies operating modes. The Internet does not replace but comes as a complement to the traditional media. So, a letter and some pictures sent and received over the Internet do not take the place of postal mail. The Internet will not substitute the existing media, in the same way as television did not replace cinema. However, some media were bound to disappear when new techniques merged. Telegraph was thus replaced by telephone that is friendlier.

The new media are useful when they bring betterment and answer to a real demand. They drag a specialization and a differentiation of the various media with them. So, television and cinema produce some pieces of work that correspond to different publics and economies: film and telefilm. Cinema, thanks to television, became moreover the “seventh art” (according to René Clair’s expression). Besides, we do not use it in the same way an electronic mail (that corresponds to an increasingly nomadic, global and fast way of living) or a postal mail (a lot more tactile).

The Internet distinguishes itself from the other media with two characteristics of its own: multimedia and interactivity. The data transmission is not any less complex. Like telephone, the Internet gives the receiver a more active role, the possibility to obtain services or programs of his choice from an individual control. Multimedia allows also traditional media to surpass themselves. With Hypertext, it frees written text from its linearity. With its freeze frames, quantum leaps, flash-backs, shortcuts, it frees radio and television from their program schedules, from the constraints of their channels or stations. In other words, it allows each media to triumph over handicaps we thought would be insurmountable¹².

At the dawn of the XXIst century, the online multimedia does not seem to have found its genuine applications yet. It limits itself often to extend or complete the old media by catalysing their performances, by making the best of their most revealed trumps.

¹¹ Oxford Advanced Learner’s Dictionary, <http://www1.oup.co.uk/elt/oald/bin/oald2.pl>.

¹² See BALLE Francis, *Media*, Évreux: Flammarion, 2000.

Limits of the Internet: a new “pipe” to convey data

Most of the time, the Internet is used as a new pipe – bigger and cheaper – to distribute content. This new transmission mode clusters the traditional media functions and makes them converge. The Internet offers thus the same services but distributes them in a different way. In this case, what is the difference between the Internet and the other media? Can we still name it a digital revolution with profound consequences for economic strategies and individual behaviours?

The Internet is a new technique that does not bring for the moment a real innovative service. However, the exploitation of this technique is bound to evolve time after time and applications after applications. As Francis Balle tells it: “Technology, doubtless, does not impose anything: it proposes and human being dispose or compose¹³”. The Internet has to be implemented in the most efficient way possible.

Besides, a technological function often changes when it steps over the threshold of the mass market, of the general public. By becoming more popular, the Internet did change of course. The online commerce opened a potential market for the entertainment industries. It remains now to adapt the supply to the demand.

The techniques security and reliability can never be ensured. Each one has its share of accidents and gives rise to manifold doubts from its users. Indeed, binary makes the job of authors and assigns easier by multiplying the creation and exploitation potentialities with a guarantee of quality. But the picture has another side since digitizing also offers interesting opportunities to hackers or counterfeiters, or simply to legitimate users, by facilitating copies of excellent quality.

The Internet becomes related to a network. The Internet network is to the computer what the telephone network is to the telephone. The computer is a terminal. The Internet is a network that allows carrying the services to the general public.

The digital terminals are more and more various and converging. It is now possible to plug in to the Internet with a mobile phone, to receive the Internet on a television screen through game consoles or set-top boxes¹⁴. Some home displays like a fridge can even be plugged in to the Net¹⁵. It is still hard to create value by associating content and “pipes”, even if a logic of production-distribution vertical

¹³ BALLE Francis, *Media and Society*, *op. cit.*

¹⁴ The set-top box is a device that allows a television to receive cable television network signals. Plans for future television systems that offer interactive capabilities and greatly increased channel selection call for new types of set-top boxes that contain enhanced computer intelligence. Customers typically place the boxes on top of their televisions, hence the name.

¹⁵ See ICHBIAH Daniel, *The new Internet heros*, Turin: ed. Mille et une nuits, September 2000.

acquisition still dominates the various sectors, especially the classic audiovisual sector. However, it remains interesting for the general public and industries¹⁶.

The Internet remains thus a “tool”. However, Francis Balle underlines that “media are not anything else than simple tools¹⁷”. So, a media distinguishes itself with the functions it fills up. The revolutionary side of the Internet is to fill up all the functions of the traditional media and to make them evolve.

Moreover, the multimedia implies convergence. Television becomes interactive. Radios have their Internet sites with texts and photos. The newspapers have also their Internet site where Internauts can react to the articles and ask questions directly to journalists. Telephone and mail gain the image with the web cam. Those evolutions turn society and its operating mode upside down.

Many film distribution strategies have been implemented on the Internet. However, this remains relatively experimental for the moment.

