



Australian Government



MIPTV and MIPCube

Cannes, France

MIPTV: 1–4 April 2012

MIPCube: 30–31 March 2012

Report by

Chris Oliver, Senior Manager State and Industry Partnerships

Tim Phillips, Investment Manager, Drama

Julie Archet, Marketing Manager, International

Erin Coogan, Marketing Executive, Social Media

MIPTV

MIPTV is a content market held each year in Cannes, France. It is designed for the co-producing, buying, selling, financing and distributing of entertainment content (predominantly television programs). It is the second biggest international television market in the world, besides MIPCOM, which is also held in Cannes.

The official figures released by MIPTV organisers Reed MIDEM stated that over 11,000 delegates attended the 2012 market in Cannes. Importantly, Reed MIDEM also said that buyers remained out in force, with over 4,000 from over 100 countries. Over 1,000 international production companies also attended the market.

These figures are similar to those released for MIPTV 2011. If anything, total delegates may be slightly down. There were a number of vacant stands in the Palais this year.

In particular, it would be interesting to know attendance for the first day of the 2012 conference relative to previous years. Traditionally, the opening day is a frantic day of buying and selling. This year, MIPTV was boxed in by the Easter Friday holiday so it commenced a day earlier than usual, on a Sunday. The first day felt very quiet. There were many anecdotal reports of delegates from England and Continental Europe choosing to spend their valued weekend at home before heading down to the Côte d'Azur on the Monday.

Perhaps 2012 will be remembered as the year that Chinese representatives came to the market in big numbers. State broadcaster CCTV sent its largest

delegation ever to the market, and indicated an interest in co-production deals with top-tier international broadcasters (more details below).

International delegations

There has been noticeable growth in MIPCOM attendance from the Asian region over the last five years. This year **China, Malaysia** and **South Korea** were there in large numbers. These three markets are experiencing considerable growth across all screen sectors and are increasingly engaging in substantial ways with the international marketplace.

With a focus on **China** at MIPTV there were a number of high-level representatives from the Chinese broadcast sector including Luo Ming (CCTV Vice President), Liu Wen (CCTV-9 Documentary Channel Managing Director), Ma Runsheng (CITVC Vice President) and Ms Cheng Chunli (CITVC Deputy General Manager). A large number of the Chinese provinces, studios, production companies and broadcasters had stands – some 15 in all. The centrepiece of the Chinese focus was undoubtedly the events surrounding CCTV-9 at both MIPDOC and MIPTV.

CCTV's documentary 'baby' is on a growth pattern second to none since its launch over a year ago. Chinese audiences love watching factual programs. With a team in place including Deputy Managing Directors Zhou Yan and Shi Yan, Director of Program Operations, Chen Xiaoqing, Director of Programming Department, Shi Shulun, and some 120 staff, the channel has plans to engage with both its Chinese and international production partners. Acquisition and co-production deals have been inked with BBC, National Geographic, ITV, NHK and KBS, and co-productions with new partners are to be announced soon.

After hearing CCTV Vice President Luo Ming's speech at the CCTV-9 launch – given he guides CCTV's program and investment strategy – it is likely that after documentary the next five-year plan will focus on television drama.

Malaysia was also on the move with a large contingent of government officials from National Film Development Corporation Malaysia (FINAS) and Multimedia Development Corporation (MDeC), broadcasters and producers (mainly with an animation and documentary focus). Not to be outdone by others in the market, government officials announced the construction of Pinewood Iskandar Malaysia Studios – to be headed by Michael Lake and to be built just a short drive from Singapore. Delegates were also reminded of the 30 per cent producer rebate on Malaysian production spend. According to government officials, the rebate will be up and running in the first half of 2013. Matching this with the 20 per cent/40 per cent Producer Offset in Australia could be a fillip for Australian television and feature film producers.

There was significant activity at the **South Korea** 'Created by Korea' Korea Creative Content Agency (KOCCA) stand. The South Korean presence included the President and CEO of KOCCA, Lee Jae-woong, public broadcaster KBS and their commercial brothers EBS and SBS. There were a large number of animation producers with distribution arms in place. The support of government agency KOCCA (which has a similar brief to Screen Australia) has been crucial in building the independent production and international sales arms of screen companies. Korean content is striking a substantial audience and commercial cord with audiences in China, Taiwan, Hong Kong, the Philippines and Japan.

