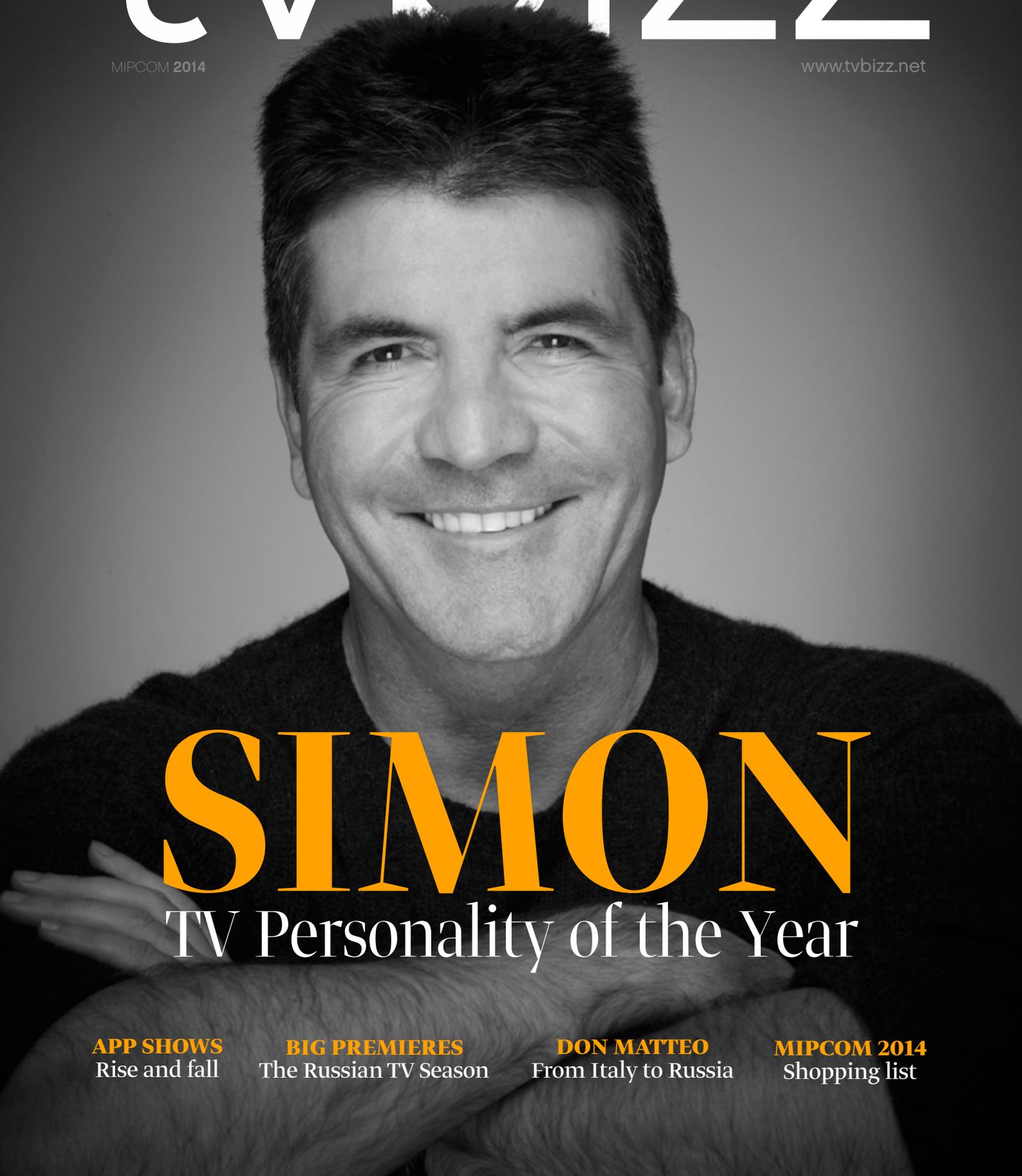


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— Damn good..



No, no, I'm not going to talk about how thrilled I am with our new issue and the great interview we did with Simon Cowell! You will see that for yourselves.

There is something else that makes me even more excited. The greatest, most weird and puzzling series of all time is coming back on air! After 25 years David Lynch and Mark Frost are reviving *Twin Peaks* for a "limited" run on Showtime in 2016.

The news takes me back to a moment in my life where I had just entered my teenage years, a moment when one TV series changed my whole perception of the world of man, inside and outside. After each episode thousands of questions would pop out in mind, keeping me away from sleep. While watching, a blanket was always there for my cover when I would hear that creepy music and see the red curtains... or jump (scared like sh*t) every time Bob would pop out. The whole school was scared of him! Even now, my grown-up friends are still scared of him and they are already afraid that he would come back!

Yes, there has never been a better show on TV! Today, we all believe that TV series have reached their absolute peak but just try to compare all the modern hits and Emmy winners with *Twin Peaks*:

Sarcastic Spacey tells us what's his next scheme in *House of Cards* - great! Agent Dale Cooper talking to Diane just about everything in the world - amazing! Cumberbatch redefines *Sherlock* - exquisite! Cooper redefines Buddha - out of this planet! Sizzling erotic scenes in *Game of Thrones* - superb! Audrey Horne's cherry scene - gulp!

Yes, my friends, Gordon Cole was right after all:

“Take another look, Sonny! It's gonna happen again!”



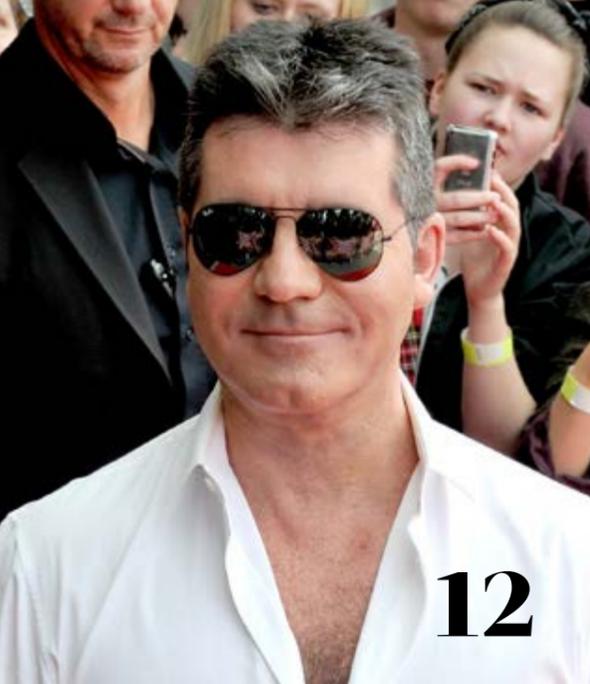
Georgi R. Chakarov
Editor-in-chief

Love is Calling

A LIVE DATING SHOW



The phenomenal new format
is now
on **RTL** Germany



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RED ARROW INTERNATIONAL

When you look in the face of evil,
how much of yourself do you see?



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MICHAEL NYQVIST

DOMINIC MONAGHAN

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BASED ON THE NOVEL "MERRICK" BY KEN BRUEN PRODUCED BY JOAKIM HANSSON | HENRIK BASTIN



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Ramsay runs out of Nightmares

An era came to an end as Gordon Ramsay announced that he won't be making any more of docu-series *Kitchen Nightmares*. «As filming comes to a close on the latest series of *Kitchen Nightmares* I've decided to stop making the show,» he said. The show premiered in 2004 on Channel 4 in the UK and aired a total of seven seasons.



