



Australian Government

SCREEN
AUSTRALIA

MIPTV 2009

30 March – 3 April

Mike Cowap (Development Manager) and Sally Browning (Investment Manager)

Mike Cowap and Sally Browning attended MIPTV 2009 in Cannes, France from 30 March to 3 April.

The Market

MIPTV 2009 bore the telltale signs of a shrinking market – attendance was down by about 15 per cent and the corridors in the Palais seemed so wide that it could only mean a reduction in the number of exhibitor stalls booked for this year. It was possible, even on the busiest day of the market, to not bump shoulders with anyone between stalls. The doom and gloom of the torrential rain and gusty winds bearing down on the Croisette in usually sunny Cannes seemed to suggest the same was about to happen inside the Palais. But in a surprising twist, many attendees – producers, exhibitors and buyers – were reporting it was a ‘quality not quantity’ market and there seemed little dissatisfaction. Certainly the Screen Australia stand was busy, with the booths mostly booked out up until the Wednesday of the market. One significant distributor reported that all his meetings were meaningful and he expected some good business to emerge and that buyers were doing less tyre-kicking because core programming had to be maintained. Producers were there with project-ready proposals and the Australian producers reported they were, on the whole, able to secure all the appointments they wanted.

There was a view that as production was down in many territories, already-completed product was shifting nicely off the shelves. There was still a clear message that companies need to be swift to begin cutting production costs, keep in search of new production models within the belt-tightening and look at the mix of genres across programming to survive.

Australian presence

There was a decent number of Australians at MIPTV – around 72 companies from production, distribution and digital. At least 40 producers were in attendance, and the balance of Australians represented the broadcasters ABC, SBS and Ten, along with organisations such as ACTF, Screen Australia, Film Victoria, AFI, Screenrights and a range of distributors and sellers/buyers such as Beyond, Southern Star, Verve Entertainment, ABC Commercial, World Wide Entertainment, Magna Pacific and SBS Content Sales.

Screentime's mini-series *Underbelly II* was launched by Portman Entertainment who reported that the second series was well received. *East of Everything* series two, handled by Indigo Entertainment, was also getting a positive response according to the distributor.

Southern Star launched its drama police series *Rush* at a high profile well-attended dinner on the first night of the market.

Paul Barron's children's series *Stormworld* was prominent with a prime position at the front of the Daro stand; the Singaporean MDA reps and Paul Barron took advantage of a photo opportunity to promote the series at the market.

Attending Australian Producers

- Ewan Burnett (Burberry Productions)
- David Gurney (Blue Rocket)
- Paul Barron (GWE)
- Bob Campbell and Des Monaghan (Screentime)
- Andrew Ogilvy (Electric Pictures)
- Lisa Gray (The Feds)
- Lisa Shaunnessy (Chaotic Pictures)
- Carmel Travers (Purple Pictures)
- Tracey Robertson and Nathan Mayfield (Hoodlum)
- Mark Overett (New Holland Pictures)
- Chris Hilton and Ian Collie (Essential Media and Entertainment)
- Carlos Alperin (Galloping Films)
- Sandy Cameron (Katalyst Interactive)
- Annette Cullen and Leigh O'Brien (Ettamogah Entertainment)
- Guy Gadney (The Digital Project Factory)
- Nick Heydon, Karen Kim, Anne Mason and Alexander Herget (Silver Bullet Films)
- Michael McMahon and Polly Staniford (Matchbox Pictures)
- Angela Walsh

Agencies and other organisations attending included Screen Australia (Frances Leadbeter, Sally Browning and Mike Cowap), Film Victoria (Jeni Tosi), ACTF and Screenrights.

Meetings and schedule

Our time was spent meeting and talking to the distributors, buyers and foreign producers briefing them on the proposed changes to Australian financing including how the Offset is working, co-production opportunities and the role of Screen Australia. We also met with a number of Australian producers to introduce them to possible partnerships in the market and to attend meetings they required to answer financing questions. We attended the Accelerator market session (nine foreign producers looking for co-production advice) and attended as many of the market organised seminars as possible.

