

The Big Picture

MAY 2013

Newsletter from the CII Media & Entertainment Division



CHANDRAJIT BANERJEE
Director General, CII

POLICY NOTES

Innovation in M&E will be the focus at The Big Picture Summit

Our recently concluded CEOs Roundtable on Broadcast brought the media industry leaders, Government and Civil Society to deliberate on the issues impacting the broadcast sector.

A “techno-commercial” Regulator for the Broadcast sector was flagged by Shri Manish Tewari, Union Minister for Information & Broadcasting. CII will work with the broadcast sector and other stakeholders to bring in a consensus on this issue.

We are thankful to the Ministry of Information and Broadcasting for their “free and frank” participation in these roundtables as they give an opportunity for M&E leaders to get a clear policy perspective from the Ministry. We will continue this Roundtable initiative to all verticals of the M&E sector.

India -- The Big Picture Summit, CII's annual flagship convention on the M&E sector, is slated for September 13-14, Taj Palace, New Delhi. While the Summit's objective will continue to take the Indian M&E sector to \$100 billion, the focus this year will be on embracing innovation in the Media & Entertainment Sector.

This year, we will showcase game changer in innovation in the M&E sector and the brightest minds to share their vision. India is top in the radar of Cannes Film Festival as Guest Country as we celebrate 100 years of Cinema. CII has been participating at Cannes Film Market for over a decade and this year there has been enormous interest among Indian state governments to position their film shooting locations to the global filmmaking community.

Send your views to our M&E division head amita.sarkar@cii.in

CII CEOs ROUNDTABLE ON BROADCAST

For a Separate Broadcast Regulator

Minister of Information and Broadcasting **Shri Manish Tewari** asked the broadcast industry to “think aloud” to have a separate broadcast regulator



Addressing more than 70 top broadcast industry leaders, the minister once again mooted the idea of “techno-commercial” regulator for the broadcast sector which is growing exponentially and witness rapid changes in the wake of cable TV digitization. He also made it clear that content will not be regulated by the Government.

Shri Manish Tewari further re-emphasised commitment from the Government to execute cable TV digitization and protect interests of the consumers as they are the largest stakeholder in digitization exercise. 38 cities in 15 States of India are experiencing cable TV Digital broadcast from April 1, 2013.

In a major relief to broadcast channels, Shri Manish Tewari maintained that a

solution will be brought about to TRAI's recent regulation which bars television channels from telecasting more than 12 minutes of advertisements every hour. He said the broadcast landscape is changing in the country with digitization and this issue of fixing time slots for advertisements will be taken up at an appropriate time. Interacting with stakeholders of cable TV digitization in the subsequent session of the CII Roundtable, Uday Kumar Varma, Secretary Ministry of I&B said the entire exercise of digitization was to bring out a transparent mechanism, credible subscriber data and finally ensure that dividends of digitization reach the end consumers. “We have discarded a system which was not transparent and moving towards a system which has to be transparent.”

CII all set for Cannes Film Market

For the 10th consecutive year, CII will be at Cannes managing the CII B2B market place and its booth at Palais. CII has been coordinating the India participation at the Cannes Film Market for over a decade, positioning the Indian Entertainment industry on the global landscape. This year's

exhibitors at the CII booth include – Gujarat, Maharashtra and West Bengal Tourism – they will promote film shooting locations in their states. Disney UTV is also part of the CII exhibitors. This year is special to India as Cannes Film Festival 2013 will feature India as the Guest Country. The Cannes focus will coincide with Indian cinema's celebration of its 100th

anniversary. Actor Vidya Balan will sit on the main Jury alongside Ang Lee, Nicole Kidman and the likes. Steven Spielberg is the president of the Jury. Nandita Das will be on the Cinefondation Jury. Indian films Bombay Talkies (Gala celebration), Monsoon Shootout (Midnight Screening), Ugly (Directors Fortnight), Dabba (International Critics Week).

