

# Identifying and monetising your digital assets and IP

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# Show me the money

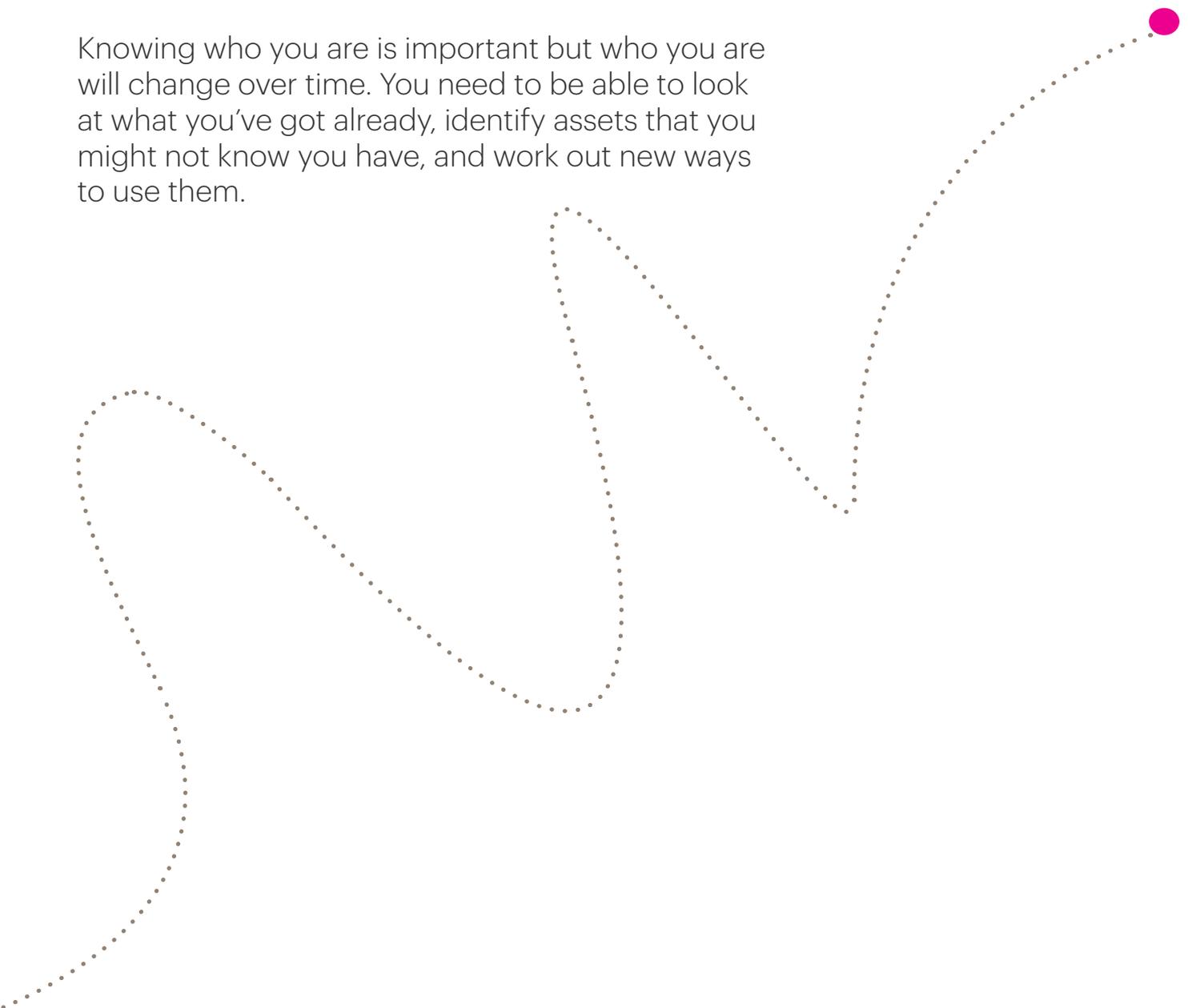
## Why bother?

25 years ago museums and performing arts organisations received 90% of their funding from the government. Nobody needed to look elsewhere.

That has all changed. Not only are publicly funded organisations subject to year on year cuts but there is now a requirement from the Arts Council for all fundees to have a “digital strategy”. Regardless of your artform, you need to have a digital strategy to get public funding and you need to demonstrate that you are thinking about how to connect with audiences in new and different ways.

Today’s organisations need to be entrepreneurial, innovative and able to make connections and partnerships across different media and markets.

Knowing who you are is important but who you are will change over time. You need to be able to look at what you’ve got already, identify assets that you might not know you have, and work out new ways to use them.



## Case study #1

### Met Opera — Innovation

In 2006 the Met Opera hired a new General Manager, Peter Gelb, who came from Sony Classical Records. Peter Gelb capitalised on new digital media to broadcast the Met to a wider audience globally.

The Met was the first to film its operas in high definition and broadcast into cinemas. It created a whole new audience for multiplex cinemas. The broadcasts were then offered through PBS and TV and made available on DVD.

Peter Gelb also developed a partnership with SiriusXM, which launched Metropolitan Opera Radio. They broadcast live performances each week as well as archive performances.

In 2006 when he started, you could not get opera on TV. Nobody wanted to commission or pay or even take this content for free. Peter knew there was an audience out there for opera content and so by creating his own digital channels he found them.

