



SALERO

Initial Report on Commercialization and Marketing Activities

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1 Executive Summary

In this report, the individual partners studied the fields of commercialization based on the first technological achievements of the SALERO project. They identified the market segments and products which could act as “early technology adopters”. Each of the partners defines his field of commercialization and the marketing activities he plans to do.

The industrial partners in the project will develop products as proof-of-concept of the research in this project or use parts of the SALERO tools for integration into existing products to enhance the functionality. As it has become obvious during the first SALERO project period that the project itself will not lead to a unique tool for media creation, the industrial partners will concentrate on reusing the invented technology in its own product development. Each of these partners covers a different field of application. Hence the existing customer relationship gives the opportunity to take SALERO’s results in an early stage to selected customers and bring back their feedback into the project.

In the case of the universities and research centres which are developing algorithms and software, a different model applies. The universities and JRS are public non-profit organisations with missions to increase knowledge and carry out technology transfer to the industry. They expect returns from appropriate license fees for software modules developed as a result of their knowledge. They will also exploit the project’s results for future R&D activities, where enhanced know-how will enable further acquisition of relevant projects and intend to continue deepening their involvement in other projects with all consortium partners.

The activities planned from the industrial partners are product demonstrations of the latest achievements of the SALERO technology at the major trade shows and international fairs. Because of the different nature of the applications there will be different locations for these events.

The activities of the academic partners and research organisations will mainly focus on a scientific dissemination through publications and active participation at conferences, workshops and reviewed journals. SALERO does not plan to set up any additional conferences or publications, believing that it is more efficient to use the relevant existing venues, where partners contribute regularly and in some cases even play a key role.

2 Introduction

2.1 Purpose of this document

In this document the first technological achievements of SALERO will be evaluated for commercial use. Demand groups and customer/market segments that these achievements could be aimed at will be identified. Collected market data supports group oriented marketing strategies.

2.2 Scope of this document

In SALERO deliverable D10.3.1 Digital Media Technology, Research and Production Trends Report the landscape of digital media in general was described. This document explains how the business models of the SALERO partners and first achievements and results of the SALERO project fit into this landscape and which activities are performed to get awareness by potential customers.

2.3 Status of this document

This is the final version of D12.1.1

2.4 Related Documents

Before reading this document it is recommended to be familiar with the following documents:

- D2.3.1 User Requirements
- D10.2.1 Initial Plan for Dissemination and Use of Knowledge
- D10.3.1 Digital Media Technology, Research and Production Trends Report

3 Commercialization and Marketing Activities

3.1 Grass Valley Germany (GVG)

3.1.1 *Field of commercialization*

Grass Valley's Post Production Solutions (PPS) business unit has a track record in the mid- and high-end post production market segments where ground breaking hardware and software technologies combine to deliver supreme quality and performance. Grass Valley PPS's customer reference list boasts the most highly rated post production facilities in the world, who in turn can boast working on the highest profile productions in the world. Such relationships, built on years of trust and experience, give Grass Valley PPS a perfect opportunity to take SALERO to visionary customers, and to also bring back their feedback into the project for greater benefit of the industry.

3.1.2 *Activities*

As it has become obvious during SALERO project period T0-T15 that the project itself will not lead to a unique tool for media creation, GVG is concentrating in reuse of invented technology in its own product development. It is assumed that these new technologies enhance production work flows and therefore are attractive to end users. Marketing activities will include analysis of the potential market segment, positioning of products related to the SALERO technologies.

GVG is continuously marketing and selling the Bones platform as a core device in digital post production workflows. Throughout the year it is shown at major international as well as some more regional trade shows and exhibitions; for example NAB (Las Vegas), IBC (Amsterdam), IBEE (Tokyo), Broadcast Asia (Singapore), Cannes Film Festival (Cannes), FMX (Stuttgart), HPA (Palm Springs) and The Production Show (London). It is common practice to demonstrate the latest advances in a products feature set, and in such context software components developed within the SALERO project will be showcased as they become ready. It is an essential part of creating new tools and features that GVG gathers customer feedback as early as possible. Their feedback is then investigated by the SALERO project team, and changes can be incorporated into the development process with maximum efficiency. GVG will also show and demonstrate SALERO prototype versions under more controlled conditions to focus user groups of the Bones product.