Danes fail to prove Friday TV stole their Minute to Win It

The Supreme Court in Sweden decided not to consider the case Bump Productions versus Friday TV. The Danish prodco claimed that the Swedish company had stolen their ideas to create the formats *Minute to Win It* and *The Luxury Trap* asking for damages worth 145 million SEK. The previous two court instances also ruled in favor of Friday TV, which is part of Shine Group.

Liberty Global and Discovery up their game

Discovery Communications and Liberty Global finalized their joint acquisition of All3Media in September. The deal was worth £550 million and comprises a conglomerate of 19 production companies. Prior to that Liberty Global acquired a 6.5% stake in the UK's biggest commercial broadcaster ITV worth £481 pounds. The two companies were also reportedly among the bidders for Channel 5, while Discovery made a proposal to Talpa and Sanoma for SBS Broadcasting in the Netherlands.

De Mol wants puppets

John de Mol, creator of *Big Brother* and *The Voice*, is working on a unique talent project billed *Popster (Puppet Star)* which will put the focus on puppets. His company Talpa announced castings for talented puppet acts with unique character which will be evaluated by the show's jury. The participants will have all the freedom in developing their acts as long as they are funny and entertaining.

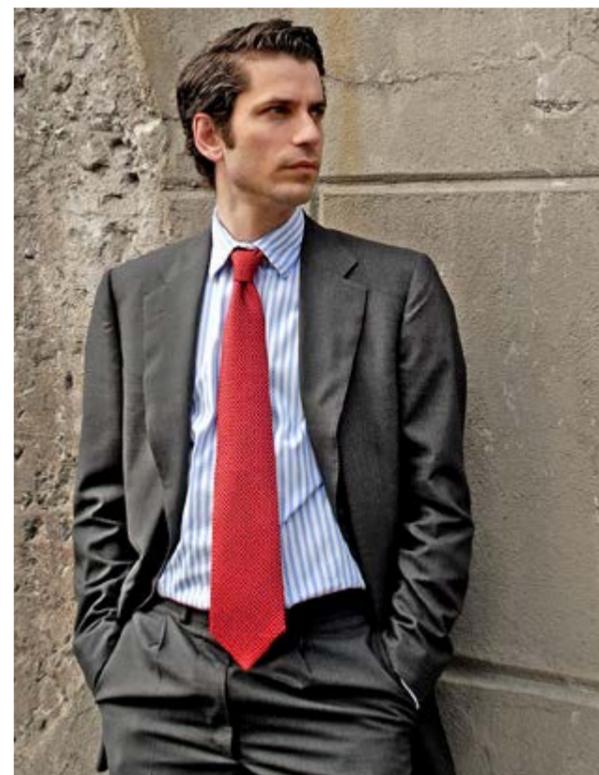
Simpsons make history with FXX marathon

In what is believed to be the longest marathon in television history, day one of FXX's 12-day marathon of *The Simpsons* recorded the network's highest Total Day and Primetime average ratings for a single day ever for the network. In every daypart, *The Simpsons* led FXX to its most-watched day ever. *The Simpsons* bettered FXX primetime (8-11PM) by +391% in Total Viewers (1.01 million vs. 206,000) and +461% in P18-49 (623,000 vs. 111,000).



Pussy Riot in a House of Cards

Two members of Russia's feminist punk band Pussy Riot will reportedly appear in the third season of the popular Netflix show *House of Cards*. Nadezhda Tolokonnikova and Maria Alyokhina, who were freed from penal colonies in December in a surprising amnesty by Vladimir Putin, were seen on the show's set in Baltimore. The producers did not comment whether the casting move had anything to do with Russia's decision not to give them access to shoot in the United Nations premises.



Lapidus writing a new TV series

Sweden's most famous modern writer Jens Lapidus (*Easy Money*) is among the authors of the new series *Advokaten (The Lawyer)* which Tre Vänner will produce for TV4. In ten episodes, the story will follow the lawyer Frank "who discovers dark parallels between his family and Stockholm's toughest criminal gangs".



Channel 4 enters North Korea

Opposite Number is the ambitious, suspense-filled original drama series commissioned by Channel 4 in the UK. Over ten nail-biting, action-packed episodes, *Opposite Number* takes us inside the closed worlds of North Korea and the charged nexus of relationships between London and Washington - from the power-playing heads of government to the opposing CIA and MI6 agents secretly deployed on the ground in Pyongyang - as the clock ticks on a global-scaled nuclear crisis.

Globo mixes drama and animation in comic series adaptation

Globo and Prodigio Film have started production on a new series which will mix drama with animation in a ratio of 70-30%. *O Vira Lata* is based on the comic series by Paulo Garfunkel and Libero Malavoglia, telling the stories of an ex-convict, son of a saint mother and trained by an old samurai, who gets involved in various adventures. The mini-series is planned with 10 episodes.



The Blacklist becomes most expensive Netflix series

Netflix bought the rights to Sony Pictures Television's *The Blacklist* paying a reported \$2 million per episode, or \$44 million in total, resulting in the most-expensive SVOD deal so far.



■ That gum you like...

Is coming back in style, as Showtime announced that it is re-viving *Twin Peaks*. The limited series will premiere in 2016 and all nine episodes will be directed by David Lynch.

Meanwhile, TNT announced that it is ending *Dallas* after airing three seasons of the rebooted series: "We are extremely proud of the series, which defied expectations by standing as a worthy continuation of the Ewing saga," a spokesperson said.



■ World's Got Talent premieres in December

Simon Cowell is taking his brainchild format *Got Talent* to a new global level with the live show *World's Got Talent*. Cowell is partnering with Colors in India for *Got Talent World Stage Live* which will showcase the 10 best talents from the various versions of the show around the world.

Meanwhile *The X Factor* was named most tweeted-about series on UK television by Twitter. The ITV talent show generated 9.4 million tweets in the 12 months to the end of May this year, nearly twice as many as the second-placed show, Channel 5's *Celebrity Big Brother*, and 13 times BBC One's *Strictly Come Dancing*.



■ Korea is the new Israel

The US networks have discovered Korea at least in terms of original TV formats. The shopping frenzy started with CBS picking up KBS' *Good Doctor*. NBC followed suit by licensing tvN's *Grandpas over Flowers* from CJ & EM, while ABC took Korea's biggest recent hit *My Love from Another Star*.

In another groundbreaking deal, SBS' *My Lovely Girl* became the most expensive series ever sold in China. Youku Tudou acquired the 16-episode show for the reported price of 3.2 billion won (\$3.2 million).

■ Cult cinema comes to TV

Lana and Andy Wachowski, creators of cult flicks *The Matrix* trilogy, *Cloud Atlas* and *V for Vendetta*, are shooting their first TV series *Sense8* for Netflix. The story is about eight strangers located around the world who simultaneously experience an intense telepathic vision, and afterwards are irrevocably mentally linked.

Their good friend Keanu Reeves will also produce and star in his first TV series *Rain*. He will play John Rain, a half-Japanese, half-American contract assassin who struggles to find an identity beyond being a killer.

Meanwhile, HBO and Paramount Television are developing a TV series pre-quel to 2010 classic *Shutter Island*, while Lifetime is reworking the story of 1976 horror *The Omen* for a six-part series titled *Damien*. And *Dexter* star Michael C. Hall will star in the TV series version of Stanley Kubrick's unproduced drama *God Fearing Man*.

