OS ANGELES, July 20 — Video rental stores want customers to return their movies, they just do not want them to do so too quickly.

When tapes and DVD's are returned after the due date, late fees often double the cost of a rental — highly annoying to consumers while providing no additional revenue to the studios that make the movies.

To help consumers avoid those fees, while trying to develop new revenue, the Walt Disney Company's home video division plans to test market a new type of DVD that will be priced about the same as a rental but never needs to be returned — because it stops working after a fixed period of time.

It is an experiment that will be closely watched in Hollywood, where the home video market last year represented nearly 59 percent of the film industry's $17.38 billion in North American revenue, according to Adams Media Research. Late fees are a lucrative source of additional income for Blockbuster Inc., which is a unit of Viacom Inc., and its competitors. Typically, the late fees account for more than 10 percent of the gross rental revenue at most outlets, according to the Video Software Dealers Association.
But, those extra fees do little or nothing to bolster the bottom lines of the film studios, which usually make most of their rental revenue from the initial sale of VHS and DVD copies to retail outlets. The test, by Disney's Buena Vista Home Entertainment could be a way to change that.

Set to roll out in September with eight titles in four markets, Disney's new EZ-D DVD self-destructs 48 hours after the purchaser opens the special airtight package. The disc is composed of a Lexan resin co-polymer developed by GE Plastics. The General Electric Company owns a minority stake in Flexplay Technologies, the company that owns the underlying process and has licensed it to Disney.

Once the product is exposed to the elements, a chemical clock starts ticking, turning the disc black and making it unreadable by a DVD player's laser after the designated time has elapsed. Until that happens, the disc can be played as often as desired. Employing a chemical rather than software process to disable the disc is meant to ensure that the process will work with any DVD player. And like any standard DVD, the discs can have software copyright protection that would deter a user from copying them onto the hard drive of a computer or onto a blank DVD that would not self-destruct.

Disney hopes that the purchase price of $5 to $7 will be close enough to the cost of a typical DVD rental that many customers will consider it an easy impulse buy.

Disney will be the first studio to license EZ-D from Flexplay. Among the other video leaders, the home-video divisions of Paramount, Sony and Warner Brothers declined to comment on their possible interest in the technology.

Convenience will attract consumers to the concept, the chief executive of Flexplay, Alan Blaustein, said. "With EZ-D, we are taking late fees and the video return process out of the equation."

A limited-play DVD service has been tried before — in 1998 — and it failed. But, EZ-D proponents argue that this time will be different. The DVD is now more popular and widely understood. That lends support to EZ-D discs because they will play on a standard DVD machine. To make them readily accessible, Disney plans on selling them in nontraditional outlets not usually associated with video sales or rentals, like convenience stores and gas stations. By sidestepping video rental outlets, Disney will be able to eliminate the middleman and keep a higher percentage of each disc's revenue.

At the same time, Disney wants to make sure that its EZ-D sales do not reduce rental profits. So the EZ-D titles will not be available until six weeks after the film is first released in standard video rental stores. To further differentiate the two products, the self-destructing versions will contain the movie but not any of the additional features that helped make the DVD format so popular, like missing scenes and director's commentaries.

There is nothing magical about the 48-hour life span of the disc. The manufacturing process can be adjusted so that the disc will expire anywhere from 8 to 60 hours after opening the wrapper. And enterprising consumers may find that they can extend the life even further. Staff members of New Scientist, a British publication, were able to

slow down the chemical process and keep an opened EZ-D disc in a playable state for at least 96 hours by placing it in a sealed container and storing it in the refrigerator.

While experts say that the technology is intriguing, it remains an open question whether a self-destructing DVD will interest consumers who normally expect that any purchase of a physical object is theirs to use forever.

The first hurdle could be educating consumers. Take Netflix Inc., a successful Internet company that offers $20 monthly subscriptions that allow consumers to rent as many DVDs as they want for as long as they want but are not allowed to keep more than three at any time. Executives at the company, which has 1.2 million subscribers, say that just explaining to potential customers how the business works has been a struggle.

"Our biggest expenditure is getting people to understand our system of a fixed-fee subscription rental without late charges," said Ted Sarandos, Netflix's vice president for content and acquisition. "The studios underestimate how difficult it is to change consumer behavior."

Blockbuster is not threatened by the introduction of EZ-D's. "We don't see it going anywhere," said Karen Raskopf, the company's senior vice president for corporate communications. "Customers can now buy a used DVD from us that plays forever and costs just a few dollars more than an EZ-D."

As a response to consumer antipathy toward late fees, Blockbuster is testing a Netflix-like subscription service, called the Freedom Pass, in 700 stores.

Last month, Wal-Mart Stores Inc. also started an online DVD rental service to compete with Netflix.

Adi Kishore, an analyst with The Yankee Group, agrees that the disposable DVD concept faces a rough road toward acceptance. "When people think about getting a movie," Mr. Kishore said, "they think about going to Blockbuster, not 7-Eleven. And the overall mechanics of getting an EZ-D title are not that much easier than going to Blockbuster."

He argues that the idea may create a big splash initially, but that it may not last. "People will snap this up once," he said. "It will be a great novelty product."

It is also unknown if consumers will find a 48-hour viewing period sufficient. Those who typically watch a film over several days, catching a few scenes here and there, will be out of luck with EZ-D. Even if people intellectually understand the concept, said Thomas Wolzien, senior media analyst for Sanford C. Bernstein & Co. in New York, "when your ability to play it disappears after 48 hours, you are going to feel as if someone robbed you."

But Mr. Blaustein of Flexplay argues that the 48-hour period will not be a serious impediment. According to company research, he said, "well over 90 percent of DVD viewers watch an entire film in one sitting."

If the EZ-D disc is a success, its detractors say, expect to see an environmental mess, as millions of now useless discs clog the landfills with nonbiodegradable polymers. To counter these concerns, Flexplay has agreed to a partnership with a national recycler to collect used discs.

Even if the discs are not recycled, single-use disposable DVD's will result in net
energy savings, according to a study conducted by Jonathan Koomey, staff scientist at Lawrence Berkeley National Laboratory. "The solid waste impacts may be more than completely offset by the gasoline saved from avoided trips to the video store. Gasoline savings could be 7.5 to 20 times larger than the increase in solid waste," Mr. Koomey said in an e-mail message.

Mr. Blaustein of Flexplay sees a wide range of other applications for its time-limited DVD technology. Screening cassettes of new films, review copies of CD's, or expensive technical catalogs would all be less likely to be pirated if they stopped working shortly after use.

Based on recent comments made by Michael D. Eisner, Disney's chairman and chief executive, those other markets may prove to be important revenue sources for Flexplay.

Speaking at a Sanford C. Bernstein conference last month in New York, Mr. Eisner indicated that he expected the EZ-D test to be short-lived.

"I think it probably won't work," he said. "I think it's going to boomerang on us, but it's a test."

Those backing the Flexplay effort say that Mr. Eisner is being too pessimistic and that consumers will fall in love with the EZ-D idea once they are see it.

"You want to go on vacation or something, you buy five of these and throw them in the trunk," said Robert Wright, the chairman of G.E.'s NBC unit.