Straight from the I&B Minister

Shri Manish Tewari, Minister for Information & Broadcasting, re-emphasises its commitment for smooth Cable TV digitization and protecting consumer interests at the CII CEOs Roundtable on Broadcast (April 18, 2013 New Delhi)



SHRI MANISH TEWARI
Minister of Information & Broadcasting

No Content Regulation

Our intent is not to regulate content. Regulation in the media space on the content side is not going to come out of the political executive. As and when it comes it is going to come out of the judicial process.

On TRAI's Advertising Regulation

I do understand your concern with regard to the advertising regulation. And let me tell you very clearly that we do not do indirectly what we do not want to do directly. So if there is anybody under the mistaken impression that we play good cop bad cop with TRAI, let TRAI step on your tail and then offer lip sympathy. Let me disabuse you of this notion. If we wanted to enforce this regulation because it is a part of the licensing conditions which you have undertaken voluntarily, we could have done it directly. This has not been our intent ever. We understood that till the time the digitization process is unfolded, the landscape settles down, revenue start kicking in, alternative revenue stream develops -- may be there is a strong and prudent case.

Setting up BARC

The broadcasting industry need to initiate immediate steps for setting up the Broadcast Audience Research Council (BARC) mechanism. The digitization process had created a model where the given database emerging from the process could be analyzed and expanded exponentially. The Government is willing to provide this data to an industry created body. This body in turn could utilize the data for use in the public space. The initiation of this industry led process would ensure a two way flow of information necessary for analyzing advertising trends and models.

Need for a Broadcast Regulator

The broadcasting universe has grown exponentially. It has its own peculiar, unique characteristics It requires the kind of undivided attention and the focus which a regulatory body needs to bring to it. Without casting aspersions on the work of the TRAI, which has done excellent job-- may be the time has come for the industry to reflect on the fact whether on the techno-commercial side there is a need for a separate broadcasting regulator.

Consumers and Digitization

The Government is aware of the needs of the consumer and desired that the whole process of digitization implementation ought to be done causing the least pain to the biggest beneficiary i.e., the consumer.

The fact that we have been asked to cut down on ad durations in a sudden manner (the recent TRAI notification) -- at a time when advertising remains absolute and there is no alternative medium --there has to be understanding of the realities that broadcasters face and we need to arrive on a common ground on this issue

K V L NARAYAN RAO
President, The News Broadcasters Association

We are completely delighted with the phase II digitization. The laws can be created at the Centre. But in the democracy we live in anybody has the right to go the court, raise issues and stop the process. Hats off to the Ministry of Information & Broadcasting for managing digitization process beautifully

HARIT NAGPAL
MD & CEO, Tata Sky

Give digitization time to settle down. This is the technology phase of digitization and business phase will follow. At that time we can have a dialogue between the industry and regulator facilitated with the I&B Ministry to actually address any issue on the kind of ads or the number of ads put out on air

PREET DHUPER
COO, BBC World (India) Pvt Ltd

We need to create a complete ecosystem to spread the domestic manufacturing and standards. Though the cable industry has an industry status, it is only the head-end which is considered an infrastructure. MSOs need to be get telecom status.

ASIF KHAN
Director, Indieon Technologies

Digitization Good for Everyone

The reforms in the broadcasting sector would be absolutely incomplete till we are able to put in place, a really credible, transparent, TV programme rating system, says **Shri Uday Kumar Varma**, Secretary, Ministry of Information & Broadcasting at the **CII CEOs Roundtable on Broadcast**

The second phase of digitization could happen because every stakeholder in the cable and broadcast sector worked towards this. One of the reason why we could carry out phase II digitization very smoothly was because there was a great deal of support across the country from consumers. That actually should convince us that this is good for every stakeholder, said Uday Kumar Varma, Secretary, Ministry of Information & Broadcasting.

Speaking at the CEOs Roundtable on Broadcast, he said that a technical model is in place for cable TV digitization, but an appropriate business model has to be in place. And this can be achieved with support from the industry. This needs to be reflected by the industry.