#### Key takeaways

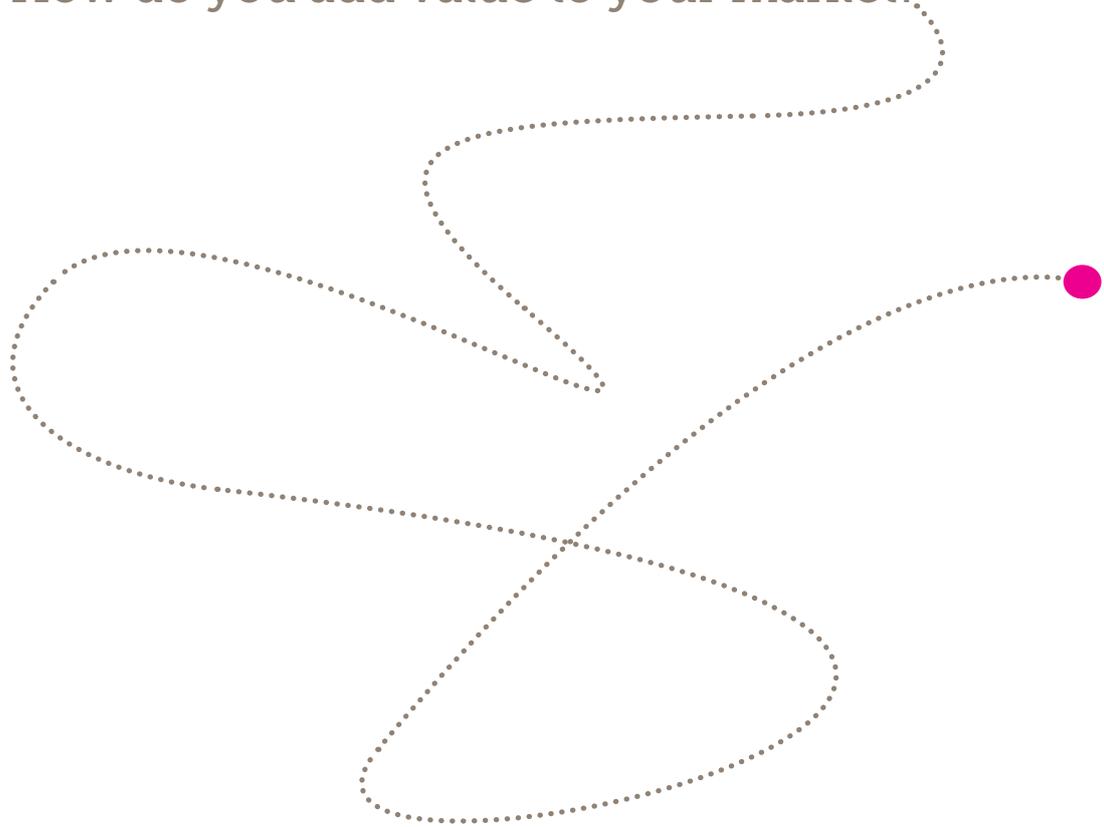
- **Innovation** — nobody had done this before in quite this way.
- **Partnerships** — Peter Gelb reached out to various partners that hadn't connected with The Met before, including cinemas, different radio, and big screens in public spaces.
- **Collaboration** — collaboration plays a big part in monetising assets; it enables you to see your organisation through the eyes of another and it's interesting and helpful to see how you are viewed.

# Think about it...

What have you got that is unique?

What is your organisation good at?

How do you add value to your market?



# Identifying your assets

## What are your assets and how can you monetise them?

An asset is something that adds value to your organisation. It might be staff, buildings, machinery or equipment, or a digital asset like film or audio.

This guide focuses on digital assets but don't ignore your other assets as you think through the questions in this guide. Instead, think about how you could use digital to monetise those assets further.

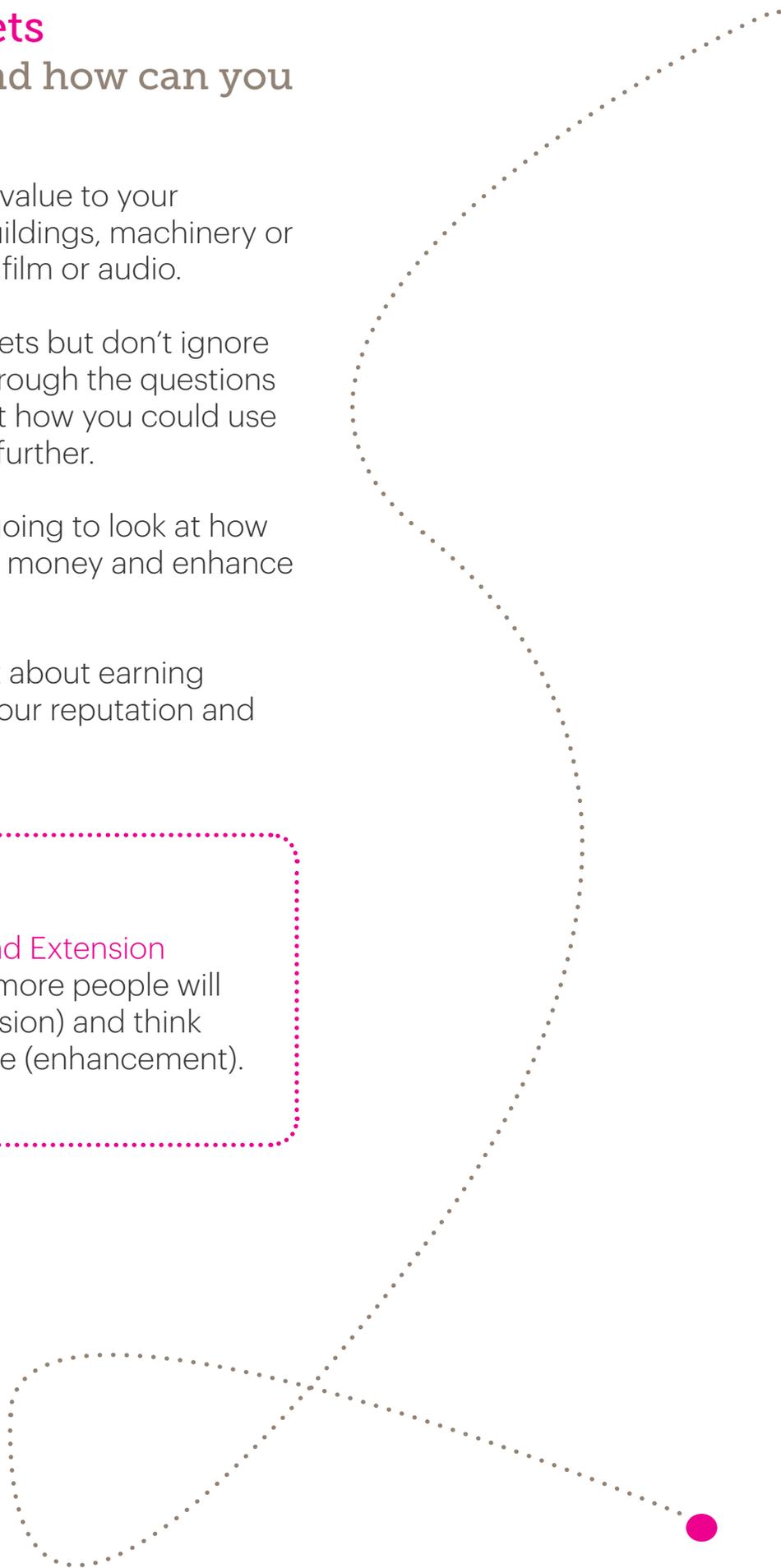
Over the next few pages, we're going to look at how you can use your assets to make money and enhance and extend your brand equity.

Monetising your assets isn't just about earning money now; it's about building your reputation and brand in the long-term.

### Useful term

#### Brand Equity Enhancement and Extension

You can't measure it now but more people will be aware of your brand (extension) and think better of it than they did before (enhancement).