Representatives of the **Republic of South Africa's** Industrial Development Corporation met with Screen Australia to discuss, amongst other things, a potential feature-length animation project proposed as a three-way co-production between RSA, Australia and Singapore.

One market that cannot be discounted is **Brazil**. The Brazilian TV Producers Association under President Marco Altberg, assisted by Rachel do Valle and Daniela Pfeiffer, has really built up the Brazilian presence. Delegates were advised that Brazil's new law imposing local production quotas on pay TV broadcasters had a real potential to increase international co-productions. Estimates suggest the quotas will raise US\$250m for the production sector in Brazil.

Meetings with distributors

Screen Australia representatives met with a variety of international television distributors, to discuss sales of projects in which the agency has an interest, and also to gauge their interest in potential new projects.

Jeremy Fox and Anke Stoll from **Digital Rights Group** advised that the company is still very keen on Australian content, but that producers seeking advances of \$1m for 13-part drama series may be asking for too much in the current marketplace. Jeremy implored Australian producers to go back to making programs which were inherently Australian, because in his view they were the projects that had appeal with international broadcasters. He gave examples of *McLeod's Daughters* and *Flying Doctors* – programs that could only have been made in Australia and were therefore distinctive in a busy marketplace.

The classy Australian series *Miss Fisher's Murder Mysteries* was one of the key properties for distributor **All3Media International**, who launched the series internationally at MIPTV. Maartje Horchner and Louise Pedersen from All3Media said that the decision to commit to the project had been significant, given the company had never before distributed an Australian drama series. Series producers Fiona Egger and Deb Cox also attended the market to help promote the series, as well as to secure marketplace support for a second series of the show. Deals for *Miss Fisher's Murder Mysteries* were inked at the market, including sales to Russia, Denmark and Sweden. A launch of the program at the Majestic Hotel, complete with classic cars and feather boas, was well attended by broadcasters and distributors.



The *Miss Fisher's Murder Mysteries* launch

Horchner and Pedersen happily announced that they were interested in partnering on new Australian drama projects, so long as they were 'exceptional'. They are interested in producers who are 'doing something different' from the programming that is currently out in the marketplace. All3Media does not have a current hunger for telemovies. Comedy drama and 'blue collar' series were also 'tricky' to sell and All3Media was wary.

The distributor remains keen to work with Australian factual producers. Horchner and Pedersen sung the praises of series such as *Bondi Rescue*

and *Eight Weeks to Happiness* (aka *Making Australia Happy*), which have been strong titles for the company.

Distributor **Daro Film Distribution** confirmed that it is continuing to refine its focus towards adult drama in the form of telemovies. In particular, Pierre-André Rochat and Anne-Marie Gaskin said that there was a real market for 'women in peril' telemovies with broadcasters in Continental Europe, including the possibility of securing presales. Pierre-André advised that the children's television drama market continued to be highly competitive and that sales were likely to be modest, despite the fact that it had recently taken on a new Australian animated series.

Gary McDonagh and Samantha McMillon from **ITV Studios**, said that even though years had passed since the global financial crisis, the market was still difficult due to lasting monetary concerns in key European territories. They said that Italy and Spain, for example, were not buying much new content. In this context, ITV was keen not to take on too wide a catalogue, and was instead focusing on what it saw as top drama and factual titles. Like many distributors, they seemed able to better articulate what was harder to sell rather than what was easier. They reiterated the distributor mantra that 'one-off' telemovies were difficult. However, they did say that there was a market for 'soft crime' series, as demonstrated by ITV's willingness to come on board the new Australian drama series *The Dr Blake Mysteries*.

Busy UK-based distributor **DCD Rights** were seeking buyers for a number of Australian programs at the market, including further sales for *The Slap* and *The Straits*, and generating initial interest in the comedy series *This Christmas* and *The Strange Calls*, the latter which received funding from Screen Australia's All Media Production Fund. Steve Ayton, Pilar Perez and Cassandra Williams discussed the fact that there had been a change of ownership at DCD, but that had not affected the running of the day-to-day business. The company was still very interested in Australian content, and was considering another visit to Australia to meet with producers with upcoming projects soon.