3.2 Blitz Games (BLITZ)

3.2.1 *Field of commercialization*

Blitz Games Ltd is one of Europe's leading independent game development studios and has a reputation for delivering high quality innovative video games to time and budget. Blitz Games Ltd has developed its own industry leading games engine and continues to invest in its development to ensure the company has leading edge development technology as well as improving the efficiency of the production pipeline. The company develops games for all the major console platforms as well as for PC and works with most of the world's major games publishers.

Innovation from SALERO is already being fed into the production pipeline for games in development and has played a major role in convincing at least one client to place a major new development contract with the company. BLITZ anticipates that future work within SALERO will continue to strengthen its reputation as being at the forefront of innovation for the games industry.

3.2.2 *Activities*

Blitz Games is currently concentrating on showcasing the resulting improvements in visual effects, facial animation and procedural generation as well as discussing the improved efficiency of the production pipeline that has been achieved through participation in SALERO. Material developed through innovation supported by SALERO has been shown at the Games Developers Conference (GDC 2007 San Francisco), ITEC, (Cologne 2007), as well as at several business focused private showings to

games publishers and serious games clients. The advances in technology are in use in several of BLITZ's high profile commercial games currently in production as well as feeding into an R&D project on Serious Games supported by the UK's Department of Trade and Industry led Technology Programme.

3.3 Digital Theatre Systems (DTS)

3.3.1 *Field of commercialization*

DTS is a digital technology company dedicated to delivering the ultimate entertainment experience. DTS decoders are in virtually every major brand of 5.1-channel surround processor, and there are hundreds of millions of DTS-licensed consumer electronics products available worldwide. A pioneer in multi-channel audio, DTS technology is in home theatre, car audio, PC and game console products, as well as DVD-Video, Surround Music and DVD-ROM software. In February 2007, DTS announced its intent to focus exclusively on licensing branded entertainment technology. Within SALERO, DTS further develops its audio codec technology in scalability, intelligence and support of newer features. These advancements are continuously introduced to consumers through DTS entertainment platforms, as well as through other markets such as broadcast and mobile applications.

3.3.2 *Activities*

Major efforts in DTS commercialization and marketing activities during 2006-2007 period have been on supporting the roll-out and DVD-HD and Blue-ray Disc products. In parallel, broadcast markets are also supported by DTS demonstrating its solutions at various international exhibitions. While new technologies are being developed within SALERO, elements of some new features, particularly in the low-to-medium bit rate range, have been demonstrated to clients and consumers alike. These include the exclusive, fit-to-medium and fit-to-stream features of DTS low bit rate codec (LBR). Combining the two targeted application areas/markets, technology and products such as DTS Master Audio Suite, DTS-HD, DTS-HR (High Resolution), DTS-Lossless and DTS-LBR have been demonstrated at various shows and expos. These shows include the following major ones, CES 2007 (Las Vegas, 01/2007), NAB 2007 (Las Vegas, 04/2007), IBC 2007 (Amsterdam, 09/2006), AES-121 (San Francisco, 10/2006), AES-122 (Vienna, 05/2007), BIRTV 2006 (Beijing, China, 08/2006) and CCBN 2007 (Beijing, China, 03-04/2007). DTS will continue to pursue broadcast and mobile applications in its currently-planned and future marketing opportunities. Technology advancements from DTS SALERO project will be offered to end users and also evolve into new products.