## Case study #2

### Donmar Warehouse - Collaboration

The Donmar Warehouse worked with the York St John University Project and Clean Break, a women's theatre company.

Clean Break was set up in 1979 by two women prisoners to tell hidden stories of women in prison to a wider audience. They run high quality theatre-based courses which are critical for the rehabilitation of women with experience of the criminal justice system.

Donmar Warehouse brought in director Phyllida Lloyd (Mama Mia, The Iron Lady) to direct three Shakespeare history plays with the Clean Break students in 2016. The key roles were performed by Harriet Walter and Jackie Clune and the rest of the cast was drawn from the Clean Break programme.

The plays got astounding reviews and were getting attention so the producers acted quickly. They had support from The Space (digital arts commissioners) who were interested as part of their "capture" strand. I was brought in to research digital distribution. A cinema distributor Trafalgar Releasing came in to take on some of the risk, enabling us to live stream the plays into 55 cinemas.

3,200 people attended the screenings, each paying £10 per ticket, resulting in £32,000 UK Box Office Gross. That's 3,200 people that wouldn't have watched otherwise.

As well as the quantitative results, you also have the qualitative results. The film has a longer lifespan and can be seen across different platforms going forwards. That will generate awareness and goodwill towards the brand in the long-term.

#### Key takeaways

- **Collaboration** — Working with York St John University Project and Clean Break enabled Donmar Warehouse to create something unique and powerful.
- **Build on success** — The plays were already a success but they used digital and partnered with experts in that field to build on that success, reach new audiences and generate revenue.

## Case study #3

### Matthew Bourne's Swan Lake in 3D - Adding Value

The company I set up, More2Screen, was the cinema distributor that put Matthew Bourne's Swan Lake in 3D into cinemas worldwide. I had known producer Fiona Morris for some years. She is an experienced cultural producer and has a good relationship with Matthew Bourne. She was also in close dialogue with commissioners at Sky, which was then investing heavily in 3D content programming.

Sky wanted 3D content but it's a tricky format to film in and not many projects naturally lend themselves to 3D. Dance does and Wim Wenders' Pina Bausch film, which was available in 3D in 2011, helped show cinemas and commissioners what the form can do.

We had a group of creative people each with their own assets:

- **Sky** is a huge broadcaster with money and wants to create 3D content to bring new audiences to their subscription channel.
- **Matthew Bourne** has existing well-reviewed ballets, which have already been captured in standard definition on DVD.
- **Producer Fiona Morris** has expertise, experience and a network of useful contacts.

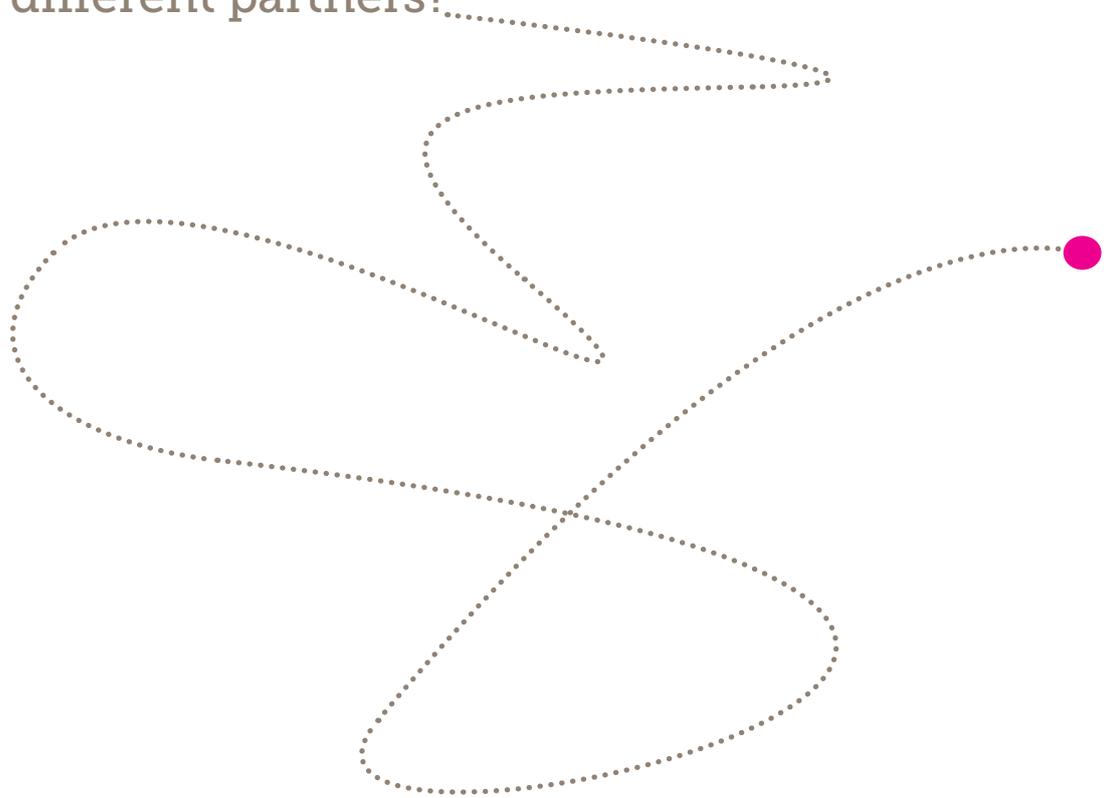
Swan Lake was due a high definition film but nobody would pay for it because TV arts commissioning budgets had been drastically cut. Sky was paying significant sums for quality 3D content so Fiona approached them about Swan Lake in 3D. They offered to cover the majority of the budget in return for the world exclusive and UK TV transmission. Matthew Bourne said yes, enabling Fiona to monetise their collective assets. The remainder of the budget came from cinema rights, a release on NVC Arts and an [HMRC Cultural Tax Break](#).

#### Key takeaways

- **Know the marketplace** — look at upcoming trends and where money is being spent. How does that fit with what you want to achieve and how can you add value to the marketplace?
- **Collective assets** — think about who you could team up with in order to monetise your collective assets.

# Think about it...

How might you create some assets in collaboration with at least three different partners?