David Lawley from **Indigo Film and Television** said that the company had not done an Australian drama series since *East of Everything*. But David said that the company was still interested in pre-buying drama content – murder/mysteries remained good sellers – but not paying the prices that many producers were presently seeking. While many producers were seeking advances at or above the \$1m mark for 13 x one-hour series, in the current market, David saw the figure sitting more appropriately in the \$500–\$750k range. He reiterated that Indigo remained interested in factual content – having more than 1,200 hours in its library. Advances for factual programs were possible.

Off The Fence Acquisitions Executive Natalie Holden reiterated a message we have heard over and over again from this primarily factual distributor – it is hungry for content. Off The Fence is especially interested in natural history, military history, science and animal programs. It is not scared of one-offs, but given its need for content, obviously prefers series. It is willing to provide distribution advances for the right projects. Part of Off The Fence's focus at the market was promoting its recent deal to distribute the Sundance Selects/IFC Films catalogue of feature films, representing a continued diversification of its catalogue from its factual origins.

Michael Edelstein from **NBCUniversal** discussed what he saw as the incredibly interesting content coming out of Australia at present. NBCU is primarily looking to work with its partner companies around the world.

MarVista Entertainment mainly focuses on content for the young adult/teen marketplace. Senior Vice President, Co-productions and Acquisitions, Stephanie Slack said that the company was talking to Australian producers about content for that audience. While it was interested in television series, Stephanie said that television movies for the family/teen market were MarVista's 'bread and butter', and that they were interested in proposals for such content.

Shaftesbury focuses on a similar audience to MarVista. Scott Garvie (SVP, Business and Legal Affairs) and Adam Haight (SVP, Scripted Content) indicated that Shaftesbury remained keen to investigate co-productions between Australia and Canada that serve its key audience and that have international sales appeal.

Local distributors

ABC Commercial, the distribution arm of the ABC, was well represented at the market with Leon Coningham (General Manager) busily prowling the Palais floors while Natalie Lawley (Manager, Content Sales) pitched a slate of programs to buyers which included the comedy series *At Home with Julia* and the Screen Australia-funded documentary series *Wide Open Road*. ABC Commercial's market stand is built into the larger Screen Australia stand. The distributor made good use of its stand real estate with artwork specifically highlighting two Screen Australia/ABC programs: quirky, standalone, rap documentary *Mongolian Bling* and dazzling animated children's series *Figaro Pho*, which buyers kept referring to as 'Pixar-quality'.



ABC Commercial showing off its 'Bling'

Screen Australia-supported programs comedy series *Danger 5* and documentary series *Once a Time in Cabramatta* were two of the key properties at the market for **SBS International**, the sales division of SBS Television.

Children's specialist **ACTF** reported that Australian kids' animation series *Flea-Bitten!* continued to be a strong title after originally being launched a year earlier at MIPTV 2011. Sales of animated interstitial series *The Dukes of Broxtonia* were also reported. Visitors to the ACTF stand were also pitched Screen Australia-funded factual series *Dancing Down Under*.

Next door, Sydney-based factual production and distribution company **Naked Flame** worked out of its dedicated stand at the market. Its mix of cooking, fishing and other factual programs seemed to be bringing in a steady stream of potential buyers in a market more and more hungry for this type of content.

Beyond was busy as always at the market, bringing to the market a number of new programs including *Gallipoli from Above*. The company's drinks

promoting the launch of new titles was well attended as usual by buyers and local and international producers.

Meetings with financiers

Television and film financier **Ingenious** arrived in the Australian market with a burst in 2009/10, but has been involved in fewer projects in the last 18 months. Jim Reeve, Fergus Haycock and Kok-Yee Yau explained that they felt that this was largely due to the added uncertainty of foreign currency hedging in a wildly oscillating recent Forex market. They explained that producers could now virtually eliminate this risk in advance by electing certain options at the time of financing.

Ingenious also advised the while most Australian projects to date had been financed under their existing Enterprise Investment Scheme (EIS) model, Ingenious now offers producers a simple loan package, whereby producers could cashflow the Producer Offset and potentially other advances/presales by a straightforward cashflow loan.

