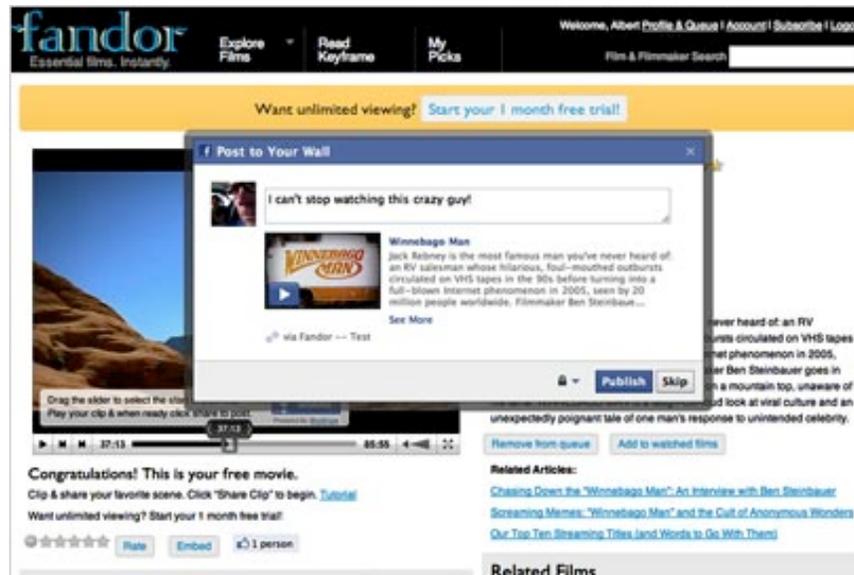


Fandor Launches Indie Movie Streaming Site, Ties in Facebook

By Laurie Sullivan

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Fandor plans to launch an online service today offering more than 2,500 licensed indie and international movies. The platform, which focuses on discovery, gives movie fans the ability to watch full-length features and share video clips on Facebook via BlipSnips and on Boxee.

Social media aims to help moviemakers market their work directly to consumers. Moviemakers or rights-holders are paid by an attention-based model, creating new opportunities to monetize movies outside mainstream Hollywood. The model connects independent moviemakers directly with the audience on social networks.

The film festival experience is part of what makes independent moviemaking successful, says Monty Kosma, Fandor COO. People talk to each other. In an industry that doesn't have big Hollywood marketing budgets, you must have an engine for word-of-mouth marketing," he says.

Challenges have plagued prior movie streaming and download services. Only in the past year has Facebook gained enough critical mass of people using the service to create a real word-of-mouth marketing engine for the film industry, Kosma says.

The cost of streaming has come down, too. "Netflix built its service for roughly \$30 million, and as a start-up, we have been able to build virtually the same delivery infrastructure for a tiny, tiny fraction of that," Kosma says.

Fandor cofounders Dan Aronson and Jonathan Marlow believe social media will bring marketing strategies to the forefront. Along with moviemaker Ted Hope, longtime Facebook social media guru Chris Kelly takes a seat on the company's board of directors.

As a filmmaker and independent film fan himself, Kelly's interests will tap into the social graph using technologies such as the BlipSnips social video tagging service to connect consumers with independent and international films.

Consumers can log in for free to discover movies, watch clips, snip favorite scenes and attach a note to share it with friends on Facebook. Each new person to log in with Facebook gets one free movie to watch and share. Registered users may also browse and post reviews, ratings and recommendations.

Paying one monthly fee, subscribers can try new genres, categories and formats. Consumers can sign up for a free month-long trial or subscribe right away for \$10 per month.

Online, Fandor isn't the only company to support indie moviemakers. Google's YouTube in January 2010 made a foray into the indie movie biz by testing the service with some of the films shown at the Sundance Film Festival. The movies were available as a stream -- not download -- through Jan. 31, via Google Checkout. At the time, the video site said it would make a small collection of rental videos from other U.S. partners in health and education available.

Fandor's social strategy will compete with Warner Bros. Digital Distribution. On Tuesday WBDD began selling and renting select movies in the United States through Warner Bros. Entertainment's Facebook movie pages. Consumers can use Facebook Credits to buy or rent a title without leaving Facebook.

Fans who "Liked" Christopher Nolan's film "The Dark Knight" will have an option to rent the title through its official Facebook page. Clicking on the "rent" icon to apply Facebook Credits gets a view within seconds. Warner Bros. will charge 30 Facebook Credits or \$3 to rent. Additional titles will become available for rental and purchase during the coming months.

Downloading or streaming digital movies online has been around for years. Intel invested in actor Morgan Freeman's digital movie site ClickStar in 2005. The site focused on theatrical releases such as "Lonely Hearts" shortly after its debut, but by 2008, Freeman lost support and shuttered the site.

Some claimed that ClickStar, one of the first to offer high-definition full-length movies, launched long before technology could support large-file downloads and consumers developed a willingness to wait for broadband speeds to catch up. The site did have editorial content, but no social marketing strategy.