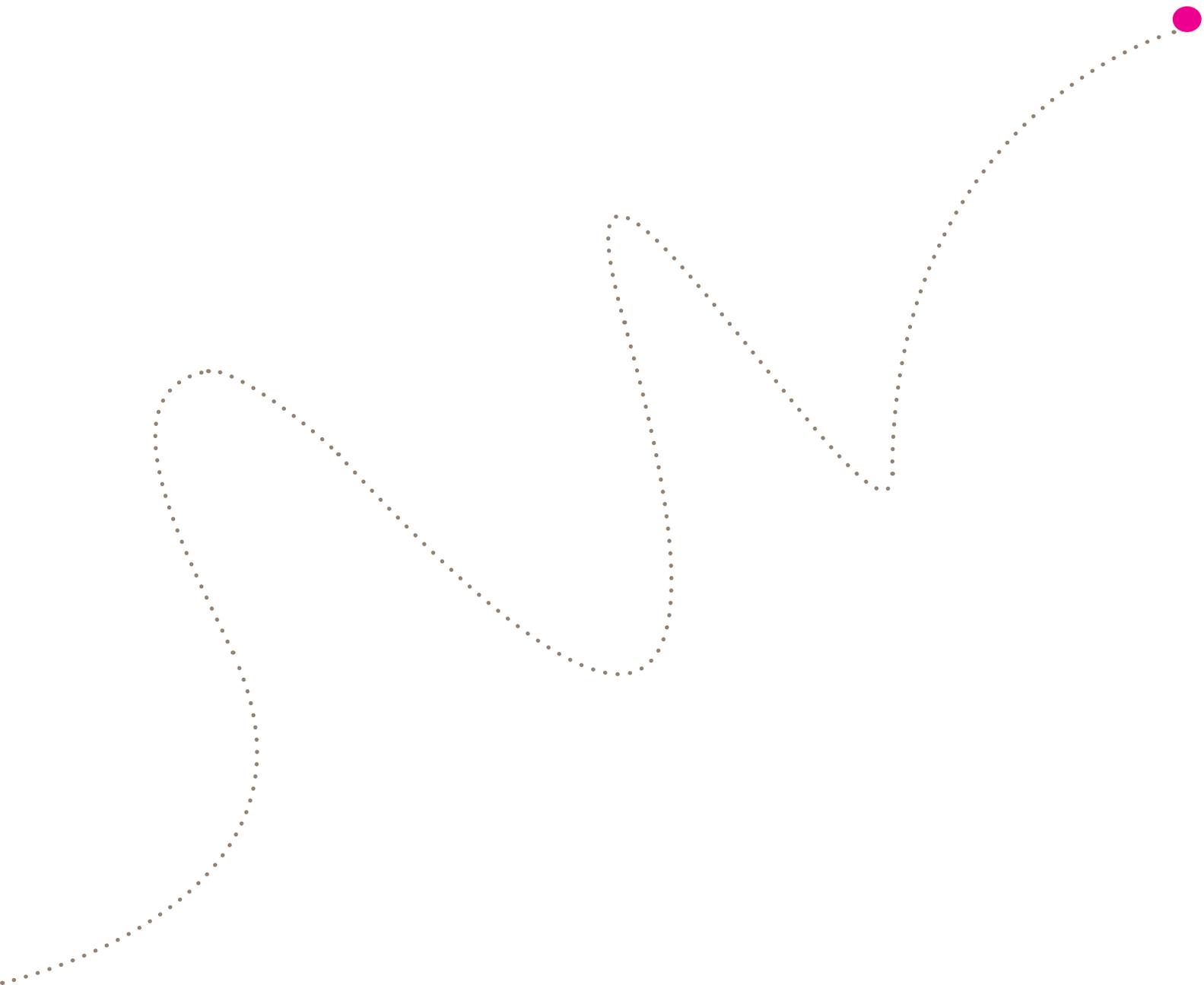
# Creating digital assets

## What's the cost?

The cost of creating a digital asset varies tremendously. At one end of the spectrum they can cost nothing; at the other, if you are Adele or Ed Sheeran, they can cost millions.

If you have a smart phone or an HD camera you can make a useable digital asset and all it will cost is your time.

There are Youtube channels that earn tens of thousands of pounds in advertising revenue by creating digital content — usually for free — that lots of people watch.



## Case study #4

### Hugh Johnson — Low to no cost

Hugh Johnson, a 20-year-old student at Durham University, has been making films and putting them on Youtube since 2010. His first film was of his brothers playing Nerfgun wars. That film has been seen by over a million people.

He now has his own channel called [TheFilmEssay](#), which has over 3,000 subscribers. Having watched one of the films, they're not particularly high quality film content — in fact they're very low tech — almost powerpoint style but Hugh has a strong authorial voice and definite opinions which he shares convincingly.

What Hugh did was identify his interest; initially it was filming his brothers but actually it was film in general. He extended his interest and most importantly kept making digital content. He tells me he earns "a few thousand dollars a year" from his Youtube channels.

#### Key takeaways

- **Cost doesn't have to be a barrier** — Hugh Johnson didn't have specialist equipment or a big filming budget but he is still generating advertising revenue.
- **Identify your interest** — think about your interests and your brand and develop a strong authorial voice.
- **Keep making content** — it will take time to build a following and attract advertisers.

