

The world of entertainment at MIPTV 2009

MIPTV, CANNES, FRANCE: The world of entertainment is changing as the demarcation between television, mobile, web and IPTV is becoming less distinct. Against this background, 11 500 entertainment content producers, distributors, digital media and advertising executives, from 105 countries, came together in Cannes, France, for MIPTV.

With some 4000 companies represented at MIPTV this year, 30 March - 3 April 2009, which Endemol chairman and CEO Ynon Kreiz described as "the world's greatest gathering of the world's television industry," delegates said the recession had focused minds but not necessarily dampened spirits.

"We've all been humbled by the economic situation," noted Kreiz. "However, we're feeling optimistic. If we are bold and imaginative, there is no limit. Those who can supply to all platforms will prevail."

Sales of completed shows

MIPTV delegates, including 3800 programme buyers, reported that the economic climate and pressure on advertising slot prices have led networks to be cautious about funding new production. However, sales of completed shows remain very much the order of the day.

"It's true that there is pressure on production budgets, but networks around the world still need to fill their schedules. This means that the business is currently weighted somewhat in favour of acquisitions, which reinforces the relevance of MIPTV as an event whose core activity remains the buying and selling of shows, which is what we've been doing successfully all week," said Gary Marenzi, co-president, MGM Worldwide Television.

In a sign of the times, long-standing MIPTV attendees, including MGM and the other US majors, the BBC, Endemol, FremantleMedia, TVE, RAI or Beta, rubbed shoulders with senior executives from MSN, Yahoo!, YouTube, Orange, MySpace and Nokia, as well as one of the largest delegations (over 90 companies) of Chinese television companies ever to attend MIPTV.

A glimpse of the future

Day one of MIPTV gave a glimpse of what the future may hold as Paramount Digital Entertainment announced its deal with French film major Gaumont to produce "Section 8," a made-for-Internet thriller series which will be premiered on MySpace in the US, distributed worldwide by Endemol and eventually released theatrically.

Adding to the MIPTV mix, top advertising executives such as Sir Martin Sorrell (CE of advertising and communications services group WPP), Chuck Porter (co-chairman of Crispin Porter + Bogusky) and Christophe Lambert (co-founder of

Blue Advertainment), brought their expertise and thoughts to Cannes to discuss the future of online, offline and mobile advertising, and relations between the advertising industry and content producers.

Their message was clear “in the new, multi-platform entertainment world, content producers and advertisers need to work ever closer together”.

“Television delivers huge audiences and the buying and selling of programmes is still the main part of business activity at MIPTV,” said Laurine Garaude, Reed MIDEM's Television Division acting director. “However, the days when television producers and distributors eyed the Internet, IPTV or mobile telephone community with a certain lack of comprehension are over.

“Similarly, major advertising companies are increasingly keen to get close to the content producers who are so important at MIPTV. We started making the introductions three or four years ago and, in 2009, people have really connected in Cannes,” she added.

2009 a watershed

According to senior industry executives at MIPTV, 2009 may mark a watershed for the television business. “The recession is changing the basis of the industry we are operating in,” commented Sorrell. “A severe recession and big technological changes will drive the process,” he told MIPTV delegates.

Addressing a packed MIPTV conference, 31 March, Sorrell predicted, “Free-to-air television will not die. It will still be the most effective way of reaching the largest number of people in the shortest possible time at the lowest cost per thousand, but it will not have the (advertising) domination it once had.” He added that television production models had got too expensive and would probably change.

One key question on delegates' lips at MIPTV was when the plethora of digital outlets would step up to the plate and provide substantial revenues for content providers, and in what form.

Estimates for the value of online advertising spend in Europe range from US\$2.5 billion in 2012 to as high as US\$7.1 billion in the same year. “Online video advertising is like a baby. We've got past the crawling stage and now we're in the walk stage,” said Joe Michaels, senior director, business development, MSN Entertainment, Video and Sports.

Digital media experts urged patience on the revenue question. “The revenues will come. People need to embrace the fragmentation of the industry and be patient,” commented Marc DeBevoise, SVP of digital media, business development and strategy at Starz Media.

Starz Media chose MIPTV to announce that its subsidiary, Film Roman, is committing to a new animated feature, “Dante's Inferno”, to be co-produced by video games giant Electronic Arts. The project is based on the EA video game of the same name, currently in development - another example of reaching out to wide audiences.

Formats in evidence

With networks looking closely at the cost of major drama, formats were much in evidence at MIPTV. FremantleMedia CEO Tony Cohen predicted that in the current risk-averse world, formats and tested game shows will continue to prove attractive propositions. Sorrell told delegates attending his keynote address, on 31 March, that broadcasters and networks are focusing on formats because they are a relatively cheap and efficient method of delivering audiences.

Format deals included Mark Burnett Prods. and Lionsgate TV's partnership to produce a US version of Italian family talent show “Parenti Talenti”, US production company Reveille's option to adapt Scandinavian format “Don't Date Him Girl” and Endemol's confirmation that the latest edition to its game-show stable, “The Whole 19 Yards”, will pilot on CBS in the US.

Exactly when the television industry will start pulling out of the economic downturn was a question more asked than answered at MIPTV. Admitting it was probably a risky prediction, Sorrell suggested that a “pretty anaemic” recovery could start being seen in 2010. However, there are already signs that the Chinese market is beginning to pick up, according to the WPP CE.

China out in force

The Chinese television industry was out in force at MIPTV, with a major delegation of over 90 companies and some 300 executives, headed by the State Administration of Radio, Film and Television (SARFT) vice-minister Tian Jin.

The minister told MIPTV attendees that China is actively looking to develop co-production projects for the domestic and international market, particularly in documentaries, animation and drama.

Evidence of China's commitment to co-productions was quick to surface at MIPTV. CCTV Animation announced an agreement with PorchLight Entertainment of the US to develop and co-produce a 52x12 minutes pre-school animation series, “Snap! Let's Go”. The deal marks the first collaboration on a long-format television animation series between the Chinese public broadcaster and a US company.

Meanwhile, the UK's Platinum Films teamed up with China's Crystal Film & Animation to produce 26x26 minutes of the Matt Hatter Chronicles, an animation project destined for Nickelodeon in the UK.

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