■ Time Warner not playing with Fox

Time Warner rejected a proposal from 21st Century Fox to acquire all of the outstanding shares of the company. Fox said they withdrew the \$75 billion bid several days after it was announced to the public. The TW management's reaction was immediate: spending cuts and restructuring on all fronts. In early October Turner Broadcasting announced they will cut their staff by 10%.

UNA HISTORIA ROMÁNTICA Y ENTRETENIDA

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Pedro
MORENO

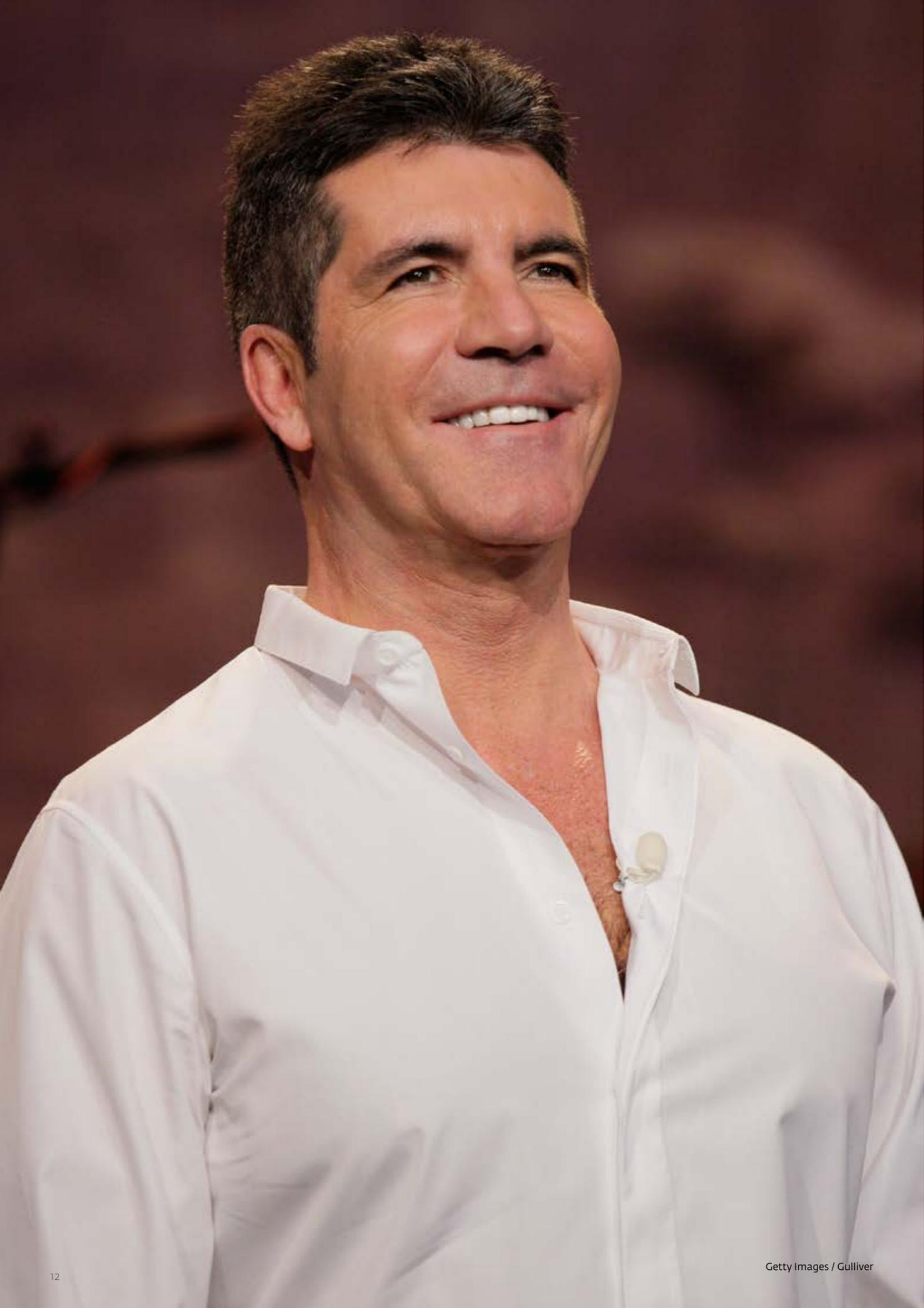
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Simon Cowell has been defining the rules of modern television and entertainment on a global scale for the past 15 years. At this MIPCOM he will receive the prestigious TV Personality of the Year Award.

In this exclusive interview with Georgi R. Chakarov, Simon talks about life, success and inspiration.

S

Simon, you have just turned 55. How does that feel?

It feels great. Thank you!

You are truly one of the icons of modern TV and entertainment business. You have TV shows running in over 200 countries now with both *X Factor* and *Got Talent*. You have also launched careers of some of the biggest artists in the world.

When you look back at your career so far is there anything that you would like to change? Any regrets?

I'm incredibly proud of what we have achieved with both *The X Factor* and also *Got Talent* - which now holds the Guinness World Record as the Most Successful TV Format of all time'. *X Factor* has launched more successful artists than any other singing show format with artists like One Direction, Olly Murs, Ella Henderson and Little Mix. I think Syco have a great team all over the world and Fremantle who we work with internationally are great partners on these formats.

I wouldn't be honest if I said I hadn't ever made any mistakes. But the most important thing to do is be honest and learn from them - and that's what we've always tried to do. Luckily we now have successful shows all over the world, and our hit ratio is probably one of the best in the business on a global scale.

I don't mean to be rude, but... what lessons have you learned over the past year? The British press says you have become a new person after returning from the US and becoming a father. Do you agree? Who is Simon Cowell today?

It has been a life-changing experience and I would have never imagined this happening but having Eric is the best and most important thing that has ever happened to me. I'm happiest I have ever been - but no, I don't think I have changed as a judge. If you were a terrible singer before, you will still sound terrible now I'm a dad.

Tell us about the start of your career in TV.

I didn't really plan to be on TV, I had always wanted to be behind the scenes. I was a record company executive and I loved finding new artists and making hit records. When I started running my own label and became involved in the music marketing I worked out pretty quickly that you need to see a lot of people to find a star - and more importantly that TV sells music. In 2000 I decided I was going to get into the TV talent show business, after the success of *Idol* I then created *X Factor* and *Got Talent* to make the shows bigger and hopefully to reach a larger worldwide audience.

When was the moment that you knew you have become one of TV's biggest personalities?

I suppose when you go around the world and everyone knows your name, but my emphasis really has always been on producing the show and finding new talent.

How easy is it when you are Simon Cowell to pitch an idea to a channel and get it on air?

My first priority is to find a great partner and we did that with Fremantle. Just as importantly find a great broadcaster. 99% of the broadcasters we work with are amazing. The other 1% I won't comment on. The important thing, with a lot of new shows crashing and burning, it is really hard to get any new expensive format commissioned - so I believe when you have a good track record, as I said before, and partners such as Fremantle there is a better chance of success than maybe some of the others and that's not to sound too arrogant but when we develop a new talent format we will often spend a minimum of 2 to 3 years developing it.

“

99% of the broadcasters we work with are amazing. The other 1% I won't comment on.

”



What new projects do you have in the works?

I don't really like to talk about what we have in the works - we did recently announce *La Banda* with Univision which is launching in 2015 which is a search for a Latino boy band. There are five new shows in development currently which we are excited about. And Syco now have a small film division in LA. Last year we made the One Direction movie *This is Us* which was directed by Morgan Spurlock and became a #1 global box office hit the weekend it opened.

