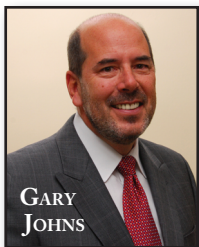
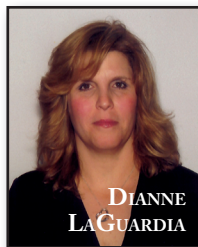


# Full-Service INNOVATOR

## From 4K to Content, Sony Electronics Has Exhibitors Covered



GARY  
JOHNS



DIANNE  
LA GUARDIA

by Andreas Fuchs

**T**o be perfectly honest with you, it's busy," says Gary Johns, senior VP of Sony Electronics' Digital Cinema Solutions group, about the current deployment status of over 4,000 4K systems worldwide. The nicely matched-up numbers are indeed a milestone worth celebrating at ShowEast. "Here in the U.S. alone, we are doing over 350 installations a month now," Johns continues. "Actually, our schedule will take us over 400 per month within the next few months."

Currently, "we have 11 U.S. customers signed up for Sony's VPF program, representing 1,062 screens," details senior marketing manager Dianne LaGuardia, "and another 50 or so with 23 exhibitors directly." It is a well-known fact that the largest partners, "thus far representing 2 600 locations," are Regal Cinemas and AMC Theatres. But Sony is also working with many other national and regional chains, including Hollywood, Muvico and Landmark theatres, as well as individual players like Alamo Drafthouse, Cinemagic, Camera Cinemas, Lincoln Square Cinemas and the legendary Prytania in New Orleans to implement 4K projection technology and other Sony solutions. (For a full list of 4K locations worldwide, go to <http://bit.ly/fji1110sonyb>.)

Globally, "the market doesn't have much of a consistency yet," LaGuardia explains. "There are many deals and lots of deployments happening, of course. We have been doing it for a while longer in the U.S. Other countries have been deploying as well, just not as consistently yet." Based on the information she has seen from the other countries, "by end of December, worldwide screens will be closer to 6,000. Woo-hoo!" she exclaims.

Given deployment and demand, does Sony

experience any kind of backlog when it comes to production and delivery? After all, it took a while to get 4K technology going. "The issue for us wasn't that it took us a while," Johns corrects, "we needed the commitment to ramp up first. Once we had that commitment, we already had the plans in place and were actually able to ramp up pretty quickly. We use solid production techniques, so that can increase with the number of sales. We are nowhere near our production capacity at this point."

Early on, however, "everybody was saying, 'There is no way Sony can do this level of production.' The fact is that Sony is a premier manufacturer of electronic equipment. For over 50 years, we've been making millions and millions of items. So we have a pretty good handle on how to manage production and production capacity." (For more information, see Bill Mead's special on-site report about Sony's manufacturing facilities on the preceding pages.)

Speaking of those capabilities, Sony's d-cinema business is not just about projectors, but includes all the components necessary, which Johns says make up an "integrated system" of Sony projectors, media block, server and software. "Clients like it a lot to have a one-stop shop. If they need to talk about any of the equipment elements, they only have one call to make... One of the key methods of our system is that it was designed to work together. We are not just a projector manufacturer or just a server manufacturer. We make both and designed them to work together. This said, we are open and are, in fact, doing some things with Doremi right now."

For Johns, it is all about "really looking to provide a full range of services to theatres." In addition to the d-cinema systems, "we also offer LED panel signage of varied sizes, be it for box office, lobby or concessions. Sony doesn't just sell but also offers a full range of services with the products. We can install them, monitor them through our network operating center, make repairs if necessary. Again, it's a turnkey approach to digital signage, or we can offer only the parts. For example, AMC and Regal buy the bulk of their signage from us. If you walk into most of their theatres, you will see Sony displays."

Sony Digital Cinema also offers solutions for what to put on display. Content is very much a growing part of the "digital hub" that Sony is creating for cinemas, Johns assures. "We want to be able to provide to the industry a wide range of products and services. Content is one of those. We have done successful testing so far with gaming on the big screen and concerts that were recorded near-live to understand what the market looks like and how to go about it. We are now formulat-

ing our plan how to go forward with content that also includes talking to people about opera and sports as well."

Whereas "The Hot Ticket" is a part of Sony Pictures Releasing ([www.thehotticket.net](http://www.thehotticket.net)) and "obviously a great concept," the d-cinema group's activities come under Sony Electronics. "Our group works closely with Sony Pictures as well as Sony Music and our Gaming division to make sure that we are consistent in our approach," Johns insists. "We are separate business units but are all talking about what might sense for us to collaborate on."

Similarly, the hardware component of Sony Electronics provides further point of contact. "The production and post-production group provides everything from high-end cameras and 3D systems to complete trucks for production companies. So we have a lot of exposure to everything from origination to display on the screen, and ultimately on out to the consumer." Sony's content business is "definitely part of the plan and, from the d-cinema perspective, we want to offer to the exhibitors a wide range of content that generates additional revenue streams for them and for us. We are working on it right now."

What else is on the horizon? 5K, 6K, or something brand-new? "I don't know if I could take too much more," Johns laughs. "No, seriously. At Sony, we've always got product in development. We have new technology that we are working on every day to constantly improve upon our offerings. We are looking at ways, for instance, that will reduce overall cost of operation in the theatre and increase any one of the parameters that exhibitors care about, including ease of operation and brightness." Though, "frankly, I don't know what else we've got left to improve upon."

On the subject of new technology, Johns graciously agrees to comment on the latest laser projection initiative by The Eastman Kodak Company. "Everybody is looking at laser as one of the potential technologies to increase brightness and reduce operating cost. Sony certainly is." Not having seen the Kodak demonstration, he would not comment on the presentation per se, "but I'm not surprised to see that Kodak or anybody else is working on laser projection. We know who all the different groups are and certainly try to keep up with what's going on." To put the development in perspective, "Sony's been in the laser business for many years," he confirms. "This past March, Sony Corp. announced our own laser modules to be used for driving digital projection. We use laser in so many ways throughout the corporation. One of the great things with that is that we get to share technology among groups."