SONY PICTURES ENTERTAINMENT STATEMENT

STUDY OF THE CURRENT STATE OF AMERICAN TELEVISION AND VIDEO PRESERVATION

Sony Pictures Entertainment, through our Columbia and TriStar Television division, is one of the largest producers of television programming in the world. In 1948, Columbia Pictures established Screen Gems, one of the first companies to produce and distribute commercials and programming specifically for television. Since entering into original production for network television in 1952, SPE's library has grown to more than 3,000 titles, comprised of almost 15,000 individual prime-time television productions. These productions include 1/2-hour comedies, 1-hour dramas, mini-series and movies-of-the-week. We have also produced day-time dramas and game shows numbering over 20,000 individual programs. For the 1995-96 television season, we will be producing an additional 1,400 individual programs for network and syndication.

The SPE division responsible for maintaining the primary film and tape assets for these programs is called Worldwide Product Fulfillment. We store these assets at our main Film and Tape Operations facility in New York. For protection and security, we have separate elements in storage at locations in California, Kansas and Pennsylvania.

The maintenance and preservation of SPE's television programming is of primary importance to the company. With the emergence of pay-cable, home video and the demand for programming in international territories, including our new Sony Entertainment Television networks in Latin America and India, the ability to service clients is dependent not only on the quality of the product, but also on the care and handling of the assets used to create the product. Continued accessibility and exploitation of the SPE library helps fuel our preservation efforts.

Preservation of television programming is determined in large degree by the methods and materials used in production, and the finished product itself. A digital videotape master is the final finished product for all current television programs, whether produced on film or videotape. Production dictates our preservation policies in the following manner:

Film Produced/Film-Edited Product -- For movies-of-the-week and long-form mini series shot on film, we edit-conform the original negative, produce a fully-corrected answer print and manufacture Interpositive film elements for protection and telecine mastering. The Original Negative and Interpositives are stored in environmentally-controlled and geographically separate vaults.

- Film Produced/Videotape-Edited Product -- All 1-hour and some 1/2-hour programs are shot on film but edited on tape for reasons of cost-control and post-production flexibility in delivering a final videotape master to the networks in a timely manner. For all programs produced and edited in this way, the original camera negative reels are permanently maintained and stored, along with the edit decision list, videotape transfers and all pertinent production-related data. This serves the dual purpose of protecting the asset as well as providing the materials necessary to possibly recreate the final product for future technological advances in broadcasting, such as HDTV.
- Videotape Produced/Videotape-Edited Product -- Most 1/2-hour programs are shot and edited on videotape for a final videotape master. As with filmed programming, all production-related materials are retained and stored separately from final production masters. Clones, submasters and protection copies of all videotape masters, regardless of format origination, are produced and stored in geographically separate facilities.

In addition, we have developed a set of preservation priorities for our television product, including the handling of obsolete formats, maintenance of older library product, and quality control of film and tape elements.

- Obsolete Formats -- Since the late 1980's, SPE's policy toward older, obsolete formats, primarily 2" analog, has been to make new digital videotape master copies while maintaining the original master material. Masters and copies are stored in geographically separate, environmentally-controlled facilities.
- Filmed Library Titles -- SPE embarked on a program last year to manufacture new 35mm Interpositives as protection for all Columbia Television titles that historically did not have adequate protection made at the time of production. This is a five-year program estimated to cost ten million dollars.
- Quality Control -- Now that we have successfully completed our library conversion project to identify and barcode all elements, we are in the planning stages of a complete quality evaluation program scheduled to begin this year for all film and tape elements. This comprehensive plan is designed to identify the best existing materials for each title, eliminate unnecessary inferior duplicate materials, and address any problematic areas for specific titles so that adequate protection measures can be taken