3.4 JOANNEUM RESEARCH (JRS)

JOANNEUM RESEARCH (JRS) is a non-profit technology centre, located in Graz, Austria, concentrating on applied R&D with a highly qualified staff of more than 360 people. The centre implements its know-how in all sectors of technology transfer and innovation. Its services include specifically-g geared development tasks for small- and medium-sized companies, complex interdisciplinary national and international research assignments as well as tailored techno-economic consulting. The Institute of Information Systems and Information Management is the central part of the information technology division. It concentrates on the combination of classical information systems with visualisation, digital media and communication technologies, thus developing leading-edge applications at an international level within its two research areas of Web information systems and digital media.

JRS is a public non-profit organization. It therefore has a special role in the exploitation of project results. Concretely JRS is responsible for the co-development of the following components: Multimedia Object Annotator and the Ontologies used for annotation of multimedia objects.

Components and modules developed by JRS will be based on open standards in order to facilitate the integration into possible products of project partners. 50% of the SALERO budget is JRS' own investment. Therefore JRS' goal for the exploitation of the project results is a certain ROI which JRS wants to recover by using one of or a combination of several of the following business models:

BM1 – Development of complete products together with partners

In this model, complete products are being developed together with one or more project partners. JRS expects a license fee from the partner(s) as a return for granting the right to use and exploit the

software developed by JRS in products which are being brought to the market by the partner(s). For software components and ontologies developed by JRS that get integrated into common products sold by partners one of two licensing models applies:

- License fee per sold copy
- General license fee per partner

BM2 – Development of tools which eventually get integrated into partner’s products

For tools developed by JRS that get integrated into partner’s products the same two licensing models apply as for BM1.

BM3 – Responsibility for further development

In this case, JRS does further development on behalf of partner(s) on those software components originally developed by JRS and used by partner(s). Partner(s) can order these development works offered by JRS under favourable conditions which will be fixed together with the respective license model according to BM1 or BM2.

BM4 – Maintenance contract

JRS offers software maintenance including bug fixes, improvements, updates and support on software components originally developed by JRS and used by partner(s). Support is usually limited to second-level support (e.g. no direct end-user on-site or phone support). Conditions including payment under which this maintenance work is carried out have to be regulated in a separate maintenance contract.

Further Exploitation

JRS will also exploit the project’s results for its future R&D activities. The enhanced know-how will enable JRS to acquire further industrial relevant projects and it is also open to extend its involvement in related projects with all partners in the project. Although not authorized to product development on its own, JRS will encourage project partners as well as other industrial contacts to further develop results of the project from prototype to industrial applications.

Finally, as an applied R&D institution, JRS influences the market by proactively disseminating information, giving support and acting as a consultant in its role as a technology transfer hub.

3.5 Activa Multimedia (AM)

3.5.1 Field of commercialization

Activa Multimèdia (AM) is a company providing solutions and services for the audiovisual industry. AM focuses its work on four main business lines: Digital Interactive TV, Video Production and Management, Software Solutions and Contents and Services.

AM’s client reference list includes some of the biggest TV channels in Spain as well as many regional and local networks. AM provides them with all-in-one interactive solutions for DTT and interactive content for broadcast in multiplex head-ends. This allows AM’s clients to market automatic content platforms and participatory services for television.

AM also has a proven track record in audiovisual digital production and marketing, allowing the company to easily face the challenge of video content delivery in any platform and network (DTT, Mobile TV, Web based services). AM has used this expertise to expand its client list to include any content provider that publishes information for these platforms. AM can also provide meteorological content for any platform through the Contents and Services business line for non-specialized content providers in this area (e.g. Meteo Channel in the Digital+ platform).

AM’s experience in all of these market segments and clients, together with the results of SALERO, will give the company the expertise needed to develop interactive virtual automatic characters as reusable objects for television, Internet and mobile telephony. As a result, new markets will be tapped (civil services, video portals, electronic virtual guides, e-learning initiatives, interactive advertising) since a virtual character can be an intelligent agent with context-aware behaviour for self-adaptive use.