The no free films distribution on the Internet: a challenge for the industry

While the idea of watching a movie on a computer is tempting, the distribution strategies on the Internet are not very convincing. This can be attributed to many factors. For example, it is not comfortable to watch a movie for one hour, sitting at a desk in front of a computer screen. In addition, streaming¹⁸ needs a broadband connection (a solution that is still rare at the present time). The individual viewing in front of the computer screen is also less friendly than at the cinema. Last but not least, the technology is not adapted yet (resolution is not perfect, ADSL and cable remain unstable).

However, the outburst of films sharing over the P2P¹⁹ networks shows that there is a true demand for films viewing on the Internet. The different offers try to answer the diverse expectations of an ever changing public.

¹⁶ In the *IDATE News* online magazine, the team of consultants in new audiovisual services writes about this topic that the difficulties encountered by Vivendi Universal and AOL Time Warner are greatly due to the TMT bubble (Technologies, Media, Telecoms) on which their strategies were based. Until now, the failings are thus due as well to “a calendar and implementation matter” as well to a true “impossibility of the strategic paradigm that remains promising but which edges and economic models need to be refined”.

¹⁷ BALLE Francis, *Media*, *op. cit.*

¹⁸ Streaming is the transfer of data in a continuous stream over the Web that allows the user to play it as it arrives. This technology has enabled more accessible Internet audio and video. Audio, and especially video, files tend to be large, which makes downloading and accessing them as a complete package a very time-consuming operation. With streaming technology, however, the files can be downloaded and accessed at the same time, which makes using them much faster and easier.

¹⁹ Music still represents over 50 % of the data available on the P2P sites. However, with the ADSL development, there are more and more heavy files, and particularly films that represent 20 % of the data. The success of the eDonkey network that is specialized in video files shows the infatuation for this kind of files. Indeed, it converts nearly 20 % of the global audience of P2P.

But what becomes possible thanks to technology should not necessarily be confused with what is useful, or answers to a need and can thus be the ground for a profitable activity.

The interactive television (iTV) results from the convergence of television and the Internet. This media offers diverse services; programs electronic guide, pay-per-view²⁰ and video-on-demand²¹ services, enriched television over set-top boxes.

Services are now personalized. From the consumption profile of each home individual, the viewers' tastes are identified and the programming choices are anticipated in order to propose the programs that are the most capable of meeting their expectations. The television viewer can then choose what he wants to watch, make a transaction, vote, order.

This distribution strategy is interesting since it takes into account interactivity, a specificity of the Internet. However, television is a passive media, the Internet an (inter)active media. The one and the other correspond to two radically different behaviours of the user and answer to two separate needs.

So, contrary to the operators' expectations, the iTV services experienced a relatively moderate development²². Many reasons can be invoked for this relative failing. Transmission does not change the nature. It is simply made more efficient or conveyed *via* new pipes. In fact this is a paying television or an improved video store. Furthermore, the viewer is not the same. Active, film fan and knowing the Internet's applications, he will be tempted to download for free over P2P networks films that are proposed on the iTV.

Launched in 1999, **the digital cinema (D-Cinema)** "accomplishes the union between audiovisual and new technologies at every level of a film production²³".

Distribution and archiving of pieces of work is considerably simplified. Only one copy of the movie converted to digital is made and transmitted to viewing rooms on an electronic medium (a kind of super-DVD with different choices of language and subtitles possible) or on a broadband Internet network. It allows eliminating the heavy and burdensome copies multiplication, their transportation,

²⁰ Pay-per-view (PPV) is a Programming service that is paid for by subscribers on the basis of the number of hours or programs watched rather than through a straight subscription fee.

²¹ The video-on-demand (VOD) service enables television viewers to select a video program and have it sent to them (in a form called a "stream") over a channel *via* a network such as a cable or satellite TV network. The movie would store in the customer's set-top's huge hard drive and the end-users would watch it off of their hard drive, eliminating the trip to the video store to rent the video. The viewer can pause, fast forward, and so forth the movie (or whatever programming they're watching) like they would if it was running on their own VCR or DVD.

²² In 2001, analysts foresee the iTV services to be successful with the generalization of broadband connections. An IDATE study named *Television on ADSL: Profitability and Timetable Uncertain* shows that in March 2003 PPV represents in fact only a leaning fringe of the television channels benefits percentages. The same is true of VOD that drags a large share of its benefits from adults programs.

²³ BOUJNAH Marc, "Cinema screens itself in the future", *TGV Magazine*, n° 58, October 2003, p. 29.

stock. Furthermore, quality is independent of the projections number. The attrition problems are avoided and the image is of a better quality. It is then possible to show pieces of work to everybody including remote places. The theatres have only to download the film before its projection.