We met with the following:

Ian Jones, Target Entertainment (UK)

Ian reported that Target had downscaled their expansion since we last spoke due to their bank imposing a cap on lending with their credit line now fixed; plans to expand into feature films have been slowed though the company continues to trade very successfully in television drama. Plans to partner with an Australian company have stalled. Ian stressed however that the company was in very good financial shape (due to swift action taken when the financial crisis hit) and was still taking on high quality projects. Target rep Virgin in the US and have established a US production arm, which will do 50/50 co-production deal selling into US networks. In the UK, their DVD label expansion is on hold but international DVD operation continues.

Pilar Perez, DCD Rights (UK)

DCD is made up of seven production entities. It distributes in-house productions, acquires digital rights and is now expanding into independent production and distribution. The company has a £10 million rolling fund to provide gap finance for various projects. The plan is to build a catalogue of drama. Already the company has 700–800 hours of drama and factual and it wants to double that figure in the next few years. DCD would require a three-year exclusive deal with broadcaster involvement in the project. Each project is assessed according to the available rights from international sales to publishing to digital rights and it will offer 30 per cent of the value of those rights for a 10-year term. The finance is not equity but characterised as gap and DCD distribution takes a 30 per cent commission (can be negotiated lower) which it shares with the fund. As the fund only pays on delivery, DCD will cashflow the fund's contribution or discount it with a bank for possible back-end participation of between five to 15 per cent. The cost of money is 10 per cent. www.dcdmedia.co.uk

David Pounds, Electric Sky (UK)

UK factual distributor still keen to be involved in Australian factual productions. Will look at strong single hours for prime time and long-running series. Currently interested in good wildlife and strong crime stories. Can provide guarantees but only for certain projects. www.electricsky.com

Anne-Marie Gaskin, Daro Entertainment (Europe)

Anne-Marie reported that Daro had had a good year but were heading into the rest of 2009 cautiously, using this market to audit which buyers were still buying and if it was at the same rate. Daro handle the Screen Australia children's series *Stormworld*, *Pixel Pinkie* (1 and 2) and *Dogstar* 2.

Anne-Marie Lesiuk, Minds Eye Entertainment (Canada)

Children's television and documentary series is Mind's Eye main product line. Anne-Marie reports that broadcasters have given feedback that documentary series are currently too 'bulky' and that they mostly want portions of programming. Travel, design and fashion always doing well. Hallmark are a consistent buyer of Mind's Eye product, looking for 'family' quality so children's shows do quite well; open to any types of programming but not interested in animation or shorts. www.mindseyepictures.com

Nick Witowski, Alchemy (UK)

By nature their projects are usually co-productions as they are too expensive for one broadcaster to finance. Very high-end mini-series with budgets

ranging from \$10 million to \$25 million. Combination of both distributor and production house, Nick confirmed Alchemy are able to offer advances against pre-sales (they consider themselves very skilled at obtaining pre-sales) and that they were interested to see how they could combine their financing with the Producer Offset by developing Australian projects. Producers are invited to contact Alchemy directly via their website: www.alchemy.tv

Hans Stefan Heyne, Studio Hamburg (Germany)

Studio Hamburg is part of NDR Germany. It is a production company that deals with features, documentary, post-production and entertainment shows. It also has a distribution and marketing department that represents NDR programming for North and East Germany for DVD/VOD/online rights. Will do acquisitions for international co-production in television drama, documentary, feature films, children's TV.

