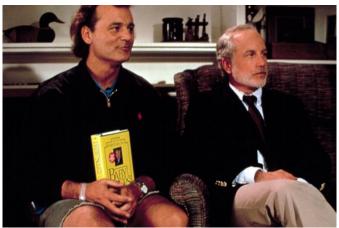
In **"What About Bob?"** a smug Richard Dreyfuss tells a phobia-ridden Bill Murray to always take "baby steps." The Video-on-Demand (VOD) industry follows that same strategy in Europe... with most steps taking place in the UK.



Now the UK gets a new a new VOD platform-- Curzon on Demand, offering day-and-date digital distribution of major independent releases.

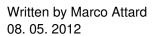
The success of Curzon on Demand (or lack of it) might help progress for VOD feature films in W. Europe, a market worth \$900m in 2011 according to IHS Screen Digest. In contrast the 2011 N. American market totals \$1.8 billion.

A major obstacle for VOD in Europe is exhibitors, who still hold great power-- France even has a law blocking a day-and-date VOD and theatrical model, Variety says. European companies are also less entrepreneurial than their British counterparts, while cable and telcom infrastructures remain primitive.

The UK VOD market is quite advanced, with vendors including Lovefilm, Netflix and BskyB.

Perhaps Netflix will help push VOD forward in our territories-- the company says says it will "open an additional attractive European market" in Q4 2012 at its Q1 2012 earnings call.

## Baby Steps for Video on Demand in Europe



In the meantime, DVD revenues continue falling... Baby steps, baby steps.

Watch "Baby Steps"

Go Europeans Take Small Steps in VOD Market (Variety)

Go Curzon on Demand

Go Netflix Q1 2012 Earnings