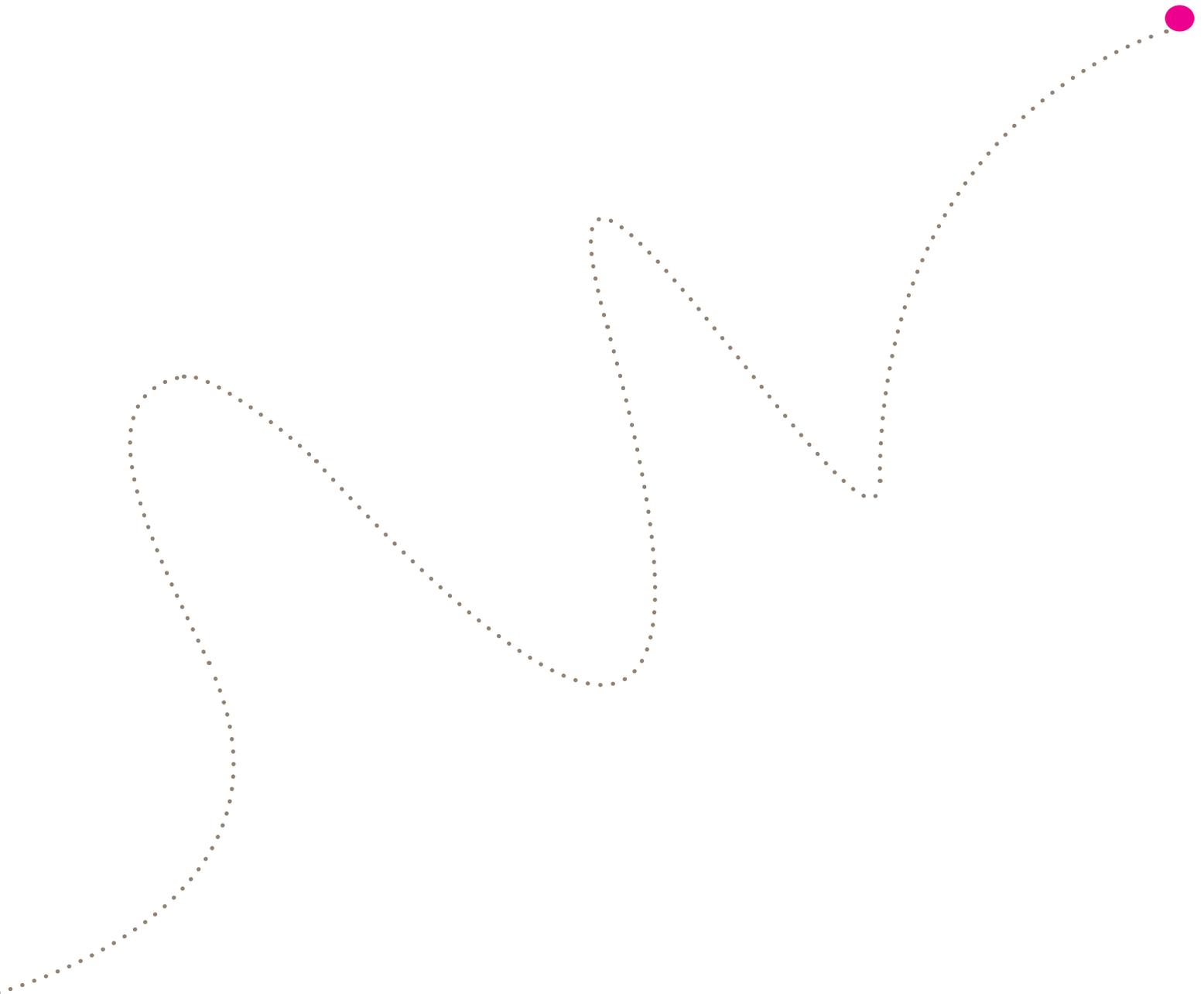
# Maximising digital assets

## Your release strategy

It's important to understand how the audio-visual industry works in order to maximise your digital assets. While the digital world is rich in innovation, it can also be very traditional in the way that it operates.

Usually cinema requires the first release. With that in mind, it's useful to have an overall release strategy in place. Think about whether your digital asset could go to cinema and check restrictions on other platforms before releasing anything.

I say usually because there are other routes to achieving cinema screenings, such as approaching independent cinemas or offering an enhanced experience as we did in the next example.



## Case study #5

### Suede — “Sweating your equity”

I worked with the band Suede on the UK release strategy of a 48-minute film. The film was written and funded by the band and their album provided the soundtrack to it both on tour and on the album. It was a beautifully shot drama but because the album had already been released we had missed the exclusive cinema window.

We all knew that the band was the real asset and people wanted to see them up close and talk to them about their creative work. I put together a film festival strategy for them around the release of the album when they were doing promotion across Europe. Film festivals showed the film but paid for the band’s travel and hotels.

Once the European promotion was done, Suede’s management still wanted a low risk way to keep band presence across the UK. Between us, we devised a UK release strategy using our assets which were:

- Existing film — ideal for cinemas
- Band presence — they were willing to do Q&As

We went to six independent cinemas in Manchester, Bristol, Glasgow, Sheffield, Birmingham and Cardiff. Average admissions were 150 per venue — several were sold out like Manchester and Bristol. We had agreed a Box Office split of 50-50 with the cinema paying travel.

They made £3,000, which covered their costs and more importantly generated a lot of goodwill and publicity long after the album release. They also claimed the 25% HMRC tax rebate.

#### Key takeaway

- Identify the real asset — we had a digital asset but the real asset was the band. Their involvement lowered the risk of the film screenings because we knew their fans would want to meet them.
- Think long-term — they could have released the film on the album and left it there. Developing a wider release strategy was a low risk way of maintaining band presence.