Fiona Crago, Beyond (UK/US)

Fiona believes we are at a 'tipping point' in the industry and the next 12 months will see an increase in third party sales. Sales have been benefiting from the high US dollar but in the short term, broadcasters want more third party production with less commissioning happening. She predicts pay TV will have to start paying more for content but that the overall health of the television industry is, at best, unpredictable. She reported that children's series are doing well, particularly in Asia though preschool titles are more difficult because of market saturation. Other areas are robust though Beyond were moving away from music, current affairs style or specialised subjects as they wished to remain a broad, general commercial distributor. Fiona suggested Beyond could cashflow the Producer Offset for distribution rights on commercial international series as they are currently 'cashed up'.

www.beyond.com.au

Christopher Chia, Lim Su-Ling and Keh Li Ling, Singapore Media Development Authority (MDA)

The MDA is a government-funded organisation in Singapore with links to the public broadcaster, which commissions 3,000 hours a year. The MDA facilitates a number of film funds and aims to be involved in 12–15 films a year (mainly working with Thai, Korean and Chinese filmmakers). Interested in projects that will do post-production in Singapore, shooting is not so essential to access the funds but they do want to see an income stream into Singapore. Has had an ongoing collaboration with ScreenWest over the past few years, mostly with factual programming. Currently involved as an investor via Theatre Red in Paul Barron's children's TV series *Stormworld* and in Noel Price's series *Gurls Rule* (AKA *Chatroom Chicks*). MDA sponsoring an Asian Television market in the first week of December and was keen to promote attendance. www.mda.gov.sg

Off the Fence (Netherlands, Europe)

International distributor of documentary and other factual genres. Represent channels as well as larger producers. Standard terms are 30 per cent distribution fee with five per cent capped costs. Only dealing in volumes of 6, 13 or 26 and usually cannot offer DGs. Has a good reputation as being a producer-friendly distributor. Encourages producers to contact them with proposals (via their website) and Ellen Windemuth usually attends the AIDC.

www.offthefence.com

Chris Fletcher and Maurice van Sabben, National Geographic (US/Canada)

National Geographic are usually associated with documentary and factual programming however they are also focused on feature films, kids television, music, radio, PC and IMAX delivery and general distribution. However, in this instance the meeting covered the recent Screen Australia-Nat Geo partnership to develop and finance five documentary programs in Australia each year. Nat Geo's mission is to 'increase the diffusion of geographic knowledge'. Character and story are paramount to the organisation in the selection of its programming but they are flexible in their approach, will offer distribution only or take on a co-production role. An exception is theatrical distribution as they have formed relationships with various theatrical distributors for that purpose. www.nationalgeographic.com

Steve McDonogh, BBC Worldwide (UK)

Part of the Independents Unit of the BBC, this company undertakes co-productions with the BBC. Steve is interested in Offset opportunities by way of official co-productions for television only. Interested in maximising 'soft' money in South Africa, Australia and Canada. www.bbcworldwide.com

Marina Cordoni, Breakthrough Entertainment (Canada)

Canadian television production company dealing in all genres over the last 20 years with a TV movie division and low-budget features. Have been involved in co-financing arrangements rather than official co-productions and have output deals in certain European territories. Open to co-production arrangements whereby the Producer Offset might be utilised. www.breakthroughfilms.com

Marc Lorber, Marvista Entertainment (US)

Marvista are a very large US company involved in the production and distribution of a range of programming including action, thrillers, drama, family and children's entertainment, exploiting this programming through its own worldwide distribution organisation. Marc was very keen to find Australian producers to work with and is willing to finance, co-produce and distribute for Australian drama, telemovies and mini-series. www.marvista.net
Marc Lorber mlorber@marvista.net

Ole Kampovski, NDR Germany

Ole is the commissioning editor from NDR that is involved in *Gurls Rule* (AKA *Chatroom Chicks*) and previously *Blue Water High*. Very familiar with Australian production and keen to do more. Would like to do a joint launch for the series between Singapore, NDR and Screen Australia at MIPCOM in October.