And we now have a partnership with an Australian animation company called Animal Logic - who made *The Lego Movie* and *Happy Feet*. Together with them we have three movies in development and we have a number of others with other partners. I fully anticipate Syco Films will have three films released (two of those animated) by the end of 2017.

Got Talent and The X Factor are both aired in Russia. What is the news with them?

Yes, *Got Talent* (*Minute of Fame*) on Channel One has done brilliantly well and we have a great team who work on the production over there. We just finished the 8th season and the winners of last season won the opportunity to perform at the Sochi winter Olympics ceremony - which is exactly the kind of opportunity I want to create with these shows for the talent.

We're working on some quite big and exciting changes for our shows for our *Got Talent* 2015 there.

And for *Faktor A* - the Russian *X Factor* on Rossiya 1 - we have made some quite big changes over the years and we have some more really positive changes planned ahead that we are working on with the broadcaster.

Idol, The X Factor, The Voice, Rising Star... can the world take any more singing talent shows?

There are a lot of talent shows out there now - especially singing shows in the US. However, the legacy of these shows is in the artists they discover. If you can't find and launch real stars then I don't see the point or how they can last.

I believe the contestants and audience need to know there is a genuine possibility they can have a real career at the end.

In fact, I recently took my *X Factor*



“**We don't just try and deliver a TV show winner, we try to deliver an artist.**”

UK Contestants to watch One Direction (who were formed on the show) at a show in LA with 60,000 fans - I think that was a real reality check for them as to where this show can take them.

The X Factor's track record speaks for itself, with the likes of One Direction, Leona Lewis, Olly Murs, Little Mix and Ella Henderson to name a few - and at the moment we have Fifth Harmony who we put together in season 2 in the US who have already had top ten singles in 41 countries on iTunes and have just won Teen Choice Awards, VMA's... I can see the excitement for them is spreading all over the world even before their debut album is out.

So we don't just try and deliver a TV show winner, we try to deliver an artist who will prosper in the music business. And, luckily and with hard work, we have done that more than any other show.

The same goes for *Got Talent*. It is the biggest format in the world now and in over 200 countries - and it delivers globally recognizable artists - like Susan Boyle for example.

How do you smell success? What does one need to know if he wants to make it big?

The clues are always out there, but at the end of the day follow your instincts.



Jaguar PS / Shutterstock.com

What is inspiration to you?

Good question - actually at Syco, we always have a lot of young people in meetings, because sometimes you can get to the stage where if you've just got the same people with you talking about the same things, it's like you're not allowing fresh air into the room. I like to hear what everyone in a room thinks of something. So I find a lot of the team I work with and their new viewpoints are always a real inspiration.

What do you like to watch on TV? Is British or US television better?

It's not a question of which country has better TV - it's all about the particular shows themselves and the talent. Having said that I loved watching the *House of Cards*. That was a brilliant show.

Will Netflix and the likes kill traditional TV?

I see Netflix as a bit of a trailblazer. I'm sure in the future companies like this will want to buy the type of shows we produce. Obviously as a producer it is always healthy when more buyers come into the market.

We saw the rise and fall of app shows in less than a year. What will be the next big trend?

What do I think will be the next big trend?... I'm not going to tell you! ■



BIO

Simon Cowell is, amongst other things, a record company executive, a television and film producer...and a global television icon.

Renowned for his sharp eye for talent and candid opinions, it is fair to say Cowell - born in October 1959 in London - has completely transformed popular culture in the 21st century, through his TV and music interests. Cowell is responsible for over 350 Million record sales in his career.

Cowell's company, Syco Entertainment, is now a world-renowned mu-

sic, film, and television production company responsible for some of the most successful global music and television franchises.

Syco's television assets include the two international TV phenomenon formats: *Got Talent* and *The X Factor*. In April 2014, *Got Talent* was officially named the 'World's Most Successful Reality Television Format Ever' by The Guinness Book of Records, with original versions of the show now sold to 66 territories worldwide.

The X Factor is produced in 49 territories around the world and has discovered more artists than any other television singing competition format to date. Artists discovered by the show have sold more than 160 million records, including 170 No.1 hits, and 380 Top 10 records.

This year, Syco Music was named the most successful record label for A&R in the UK, for both singles and albums.

MIPCOM 2014: What to buy?

Our team has picked some of the most interesting formats which premiered globally over the past six months and will surely attract attention during or after the biggest international TV market.

Scripted



Bajo Sospecha (Under Suspicion)
Atresmedia

The story revolves around a missing kid in a small village and a couple of police officers working undercover. The crime series has just started shooting and will premiere in 2015.



Pep's
Lagardere

The short comedy series is among TF1's most watched shows. It offers a look into the 'hidden life' of high school teachers, their students and parents.



Fugitivos
Caracol TV Internacional

This is the story of man who is imprisoned for a murder committed by another. The main character decides to escape from prison and prove his innocence.



The Brokers
DRG

The story starts with Ken Olsen (Svendens), a guy who loses everything the first few minutes of the series and must use questionable methods to recover. He seeks out his old mentor Gunnar and agrees to teach his daughter the broker business for a chance to become a partner in the firm.



The Bank - New Normal
DR/Banijay

The series follows the daily life in a mid-sized Danish bank Kapitalbanken which has just changed its director. His goal is to save the bank from sinking but he lacks any social skills to reach his staff who suffer from various problems: sexually depraved, highly incompetent and with great suicidal tendencies.



Sin Identidad (No Identity)
Endemol

The first season of the show delivered excellent results on Antena 3 this summer. This is the story of a lawyer who learns she is not the biological daughter of her parents and begins an obsessive search for her true origins which lead her to a dark network of theft, extortion and trafficking.

Non-scripted

The Refugees
BBC Worldwide

Refugees explores the impact on a small rural community after millions of refugees from the future travel back in time to seek shelter in the present. It is coproduced by BBC Worldwide and Atresmedia.

For the Sake of N
TBS International

The Japanese drama, which is based on a novel by Minato Kanae, is a pure love mystery that will span over 15 years. Nozomi is one of the individuals with a name beginning with N, who happened to be at the scene of a murder involving a rich celebrity couple. Through the lives of these people initialed N spanning over 15 years, the truth behind the murders is also revealed.

La Source (The Source)
Newen Distribution

The show has been airing on France 2 since September 2013 and tells the story of a babysitter contacted by the intelligence agency of the country in order to spy on the family that has employed her.

Zulu BFF
Banijay International

The show presents the stories of a group of friends allowing TV viewers and online users to follow three stories separately. The show starts with the main protagonist inviting his friends to help him out of a serious situation. From then on, the cameras follow the efforts of each of the friends.

Beat It
Talpa

The unique twist in this new talent show is the way candidates are eliminated: the producers have prepared 40 different crazy elimination formulas. Three contestants compete simultaneously on the stage. The show premiered this fall on SBS6 in the Netherlands.

Quiet Please!
FremantleMedia

Contestants must accomplish a series of timed challenges without setting off the giant noise-meter. Ultimately, the goal is to move as silently as possible through all the rounds — and with less noise, the contestants win bigger prizes.



Siblings
BBC Worldwide

Each week, through their own selfishness and idiocy, we see them spectacularly wreck the lives of those around them - old friends, love interests, family members, and the unlucky individuals who just happen to cross their paths. The show has been renewed for a second season on BBC Three.



Rabia (Rabies)
Mediaset

The story revolves around a group of desperate people who after being forced to take an illegal medicine develop the Rabies virus and turn into deadly killers. The series will premiere in 2015.