In the meantime, this solution is not widespread for the moment. Only one hundred and fifty theatres worldwide are equipped with D-Cinema. First obstacle is the adaptation of a universal standard to exploit the process. Then, the high cost for the present theatres to switch to D-Cinema²⁴ (the investment is five times higher than for a traditional setup) just as the data piracy on the projection rooms networks are as many extra brakes.

D-Cinema turns the cinema sector upside down. The possibility to retransmit sport, cultural or local events, shoot with digital cameras, can enlarge the market. D-Cinema becomes a collective leisure in comparison to the individual use of the iTV and its offers of VOD and PPV.

This is an evolution of cinema towards the “all digital”. In the end, the silvery cinema could disappear. The demand is real but economies of scale and the juridical frame have to be fixed. This film distribution offer on the Internet remains however a strategy related to cinema.

The Internet sites are a new movies distribution strategy. For distributors, the Internet is an unavoidable marketing tool. If the impact on the cinema attendance is not spectacular for the moment, thousands of sites consecrated to cinema multiply themselves in order to affect the consumer-Internaut.

In complement of the classic information (texts, photos) devoted to the film and its production, pre-release screening abstracts, making-off, exclusive interviews, trailers can be found on the films official sites. What is more, a new program industry, the “cyber-creation²⁵”, especially conceived for the Internet, is merging.

Those sites stimulate Internauts to go to cinema or propose online DVD sales. In 2002, the video edition market recorded its strongest progression for more than ten years. DVD is responsible for this success with a progression of 71 % of the French turnover. Some producers even amortize their release in theatre by the DVDs sale. So, this is a very efficient distribution strategy.

With the generalization of the “all digital”, it is now possible for an individual to produce his own film digitally, cut a tape on his computer, make the promotion and distribution directly on the Internet. This greatly reduces the production line and thus the costs. Hence, majors have to adapt their structure and make it more flexible.

²⁴ It can cost between 180.000 and 250.000 euros.

²⁵ Morin Servanne explains us in *Cinema and the Internet: Toward the End of the Virtual*²⁵ that in addition to the classic short films, diverse Internet sites consecrated to cinema offer films created specifically digitally for the Web and produced either by independent producers or the sites themselves. Besides, some movies are predestined only for a distribution on the Internet.

Except for the DVDs sale, the films distribution methods do not seem to have met the discounted success. Strategies probably have to be better adapted to the socio-economical mutations caused by the Internet. The generalization of the P2P systems utilization incites to consider the Internauts' new behaviours as the symptom of a new culture that wants to arise.

Peer-to-peer: inspiration source for the future distribution strategies

P2P is a very interesting decentralized distribution form. For multi-national firms, this is a “diabolic medium that made piracy within reach of everybody²⁶”. For others, P2P is a new revolutionary medium that allows access to culture.

This technology, that develops itself dazzlingly since five years, was quickly adopted to share data illegally. More than four millions individuals worldwide are trading lots of music, images, softwares, video games and more and more films, at every hour of the day and night.

This is a genuine social, economic and juridical revolution. P2P is a young technology in constant evolution. Manifold often-contradictory studies on the subject, open the way to a new perception of public, practices and economy.

Gratuity, free access to information, was promoted all along the Internet evolution as one of its essential qualities. The promoters of this “culture of gratuity” in the beginning are also the ones who denounce it today. The hardware high cost and the online commerce prosperity show however that the Internaut is not necessarily a pirate looking for gratuity. Internauts are ready to pay, are DVD consumers and go to cinema anyway. “For a good film, the enjoyment of the movie theatre can not be substituted. Then, DivX is nearly perfect for a personnel videotape library but a DVD offers too many good things additionally to turn it down”, answers an Internaut interrogated on what he makes of what he downloads²⁷.

It appears that Internauts have a quite sharp awareness of the economic mechanisms²⁸. This is not the rise of a culture of gratuity but of an other way to apprehend creation and intellectual work retribution: consideration, pride to contribute to a collective piece of work, trade in kind, etc²⁹.

There are three main causes among all the elements brought up by the P2P networks users justifying the fact that they download pieces of work and especially movies. Lots of Internauts criticize the film

²⁶ PHILIPPIN Yan, *What is actually Internet for?*, Foundation Internet New Generation (Fing): <http://www.fing.org/index.php?num=40164>, 8 September 2003.

²⁷ See <http://www.foruminternet.org/forums/read.php?f=13&i=224&t=191>.

²⁸ In his study on P2P, *Music, Digital, Property and Exchange: 8 Millions of Delinquents?*, Daniel Kaplan explains us that Internauts “decode without any difficulty the advertising speeches and the promotional offers. They know what are the intermediaries and what they live of”.

