INTELLECTUAL PROPERTY AND FILM ANIMATION

Animation business is one of the most popular and fast-growing creative industries

I. Creative process: Generating IP

Identify IP assets and file application for those that need to be registered

COPYRIGHT PROTECTION

- COMPLETE DOCUMENTATION OF THE COLLECTION OF ASSIGNMENTS
- NO FORMALITIES WHERE POSSIBLE, REGISTER COPYRIGHT
- EMPLOYEES: EMPLOYER, UNLESS OTHERWISE PROVIDED BY CONTRACT ENTITLED TO EXERCISE THE ECONOMIC RIGHTS
- DERIVATIVE WORKS PERMISSION FROM THE ORIGINAL IP HOLDER NEEDED

TRADEMARK PROTECTION

- REGISTER YOUR TRADEMARK TO EXCLUDE OTHERS FROM USING AN IDENTICAL WORD OR LOGO
- FILE AN APPLICATION BEFORE THE LOCAL OR REGIONAL OFFICE WHERE YOU INTEND
- CONDUCT A SEARCH OF AVAILABILITY OF THE SIGN AND LOGO YOU WANT TO USE AS YOUR TRADEMARK
- APPLY TO WIPO TO REGISTER THE TM CURRENTLY IN 130 COUNTRIES/TERRITORIES (AKA MADRID SYSTEM)
- REGISTER AS DOMAIN NAMES (DN) ALL ITS TRADEMARKS

PATENT PROTECTION

- CONSIDER PATENT PROTECTION WHERE RELEVANT

TRADE SECRETS POLICY

- MAKE YOUR PARTNERS SIGN A NON-DISCLOSURE AGREEMENT (NDA) TO PROTECT ALL SENSITIVE INFORMATION
- INCLUDE RESTRICTIVE COVENANTS FOR EMPLOYEES, SUPPLIERS, SUBCONTRACTORS ETC.
- DISCLOSURES SHOULD BE KEPT TO AN ABSOLUTE MINIMUM

II. IP protection

FOSTER YOUR IP BUSINESS STRATEGY

- THEATRICAL DISTRIBUTION
- TERRITORIAL DISTRIBUTION
- BROADCAST TV DISTRIBUTION
- VIDEO-ON-DEMAND

Most territorial distributors and sales agents will probably require that the licensor give them rights to all delivery technologies "currently in use or developed at any point in the future".

PRINCIPAL REVENUE MODELS FOR STREAMING DISTRIBUTION

- **TRANSACTIONAL OR TVOD**
  Payment for a specific work either for a limited time or in perpetuity
- **SUBSCRIPTION STREAMING OR SVOD**
  Flat monthly fee is paid for unlimited viewing of a library of material
- **AD-SUPPORTED STREAMING OR AVOD**
  The viewer must watch ads as "payment" for watching the program

- EXCLUSIVITY
- ISSUES TO ADDRESS IN TERMS OF NEW MEDIA & INTERNET DISTRIBUTION
- GEO-FILTERING
- DIGITAL RIGHTS MANAGEMENT

FINANCIAL SUPPORT FOR THE ANIMATION INDUSTRY

Legislation in many countries promotes film animation activities through direct subsidies, tax incentives, or other means.

III. IP commercialization - The business of Animation

Creators and animation studios can license their IPs to other parties for various purposes, such as merchandise, video games, or theme park attractions.

ANIMATION BUDGETING

Budget must bear some relation to the potential revenues that will be generated

BASIC FINANCIAL STRUCTURES

- SUBSIDY FINANCE MODEL
- PRESALE MODEL
- PURE EQUITY MODEL

Consider specific benefits that a co-production may ensure

- CO-PRODUCTION
  - TREATY
  - NON-TREATY

DISTRIBUTION AGREEMENTS

- MAJOR STUDIO DEALS
- SINGLE GLOBAL DISTRIBUTION DEAL
- SPLIT RIGHT DEALS

THE DISTRIBUTION AGREEMENT

Before entering the agreement, **sign a memorandum of understanding (MoU) or a letter of intent (LoI) aiming to write down the intentions of both sides and the general terms of the agreement.**

- TYPES OF DISTRIBUTION AGREEMENTS
  - TERRITORIAL DISTRIBUTION AGREEMENTS
  - SALES AGENCY AGREEMENTS

COLLECTIVE MANAGEMENT

Collective Management Organizations (CMOs) administer the collection of distribution revenues and secondary rights monies (blank media levies, retransmission, music use and certain public performances, among other purposes).

IV. IP Monitoring and Enforcement

Monitoring IP rights enables a fashion business to reduce the costs for defending their IP assets.

ENFORCE YOUR RIGHTS AND WITH THE ASSISTANCE OF A LAWYER TAKE SOME ACTION BY USING ENFORCEMENT PROCEDURES

- CIVIL REMEDIES
- CRIMINAL SANCTIONS
  - BORDER MEASURES