Genevieve Dexter and Ton Van Waveren, Cake Entertainment (UK)

Cake are involved in Ewan Burnett's children's series *Dead Gorgeous*. Met to discuss their commercial terms and their philosophy as distributors, which included them not only putting up an advance but wanting to take an equity stake in the project by way of reducing their upfront commission. Dollar-wise this works out roughly the same as charging a higher commission but does mean the company has certain recoupment rights over the life of the project. Not interested in acquiring copyright however. Are able to put up reasonable advances. www.cakeentertainment.com

Rob Straight, Horizon Pictures (US/Canada)

Rob was very enthusiastic. Happy to be approached for features.

Jeremy Fox, Portman Entertainment (UK)

Jeremy reported interest in the series *Underbelly* I and II remained positive; and that *Sea Patrol* was still popular. Jeremy is keen to hear from Australian producers for drama series and co-productions. Telemovies more difficult but not out of the question he said. Portman are part of the Digital Rights Group, a leading UK independent distributor of content (not owned by a broadcaster and they do not own PCs). There are eight specialist brands in the group supporting all genres from drama to reality to format to entertainment.

www.digitalrightsgroup.co.uk

Louise Pederson, All 3 Media (UK)

Working mainly in factual entertainment, All 3 Media are a distributor only and not a production company. Interested in one or half hours in series upwards of six episodes. Can offer DG of £10,000 per hour and keen to look at formats. Louise reported that drama sales are slow in the UK and as a rule they are only interested in new series of successful shows, and not new big dramas. Not keen on features or telemovies. In terms of series, she indicated they would not be looking for anything with 40+ year-old police officer characters in it. The All 3 Media team will be making a trip to Australia (Sydney and Melbourne) in August to talk to producers. www.all3media.com

Scott Garvie, Shaftesbury Films (Canada)

Shaftesbury is a Canadian company interested in children's series, primetime drama of one hour or more (involved in *The Listener*, Nine Network). Currently developing comedy series and features and open to co-production arrangements. Scott reported the company's children's series are doing well with broadcasters CTV, Rogers (Chum) and CBS and he was encouraging regarding Australian producers approaching them with possible co-production opportunities. www.shaftesbury.org

Philippe Alessandri, Tele Images Kids (France)

Philippe is involved in a children's television series being developed by producer Geoff Watson. Tele Images wants to commit to several series and is keen to work as an official co-producer for children's series.

Victoria Baldok and Michelle Malo, Verve Entertainment (ANZ)

The Verve girls reported there weren't fewer arranged meetings this year at the market, but definitely less walk-bys. Verve deal in finished programming only and cannot provide DGs. They rely on a word of mouth reputation and sell regularly into TVNZ, the XYZ Network; The Living Channel; the Seven Network's programming to pay TV. Terms are 30 per cent including expenses. Consider their product left of centre and contemporary.

www.verveentertainment.com

David Lawley, Indigo Film & Television

Distributors of the series *East of Everything*. Indigo are an independent distributor dealing in factual, kids and drama, including some feature films. David is a supporter of Australian drama though he has a realistic view of its saleability for primetime in the UK (ie almost non-existent). Keen to be involved in the larger budget mini-series and willing to offer large MGs for these programs. Wants to hear from Australian producers who are working at a high level in domestic and international drama. www.indigofilm.com

In addition, Mike met with the following to discuss digital and multimedia opportunities:

- Rosie Allimonos, Multiplatform Commissioning Exec, BBC (UK) – www.bbc.co.uk
- Charles Kriel, Black Swan Media (UK) – www.blackswanarts.com
- Patrick Crowe, Xenophile Media (Canada) – www.xenophile.ca
- Lynsey Taylor, Northwest Vision (UK) – www.visionandmedia.co.uk
- Jordan Gaucher and Tom van Waveren, Cake Entertainment (UK) – www.cakeentertainment.com
- Mary Barroll, MBMedia (Canada) – www.mbmedia.ca
- Brian McKeown, Howe Sound Films (Canada) – www.howesoundfilms.com
- Richard Meaney, Cache Film & TV (Canada) – www.cachefilmmandtelevision.com
- Simon Staffans and Jonas Forth, MediaCity (Finland) – www.mediacity.fi
- Simon Guild, Bass Rock Media (UK) – www.bassrockmedia.com
- Nina Di Gaetano, Unicorn Media (UK) – www.unicornmedia.com
- Ferhan Cook, Any Screen Productions (UK) – www.anyscreenproductions.com
- Helen Grace, Left Films (UK) – www.leftfilms.com
- Martin Tricky, Commissioning Editor for Multiplatform Comedy, BBC – www.bbc.co.uk
- Nils Holger-Henning and Liudmila Sukhareva, Bigpoint – www.bigpoint.net
- Kirsty Semple and Jane Wilding, Space Creatives (UK) – www.spacecreatives.com
- Karen Cuccaro, Movie Ventures Ltd (UK) – www.movieventures.com
- Adam Khwaja, Producer, Children's, BBC (UK) – www.bbc.co.uk/cbbc
- Jane Steventon and Jane Daucey, Machine Productions (UK) – www.machineproductions.co.uk
- Katheryn Needham, EastWest Film Distribution (UK/Austria) – www.eastwest-distribution.com
- Susan Bonds, 42 Entertainment (US) – www.42entertainment.com
- Gerald Conn, Cinetig (UK) – www.cinetig.co.uk
- Huw Walters, Calon (UK) – www.calon.tv
- Paolo Di Maira, Cinema & Video Int (Italy) – www.cinemaevideo.it
- Alex Dorman, URStreams (UK) – www.urstreams.com
- Kim Heeramun, Screen Yorkshire (UK) – www.screenyorkshire.co.uk
- Jeffrey Goldman, American World Pictures (US) – www.americanworldpictures.com
- Or Benjamin, Lazooz Media (Israel) – www.lazooz.com
- Douglas Zwick, Specialty Studios (US) – www.specialtystudios.com
- Suzanne Stefanac, AFI Digital Content Lab (US) – www.afi.com

MIPTV sessions

2009 saw the digital media side bar formally known as MILIA now integrated with the rest of MIPTV, mirroring the real life convergence of the different platforms.

Despite the drop in attendance, MIPTV provided a compelling connection with, and window on, the international digital media sector. It was reassuring and exciting that Australian content in this field was clearly comparable with the world's best, something made all the more tangible by Firelight and Essential Viewing scoring the coveted Interactive Emmy for *Scorched* (www.scorched.tv). There was a positive vibe throughout for those from the digital media sector, buoyed by the rapidly increasing audience figures and migration of advertising expenditure. True convergence between traditional media and digital media was readily apparent.

Sessions generally covered advice on best practice, tips and case studies on how to monetise content, and examples of latest trends and technologies. Key topics consistently explored included the rise of social media, and turning to your advantage the expectation of free content, peer-to-peer sharing and piracy.

A networking breakfast on the first morning saw a presentation on cross media rights given over croissants and coffee. At the centre of the discussion was 'Creative Commons', a new approach towards rights, allowing authors, scientists, artists and educators to easily mark their creative work with the freedom they want it to carry. Creative Commons can change copyright terms from "All Rights Reserved" to "Some Rights Reserved." Donatella Della Ratta from Creative Commons pointed to the societal shift towards a culture of free sharing of content, and presents Creative Commons as a solution to address this. It's still a tool to protect your copyright, but a much more flexible one. They have a variety of licenses to select from, depending on what you want to keep and what to give up. Users of Creative Commons licenses include Barack Obama, who releases photos and updates on to social networking sites, and pop star Gwen Stefani, who put a photo of her new baby on Flickr under a Creative Commons license, rather than selling it. Al Jazeera have a repository for downloading high resolution news footage available under a Creative Commons license which allows free broadcast use provided you state the source. This is great for brand building and viral marketing.