“In the last twenty years, there was lack of transparency at every level in the broadcast sector. There was lack of transparency at the local operators, at the level of MSOs and at the level of broadcasters. Everybody has to really undo this. Because, you cannot have the system transparent, if only part of the system becomes transparent. It is certainly possible to do it.”

Varma said: First of all, we need to be very clear on what is the actual subscriber base. That becomes the actual basis for every step that you take. Correct, credible, subscriber base has to be put in place. If that is there,



SHRI UDAY KUMAR VARMA
Secretary, Ministry of Information & Broadcasting

there will be enough justification for evolving any formula. All regulations which are brought out by regulator, are essentially presumptive in several cases -- because if you don't have correct data -- then you make some presumptions and then frame some regulations. Having correct subscriber data will create occasions when TRAI can revisit certain regulations -- and whichever stakeholder is unhappy about revenue sharing -- can legitimately agitate this issue. Please do remember that we have dismantled a system which is not transparent and putting a system which is going to be a much better system.

“The Government favoured domestic manu-

Our broad objective is to bring about a complete transparency to the broadcasting sector. And, let the dividend of this reach the consumer. Both these things are non negotiable

facturing and deployment of set-top box and may also consider fixing certain percentage (30 or 40 per cent for domestic manufacturers) for reaching out to the next 50 million consumers in the subsequent phases of digitization, provided they match up with quality, price, and competitive standards as acceptable to MSOs,” he said.

The reforms in the broadcasting sector would be absolutely incomplete till we are able to put in place, a really credible, transparent, TV programme rating system. Nobody would agree that the present system is a perfect one. This is the second area of reform which we should very seriously take up.

Globally, we have shows which have 44 minutes of duration. If we have to move tomorrow (to implement TRAI Regulation of 12 minutes) we will have 44 minutes of programme, 2 minutes promo, 10 minutes ad time and 4 minutes blank. We need some time to move to that level. We need time to create short form content to be able to fill up that one hour

RAHUL JOHRI
Senior Vice President South Asia,
Discovery Networks Asia-Pacific

With the execution of digitization, it is important that the subscription prices of pay channels be looked into. So far, the subscription prices, have been for the analog regime. The prices have to be logically touched upon in the current scenario.

S N SHARMA
CEO, DEN Network

We are finding it difficult as the main distributors of broadcasters to sell packages of channels. The consumer needs to understand the benefit of a particular package of channels or genres of channels. A joint campaign to some extent would improve subscription climate in the country.

ASHOK MANSUKHANI
President, MSO Alliance

Broadcasters, MSOs, DTH players are licensed, cable operators are registered. Why are channel aggregators who provide content to DTH players, MSOs and independent MSOs not licensed? What is their identity in the digitization process? what is their status?

ROOP SHARMA
President, Cable Operators
Federation of India



Confederation of Indian Industry

India – The Big Picture Summit

Roadmap to \$100 billion Indian M&E Industry

New Delhi, 29-30 October 2012



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**EMBRACING
INNOVATION IN
MEDIA WILL BE OUR
FOCUS AT INDIA –
THE BIG PICTURE
SUMMIT 2013**

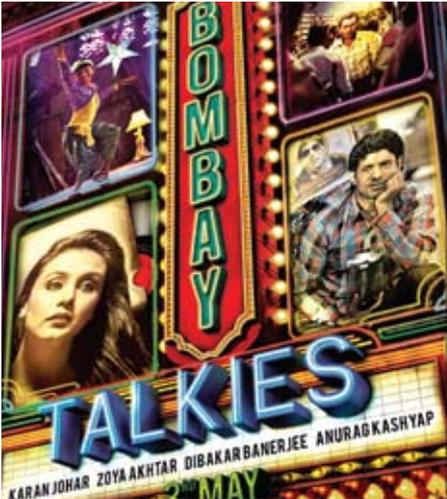
**SEE YOU IN
SEPTEMBER 13-14, 2013**

September 13-14, 2013 Hotel Taj Palace, New Delhi

Email: neetu.sikka@cii.in

Indian Ingredients at Cannes

For 12 days virtually the entire international film industry is jammed into a square mile of the French Riviera. Cannes is a rewarding experience for those whose career is significantly influenced by networking



Viacom 18's Bombay Talkies will have a gala screening at the Cannes Film Festival on May 19. Directed by Anurag Kashyap, Dibakar Banerjee, Karan Johar and Zoya Akhtar, the film is scheduled for a release in India on May 3.