²⁹ See KAPLAN Daniel, *Music, Digital, Property and Exchange: 8 Millions of Delinquents?*, Foundation Internet New Generation (Fing): <http://www.fing.org/index.php?num=4496.2>, 21 November 2003.

prices in the actual distribution networks. For many, if the Internaut downloads for free, it is because he “chose to commit an illegal act in front of the pressure of the actual culture price³⁰”. Some do not have the financial means to acquire those products anyway. The variety of choice on P2P networks is another argument put forward. A lot of users criticize the selection of the films distributed in Europe. Thanks to the mailing lists, especially on P2P networks, they discover not famous movies, those impossible to find and purchase in trade. Some use also those systems to obtain sold out pieces of work, thus impossible to acquire on the traditional networks. Some Internauts even caption films. This allows for the broadcasting of movies that are rarely translated or exported (as for example Japanese animated films) to a large public. Last but not least, Internauts want to show a will of “cultural non-alignment³¹”. Moreover, the need to test new products drive to download. In theory, this precedes purchase. P2P networks may be “the best way to have an idea of what to buy³²”.

People hardly disregard medium. It is still possible to burn on CDs downloaded data but the services that DVDs offer are determinant. Services like the physical medium, compilation on demand, research, filtering and so on, are of great importance. Content production and transportation cost even fewer. Online distribution is a quite simple act. However, it remains to create notoriety, credibility and traffic. This is doubtless one of the major justifications of the intermediary presence and cost. P2P is the symptom of a different relationship to the piece of work, art, artist, industry. All this is in mutation.

Some industrialists perceive P2P as a new network broadcasting free versions meant to make people want to pay for versions with a guarantee of better quality. However, digital networks broadcast contents avoiding intellectual property rights. The process risk is meant to lower the gratuitousness utility and may ideally make the consumer prefer to pay for online not free offers. It is nonetheless illusory to pretend that all P2P users can be quashed.

The various sectors try to find intermediary solutions in order to make P2P users pay. The Electronic Frontier Foundation³³ recently proposed³⁴ a five bucks monthly package deal to have the right to freely exchange files on the Internet. The package deal would be voluntary and collected by Internet service providers or a central organisation that would redistribute the amount to the assigns according to their popularity. It would also be possible to tax hardware.

P2P reveals the evolution of the public role, nowadays a lot more active in its act of films “consumption”. We are far away from the classic vision of the copyright and performing rights

³⁰ *Peer-to-peer: What use for the users?*, The Forum of the Rights on the Internet: <http://www.foruminternet.org>, 20 June 2003.

³¹ *Ibid.*

³² *Ibid.*

³³ The Electronic Frontier Foundation (EFF) was founded in July 1990, to assure freedom of expression in digital media, with a particular emphasis on applying the principles embodied in the Constitution and the Bill of Rights to computer-based communication.

³⁴ DEAN Katie, “The Answer to Piracy. Five Bucks”, *Wired News*, 26 February 2004.

concerning a public only passively watching a piece of work. We try henceforth to make the peace of works *lambda* users more and more responsible, especially through tying arrangements.

Conclusion: towards a controlled revolution

The Internet transformed the world in few years. This technology was deflected from its primary application and entailed a revolution comparable in its effects with the industrial revolution. Economy becomes global and converging. Society aspires for better information, greater liberty of choice and a free access to culture. Industry has to adapt itself to a client who has become active and has its word to say.

The Internet is a new media with a strong potential but it probably has not find its genuine application yet. It is certainly a new multimedia and interactive media. In this sense, it appears to be a complement of the traditional media and an aid to their evolution. Nonetheless, this new technology becomes more related to a new network. The Internet is often used as a simple tool for data transmission. Then, the true revolution comes from digitizing.

So the “all digital” process transforms how the film is produced. The cinema industry, for a long time spared by the Internet phenomenon, has to react and adapt its distribution strategies. The film distribution solutions are not really convincing.

Industrialists did not anticipate this phenomenon and could not elaborate sufficient strategies in time. Some fear that the Internauts will be accustomed from now on not to pay for a service and that this behaviour can not be modified anymore. The movie sector structure has to be modified.

P2P is a film distribution solution that has encountered a true success with the public. However, this is a free solution. This system may not be implemented in the same way by majors. They could nonetheless study the phenomenon as the symptom of a beginning culture. There in lies certainly the greater revolution of the Internet. Dominique Wolton, in *Internet and after? A critical theory of the new media*, tells us fairly: “a true revolution exists when a technical innovation encounters cultural and social mutations³⁵”.

The exchange and share atmosphere impels industrialists to invent proposed products and services. P2P shows the way towards a new economy, new art consumption habits, new behaviours and new game rules.

³⁵ WOLTON Dominique, *Internet and after ? A theory of the new media*, Paris: Flammarion, 2000.