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LOVEFiLM: Blu-ray seeing good uptake in UK

Interview: Simon Morris, international marketing director, LOVEFiLM

by Stuart Miles published on 13 October 2008

LOVEFiLM, the UK's largest online rental service, has told Pocket-lint that Blu-ray is proving to be a success despite some parties suggesting that downloads will supersede the format before it gets going.

"We are amongst the sharp edge of the UK entertainment scene and we've seen good uptake of Blu-ray", Simon Morris, international marketing director for LOVEFiLM told Pocket-lint in an interview. "Time is not on its side, but it has got more time than you think."

The comments come as the online DVD rental market has now surpassed high street rentals.

LOVEFiLM, which currently has around one million paying subscribers and adding more by the day, says that although they are pushing legitimate downloads, consumers just don't seem to be ready for it.

"People don't want to watch poor quality streamed movies. The iPlayer might be great for television, but it's not reshaping consumer usage through movies, it's throw away TV."

Interest in Blu-ray in the US has meant the market leader NetFlix has started charging a premium for Blu-ray rentals over the standard DVD versions. Will LOVEFiLM do the same here?

"No", was the solid answer from Morris. "We are about range, convenience, and value for money. It doesn't make sense to charge extra for Blu-ray titles."

With around 2% of the DVD market share, Blu-ray has a long way to go before it replaces DVD as



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the main format. It's held back, Morris believes, by a lack of back catalogue titles.

"The Blu-ray back catalogue just isn't coming fast enough, and until that happens it's not going to stand a chance in replacing DVD."

Starting on a kitchen table in 2004, LOVEFiLM, which now sends out about two million disks a month, is seeing a 40% growth year on year. The credit crunch might be making people worry about their jobs, but it also means they are staying in more.

"Video shops are always filled with couples rowing", says Morris, the founder of Football365.com and serial entrepreneur. This is where he believes the success of LOVEFiLM has come from.

"For £3.99 you can get a movie straight to your door. If we haven't got it we will get it for you no matter what it takes."

Bold words, but with a catalogue of around 60,000 movies on the books, and plenty of contacts in the industry, one that he is pretty sure the company can meet.

So what's of the future? Unsurprisingly Morris sees the death of the general video shop on the high street.

"The writing is on the wall", says Morris.
"Generalist shops will be gone by the Olympics. Why would you want to visit one?"

The final hurdle is the delivering of the DVDs or Blu-ray discs through the post. You have to think about what you want to see rather than just heading down to your local Blockbuster and browsing the shelves.

"We did look at getting you the movie via mopeds once, and although we've put it on the shelf for the time being there is no reason why we wouldn't

look at offering it in the future, say in the major cities like London."

The system, if it eventually did go live, would mean you could request a movie and have it biked to you the same day, really spelling the possible end to the humble video shop.

But will downloads be the death of online DVD rentals and the high street? Time will tell, but for the moment Morris is still enjoying the boom of the home cinema experience.