

# pickle

From theindianentertainment.com

• Volume No: I-17  
 • Jan 27-Feb 02, 2007  
 • New Delhi • India

## Veteran film stars celebrate 75 years of Telugu Cinema



**Superstars of Telugu film industry during the celebration of 75 years of Telugu film industry in Hyderabad. Andhra Pradesh has more than 2000 cinema theatres. Telugu films tops the chart in the number of movies produced in India. Over 240 films are produced every year**

Photo: Charan

# \$6bn target is possible

**The Indian film industry can capture 5% of the global market writes Ron Lavery & Steven Bakos**



Ron Lavery

*Indian film industry has an ambitious plan and a bold vision to target 5 per cent share in the global film industry from the current 2 per cent levels. The Indian filmed entertainment space is estimated to be around \$1.8 billion and the global film industry around \$90 billion. Beginning this issue, we will present a cross section of opinion from industry leaders. We thank everyone for sharing views to achieve this goal.*

**W**e agree that the goal of taking a 5% share of the global entertainment market is not unrealistic. That would mean a huge growth of 150%, but it is achievable, considering the recent developments in the Indian film industry and the perception of Indian movies overall. Still, it won't be an easy task. There is a lot of work to do and many obstacles to overcome. In our opinion, the main room for growth is in the mainstream circuit. The traditional Indian communities in each territory supply the industry with a nice steady (and even growing) stream of revenue, the real growth can only be achieved if the appeal and reach of Bollywood can be

expanded to mainstream audiences, just like Hollywood did early on. We are convinced that Hollywood cannot be taken head-on.

Their business models, connections and their cultural products being deeply entrenched in most of the world's entertainment industry give them a huge advantage of saturating the respective markets. Collaboration and the originality of ideas are where India can compete. First, India must ratify their pending co-production treaties with the UK and Canada. Also (and this is equally important) they must make sure that producers implemented for the co-productions are quick, simple and work smoothly (as we hear this is not the case with the current one with Italy).

This will open a floodgate of co-productions for all sorts of projects with these countries. Another governmental aspect is the area of tax incentives. Many countries around the world offer different grants and tax credit to companies shooting all or parts of a movie on their territory.

Continued on Page 2

**Learn from Hollywood, expand mainstream audience base**

# Invest in Film Marketing

Indian companies should charge ahead, secure agency representation, invest much more in publicity and ads

**T**his again lures many foreign investment and production companies to India, boosting the business. Hollywood's biggest advantage is their biggest holdback, too – namely repetitiveness. There is a growing sense of desire for originality in the world, people are getting tired of seeing remakes, sequels and similar plotlines all the time. One reason for the Hollywood-trained mainstream crowd turning towards Indian movies is their originality and freshness. But let's be honest amongst each other: people watch what they are offered, with stars they know. One of the main reasons of success for Hollywood is that they recognized the true power of marketing and they are willing to spend huge amounts of money on it. It happens very often that the marketing budget of a movie is many times more than the shooting budget.

India has to take more chances, the industry has to invest much more in movies, but also in publicity and advertising.

Mainstream theatre chains are more than happy to play Bollywood movies if they see that the stars of the film are well known and there is adequate money spent on advertising. They will not go to the Indian film industry and ask for product, the product have to



**Priety Zinta** was a big hit at Cannes Film Festival in May 2006

be pushed to them so they reach the conclusion that not playing the particular film would be a bad business decision. Theatrical exhibition still drives this business, and the more Indian movies can be shown to mainstream audiences, the faster the segment will grow.

The other thing Hollywood has done over the years is bringing itself (e.g. the America and the American lifestyle) closer to audiences all over the

world. Nearly everybody in a small town in any country knows many trivial things about the US and its inhabitants. How biased this picture is would be a different discussion, but nonetheless, people from all over the world, might they be in Europe, Asia, or anywhere else, can relate to the Hollywood characters and storylines. India shouldn't be shy about the same, it has its own great unique cultural ways of dealing with stars and characters, and this has to be "exported" to other countries, too. It might take several years to achieve, but just as the whole world knows about Paris Hilton being arrested in Hollywood, the whole world should know about the latest escapades of the big Bollywood stars.

