Freezing Time

Corbis has become a major player in the image business by preserving history.

“THANK you, Mr. Buttafucco. Thank you, Florida. Thank you, Kato.”

The creative department at one Boston advertising firm, Arnold Worldwide, was in fine form last year when it produced the TV-ad copy launching the latest version of Trivial Pursuit. Tongue in cheek, it gratuitously thanked some recent public figures who have completed their 15 minutes of fame while using their question-able reputations to publicize their client’s product.

But the pre-Christmas advertisement would have lost much of its punch if the creative group at Arnold Worldwide had not added pictures — photographs of Joey Buttafucco, Kato Kaelin, Dennis Rodman, and a number of other famous (or infamous) celebrities who were mentioned in the popular board game.

The advertising firm turned to Seattle-based Corbis Inc. Arnold Worldwide found the photos it was looking for among Corbis’ 70 million images. Most of those images have been digitized and are available on Corbis’ website. Corbis owns a huge collection of still photos, as well as fine art, illustrations, and film footage.

Owned entirely by Microsoft Chairman Bill Gates, Corbis is often called “Gates’ other company.”

INTELLECTUAL PROPERTY PROS

But the search did not end there. In the publishing business, rights to a celebrity’s picture are often owned by that star. Reproducing a photo of that person without clearance from the celebrity would violate federal copyright laws. Stars manage those rights very carefully. Always image conscious, many celebrities like to control which of their photographs appear where.

So the Boston ad company turned to another of Corbis’ capabilities: rights services. “We don’t own a lot of what we have,” explains Corbis CEO Steve Davis. “As a result, we have to be a super-expert in intellectual property rights.”

Corbis put its group of intellectual property specialists on the problem. The company says it has the world’s largest group of experts on this subject, including Davis, who specialized in intellectual property issues as a lawyer at Seattle’s Preston Gates & Ellis law firm before joining Corbis in 1993.

Those specialists chased down the celebrities needed by Arnold Worldwide, some of whom no longer had representatives to handle the negotiations. The specialists were dogged. They found ex-Olympic figure skater (now occasional boxer) Tonya Harding, for instance, in a rural Washington trailer park.

Corbis is the brainchild of Gates, who in 1989 envisioned selling digitized images to homeowners for display on wall monitors throughout their houses. Gates’ own $40-million-plus mega-mansion on Lake Washington, near Seattle, has photographs and digitized fine art that he can shift based on the occasion or his mood. On the 10th anniversary of his marriage, he posted his wedding pictures.

AMONG THE WORLD’S LARGEST

While Gates’ vision has not been realized quite yet, Davis has successfully accumulated enough images to make Corbis’ collection one of the world’s largest. Corbis’ 70 million images are double the size of the collection held by its main competitor, crosstown rival Getty Images, which was also started by Big Money (in its case Mark Getty of the Getty Oil clan). While Getty focuses on the photojournalism side of the business, Corbis adds a larger service component, offering rights clearance and

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Creative services to its customers, who are mainly advertising firms, creative professionals, graphic designers, news media, and publishers.

The company’s concept has consolidated the $2 billion stock photography business, once considered the poor cousin of the industry. Today, its images remain its core business. Corbis features news, editorial, sports, creative, fine art, and historical images — all available online.

GROWING STOCK PHOTO BUSINESS

The Corbis collection is constantly updated. Photographers from news organizations such as Reuters and Paris’ Sygma contribute, as do leading photojournalists such as Gideon Mendel. David Turnley, and Rolling Stone chief photographer Mark Seliger. Images in the collection have come from the National Gallery in London, the Philadelphia Museum of Art, Christie’s, and the Brett Weston collections. Arrangements can be made for a custom shoot by Corbis’ own creative or editorial photographers, if needed.

According to Davis, Corbis’ “crown jewel” is the Bettmann collection, an 80-year compilation of more than 11 million photographs purchased from the Kraus-Thomson Organization in 1995. Davis negotiated the purchase. The collection contains some of the most famous pictures in history. The photo of Albert Einstein sticking out his tongue at the camera: Marilyn Monroe with her white skirt lifted by the wind; the Hindenburg exploding in a ball of flame and smoke — all are part of the Bettmann archive.

Corbis’ entire collection is not actually kept in Washington. Instead, much of it resides in a secretive underground repository in western Pennsylvania known as Iron Mountain. (The Washington Post, which sent a writer into Iron Mountain, said, “Since 9/11, it’s been harder to get in here than into the White House.”)

A former limestone mine about 65 miles north of Pittsburgh, Iron Mountain could provide safekeeping for centuries for the collection, which shares space with other delicate photographs, film, and documents owned by such groups as Warner Bros., Universal Studios, the U.S. Office of Management and Budget, and the National Archives.

The problem with photographs and film is that they can deteriorate over the years. The chemicals on photographic materials — film and print paper — become unstable with time, particularly if they are exposed to light, heat, and humidity. Most black-and-white negatives taken from the beginning of the century to the 1980s, as well as color pictures from the early days of color photography — the 1930s — to the 1980s, are particularly vulnerable.

The problem is widespread. And only a few facilities — including two presidential libraries (the John F. Kennedy and Jimmy Carter libraries), NASA, Canada’s National Archives, and a Harley-Davidson facility — are freezing their materials. The Library of Congress and the National Archives store huge collections of photographs at 35 to 45 degrees Fahrenheit.

When Corbis acquired the Bettmann archive, it was jammed into filing cabinets in an old New York City building, where the roof leaked and there was little temperature control.

SAVING BETTMANN

Much of it had been damaged — severely, in many cases — through years of exposure and human contact. Corbis moved the archive into Iron Mountain, where the photographs are frozen at 4 degrees below zero Fahrenheit, essentially locking them in time.

Beginning in 1997, Corbis spent five years selecting images from the collection, looking for images of “maximum historical value and saleability” for digitization. More than 1.3 million images (26 percent of the collection) have been edited and 225,000 have been digitized.

So far, Corbis has not turned a profit. But when you are Bill Gates, you can be patient. And that patience may pay off soon. Davis believes this is the year Corbis will make money for the first time. He has said 2003 revenues were about $140 million. While still far behind Getty’s $523 million, the company’s growth rate of 20 percent a year may begin to close the gap. That rate will probably be duplicated in 2004, Davis says.

Also in the future may be a public offering. Both Davis and Gates have hinted as much. “We have no plans to go public at this point. We are very focused. . . . But over time, three to five years out, we will look at our options. It would make sense to diversify ownership at some point,” Davis projects.

It might not be another Microsoft, but a Corbis IPO would likely catch a few eyes.

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