CII's booth at Cannes Film Market – at Palais – is located in the heart of the market near the cafeteria. Maharashtra, West Bengal and Gujarat will be showcasing their respective film shooting locations at the market. As part of the CII exhibitors, Disney UTV will be at Cannes with their slate of movies for sales and distribution.



Vidya Balan will be on the main Jury of Cannes Film Festival 2013.



Nandita Das will be on the Cinefondation Jury that screens student films from all over the world.

- Amit Kumar's debut feature Monsoon Shootout will have a Midnight screening at the festival. The film features Vijay Varma, Nawazuddin Siddiqi, Tannishtha Chatterjee, Neeraj Kabi and Geetanjali Thapa.
- Anurag Kashyap has become a regular at Cannes from India. He returns to Directors' Fortnight with kidnap drama Ugly after two-part gangster revenge saga Gangs of Wasseypur in 2012.
- Ritesh Batra's debut feature film Dabba (The Lunchbox) is part of the International Critics Week selection
- Warner Bros' The Great Gatsby is all set to open Cannes Film Festival. The most awaited film is director Baz Luhrmann's lavish 3-D rendition of F. Scott Fitzgerald's famous novel. This film is also Bollywood megastar Amitabh Bachchan's Hollywood debut.

CII along with Pickle will bring out 'India: Film Location and Services Guide' and distributed at Cannes Film Festival and Market. It is a comprehensive handbook to film shooting locations and services across India. The guide is a platform to promote and position film location in various Indian States and reach out global film producers. To make your films, production or location services visible at Cannes email: anamika.kalia@cii.in

The Future of Media

People are getting used to seamless services: anything, anywhere, on any device. They expect that from old media too, says **Neelie Kroes** Vice-President of the **European Commission** responsible for the **Digital Agenda** at Future Media Lab's annual conference by EMMA (European Magazine Media Association)

We are all familiar with trends in the media sector today. Particularly the impact of the Internet. The digital world is blurring boundaries between sectors like media, telecom and ICT. This disrupts business models; challenges the value chain; changes the role of everyone from publisher to paperboy; blurs the line between pure information and journalism

And it also changes how people consume. People are getting used to seamless services: anything, anywhere, on any device. They expect that from "old" media too. If they don't find it, they vote with their feet.

You don't need me to remind you of these well-known trends. But I do want to share two thoughts.

First, let's not just think about where we are today: today's position, today's trends. Let's do the opposite. Let's think about tomorrow. By 2060, what will "media" mean? What do we want from "media"? What should the sector look like? How many futures are there? How will we get there? What will the consumer experience look like, who will deliver it, how will quality be maintained and rewarded? That's the philosophy of our Futurium project which you are taking part in today.

Second, how should we respond to change? It's a question I see many sectors confronting, from entertainment to healthcare. They all ask: do we change to meet new realities? Or defend against them and hope they'll go away? My view is clear: change is inevitable, adaptation an imperative. If we wait for the future to happen to us, we will become irrelevant.

So for all of those sectors, my advice is the same. Don't defend against digital disruption; to take advantage of online opportunity, you must adapt and innovate. The sectors that have done so are already getting their digital dividend; those that haven't start to get squeezed.

But how to adapt? Of course that is the hardest question. Do we need more "middlemen" in the value chain, or fewer? Do you simply react to demand or find a business model the consumer didn't know she wanted? Do governments need to intervene with detailed rules, or do industry and the consumer know best?