*(The authors are Sales Agents, Westham Movies, California, USA and are keen to distribute Indian films in the global market)*

**Hollywood is keen to employ Indian filmmakers as they see the work they deliver is excellent**

## Make Indian presence felt at film festivals and markets

### 2007 is the year of Hollywood-Bollywood films

**A**nother very important aspect is collaboration with Hollywood itself. We already have seen some fledgling attempts, but 2007 could be the year of the first few a real big worldwide successes for Hollywood-Bollywood movies. Hollywood is keen to employ Indian stars, directors and other filmmakers as they see that the work they deliver is excellent quality.

An important step in this process is for every Indian person (and even companies) to secure agency

representation.

The whole movie industry evolves around agents and managers, getting work depends heavily on them.

Also, Hollywood is more than happy to do co-productions with India, but only if they see that the risk is shared adequately – e.g. India invests enough hard cash.

The double appeal of a Bollywood-Hollywood movie will not only bring fantastic returns for everybody involved, but they will also pave the way for "pure" Indian productions by making the

stars known. And by investing substantial amounts into these movies, Indian companies can make sure they retain a fair amount of creative control as well, not running the risk that Bollywood will just become another branch of Hollywood, financed solely from the US.

**Our ideas boil down to this:** charge ahead, don't be afraid to invest, learn from Hollywood, expand you mainstream audience-base.

**Ron Lavery & Steve Bakos**

**Oscar Watch: Showbiz is growing diverse, international**

# The language is global

Films from Algeria, Canada, Denmark, Germany and Mexico vie for the foreign-language Academy Award



**WATER** is directed by Indian-born Canadian resident Deepa Mehta. It has Indian film stars John Abraham and Lisa Ray. Water is competing in the foreign language film category from Canada

**Clint Eastwood's Japanese language movie and the multilingual Babel compete for best picture category**

A good number of foreign movies are competing in the 79th Oscar Academy nominations to be presented on February 25. Many of this years Oscar nominations are not Hollywood centric, but films picked are global in nature. The power of cinema has crossed borders, across the globe in Oscar nominee 2007. Here are some trend setters this year.

☛ Pan's *Labyrinth*, the Spanish language (fascism) story is not only being nominated for the best foreign language film but also in race for original screenplay, cinematography, art direction, make up and original musical score.

☛ *Babel*, nominated for the Best Picture is pictured and filmed in four countries and told in five languages. It has two Moroccan boys, a Mexican nanny, American couple with two white kids, and a Japanese father and daughter. The

story revolve around universal love.

☛ Like *Babel*, the story of the other two best picture nominations -- *The Queen* and *Letters From Iwo Jima* begin from a foreign land.

☛ Four of the five women competing for the best actress Oscar (Penelope Cruz (*Volver*), Judi Dench (*Notes on a Scandal*), Helen Mirren (*The Queen*) and Kate Winslet (*Little Children*) are not American. Meryl Streep in *The Devil Wears Prada* is the only American.

☛ Hindi film *Water*, is nominated from Canada in the best foreign language category. The film is directed by Indian-born Canadian resident Deepa Mehta.

☛ Director Clint Eastwood's *Letters From Iwo Jima*, — documenting the World War II battle from the Japanese perspective is a nominee in the best picture category

Over all, the language of films are global and are Hollywood centric, English, French or German.



