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DIGITAL CINEMA INITIATIVES (DCI) ANNOUNCES FINAL OVERALL SYSTEM REQUIREMENTS AND SPECIFICATIONS FOR DIGITAL CINEMA

Agreement Gives Manufacturers of Digital Projectors and Theater Equipment One Universal Standard in Creating the Next Generation of Cinemas

(Hollywood, CA – July 27, 2005) Digital Cinema Initiatives, LLC (DCI) has completed the final overall system requirements and specifications to help theatrical projector and equipment manufacturers create uniform and compatible digital cinema equipment throughout the United States, it was announced today by Walt Ordway, Chief Technology Officer, Digital Cinema Initiatives.

“After three years of careful planning, discussion and reaching out to all the various constituencies who make up our industry, DCI member studios are pleased to have reached unanimous agreement on the necessary overall system requirements and specifications for digital cinema,” said Ordway. “We now have a unified specification that will allow manufacturers to create products that will be employable at movie theatres throughout the country and, it is hoped, throughout the world. In fact, the specification is being translated for international markets.”

“These specifications should provide a common ground to spur innovation and encourage many more players who were previously resistant to invest capital in technology that may or may not have been viable,” said Ordway. “And as the market gets more competitive, the price of the equipment and its installation—previously thought to be a major barrier to digital cinema—will become increasingly affordable, to the point where that stumbling block should no longer be of consequence.”

DCI member studios and industry leaders hailed this long-awaited development, which will be applicable to both 2K and 4K resolutions.

“Twentieth Century Fox will release all of its theatrical feature film digital content in full compliance with the DCI specification,” Bruce Snyder, President Domestic Distribution, and Paul Hanneman, Executive Vice President Sales and Strategic Planning Twentieth Century Fox International, said in a joint statement. “For the industry to flourish and to provide a smooth transition to an all digital future, it is essential there be one digital distribution and exhibition format. That format is the DCI specification.”

“With this essential specification now in place, Warner Bros. now plans that by the end of 2005 we will be releasing our movies in two formats: 35mm film and DCI digital cinema,” said Dan Fellman, President, Domestic Distribution, Warner Bros. Pictures. “Having the DCI spec in place is a big step forward in the global distribution of digital films. We look to this standard to be used in our International releases,” said Veronika Kwan-Rubinek, President, Distribution, Warner Bros. Pictures International.
“Sony Pictures completely supports the work done by DCI on the digital cinema technical specifications. We look forward to releasing our feature films digitally to cinemas deploying digital cinema systems compliant with the DCI specifications worldwide,” said Jeff Blake, Vice Chairman, Sony Pictures Entertainment and President, Columbia TriStar Motion Picture Group, Worldwide Marketing and Distribution.

“The DCI specification represents the right level of quality to ensure that the digital cinema experience remains the ideal way for moviegoers to enjoy films well into the future. We look forward to delivering our films into the DCI digital cinemas in the US and around the world,” said Chuck Viane, President of Buena Vista Pictures Distribution, and Mark Zoradi, President of Buena Vista International.

“Paramount embraces the DCI specification for the theatrical exhibition of digital cinema and we look forward to releasing our films in compliance with this standard of distribution,” said Wayne Lewellen, President, Distribution for Paramount Pictures. “Exhibition and, most importantly, the movie-going audience are greatly benefited by the work done by DCI and its resulting specification.”

“Universal Pictures is pleased that a unified format has come to fruition as this will allow both moviegoers and studios to enjoy the benefits of the digital cinema experience,” added Nikki Rocco, President, Distribution for Universal Pictures. “DCI has worked tirelessly to create an approved uniform standard that will provide our industry a level of satisfaction regarding how films are being shown in the digital format.”

John Fithian, President of the National Organization of Theater Owners (NATO), stated, “This spec, created over the past three years by DCI with input from exhibitors and vendors, is an important step toward making digital cinema a reality. With this piece now in place, we look forward to working with all the involved parties to achieve our mutual goal—bringing the best possible moviegoing experience to the consumer.”

“The ASC is proud to have collaborated with DCI during the development of a final specification for digital cinema,” said Richard Crudo, President of The American Society of Cinematographers. “With the future hard upon us, part of that effort involved creation of the StEM (Standard Evaluation Material) film. Besides marking a great milestone in our traditional role as 'guardians of the image,' it also recalled one of the main reasons that led to the start of our organization in 1919. And though the industry may not yet realize what debt they owe this achievement, its significance will be plain to anyone who views a motion picture for many, many years to come.”