The changing habits of broadcasters was no more evident than in a key presentation from Matthew Locke, Commissioning Editor, Education, Channel 4. It is now an established fact that today's youth spends less and less time watching TV, leading Channel 4 Education to make the unprecedented commissioning move of pulling £6 million out of TV and putting it into online commissioning. Matt explained the latest on C4's commissioning strategies for youth and educational programming, saying that he doesn't care what platform he is commissioning for, as long as it gets the attention of the 14– 19-year-old audience. *Battlefront* is one such project, a partnership with social networking site Bebo, which follows 20 young campaigners pushing different issues, and asks the wider question of how the web is changing campaigning. Content has to be 'spreadable', says Matt, and he quotes Matt Webb that, 'if it doesn't spread, it's dead'. So how do you commission for a 'spreadable' world? Matt commissions as streams, not schedules or sites. He finds a partnership with a social networking site, such

as Bebo or MySpace, drives more to the site than a badly scheduled broadcast.

- How do you get attention in the first place? Use adverts, etc, but what works is having a clear voice for your site. Get a really good copywriter, says Matt.
- How do you keep attention? By far the best way that Channel 4 has found is casual gaming, where users will stay on average for 25-30 minutes.

The session 'Building the Buzz for an Online Show' asked 'how important is the power of the community in online programming'? Can the community become just as important as the content in the creation of online entertainment? How can TV companies create buzz for their shows online? Case studies were presented, informing how to make an online show a marketing success. Anthony Lukom from MySpace UK profiled an online show produced in association with Blackberry, called *Live & Lost*, following a young pop star called Frank Musik who had to travel from the top of the UK down to London in 10 days, in time for his live show. The entire trip was done using only his Blackberry to get assistance from fans via his MySpace page. This was great advertising for Blackberry who wanted to be seen as an enabler for creative people to be active.

Kate Burns of Bebo and Zad Rogers of RDF Digital profiled their partnership to produce a weekly online magazine show called *B-Box*. Bebo has a 13–24-year-old demographic, which they called 'TV's lost generation'. Although a traditional magazine format, this show was one of the pioneers of online programming, often integrating brands into the content and segments. Kate said people are watching much longer video content online, which raises the issue of how to make linear video interactive. Bebo do it by building a lot of possible activities around the content, such as comments, blogs, UGC, etc. Bebo users are accepting of brand integration, and will cheerfully watch a segment that is clearly advertising provided it's fun and consistent with the vision of the show.

Key learning points:

- Consider why would someone pass it on to a friend.
- Community and collaboration are key so find ways to get everyone involved.

'Raising Funds for Cross-Media Production' sought to introduce producers to some of the buyers of new formats of content for new platforms. Marie Jacobson of Sony talked about their involvement in online series *Afterworld* (130 x 1-minute) and *Gemini Division* (50 x 3-minutes). *Gemini Division* was part-financed by pre-selling advertising to five different brands, which also highlighted the rising trend of advertisers migrating to new platforms. In the wake of the GFC, they are reassessing where they spend advertising dollars, and it's to the benefit of online. (This was a positive trend that was consistently mentioned throughout the digital media sessions at MIP.) Kamil Przelecki from Agora said that to be a successful online show there has to be a two-way dialogue between the show and the audience, and anyone proposing a show to them would have to have a compelling narrative and an immersive space. Russell Kagan of International Program Consultants

reminded that it always comes back to great storytelling, and encouraged an overlap of key creatives between different platforms on a cross-platform show.

Asking the question on everyone's lips was the session 'What are the Best Ways of Monetising Cross-Platform Content?' This session provided practical tips on how to control your own content, find the right licensing partnerships, take advantage of digital advertising and how to get the widest distribution to maximise digital revenues. Simon Danker of BBC Worldwide said that strategic relationships pay, and cited theirs with iTunes and YouTube. Subscribers to BBC's free YouTube channel (which is responsible for 60 per cent of all video on the web) may then be inspired to pay for other BBC products. Mike Volpi of Joost said they had explored a number of models including download-to-own, single rentals, subscription models, but with advertiser-supported being the most lucrative.