When queried about gap finance, it was explained that small amounts were potentially available, but because of the way the Ingenious Media fund was set up this could never be more than 10 per cent of the total Ingenious contribution. However, it was noted that the EIS rules in the United Kingdom are currently being reassessed to actually reward additional risk in certain cases. This might allow financiers such as Ingenious to provide greater levels of gap finance.

Peter Sussman and Brad Sherman from **Aver Media** still see the company's Australian expansion as being in its early days. Nevertheless, they have little doubt that they will soon be writing loans at a level which will be more than a worthwhile business for them. They are also providing gap finance for around eight films each year, including some recent Australian projects.

The company also discussed its offshoot 'media solutions' company, **Evra**. Peter and Brad said that they set up Evra to serve what they saw as a need in the industry for a company that offers solutions to banks and government investors. Evra can be engaged to recover money and chase up non-payment including winding up companies in the courts if necessary. Evra is paid a share of monies recovered; therefore there is only a cost to clients if the recovery is successful.

Screen Australia stand



Sixty-three Australian companies (196 people) registered their attendance at MIPTV with Screen Australia. Many of these companies used the Screen Australia stand as a base for taking meetings and doing business. A total of 247 meetings were booked through the online booking system set up on Screen Australia's website. The make-up of Australian companies was varied with most specialising in documentary, drama, lifestyle, kids and reality production.

Documentary	43
Drama	29
Kids	28
Lifestyle	28
Reality	27
Feature	20
Interactive media	17
Other	17
Animation	16
Light entertainment	5

The stand comprised eight meeting tables, Wi-Fi internet, TVs/DVDs, a feature wall with a show reel of recent titles with Screen Australia investment, reception and message service, telephone and booklets.

The Screen Australia stand was redesigned for MIPTV this year. The redesign incorporated the new Screen Australia logo, along with a new layout to make better use of the space. This included an online booking system which allowed Australian delegates to pre-book tables ahead of the market.

Screen Australia events

Screen Australia organised two events to facilitate networking for Australian producers; a Digital Content Matchmaking Event and the Australian Networking Drinks held at the Screen Australia stand.

Screen Australia engaged Creative Loop to organise the **Digital Content Matchmaking Event**, a matchmaking event for eight Australian content producers on Sunday 1 April at the Screen Australia stand. The matchmaking event had a digital content focus considering the introduction of MIPCube two days prior to the market.

The event focused on connecting the Australian content producers with buyers, collaborators and partners from around the world to advance their projects in development and to buy their finished content. This included mobile applications for smart phones, social media and online games, video games, short-form documentaries for online platforms, digital marketing campaigns, music clips, e-books and edutainment.

The eight Australian producers were selected with the input of Creative Loop and two other assessors from submissions made in response to a call out to industry in February. Selection criterion was defined by track record, current slate of projects in development and strategic benefit for participation in the matchmaking event.

The Australian companies who participated were: **Roar Film** – Steve Thomas and Craig Dow Sainter; **Stella Projects** – Grahame Grassby; **Kapow Pictures** – Sandra Walters; **Dog Money World** – Anna Bay; **Australian Documentaries** – Kylee Ingram; **Storyteller Digital** – Mike Searle; **Criya Media Works** – Jayden Cummins and Ram Sarangapani; **The Project Factory** – Guy Gadney and Kirsty Hunter.

A total of 47 meetings were arranged on behalf of the Australians with companies such as Okto (MediaCorp, Singapore), Channel 4 (UK), ARTE (France), CITV (UK), National Geographic Channels (US), ITV Global Entertainment (UK), Super RTL (Germany), CBeebies (UK), Turner Broadcasting Europe, Virgin Media, Microsoft (Europe), Google/YouTube (Italy), 4Kids Entertainment (US), The History Channel (UK), Canal Plus (France), BSKYB (UK), Telescreen (Netherlands), Bejuba (Canada).

Feedback from the Australians was positive from the emerging and mid-range producers. However, the more experienced producers with established international contacts felt it was not as beneficial or as relevant to them. Creative Loop agrees with this assessment and for future events the programs will be repositioned to attract mid-range Australian producers where the most benefit can be gained.