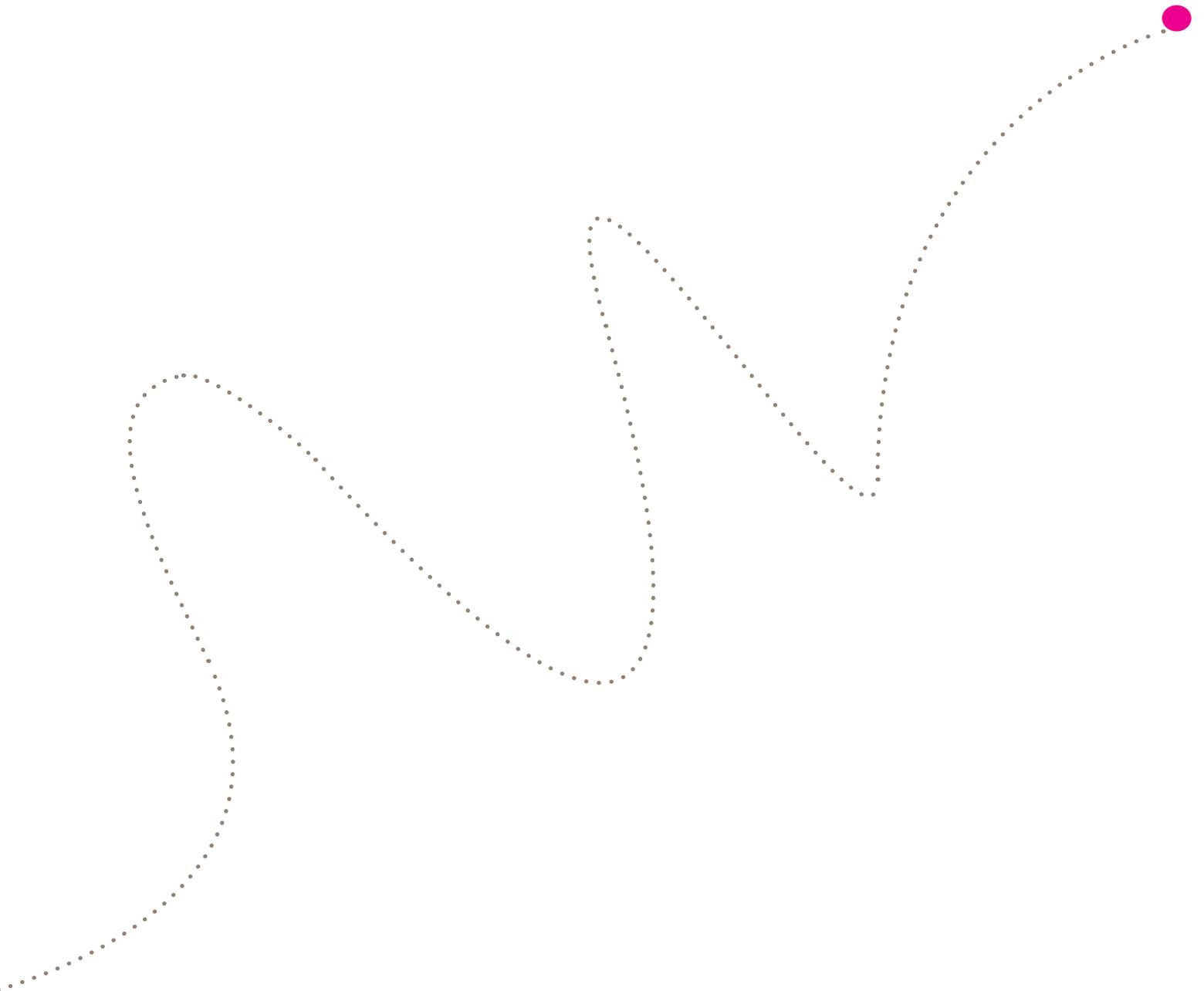
# Innovating

## Standing out in a competitive marketplace

Understanding how and why what you're doing is unique will help you identify potential funding and monetise your assets.

Look at who your likely competitors are and compare what they're already doing with your idea. Is it different and if so what is it about your idea that makes it unique?

The following case study is a brilliant example of how a creative team used their assets (their imagination, their skills and experience) to monetise their assets.



## Case study #6

### Boy in the Book — innovation, persistence and competitive landscape

This is a project I am working on with The Space, the digital arts commissioner here in the UK.

Nathan, the writer from a creative team, had bought second hand books in the Choose Your Own Adventure series and had discovered annotated notes from a young boy in the books. It soon transpired that this young boy, Terence, suffered severely from depression. The team developed an interactive film format from which they created a live show for the Edinburgh Festival.

The film shows the journey that the team took to discover what happened to Terence and uniquely gave the live audience the choice as to what to do in that journey. For example, Nathan describes how he becomes involved in Terence's story and asks the audience whether he should talk to the girlfriend or consult experts. The audience then votes on which pathway to take.

The live show toured well, won accolades and appeared at Tribeca Film Festival. Nathan wrote a book about the project and sold 8,000 copies. They received a grant from This Way Up Festival for Innovation in Film and were commissioned by The Space. They've also developed a partnership with The Mix — the UK's largest charity for 16-24-year-olds.

People engage with this project because it's extremely moving. Unlike interactive stories like video games, which are very shoot-em up action based, this story is profound and universal; everyone remembers what it is like being a child.

#### Key takeaway

- **Be unique and innovative** — if something is unique enough and innovative enough it will attract attention.

# Competitive landscape matrix

## Identifying how you stand out

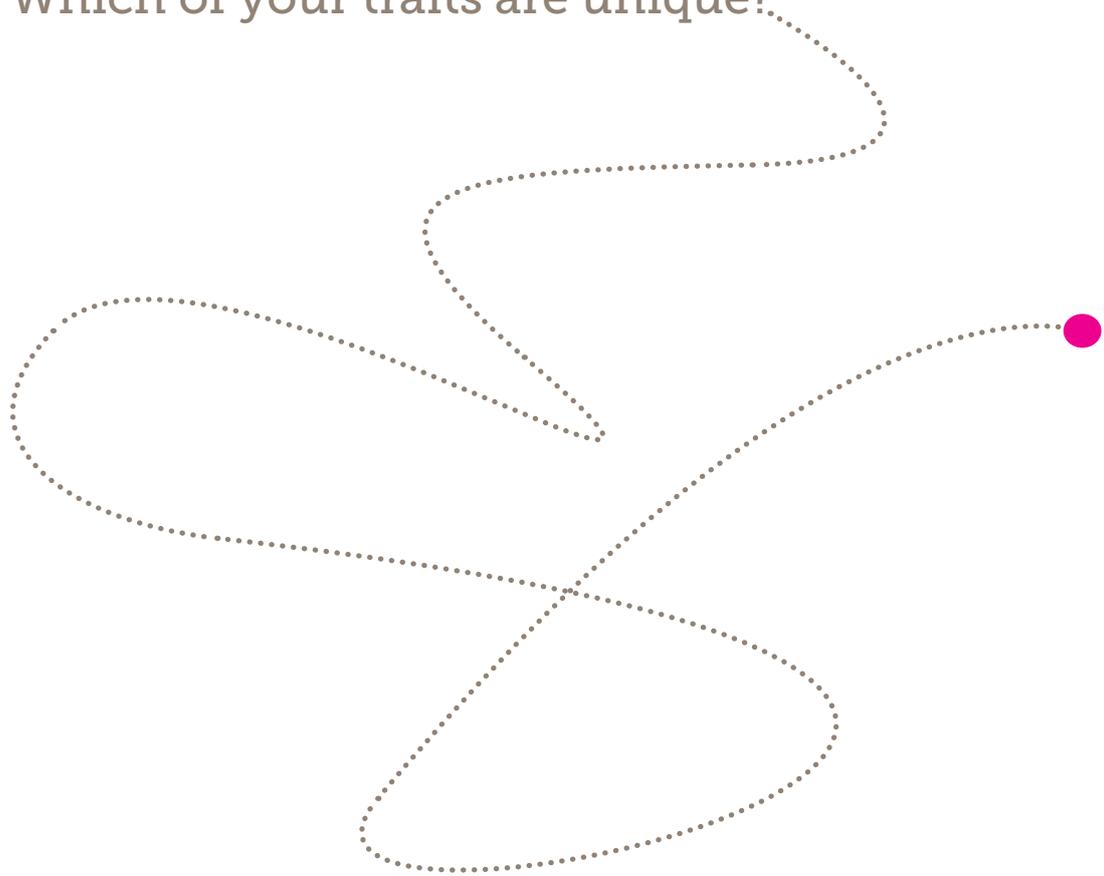
If the Boy in the Book team were to have used the competitive landscape matrix, it might have looked something like this:

<b>Competitive Analysis Matrix</b>						
	Trait 1: Interactivity	Trait 2: Suspenseful storytelling	Trait 3: Film	Trait 4: Live theatre	Trait 5: Book	Trait 6: Existing brand in Choose Your Own Adventure Books
Competitor 1: Video game companies	✓					
Competitor 2: Thriller		✓	✓			
Competitor 3: Film production companies/ documentaries		✓	✓			
Competitor 4: Live theatre production companies	✓	✓		✓		
New organisation: Boy in the Book team	✓	✓	✓	✓	✓	✓

# Think about it...

Who are your likely competitors?

Which of your traits are unique?