3.5.2 Activities

AM marketing activities are divided into two main groups: product/market oriented tasks and the promotion of new technologies in the audiovisual industry.

The initial tasks developed by SALERO have led to a number of innovative technologies that will enrich AM's existing products. The experience acquired during the early months of the SALERO project is being used to improve AM products, deliver high-quality services and innovative solutions. Developing new work areas that focus on intelligent and re-usable multiplatform (TV, Internet, Mobile) content objects from these results will be necessary for the product conceptualization phase. All marketing activities will be based on detailed market analysis and the integration of technologies.

As usual, the main goal of AM's presence at regional trade shows and exhibitions (3GSM, Milia, MAC, IBC, Broadcast, ACUTEL) is to promote its products and present innovative technology to industry specialists. It is the best opportunity to announce new products. For this reason, it is important for AM to show SALERO's technologies at these events, especially when adapted to new products. At these exhibitions it is also common to form work groups among potential and existing clients in order to make it possible to better integrate SALERO technologies in the audiovisual industry.

When launching new products, AM plans marketing and communication campaigns that focus on specialized media and this project will be no different. The preliminary results from the market analysis will be useful in planning the campaign, which will include a series of prototype demonstrations aimed at specific groups of professionals, to be held at specialized conferences and seminars.

3.6 Music Technology Group – Universitat Pompeu Fabra (UPF)

3.6.1 Field of commercialization

The Music Technology Group (MTG) develops music & audio technology. It is responsible of world's best singing synthesizer (commercialized by Yamaha), new instruments (used by Björk in her world tour), and other technologies (used by Microsoft and Pinnacle) as well as components embedded in consumer electronics, software and services.

The Music Technology Group (MTG; <http://mtg.upf.edu>), was created in 1994 as a part of the Audiovisual Institute at the Universitat Pompeu Fabra of Barcelona, specializes in audio processing technologies and their musical and multimedia applications. With more than 60 researchers coming from various disciplines, the MTG carries out research and development projects in areas such as audio processing and synthesis; audio identification; audio content analysis, description and transformation; singing voice synthesis and transformation; interactive systems; and software tools.

Due to the high industrial interest in MTG technologies, a spin-off was created to productize and commercialize products and services: BMAT (Barcelona Music & Audio Technologies).

Barcelona Music and Audio Technologies (BMAT, <http://www.bmat.com>) was established at the end of 2005 as the first MTG spin-off, operating under an exclusive license for their latest technologies.

BMAT provides music discovery and recommendation, smart play list generation, song identification, voice & audio transformation, media content personalization and music-based social networking; solutions that redefine the music experience with real, sensible and intelligent sound control and interaction. The company supplies all industry layers: from content delivery companies and multimedia production studios to platforms, distributors and MP3 player manufacturers.

3.6.2 Activities

For the exploitation for the outputs of the different technologies, due to the need of big investments in order to do so (patenting, product development, marketing etc), for each potential product an extensive market analysis will evaluate and decide on the exact actions to be taken. This kind of analysis is conducted very closely with the spin-off company BMAT.

The strategy for the next 2-3 years coming is to consolidate MTG's position as world leaders in music search & recommendation and voice & audio processing.

The goal is to consolidate the technologies developed in the past 8 years at the MTG in to the marketplace, create new technologies and products, and move from a 30% privately funded income in the MTG up to a 50%.

MTG's goal in SALERO is to integrate leading music technologies in a leading platform, with industrial partners within and outside the project that can become a reference and have an impact beyond most usual EU projects.

3.7 Universitat Ramon Llull (URL)

3.7.1 *Field of commercialization*

URL work in SALERO is focused on increasing the naturalness and expressiveness of synthetic speech and on making a leap forward in speech reusability by providing tools to easily adapt or change the synthetic speech.