The **Australian Networking Drinks** were held at the Screen Australia stand on Tuesday 3 April and became a popular event in the Palais, attracting around 300 Australian and international guests.



Screen Australia materials

Screen Australia produced core publications that were available at the stand:

- *Australia at MIPTV 2012* – a directory of 63 Australian companies doing business at MIPTV.
- *Documentaries 2012* – listing 50 new documentaries with Screen Australia investment.
- *2012 Australian Children’s Content* – directory of 47 active Australian children’s producers.
- *Doing Business with Australia* – a guide to the Producer Offset and co-productions.

MIPCube

Official figures show that 500 delegates attended the digital-focused conference, MIPCube. Despite providing some high-profile speakers, the conference remains a fairly niche affair when put up next to the thousands who attend MIPTV. While there were some interesting sessions, it is still some way from being a ‘must-attend’ event.

Some of the more informative sessions included:

Producing for YouTube Success Masterclass (Joe McDermottroe, YouTube)

McDermottroe made a great presentation, laying out the common factors behind successful YouTube productions.

These are the types of sessions that on one hand seem utterly obvious, but unless the rules are set out in such a simple structure, they can easily be forgotten or ignored.

A favourite was the time a YouTube creator has to grab the audience. According to McDermottroe, a YouTube producer has 15 seconds to grab his or her audience or else they will quickly click away. (No longer do you need to feel sorry for the feature director who needs to grab his audience in the first 15 minutes).

Other rules for successful producers are:

- Regular scheduling – just as successful television requires the viewer to know that the next episode will be available same time, next week, so too should a YouTube producer. Creators should also tell the viewers what next week’s episode will bring.
- Involve the audience – placing calls to action in the clips (asking viewers to subscribe), engaging with comments from users and shout outs to viewers. McDermottroe said that viewers want to feel like they know the creators. They want to feel like the creator’s peers or friends. This is enabled through engagement with viewers and consistent scheduling.

- Cross-promotion and collaboration with existing successful YouTube creators. Including guest stars, cross links and shout outs.
- Great metadata to improve search visibility, and an attractive screen shot at the start of each episode creating a good 'thumbnail' on search pages.

These tips and many examples (www.youtube.com/user/charlieissocoollike and www.youtube.com/user/MysteryGuitarMan both excellently demonstrate the key points) can be found in a 'Playbook' produced by YouTube at: www.youtube.com/yt/creators/playbook.html

The Playbook rules illustrate the potential difficulties that short-form drama producers can have on platforms like YouTube. While all the techniques are potentially available in a drama program, there is no doubt that they are harder to achieve (eg shout outs and other calls to action) relative to presenter-driven content. Regardless, McDermottroe did give Italian series *Freaks!* (www.youtube.com/user/freakstheseries) as an example of as a drama series that has had success online with over 60,000 subscribers and six million views.

Meet the New Media Moguls (Danny Zappin and Lisa Donovan from Maker Studios)

Lisa Donovan was one of the first YouTube superstars as LisaNova. Her YouTube channel has had 184 million visitors.

She and business partner Danny Zappin had an idea so simple most will kick themselves for not coming up with it first. They contacted YouTube creators with strong existing followings in the US, and pooled talent and resources to create a studio focusing entirely on creating YouTube content. Creators were physically relocated to Los Angeles so that there could be sharing of production and post-production, a consistency of quality and format, and collaboration and cross-promotion of content.

Maker Studios now has 400 YouTube Channels (including comedy, lifestyle, channels for mums, and many more), 600–700 million views a month and 70–80 million unique viewers per month. The business model is advertiser funded, using their own sales team (as opposed to the Google advertising system).

They reiterated many of the rules that McDermottroe espoused. In particular, engagement with the audience. Donovan explained that probably 80 per cent of her time on LisaNova was spent interacting with viewers, responding to questions etc, rather than generating new video content.

Zappin commented that Maker Studios was formed when certain creators in the US hit a critical mass in viewer numbers to make it worthwhile. He said that he feels that many other territories are just starting to reach that critical mass right now, so that opportunities now exist overseas for similar enterprises. However, he did say that you need to be generating somewhere between two to five million views per month to start making 'good money' from YouTube content.