Intruders
BBC Worldwide

The series follows a secret society devoted to chasing immortality by seeking refuge in the bodies of others. From writer and executive producer Glen Morgan (The X-Files) and based on Michael Marshall Smith's novel The Intruders, the series is a contemporary and chilling drama set in the moody American Pacific Northwest.



Tumble
BBC Worldwide

The new Saturday night competition features some of the nation's best-loved celebrities vaulting, tumbling and flipping head-over-heels to try and win the public's votes.



Stars At Your Service
Endemol

The reality series gives viewers an incredibly rare opportunity to pick from a range of celebrities and submit a task that they'd like them to do, in order to fulfill their wishes. The best ideas will be filmed for the show and new Stars will regularly be added to the website. The show will air on Channel 4.



Heaven or Hell
FremantleMedia

Heaven, a quiz set bathed in white lights, is a place where contestants attempt to win up to €50K by correctly answering a series of multiple choice questions. If they're unsure of an answer, but wish to continue playing they have to descend into Hell, a fiery pit where they must successfully complete a hilarious Jackass-style challenge.

Master Athletes

FreemantleMedia

The entertainment reality shows sees competition and conflict as contestants endure intense fitness challenges, egos, injuries, tears and triumphs in their bid for glory. The show premiered with excellent results on SVT1 in Sweden.

**The Unemployables**

RTE Global

The series produced by Coco TV sets out to try and help struggling young people get off the dole and on to a career path. It premiered on RTE2 this fall.

The Secret of a Good Marriage

Talpa

The social experiment follows the stories of 2 couples who got married for love and 2 couples which got married after scientists came to the conclusion that they would make the perfect match. The format delivers solid ratings on Net5 in the Netherlands.

**Dance Date**

Zodiak Rights

Five celebrity couples make the ultimate dancing test for their relationships in this new format produced by Kanakna for VTM in Belgium.

The Big Picture

Talpa

The Big Picture sees studio players get the chance to win a million dollars by correctly answering 12 picture-based questions. If the studio player is unsure, or simply doesn't know the answer, he can enlist help from a connected player selected from among those viewers playing along in real time with The Big Picture app.

**Decimate**

Red Arrow International

Decimate sees a team of three contestants fighting to maintain a £20,000 Wall of Cash over four rounds. With every wrong answer their total is 'Decimated' - reduced by 10 percent. The show premiered with excellent results on BBC One.

Is This Love?

Talpa

The format will premiere on SBS6 in the Netherlands right after MIPCOM. The project will last five months and will see six singles spend time in a luxurious villa while trying to find real love. Anyone will be able to date the singles thanks to the show.

Prized Apart

Sony Pictures Television

The show commissioned by BBC One will see 10 men and women leave their friends and families behind to battle it out in some of the world's toughest challenges - hoping to win a life changing prize. But in an emotional twist, it will be their partners and loved ones back home who play a deciding role in the game.

The People's Choice

Armoza Formats

The People's Choice takes audience engagement to the next level and tests how well we know our nation by presenting viewers with the most trending, thought-provoking and entertaining dilemmas. The format was co-developed with TF1.

Genius Fight

DRG

The show follows a group of super intellectual people who compete in various challenges to prove who is the smartest. It premiered a few weeks ago on SVT1 with big ratings.

The Godfather Game

Bic Formats

For the first time in the history of gameshows, the contestants will have to pay protection money to the Godfather at the end of each round, so as not to run the risk of being eliminated by their henchmen.

Crushed by Cash

Phileas Productions

This is a gameshow where people compete as a group for a large cash prize. All they have to do is think very carefully about where to place themselves and avoid standing on the wrong answer across 7 rounds of the competition. A 10-ton safe is located on each of the possible answers and falls on the contestant who is placed on the wrong answer. ■

the SINGERS takes it all



**CAN THE SINGERS STAY ON TRACK?
THE VIEWERS WILL JUDGE**





LEADING EDGE

Talpa Global: Active on all fronts

MD **Maarten Meijs** tells Georgi R. Chakarov how Talpa Global has evolved into one of the leading providers of content suitable for TV, online and mobile platforms. Talpa is bringing a slate of innovative formats to MIPCOM hoping to further strengthen its top position on the global content market.

Mr. Meijs, what are the latest developments at Talpa Global?

We have merged our international sales and global production team which used to be called Talpa International and following the global trend of connected formats but also the trend within our own company in terms of creativity we also merged our digital division which is called Talpa Connect with the objective to create a full-service media company which is called Talpa Global.

There are a number of reasons why we have done that. It is because we have experience with launching shows with either live or play-along activities. Just in January this year we launched *Utopia* which has its own online plat-

form which is intertwined with the television show and we are delivering the platforms to all the different countries which have licensed the show so far: from Germany, Romania, Turkey to the US. We have invested in creating this global platform which unites all key suppliers - from data reporting to CMS, video players, etc. in order to ensure that we are able to shorten our time to market; that we can lift the success of the show in terms of functionality and we have a lot more under our own control at the moment which allows us to control the process and avoid technical problems. And the key is the time to market because all broadcasters are looking for new formats that can be very successful.



Our objective is to create new international successes, recurring successes.



If a client comes to you and buys the format: In what time can you put the project on air?

The good thing about Talpa Global is that we sell our shows, we produce them internationally, either ourselves or with our partners, and we also deliver the digital part of it. This means that we have a number of lines running parallel to each other and they are also incorporated with each other like a triangle and all those dots are now connected. You would need at least six months to start *Utopia* but that has more to do with the television angle like finding a location, doing the castings and building the set. While the platform we can launch in two-three months. This is quite extraordinary because we have devised a standard product which we can localize in all the different countries. And also when we update the platform, all the other countries that are connected to it will be able to get the updated version. So, if one country asks for specific functions the other countries will get those as well. This helps us in rolling out our content more quickly and more efficiently uniting various types of technical details like apps and software suppliers. This platform facilitates shows like *Utopia*, *What Do I Know?* and our new format *The Big Picture*.

The Big Picture is a pre-recorded show but there is a live component in it with the viewers being able to participate live during the show and we have no technical problems like some other formats offered by the competition. And the best you do to be successful is to create continuity for your format resulting in recurring deals and that is the combination of quality of production, ratings, digital delivery, response on social media and also play-along numbers. We are very much active on all fronts now.

The management team of Talpa Global which I am leading is a very diverse, great mix of people and experts but all with the same objective and that is to create new international successes, recurring successes.

China plays a huge role in your global expansion. Can you tell us more about your plans for the market?

This is a groundbreaking deal for us. Our Chinese partners Tencent which are the fourth largest internet company in the world and they service nearly one billion clients on platforms like video hosting service qq, a messenger service and a big gaming company. Tencent and Talpa will work together on creating a reality format for Tencent Video, their online video platform. Both parties will work closely on the preparation and the production of the show, which will start in 2015. It will not air first on a TV channel but the first client is the online audience of Tencent which will be able to watch clips, edited materials and live streams. We are working on a reality show that suits their market and we will benefit that we have created similar formats in other countries.

What new formats are you launching at MIPCOM?

We have just picked up *The Big Picture* from Acappella and we are about to announce a major deal for the format. We are now developing the application and the nice thing is that in this gameshow the connected player can win the big prize while playing along.

BIO

Maarten Meijs is the Managing Director of Talpa Global which is in charge of all international distribution activities of Talpa Media Group. Meijs started at Talpa as Manager International Licensing. Prior to this, he was an executive at Dutch format distributor Absolutely Independent.