The theme continued with the session 'When will Online Revenues become Meaningful?' Recent forecasts show that despite large audiences, online TV will represent only a small percentage of total ad revenues by 2012 and ad funding will not increase significantly until advertisers and broadcasters settle on a model that works for both sides. More online content portals outlined their revenue model, including Starz Media's use of pay-per-view, product-placement and sponsorship, and subscription on demand. Patrick Walker of YouTube reminded us of their dominance with the staggering statistic that 15 hours of video is uploaded by users every minute of every day. The benefits to archival programming of offering video content for free via YouTube was apparent in the anecdote that the launch of a Monty Python YouTube channel was immediately followed by a 23,000 per cent increase in DVD sales, giving the archival content a huge boost. And the benefits are not just for archive: the Tina Fey/Sarah Palin clips on YouTube rocketed SNL's ratings by 300 per cent.

'The Role of Brands in Storytelling' explored how brands can play an important role in content creation, storytelling, and therefore financing. The advertising sector has embraced the possibilities afforded by new platforms. A few examples were given of brands, agencies and producers collaborating to capture the essence of a brand in a story that connects to an audience as well as integrating brand values. Panos Sambrako, OgilvyOne Worldwide Athens, showed the example of *Love at First Site*. Developed and implemented in Flash, this was a fully interactive movie and game experience, following the narrative of a young couple meeting and falling in love with the help of a Lacta chocolate bar: www.loveatfirstsite.gr

A traditional story has a beginning, a middle and an end. In cross-media, the story can be open-ended, and it can take place on multiple devices, the internet and even live events. So what new narrative structures would work in this new world? Do we need to develop a new language for storytelling? 'The Art of Storytelling across Media' panel session provided some examples of cross-platform narratives such as *Kate Modern* and *Lonely Girl 15*. Suzanne Stefanac of the Digital Content Lab at the American Film Institute talked about how she had worked with many major broadcasters and producers to help them develop properties to work across multiple platforms. It's based in New York, but well worth Australian broadcasters and practitioners exploring how it might be possible for them to attend, and go through this rigorous development process.

Alternate Reality Games, that fuse drama gaming and reality, came under the microscope in a session called 'The Story Comes Alive'. The session explored how real life becomes a medium in which the story evolves, how to skilfully scatter the pieces of the story around the internet, then provide a connective tissue to find it, and finally how to use pull rather than push marketing to draw in the audiences. The ARG is a rapidly emerging genre playing to a demographic that has great multi-tasking ability. *The Beast* for Artificial Intelligence in 2001 was the first to coin the name. The panel enthused that the key element is to give audience a role in the story, and provide an immersive entertainment experience where the community will be stimulated to work together. The entry point is typically hidden, and you have to 'find the rabbit hole' and tumble down into the world. 42 Entertainment were responsible for a major ARG in 2007, which tied in to the release of an album from Nine Inch Nails called *Year Zero*. This was a concept album set in a Dystopian future, and the game played with that by sending a snapshot of this future back in time. The 'rabbit hole' in this case was cryptic clues given on the back of a limited run of concert T-shirts, which when Googled sent them to a number of related sites. The game successfully expanded the Nine Inch Nails audience base, and was critically well received. Ann Powers of *The Los Angeles Times* praised the album and game concept as "a total marriage of the pop and gamer aesthetics that unlocks the rusty cages of the music industry and solves some key problems facing rock music as its cultural dominance dissolves into dust." 42 Entertainment won two Webby Awards for their work on the *Year Zero* game, under the categories of "Integrated Campaigns" and "Other Advertising: Branded Content".

The session 'Mobility & Marketing 2.0' told us that 2008 was the year mobile marketing took on a new dimension, thanks to the iPhone and Android. Several inventive examples of the latest mobile advertising applications were shown, with the most memorable coming from BBH and the deodorant brand Lynx. Peter Sells talked about how they were looking for a way to communicate 'The Lynx Effect' for new platforms, and the result was a mobile application with a medley of SFX to help male users 'break the ice with the ladies', such as setting a car alarm so the fancy sports car nearby appears to belong to you. It has had 500,000+ downloads, and counting. Peter says the application must be compelling enough to stand on its own, and be in line with the brands objectives. Someone stated the obvious that "the value of an application is directly proportional to the number of people who download it."