New Business Models (Bill Scott, Easel TV)

Scott talked mainly about the All3Media TV application, which will be going out on all new Samsung and LG 'smart' televisions. The application was inspired by the high viewing numbers of All3Media programs like *The Only Way Is Essex* on platforms like Hulu.



The All3Media Smart TV application

It allows viewers to watch All3Media content – not as a website – but as a dedicated TV channel on a pay-per-view or prepaid model. The application is notable because while it has been talked about a lot, it is a real example of producers/distributors having a direct relationship with the end user rather than going through a broadcaster TV application or an online aggregator. Further to this, it allows production companies to research what the audience wants and likes – they can learn directly from the viewer interaction.

Transmediatisation – Meet the New Media Trailblazers (Toby Moores – Sleepydog, Guy Gadney – The Project Factory)

These leading transmedia players gave a number of insights into the opportunities and challenges facing the sector at present.

Moores described the difficulties facing television producers due to the lag time between pitching and delivering a television series. As he said, if it takes five years between concept and broadcast, it is extremely difficult to plan how that project might utilise a transmedia strategy. By way of example, he stressed that five years ago, Facebook was used by students only and there was no iPad. But today, no one would think of embarking on a transmedia campaign that did not use these media.

Australia's Gadney talked about the importance of developing your own intellectual property when creating projects. He also stressed that there was significant transmedia potential behind 'causes' as they inherently lead themselves to social interaction on a large scale. He gave the example of the success they had had with the digital extension of *Making Australia Happy*.

Christopher Sandberg, The company P

Sandberg stressed the difficulties of providing additional transmedia content in a television environment where the TV producer just wants to block shoot the show and get it 'in the can'. He explained the main challenge he faced in the digital extension to Joss Whedon's *Dollhouse* series, *Dollplay*: how to provide interactive story content for the audience without shooting 400 alternative scenes.

Marty Roberts, thePlatform

Roberts explained that right from the start, producers now have to be very sophisticated setting up their content so that they can be a good fit for the different potential 'end points' of viewing the content.

He also talked about the growing problem of content discovery: 'how do you find *my* content in a world of infinite choices?' His solution was the 'least sexy

conversation' you could have around transmedia – making sure you have the best metadata possible attached to your content so that recommendation and relevance engines can use it to bring up your content.

Screen Australia delegation

Chris Oliver (Senior Manager State and Industry Partnerships), **Julie Archet** (Marketing Manager, International), **Tim Phillips** (Investment Manager, Drama) and **Erin Coogan** (Marketing Executive, Social Media) attended MIPTV from Sunday 1 April to Wednesday 4 April 2012. Tim and Erin also attended MIPCube from 30 to 31 March 2012.

Chris's role was to meet with market participants relevant to Screen Australia's Enterprise Program, as well as to continue to generate new relationships with Asian broadcasters, distributors and producers as part of a broader Asian strategy for the agency. Tim's brief was to meet with distributors, potential international co-producers, broadcasters and financiers and to give support and advice to local producers attending the market. Julie and Erin managed the extremely busy Screen Australia stand and ran the official Screen Australia activities, including the Digital Content Focus Matchmaking event and Australian Networking Drinks.



Screen Australia's Chris Oliver meets with MIPTV delegates

Screen Australia contacts

For questions on this report, please contact:

Chris Oliver, Julie Archet or Erin Coogan: (02) 8113 5800
Tim Phillips: (03) 8682 1900

MIPTV company contacts

ABC Commercial
<http://abccommercial.com.au>

ACTF
www.actf.com.au

All3Media International
www.all3media.com/home.php

Aver Media
<http://averlp.com>

Beyond
www.beyond.com.au

Daro Film Distribution
www.daro-films.mc

DCD Rights
www.dcdrights.com

Digital Rights Group
www.c4i.tv

Indigo Film and Television
www.indigofilm.com

Ingenious Media
www.ingeniousmedia.co.uk

TRAVEL REPORT

ITV Studios
www.itvstudios.com

MarVista Entertainment
www.marvista.net

Naked Flame
www.nakedflameproductions.com

NBCUniversal
www.nbcuni.com

Off The Fence
www.offthefence.com

SBS International
www.sbs.com.au/sbsinternational

Shaftesbury
www.shaftesbury.ca