In 2008 Meijs was responsible, for worldwide sales of Talpa Media's entire catalog within Endemol International. He returned to Talpa Content in early 2009 as Director of Sales.





“
If a format is successful in the Netherlands there are several countries in the world where it can also be successful.
 ”

This is like the home viewers are holding a lottery ticket in their hands and we like the picture element because a picture says more than a thousand words. I think that the gameshow genre in general is a very difficult genre to connect and that's the reason we don't have a lot of gameshows in our catalog. We hardly acquire or partner with third-party formats but we strongly believe in it, as it has a lot of different elements in tension build-up, in providing real-time connectivity for the viewers and a big prize for the players in the studio and at home. And that is all combined with the visual aspect.

We also put an emphasis on *The Voice* and *Utopia* during MIPCOM and we also have another new show that is doing very well - *Born to Bloom*. It came as a response to the creativity trend and the increased viewers demand that we see for programs with home crafts like *The Great Bake Off* and *The Sewing Bee*. In *Born to Bloom* we have 15 amateur floral designers who compete for the title of 'the ultimate floral master'. For me personally, this format is quite an eye-opener because the floral industry is really big and the floral designer is becoming the new home designer. During the course of the competition we show the high-profile, spectacular world of floral design and the show is doing incredibly well on SBS6 in the Netherlands and has been renewed for a second season. Visually, it's a very strong show stepping into an industry which is a multi-billion dollar business.

Beat It is also a very big title for us at MIPCOM with spectacular eliminations of the contestants in this talent competition. Here, we focus on the fun, entertainment element targeting a very broad family group but also the young

audience.

We are currently preparing a new interactive dating reality called *Is This Love?* It will not be offered at MIPCOM this year. We will launch it after the market and the show's idea is based on the variety of dating applications combined with reality elements in a daily format.

How do you cooperate with your partners where you have established joint ventures outside the Netherlands and the US? Do you also develop new formats together?

This is something that could increase as we are heavily investing in our geographical presence. We are known for the creative part: we create the formats in the Netherlands and we produced them in other territories as well. The knowledge chain is very short. We are also growing our global presence but we also feel that apart from having a good idea the execution of it is becoming more and more important. Also, because of the growth of connected formats and the knowledge that we have in the digital we have relay to our partners in order to make sure that the success we create in the Netherlands can also have the same production level. SBS is a strategically very important factor and the Netherlands as a market which is Number 3 in the world in terms of format exports globally. If a format is successful in the Netherlands there are several countries in the world where it can also be successful which is proved by shows like *Deal or No Deal*, *Big Brother* and *The Voice*. And since we're constantly growing and our catalog is increasing rapidly we are certainly looking into other markets where we can launch our formats.

What is your current position on the Russian market where you have a joint venture with Mir Reality? Do you plan to expand your presence here?

We own a minority stake in Mir Reality and Russia is a very important territory for us. *The Voice* and *The Voice Kids* are very, very successful shows there. We also produce other shows and I feel there is only room for a number of very big shows so we are also stepping into factual entertainment and smaller reality shows and I think that soon we will have a lot more formats in Russia.

Recently, there were reports that Talpa has turned down acquisition offers from major international players. Are you looking for buyers?

We are not denying that there is a lot of interest from all corners of the world in the company. We are not actively pursuing it but if there is a possible, strategic partner that can strengthen our company then we are definitely open to look into this, and that's where we are at the moment. It doesn't really surprise us, given our intellectual property, that Talpa is getting interest from potential investors. Also, there are not a lot of very big, independent companies left and we are constantly seeing big consolidation on the market.

What do you think will be the effect on creativity and the market in general when two giants like Shine and Endemol are merged?

If you look at it from above: it's either eating or getting eaten by someone else. But becoming bigger doesn't necessarily mean that you're becoming more creative but demand for creativity will always remain. If you look at Talpa's case we were very small before we launched *The Voice* in 2010 and we are still a new player with a strong DNA in the face of John de Mol who set up Endemol.

But I think there will be always new companies coming up on the market with new formats. It's all about the formats and about the people who create them; it's not that much about the company size. I would say this consolidation would bring new opportunities for other content companies.

From your point of view, how will the formats business change in the coming years?

There is definitely an increase in the number of platforms and devices that deliver content to a large audience. Content is becoming more and more important which is also evidenced by Apple who recently launched the new U2 album allowing access to the fans

for a certain period of time.

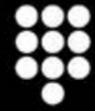
However, it is very important to be able to adapt your content for different media: TV, online platforms, apps, etc. This brings in a lot of opportunities and there will be formats out there which will fit all the different segments but there will be also formats developed for specific segments: only for television, or the internet.

Netflix is turning into a global 'web broadcaster'. Do you expect that they soon also start looking for entertainment content? Is it possible to make entertainment content for VOD platforms?

Well, I don't know what the long-term strategy of Netflix will be but a lot of the platforms that are out there are currently mainly focusing on scripted content. However, if you look at *Utopia US* where everybody says reality is not genre which is watched on DVR but the ratings of the show increase by 50% every three days after the original TV broadcast.

As a content company we follow this information studying the consumer habits and what are the demands. But if Netflix really want to attract a broader audience I can see them entering into non-scripted at a certain moment. ■