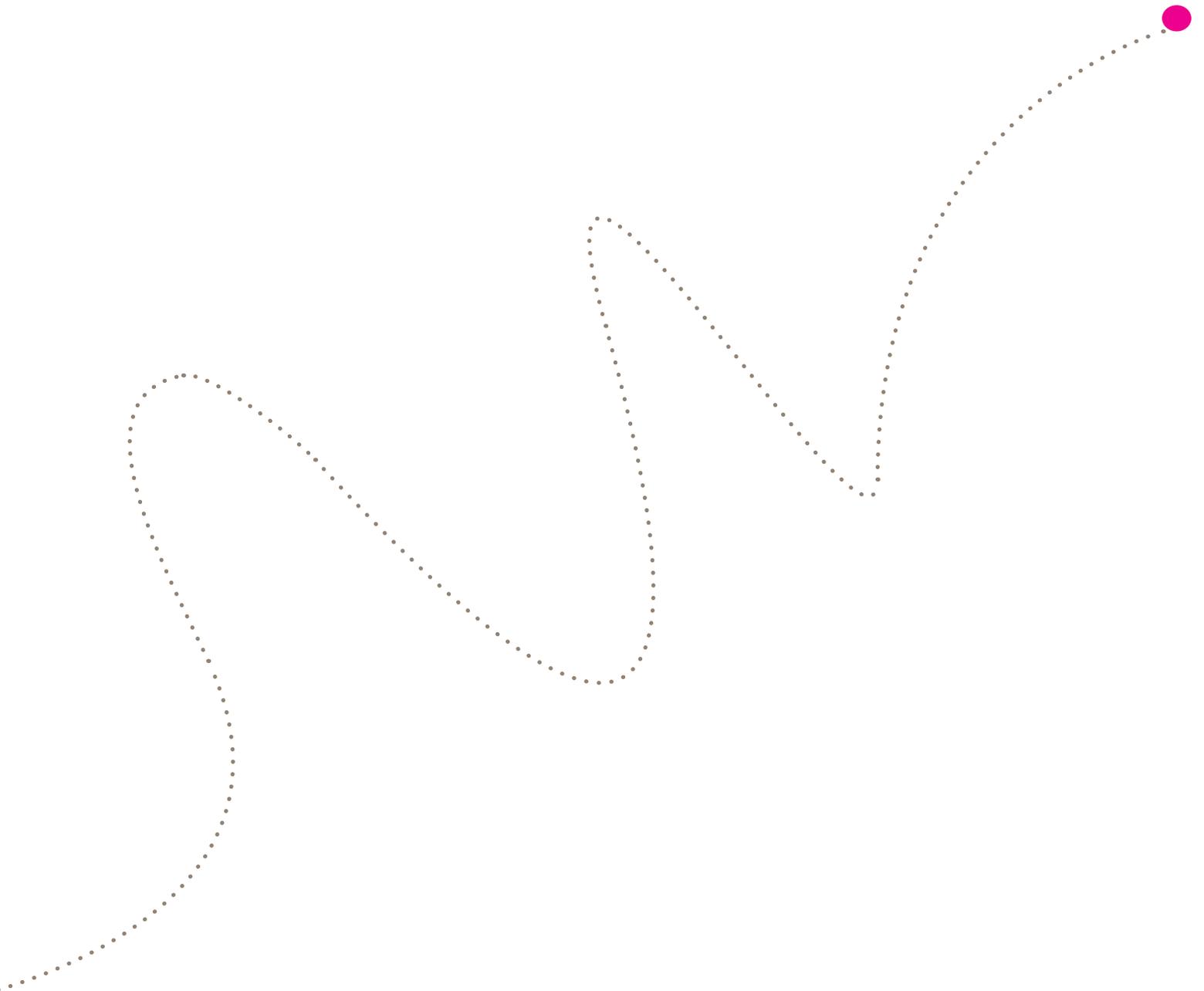


# Making it happen

## Potential partners and funders

The likelihood is that you will need a range of partners and funders to help you get your idea off the ground.

The final section of this guide provides a list of people or organisations to talk to. Use it to begin conversations or to scope out ideas.



# Digital assets

## Who to talk to

Here's a simple guide of who you can talk to about any digital assets you have. These categories are increasingly blended as the way people access content changes — Netflix for example is shifting from Online to Home Entertainment as people now access it through their TV sets.

<b>Cinema</b>	<b>Online</b>	<b>Home Entertainment</b>
Cinemas (Local independents, Odeon, Vue, Nat Amusements)	Facebook	TV Channels
Distributors UK (Trafalgar, CinemaLive, More2Screen)	Youtube	Seventh Art Productions
OurScreen	Google	Opus Arte
TUGG (US)	Vimeo	Warner Arts Music division (NVC)
Event Cinema Association	Netflix	TV sales agents Isabelle Fauchet and Hazel Wright
	Hulu	
	Amazon	
	Digital Theatre	
	Twitter	
	Guardian	
	Mobile phone operators	

# Digital assets

## Other funders

If you are creating any kind of digital asset you can think about these categories and funders and how to create digital assets and monetise them.

Trusts & Foundations	Education & Training	Business & Local
Arts Council England	Department of Business Innovation and Skills	Local Authority
Esmee Fairbairn	Directory of Social Change	Local businesses
Peter Haan	The Prince's Trust	Peer-to-peer lending
Baring Foundation	National Lottery	Crowdfunding
Clore Duffield	Tech companies	Loans (Creative United)
Foyle Foundation	Universities	Local High Networth Individuals
Paul Hamlyn	Colleges	HMRC*
The Space		Local tech companies

\*HMRC offers cultural tax breaks to creative and cultural industries, usually when making a film or audio-visual content. These include [seven corporation tax reliefs](#) relating to film, animation, high-end TV, Children's TV, Video Games Tax Relief, Orchestra Tax Relief, Theatre Tax Relief.

To qualify you need to have a "significant" theatrical release, apply for a certificate from the British Film Institute, and pass a minimum of 16 of the 32 cultural tests and they will give you a minimum of 10% of the producing costs relating to the UK.

# Think about it...

Do your assets already exist digitally or do you have to create them?

Do you have a unique idea?

Can you create a digital asset from this idea?

Are there any collaborators who will add value to the asset?

