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The Advent of the transnational TV format trading system: A global value chain analysis

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What is a TV format?

- “A format is the structure for a show that can generate a distinctive narrative and is licensed outside its country of origin in order to be adapted to local audiences.”



What is the TV format trade?

- How does it work? How is it organized? Who benefits the most? How has it changed since the format revolution?



The 'Atlantic system'

- Approaching trade as a system was instigated by the scholars studying the multi-secular history of the Atlantic as a singular maritime space. The 'Atlantic system' designates the networks of trade and culture, the civilization and values, which have developed across the Atlantic throughout the centuries.



The format business as a trading system

- A trading system can be defined as a *singular transnational space that brings together interdependent economic agents, institutions, places, networks and commodities.*



The TV format global value chain

- At its core lies a *value chain* that determines economic agents' positions and strategies, organizes networks of production and distribution and shapes trade flows within that space.

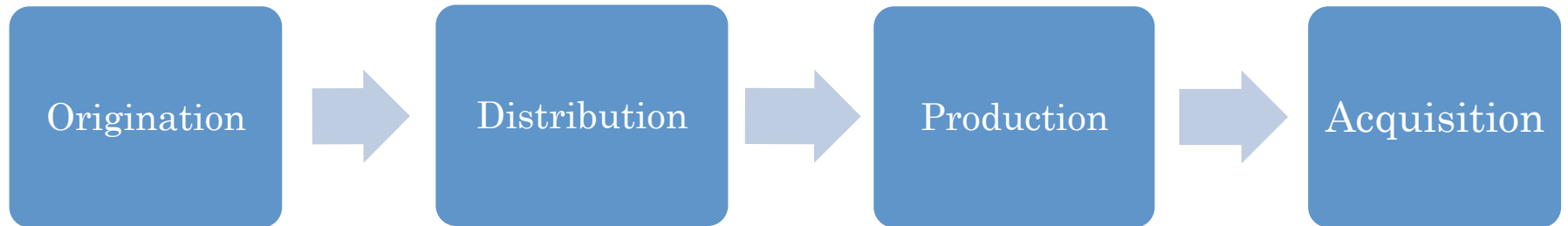


The TV format global value chain

- *input-output structure* (the shape of its connecting production and distribution processes),
- *governance structure* (issues of control and power relations among economic agents that determine chain co-ordination)
- *a geographical configuration* (spatial dispersion)
- *institutional framework*, which refers to the impact that policy institutions and regulatory systems have on commodity chains



The TV format global value chain: input/output structure





The TV format global value chain: input/output structure

- Licensing versus international production model
- Staying as long as possible in the value chain
- As led to:
 - The formation of 12 global TV production majors (Endemol Shine, etc.)
 - Broadcasters, content aggregators and entertainment conglomerates buying into IP-laden companies



The TV format global value chain: governance structure

- Governance structure highlights power and co-ordination within chains; it is where the distinction between a buyer- and producer-driven commodity chain is made.
- The distribution of power in the global TV format commodity chain hinges on the answer to these two questions: who is most in control and who benefits most from the chain?
- Answers: a) broadcasters b) broadcasters



The TV format global value chain: geographical scope (identifying trade routes and patterns)

- From spices to silk and from coffee to IP products, commodities have always travelled along specific routes. TV formats are no different. The trade press is full of stories about the latest format from exotic locations, and there is certainly movement among tier-two exporters with the emergence of territories such as Australia, Israel, Scandinavia, South Korea, Spain and Turkey, but the brutal reality is that the trade remains dominated by the US and the UK.



The TV format global value chain: upgrading strategies

- How to do well in the TV format chain?
 - *Local policy matters because the whole broadcasting ecology matters*
 - *Use trade to hone your skills*



The TV format global value chain: institutional framework

- The fourth dimension of value chains is contextual and identifies the ways in which local, national, and international policies and regulations impact each chain segment and the chain as a whole.

Looking at regulation (bearing in mind that local regulation remains the most influential), it can be argued that the TV format trading system has begun to be protected by an emerging international regulatory regime and that it stands on firmer legal grounds than ever before.



The TV format global value chain: institutional framework

- Legal options for IP rights holders:
 - Copyright law can protect against copycat formats.
 - Laws of unfair competition (or passing off in certain jurisdictions) can provide help against formats that confuse the public.
 - Laws of unfair competition can also guard against unfair business practices that are deemed ‘parasitic’.
 - The law of confidential information can help safeguard the expertise behind a format.
 - The law of registered trademarks can help protect format titles and logos.



The TV format global value chain: institutional framework (emerging legal framework)

- All successful copyright cases, bar two, and most successful unfair competition cases occurred since 2002.
- The viability of this trade rests entirely on the recognition of IP rights and these are increasingly recognized by courts of law around the world.



Conclusion

- And that's how a trading system was created!
- All papers available on demand
(j.chalaby@city.ac.uk)
- Book coming up in October with Polity Press (*The Format Age: Television's Entertainment Revolution*)
- Thank you!