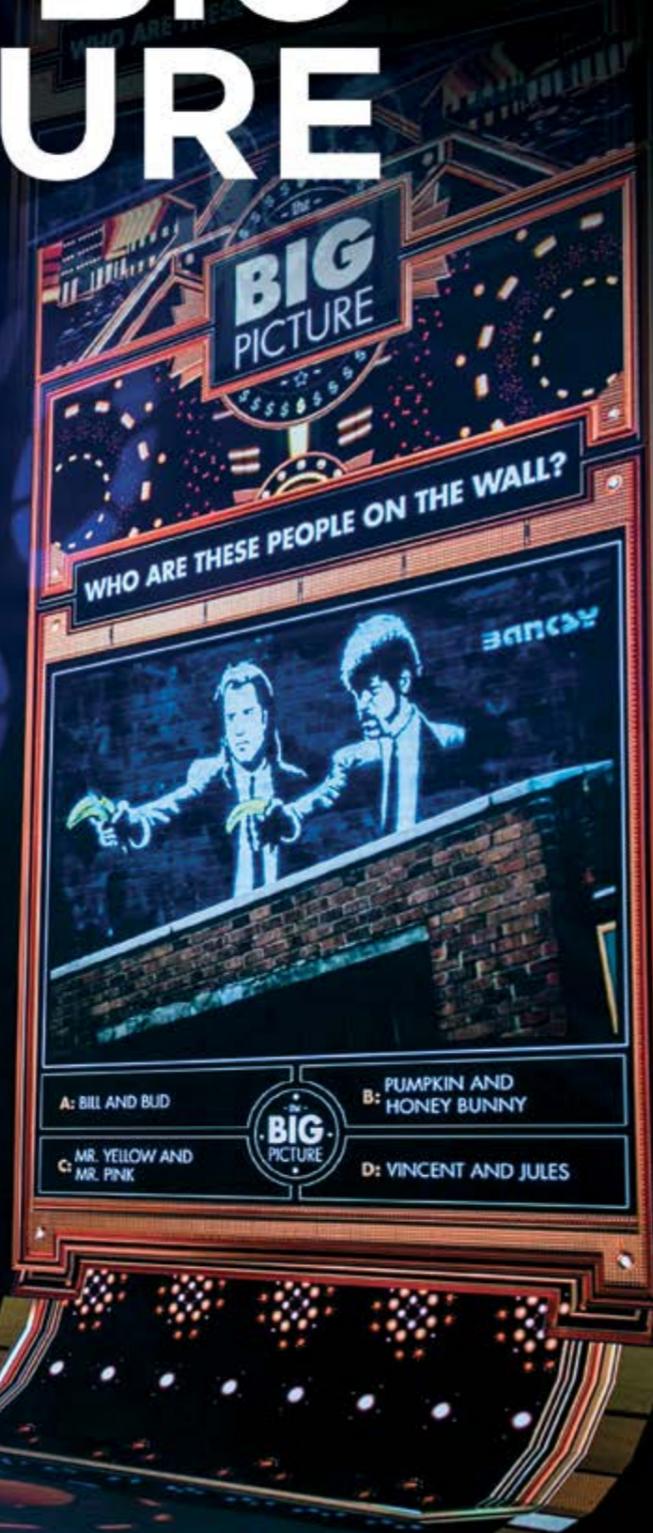




talpa

PRESENTS

THE BIG PICTURE

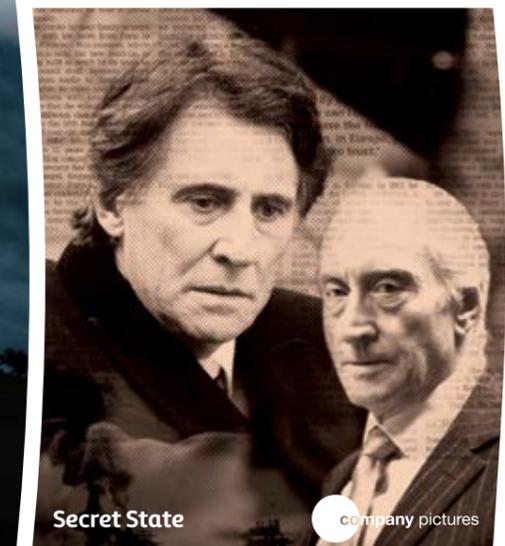


The Missing
starring James Nesbitt, Frances O'Connor and Tchéky Karyo



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HISTORY IN THE MAKING

Hollywood stars shine in Mata Hari

New Star Media series aims to conquer the world with femme-fatale story

Vahina Giocante will play the part of Mata Hari. Jonathan Rhys Meyers, John Malkovich, Christopher Lambert, Rutger Hauer and many others have agreed to participate in the project.

The Russian-Ukrainian production company Star Media is about to put another milestone in its own history and the annals of Russian television with its first ever production starring top-billing Hollywood actors shot both in Russian and English. *Mata Hari* has just started shooting in Portugal and will have a total of 12 episodes co-produced with Channel One.

General Producer Vlad Riashyn shares his excitement for the project:

“*Mata Hari* is our big ambitious project with a production budget of around one million dollars per episode. We will film it in English, targeting the international market, but we will also release a Russian-language version. There will be a very strong cast with both international and Russian stars. The French actress Vahina Giocante, known for her role in *99 Francs*, will play the part of Mata Hari. Jonathan Rhys Meyers, John Malkovich, Christopher Lambert, Rutger Hauer and many others have agreed to participate in the project.

We want to make a successful international project. We will have a very good Russian cast as well: Fyodor Bondarchuk, Kseniya Rappoport, Alexey Guskov, Victoria Isakova and many others. The American Frenchman (as we call him) Dennis Berry, who gave

the world *Chloe*, *Largo Winch*, *Laguna* and *Stargate SG-1* will direct the series.”

The Russian production has already attracted the attention of several major studios and distributors and negotiations for the show are currently underway.

“We received an offer from one American studio for co-production, but this happened very late, when we already were in the active stage of production. The script was already ready by that time. Therefore, we decided to discuss a possible global distribution instead of co-production,” Riashyn says.

He sees *Mata Hari* as a chance to make a major international breakthrough for his company and Russian series in general which makes the project even more challenging. The producer admits that they will have to be immaculate in the production:

“One of the difficulties of this project is to reconstruct the epoch with its many countries and cities. We will shoot in Portugal where there are many examples of early 20th century European architecture and where one can find corners of Amsterdam, Paris, Madrid, Belgrade, etc.

But our main task is different and it lies in recreating Mata Hari’s magic with which she enchanted audiences

and made the most respectable men of the time fall in love with her.”

Director Dennis Berry has a very clear vision of what he wants to achieve while filming:

“I want to treat the story of Mata Hari in a lyrical way, with great emotions, covering fifteen years of her life. And also show the great flashing spectacle of those wonderful days. I am trying to tell the story of this woman before she became a spy, even before she became Mata Hari, and show her transformation. Show how a woman, losing the support of her husband, fights to be free and falls into the world of courtesans.”

Berry seems to have found his muse in the face of the French actress Vahina Giocante:

“Vahina Giocante will incarnate Mata Hari on the screen. There is a rare complicity and pleasure between us when we work together. She is a child ballet dance graduate and every feeling she goes through is expressed with her body. She will give a performance full of passion and sensuality.

Vahina is what we call a woman of character. And I haven’t known such pleasure of working and filming with an actress since I filmed Marion Cottillard in *Chloe*, her first lead on the screen.” ■



Mata Hari

This exotic name has become a common expression to denote all “femmes fatales” who ruin lives using their charm, beauty and sex appeal to manipulate men.

In the series, produced by Star Media, viewers will trace the transformation of Margaretha MacLeod, a respectable mother and wife, into the first striptease performer, Mata Hari, and later into an international spy for famous agent H-21. The story will span across 17 years of the life of this magnificent woman in the times of the Belle Époque and World War I.

The story starts with penniless Margaretha left out on the streets by her husband who has also taken her daughter away from her. With no other means of making a living, she decides to become an exotic dancer. Under the stage name of Mata Hari, Margaret soon wins fame and notoriety becoming extremely popular with the European elite and a desired guest in luxury villas and beautiful mansions. But the year is 1913 and the world is on the verge of war and she is about to play a major role in the upcoming historical events...



The Diary Of Luiza Lozhkina / U

Ruben Oganessian,
Russia's TV Manager of the Year



DOING IT RIGHT

All about the brand

Ruben Oganessian joined UTV Holding in early 2013. He led the rebranding of music channel Muz TV into female-skewing net U. In just over a year since his arrival, the network's audience share increased by nearly 60% in the target demo Women 14-39.

This summer **Ruben Oganessian** was named Media Manager of the Year in the category Electronic Media and Television. Now, he tells Alexandra Egumenova what lies behind U's and his success.

Congratulations on the prestigious award! Does this motivate you to achieve even more with U TV?

Thank you! Of course, it motivates me to achieve more, as any award would. But I think that it is not my personal achievement. As a General Director I am more visible than maybe the rest of the team of the channel, I am the tip of the iceberg. And we have a rock solid iceberg and I hope we will destroy all the future 'Titanic'-like obstacles.

I think the award is well deserved because in 2013 we did so much, even sometimes the impossible. Usually when speaking about rebranding, companies talk about three things - more money, more time and more people to change things around. Our channel was unique in a way that we did not have to attract any foreign investment, be it financial or human resource. We did it ourselves, though we did not have a goal to conquer the world.

The recognition from colleagues is

very important, but what really means a lot is financial indicators and other numbers. Our feet stand strongly on the ground, and we clearly see that we have much more to learn. And the fact that the colleagues see and appreciate this is very nice.

You joined U in February 2013. Can you describe what was the situation at the channel at that time and what changed since your arrival?