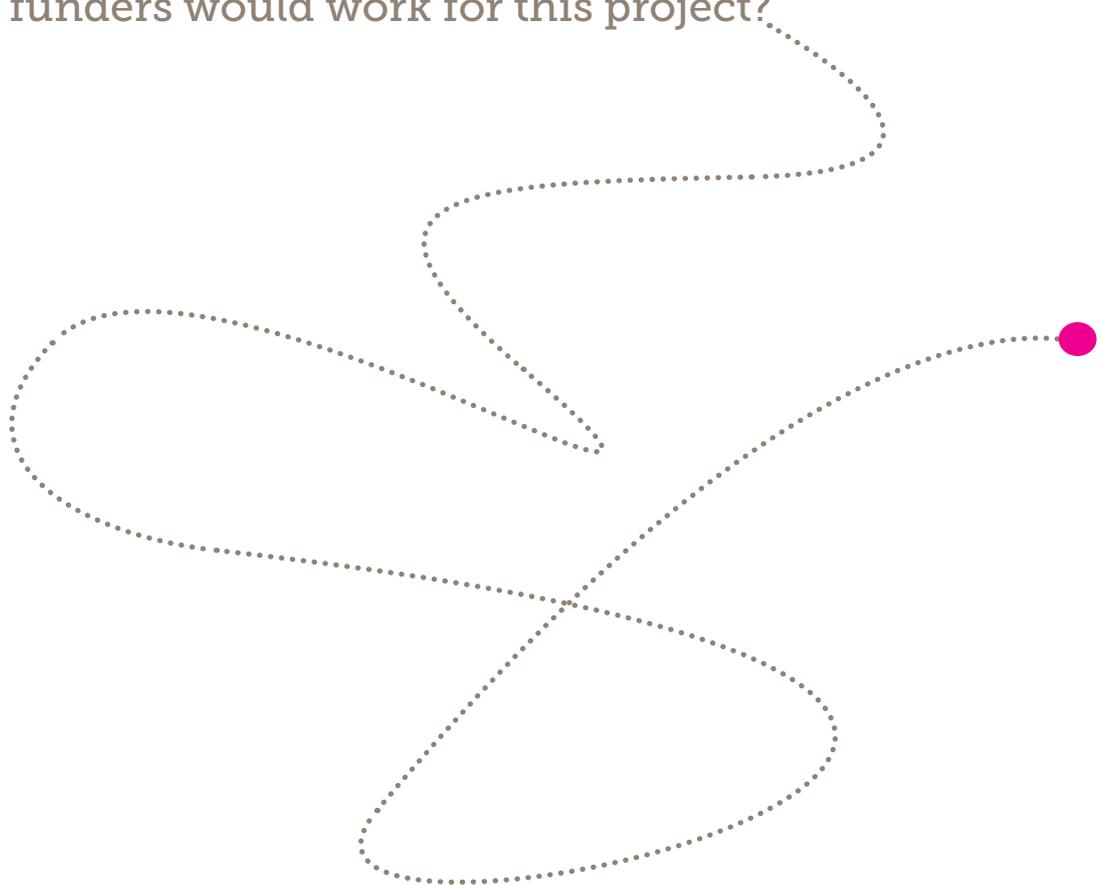
Have you looked at the competitive landscape?

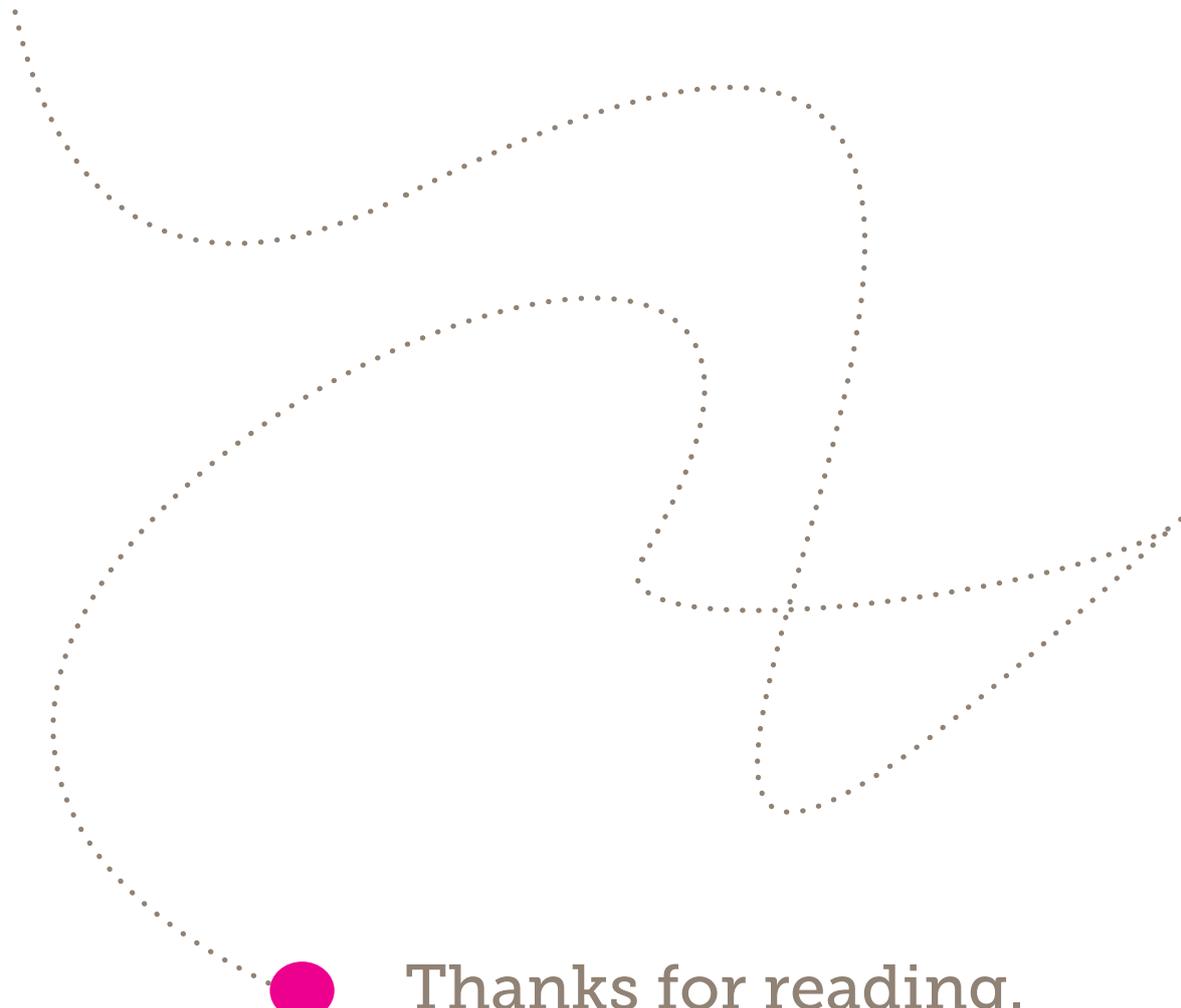
How much will your digital asset cost?

Do any assets qualify for HMRC Tax Relief?

What distribution platforms have you considered?

What funders would work for this project?





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