**Pan's Labyrinth** from Mexican director Guillermo del Toro, is a violent fantasy set in the aftermath of the Spanish Civil War



**Germany's** *The Lives of Others* directed by Henckel von Donnersmarck is set in East Berlin during the 1980s



**Algeria's** *Days of Glory* depicts the sacrifices by African troops to free occupied France during World War II

## MARKET INDICATORS

Media & Entertainment Companies traded in the Bonbay Stock Exchange (value in Rs and crore)

Company	Jan 29	P/E Ratio	Marketcap (in cr)
Adlabs Films	438.15	69.15	1743.87
Balaji Telefilm	117.60	14.13	766.87
Cinevista Ltd	25.85	-18.46	26.17
Crest Animation	152.90	160.95	344.00
Cyber Media	114.80	20.02	115.00
Deccan Chronicle	871.00	29.9	3896.00
ETC Networks	54.00	12.01	81.00
ENT Network India	287.00	56.60	1365.00
Galaxy Entertainment	170.00	91.60	220.00
HT Media	180.90	55.00	4238.00
Inox Leisure	164.10	45.10	985.00
JagranPrakashan	330.15	39.50	1989.00
K Sera Sera	30.55	—	60.00
Moser Baer	355.65	86.50	3966.00
Mukta Arts	59.65	—	135.00
NDTV	323.80	—	1988.00
Prime Focus	379.80	28.10	483.00
PVR	242.95	67.10	556.00
Pritish Nandy	57.25	22.60	60.00
Sahara One	486.30	206.10	1047.00
Saregama India	241.75	34.60	355.00
Shringar Cinema	66.80	---	211.00
Sun TV	1661.05	79.10	11443.00
TV 18	547.95	63.80	3397.00
TV Today Network	103.55	24.70	601.00
TIPS Industries	27.45	54.90	41.00
UTV Software	300.05	----	687.00
Zee Entertainment	314.90	58.90	14873.00

### CONTACT INFORMATION

Send your letters, views, suggestions to

**The Editor**

**PICKLE**

email: [natvid@gmail.com](mailto:natvid@gmail.com)

Designed by

[aneeta.saha@gmail.com](mailto:aneeta.saha@gmail.com)

**Make your ad  
more powerful than the  
Edit in the Pickle**

**Block this space for 52 weeks  
Size: 8cm X 5cm**

**Write to: [natvid@gmail.com](mailto:natvid@gmail.com)**

## PICKLE DIGEST



### Cinemax scores at IPO

Cinemax theatre chain, which entered capital market with an IPO of 8.92mn shares in the price band of Rs135 to Rs155 per share was oversubscribed 42 times. The issue is expected to raise between Rs 1.2bn to Rs 1.38bn. Cinemax will utilise the proceeds of the IPO to build 19 theatres, totaling about 15,864 seats. The company currently operates 10 properties with 33 screens and 9,220 seats, majority of the screens in Mumbai.

### Adlabs Films Q3 results

Adlabs Films Limited has posted consolidated revenues of Rs 105 crore for the third quarter ended 31st December 2006. The film processing and trading division logged in 8 per cent y-o-y growth at Rs 19 crore. The theatrical distribution division grew by 184 per cent y-o-y to Rs 24 crore, while the film production and distribution business saw a total income of Rs 43 crore this year. Consolidated revenues for the first nine months grew to Rs 242 crore.

### DivX, Indus in content deal

DivX has licensed content from Indus Video, a content provider that owns distribution rights to hundreds of Hollywood and Bollywood titles. All titles are encoded in the high-quality, secure DivX format, and compatible with millions of DivX Certified consumer electronics devices from major manufacturers worldwide. Titles that will be available in DivX for the Indian market include: Spy Kids, Garam Masala and Kya Kool Hai Hum. This partnership would make more premium Indian movies available to consumers in the DivX format.

### Brand Finance values PNC

Pritish Nandy Communication said that the UK based global brand valuation and strategy consultancy, has valued PNC brand at Rs 265.30 crores. PNC chairman Pritish Nandy said working with Brand Finance plc gave the Company an opportunity to understand how filmed content business worldwide values and responds to branded entertainment products. The BSE market cap of PNC is Rs 60 crore.

## BY THE NUMBERS

**Bet on the mobile entertainment in India. The mobile phone ownership in India is growing rapidly and there are over 140 mn mobile phone consumers. Over 6 mn new mobile subscriptions are added each month. One in five Indians will own a phone by the end of 2007**