An enlightening session from Cindy Rose of Disney Interactive explored 'Building Audience Engagement through Cross-Platform Gaming'. Cindy said that for Disney, online gaming drives audience loyalty significantly. Disney work across a range of different media platforms to reach their demographic of 7-14 years old, 82 per cent of whom use the web every day, and multi-task at all times. Simple casual games are by far the longest driver of repeat visits to Disney, and virtual worlds increase audience dwell times.

The market for online virtual worlds is said to reach \$3 billion by 2010. How can content providers capitalise on this trend? This question was explored in the session 'Tv Audiences meet in Online Games & Virtual Worlds'. Virtual Worlds are not only found in hard-core multiplayer role-playing games such as *World of Warcraft*. They are also being used to create fresh and engaging entertainment for a growing number of younger players by enabling virtual playgrounds. Disney's Penguin Club and Cartoon Networks' MiniMatch are

just a few successful examples. The association with a TV channel or a popular program often provides the traffic, while the immersive experience and community creates the engagement. However, a few pitfalls need to be avoided to enjoy continued growth and monetisation. If you were in any doubt over the dominance of game income over film, some statistics given during this session by Nils Holger Henning of Bigpoint are pretty compelling. Bigpoint provide online single player and multiplayer games, and are big on collaborations with broadcasters. They offer 27 games in 17 languages, and have 60 million registered users. The games are all free, with most of the income coming from virtual item sales. Only six per cent to 10 per cent of their active user-base buys a product, but those who do spend money average between US\$25 and US\$35 per month, which amounts to a staggering projected revenue of US\$100 million for 2009.

‘Future of the Gaming Genre in the Next Interactive Landscape’ highlighted the convergence of cinema and gaming. As the old categories of games break down, and games begin crossing media, what will replace the old paradigms and how will the game narrative evolve? This session looked at models for merging story, interactivity, social networking and user-generated content. Guillaume de Fondaumièrre of Quantic Dream gave a sneak preview of the anticipated new console game *Heavy Rain*, an amazing example of a rich narrative and highly interactive game that takes the next step towards being an interactive cinema experience. In the example we saw, you play a journalist who finds herself in the home of a serial killer. It uses classic storytelling techniques and POV to heighten the emotional engagement of the player. Australia’s own Jim Shomos also got a healthy round of applause for his sneak preview of the web comedy series *Mordy Koots*, made with Kenny’s Jacobson brothers, which promises to launch a new genre called MOGIE’s (Movie Over Game Integrated Entertainment).

The HBO session was enough to lure me from my otherwise strict digital media focus, the brand synonymous with award winning, ground breaking programming. HBO Co-President Richard Plepler and President of HBO’s Programming Group and West Coast Operations Michael Lombardo discussed the programming philosophy of HBO and the evolving business of creating series, miniseries and films. They look for passionate, distinct voices who want to entertain but have something to say, then ‘let them alone’. A show with a strong point-of-view can’t be created by a panel, they say. HBO has longer development periods than other broadcasters, with series often taking nine months to a year to be written before production begins. All shows start with the writing on this writer driven network. The revenue model comes from the 30 million subscribers, plus huge revenue from DVD. They have seen a softening in the DVD market, but no softening in subscriber numbers. This revenue model frees them for the need for advertising or product placement.

I attended a session on ‘Cooperation between China and Other Countries’ presented by State Administration of Radio, Film, and Television (SARFT). This was a look at some examples of recent Chinese co-productions, intended as a pitch to encourage more. What seemed to be of great interest to the Chinese contingent was a creative collaboration that assisted them in telling stories for an international audience, which is something Australian practitioners can do very well. Case studies from RAI, Les Cartooners Associés and TOONMAX enthused that China was a potential co-pro country well worth exploring.