The envisaged potential products are:

- A text to Speech module with enhanced synthetic speech quality (in terms of expressiveness and naturalness)
- A set of tools for improved automatic segmentation and labeling of speech
- A module to enhance lip synchronization from text or speech

They are being developed by one of the co-founding centers of the Universitat Ramon Llull, La Salle School of Engineering and Architecture. La Salle School of Engineering and Architecture has created an extensive knowledge base as a result of its educational activities (degree courses, masters and doctorates in engineering, architecture and management), research projects and activities in cooperation with the business world. La Salle Technology Transfer was set up over a decade ago with the aim of transferring to companies the knowledge generated at the university. This project is linked to the La Salle Business and Technological Innovation Park and enables the university to gain a clear, broad, first-hand overview of the business world.

3.7.2 *Activities*

The activities have been mainly focused on a scientific dissemination plan so far. URL has contributed to scientific dissemination through publications and active participation at conferences, workshops and reviewed journals.

An intensive communication plan to companies which could be sensitive to the research results is also foreseen.

3.8 Dublin Institute of Technology (DIT)

3.8.1 *Field of commercialization*

The Digital Media Centre, located within the Dublin Institute of Technology, has participated in many research and commercialisation ventures since its inception in 1992. Its work in SALERO focuses on linguistic analysis of human dialogue in order to inform the speech synthesis module of the SALERO colleagues in URL. The work is based on analysis of superior linguistic assets obtained in its Cognition, Speech and Audio Laboratory and, apart from their application to the multimedia entertainment industry targeted by SALERO. They also have a role to play in the area of language learning.

DIT is also home to the largest school of modern languages in Ireland and it is proposed to use the multi-disciplinary expertise in the Institute to produce a Speech Technology Platform for the language learning industry worldwide.

3.8.2 Activities

DIT has published and presented six papers on their work in SALERO to date.

In addition, presentations have been made to two commercial companies, one active in exploring the application of the outputs of DIT's research to the area of speaking books. The other company is a tier-1 international publishing house with whom DIT already has a commercial relationship. This company endorses DIT'S plans to develop a Speech Technology Platform (STP) using some of the tools developed within the SALERO framework. While this commercial partner currently caters for 20% of the world market in English as a Foreign Language, it is envisaged that the platform is extensible to cater for all spoken languages.

Based on DIT's work to date in the field of speech and language learning, the Irish state development agency, Enterprise Ireland, is encouraging the commercialisation of DIT's research and it is proposed to consider setting up a campus company to market the STP as it develops.

4 Conclusion

In this document the industrial and academic partners involved in SALERO explained their business models and target groups they address. It was shown how marketing activities fit in each partners overall strategies and regular activities. Because there will be no single media tool for demonstrating the SALERO results, the industrial partners will focus their commercialisation activities on the enhancement of their existing products.

The software tools developer and academic institutions will expect returns from appropriate license fees for the software modules. They will disseminate results to the research community in their normal ways, via institutional web sites, publications and presentations in journals and at conferences. In addition they will also use the results and the enhanced know-how for future R&D activities.

5 Glossary

5.1 Partner Acronyms

AM	Activa Multimedia, ES
BLITZ	Blitz Games, UK
DIT	Dublin Institute of Technology, IE
DTS	Digital Theatre Systems, UK
FBM-UPF	Fundació Universitat Pompeu Fabra, ES
GVG	Grass Valley Germany, DE
JRS	JOANNEUM RESEARCH Forschungsgesellschaft mbH, AT
LFUI	Leopold-Franzenzs Universtät Innsbruck, AT
MTG-UPF	Music Technology Group - Fundació Universitat Pompeu Fabra, ES
PGP	Pepper's Ghost Productions Ltd., UK
TAIK	Taideteollinen Korkeakoulu, FI
UG	University of Glasgow, UK
UPF	Universitat Pompeu Fabra, Music Technolgy Group, ES
URL	Universitat Ramon Llull, ES