“This is an important milestone in the advancement of the theatrical motion picture,” commented Frank Pierson, Academy of Motion Picture Arts and Sciences president. “In its first hundred years our art form made a forceful universal impression, at least partly because worldwide standards for projecting film were adopted early on. The next hundred years are likely to be similarly affected by DCI's work in defining how digital motion pictures will be presented to world audiences.”
Said Jim Cameron and Jon Landau, “All of us at Lightstorm Entertainment are thrilled that DCI has finalized their digital cinema standards. We believe this now opens the door for the roll out of digital cinema, which will revolutionize the cinematic experience for moviegoers around the world. We look forward to presenting our next feature film in 3D Stereo at DCI compliant theaters.”

George Lucas and Rick McCallum said, “It's a giant leap forward for those of us who create movies and, perhaps more importantly, for everyone who sees them. We have been advocates of digital cinema for nearly a decade, and this is a day we have long hoped would come. Digital cinema will increasingly become the standard and will change the way movies are made, seen and experienced around the world.”

“Standardized digital theater equipment is as significant to motion picture exhibition as DVD was for the home video industry,” said John Lasseter, Executive Vice President, Pixar Animation Studios. Mr. Lasseter directed Toy Story 2, the first film in motion picture history to be entirely created, mastered and exhibited digitally. “Even the best film presentation starts to wear out after a few weeks, but with digital cinema the last screening is as pristine as the first. DCI’s new universal standard will enable audiences to see Pixar’s digitally rendered films with the same consistency of color, detail, and resolution the world over.”

“Hallelujah - It's about time!” commented Robert Zemeckis.

“This is a great day for digital cinema with the completion of the DCI Specification. I am looking forward to releasing my films in a manner that reflects my creative intent,” added Robert Rodriguez.

Internationally, the announcement was greeted with equal support.

The UK National Film Trust released the following statement: “The completion of the DCI specification is a major milestone for all digital cinema efforts around the world. The NFT’s Digital Test Bed (UK) supports and will continue playing an active role in the efforts to see the specification turned into standards that will help make high-end digital cinema a large scale reality in the UK, Europe and in the rest of the world.”

“We congratulate DCI in the completion of the digital cinema specifications. This is a significant milestone in the digital cinema development worldwide as it brings us a big step closer to realizing the true benefits of digital cinema. IDA is happy to support DCI's specifications as Singapore can contribute as the Digital Exchange hub to better manage and distribute content digitally,” said Mr. KHOONG Hock Yun, Assistant Chief Executive, Industry, Infocomm Development Authority of Singapore (IDA).

International exhibitors also expressed their enthusiasm for this crucial turning point in the implementation of digital cinema worldwide.

“We acknowledge DCI’s tremendous work on gathering inputs from the whole industry and now releasing its Digital Cinema Technical Specification,” said Laura Fumagalli, exhibitor of the
Arcadia Cinema in Milan. “By introducing Digital Cinema equipment compliant to DCI’s Specification, Arcadia continues its commitment to offer Italian patrons the best theatrical movie experience.”

“The movie-going experience is a special one, but in order to continue drawing large audiences, theatres must outpace competing media,” said Charles S. Swartz, executive director/CEO of the Entertainment Technology Center at USC. “DCI’s digital cinema specifications not only set the stage for higher quality theatrical presentation, they also help insure the global nature of cinema exhibition for films and countries, large and small. The Entertainment Technology Center at USC is proud to have played a part in DCI’s landmark work.”

Ordway concluded “We have finally reached a consensus that all of our various constituencies can not only live with, but should also embrace. Studios, exhibitors, and most important of all, the audiences who love movies will now be able to enjoy all the benefits and possibilities that digital cinema offers.”

Digital Cinema Initiatives, LLC (DCI) was created in March 2002 and is a joint venture of Disney, Fox, Paramount, Sony Pictures Entertainment, Universal and Warner Bros. Studios. DCI’s primary purpose is to establish and document voluntary specifications for an open architecture for digital cinema that ensures a uniform and high level of technical performance, reliability and quality control.

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