“Free yourselves from legacy thinking. Don't just think about your competitive advantage, about winning the regulatory tug-of-war. Don't just recite mantra positions of the past; but think how the future should be ”

I don't know the answers to all those questions. But I do know policy makers and the industry need to engage for the futures ahead.

First, the sector can itself argue for the changes we need. Christian Van Thillo's Forum on Media Futures gathered many disparate voices: they agreed on the digital opportunities for the media sector. Most of all they offered a wake-up call to policy makers and the sector: to urgently reform, and put consumers at the centre. They committed to explain and champion those ideas to others: and I know they are still hard at work.

Second, we must defend media freedom and pluralism. The High level Group on that issue recently offered us their report: independent but important.

This is a debate I want to hold in the open: with civil society, the media sector and others. And that is why we are consulting on all of their recommendations. When it comes to safeguarding a free and pluralistic media sector, there are dangers from acting too much, and from acting too little. How do we define and protect freedom and pluralism in the future, including in a digital world? So I am asking you all how to best move forward.

Third, we must recognise how sectors are converging, and consider how to react. Take Connected TV: in its various forms, it could be a great platform for new content; with convenience, creativity, and choice. But it also means sectors once distinct converging; some historically subject to certain rules and protections; others not.

Our consultation won't take sides; it raises questions, without answering them. Whatever their perspective, I know many actors agree this is a debate we need to have in the EU.

And fourth, we have today's debate. The question is: how does disruption drives media innovation? An important debate; and I have one plea. Free yourselves from legacy thinking. Don't just think about your competitive advantage, about winning the regulatory tug-of-war. Don't just recite mantra positions of the past; but think how the future should be.

Legacy systems and structures that served those aims well in the 20th century may no longer do so in the 21st. Yes, we must protect values: but values aren't the same as vested interests.

JAVED AKHTAR

Lyricist

Chairman

CII National Committee on Media and Entertainment



I feel that there is no melodrama today. I am talking about good films. Today the dialogues and conversations have become more real and characters are becoming more realistic... Things are not in water-tight compartment. Some things change while some remain as it is. Although a connection is there between them. Even today, we watch the good old films that appeals us.

Javed Akhtar on the fast changing Indian cinema

MEDIA BOOKS

The New Digital Age



It is a splendid collaboration on what's ahead for us in the digital age by Google's Eric Schmidt and Jared Cohen's new book 'The New Digital Age: Reshaping the Future of People, Nations and

Business'. In an unparalleled collaboration, two leading global thinkers in technology and foreign affairs give us their widely anticipated, transformational vision of the future: a world where everyone is connected—a world full of challenges and benefits that are ours to meet and to harness. They combine observation and insight to outline the promise and peril awaiting us in the coming decades. At once pragmatic and inspirational, this is a forward-thinking account of where our world is headed and what this means for people, states and businesses.

Facebook's New Logo



Facebook has updated its "F" logo (old logo on left.) The faint blue line that marked the bottom of the box has been removed, and the "F" now extends right through to the edge, leading to a cleaner look.

TOP PAID APPS ios

Cut the Rope: Time Travel

ZeptoLab UK Limited | Games

Teenage Mutant Ninja Turtles: Rooftop Run

Nickelodeon | Games

WhatsApp Messenger

WhatsApp Inc. | Social Networking

Minecraft - Pocket Edition

Mojang | Games

Fish Out of Water

Halfbrick Studios | Games

Temple Run: Oz

Disney | Games

Block Fortress

Foursaken Media | Games

Kick the Buddy: No Mercy

Crustalli | Games

AfterLight

Simon Filip | Photo & Video

Angry Birds Star Wars

Rovio Entertainment Ltd. | Games

CII CEO's ROUNDTABLE ON BROADCAST



BY THE NUMBERS

- **Iron Man 3** got released in over **1,000 screens** across the country. This is the largest release for any Hollywood film in India till date. The movie distributed by UTV Motion Pictures was released in about **450 digital screens** and almost **350-400 single screens**. The normal range for any big budget Hollywood movie is **200-250 screens**.