When I joined the channel, the financial situation was quite healthy. In order to start changing something, you need to have a strong base.

There is a principle of succession in UTV Holding. Andrey Dimitrov who held the position of DG of channel U now is the GD of the holding. He is sitting in the neighboring office and we talk from time to time.

Our team was able to easily blend in the existing team, and the switch from Muz TV to U happened smoothly.

I came from a big channel and was used to the fact that my channel always wins. I had worked for TNT for six and a half years, but there I was just one of the people who did marketing. But even then I got used to always strive to being the best, even if it is impossible.

We moved up from being Number 11 to Number 7 in our target audience. Leaving the channel with good relations within the team, I was lucky to come to U with a healthy relationship with the colleagues. I think I brought the understanding that brand and marketing is very important. Here everything is so connected with the economics of the business; I have never seen it to this extent before. The right branding helps the economy. If the brand is clear and understandable, you do not have to spend huge resources on getting the desired results. Also, marketing and production go so close together, one cannot be more important than the other one.

You have to listen to the team. But also there needs to be an understanding that there is a person who takes decisions, and you can't just jump over his head. If you fail to obey this, everything falls apart. Democracy is not a perfect option for creative teams, a democratic dictatorship may well be. My principle is that majority is not always right.

Why did you decide to change the target audience of U?

Creating a second TNT would be extremely expensive. Marketing wars are very costly. And if you decide to invade someone else's territory, you have to have supremacy in manpower and equipment. We do not have either of the two.

We had to find our own niche. You know, like there are designer brands and big consumer brands. Mass production is very successful and profitable, but some things no one can do better than the designer can.

We also noticed some interesting tendencies. Even before the rebranding, the audience of channel U was mainly female. We performed extensive research to not only see what our strengths and weaknesses were, but also to see what the general situation is on TV and in the country. And we saw one problem. Russians are generally more open than representatives of other nations are. Maybe at first it seems like we are very closed within ourselves, but when you look deeper, we are more sincere and outspoken, much easier in sharing our emo-

tions and feelings. And our women do not get as much love and attention as they deserve. So we thought that it would be nice to create a concept, a territory where young women feel loved, unique, one and only; a place where there are no problems and conflicts.

According to a recent report, you are one of the most effective channels when it comes to reaching the audiences targeted by advertisers and your TV and ad shares are gradually increasing. What is the secret?

We tried some things and made a conclusion that nothing that reminds women of the fact that life is not so easy works on U - anything that touches topics of having to fight for happiness and how hard the journey of life can be. Thus, we had to make a decision to stop broadcasting some programs that showed good ratings. A company that has big marketing budget can afford to air shows that do not exactly reflect on the theme of the channel. But U is a small channel and our main source of marketing is our air: only through our programming we can show young women that channel U is for them. *Fear Factor* is one of the examples - it showed very good ratings, but it does not fit the brand of our channel.

What are the new projects of the channel?

TNT takes a lot of time to produce projects. From my experience, you need at least a year and a half to produce a quality series.

BIO

Ruben Oganessian has been General Director of U channel since February 2013. Before joining UTV Holding he spent six years (2007-2013) at TNT as Director of On-Air Promotion, winning a number of PromaxBDA awards. He has also worked as copywriter, editor and script writer.



Russia's Top Model / U

“

We do not need to produce more, we need to produce better.

”

We cannot make 10-15, we can only make two. So our new project is *The Diary Of Luiza Lozhkina*, based on the book with the same name. There is not much left from the original except for the main heroine and her problems.

Now we are also shooting the fifth season of *Russia's Top Model*. This season will be very different from all previous ones. Of course we cannot compare our budget with the American show. But we constantly try to close the gap. For example this year the contestants live in a luxury house instead of the city apartments. We paid a lot of attention to the casting part of the project.

It is not easy for me to run a channel for women. I agree with the statement that a person should do what he enjoys doing. Between the air space comes easy, every five minutes we air promo videos that praise young women, make them feel special. I like doing it in life, speaking to women. I like paying compliments.

But when it comes to programs, I have to do what is interesting to me. And surprisingly enough, *Top Model* is

quite attractive for me. There is a popular public opinion that model is just a walking girl who cannot even compose a sentence. Modeling business is not just about being pretty. Someone asked me about the criteria for picking out the winner of the project. For me it is personality, intellect and only then beauty. Real model is a face of a brand: she has to participate in presentations, speak; she has to have a personality otherwise, it is not interesting.

We also tried to pick girls who have a story and not just the face or talent. This season of *Top Model* is international. It is not a secret that Russian models shine on the podiums and in the magazines all over the world, and now we think it is time to bring this talent back. Ten girls are Russian, and the other ten come from abroad. They do have Russian roots, but some of them have never been to Russia, or have left it long time ago. It is a clash of different mentalities, different opinions and work ethics. But they all have interesting personalities. I personally like to watch it.



The Diary Of Luiza Lozhkina / U

Are you planning to increase the number of local productions?

30% is the optimal number for a small channel. We do not need to produce more, we need to produce better. Maybe we will change the strategy from producing large quantity of small projects to producing few big ones. There is no point of producing something that can be bought, but making something authentic. For example, you cannot buy a series about a Russian woman, a series that is consistent with the brand, style and format of channel U.

We acquire 70% of our content. It is very important what you buy and what you broadcast. *Clone* for example is a soap opera, but a very smart one. It is consistent with our brand and therefore shows great numbers. *Revenge* is another successful and popular series. *Reign* that we air is one of the Top 20 series filmed last year.

“I like you different” is one of the slogans of channel U. Our audience is different. And we try to offer different things. Our main goal for the future is covering more topics that would be interesting to our viewers. Young women are all different, they have different interests, not only beauty and relationships. We do not have financial opportunities to do it all at once. Slowly but surely we are moving towards this goal.

You have cooperated with CTC Media on several productions. Will this partnership continue in the future?

I can't say about plans to work specifically with CTC Media, this is all up to negotiation process. As for now, we aim at our own production. Overall, all holdings work together in a way.

Our case is very successful, and I think that this year and next year many new strong players will appear on our territory and will target our audience. This is normal and we are ready to fight.

Will changes in the advertising law affect the channel and what do you think will be the overall effect on the market?

I unfortunately cannot predict what will happen. Not because I don't like giving out predictions, but simply because I do not know. We are a federal channel and this law does not directly influence us, will not harm us in any way. I can't think of any positive effects either. To predict that I have to know the programming policies of other channels and I don't know on what conditions they buy content.



The Diary Of Luiza Lozhkina / U

Direct advertising and sponsoring sales are the main sources of revenue for our channel.

Are you looking to expand your activities on online, mobile and social networking platforms?

Yes, we are constantly increasing our presence and plan on doing so in the future. The number of subscribers to our channels in the social networks is rapidly increasing. Now this quantity is ten times bigger than before the rebranding. And when it comes to the number of subscribers, our channel is much higher in the hierarchy of internet than on TV. Our audience is very active and we keep up with this activity.

We sell our content on the mobile platforms as well. Pladform is our partner and we plan to only extend this collaboration.

We are working on the new website. I do not want to elaborate on the launch date because we want to make sure that everything is exactly as desired. But till the end of this year, spring of 2015 the latest, we will have a brand new website, something very different from anything our audience have seen before.

There are two main goals for this MIPCOM, same as for every other MIP: keeping up the relationship with partners and new content. I try to deal with the first task. And we have a trained team who is passionate for new content to perform the second one. ■

HIGH HOPES

The Renaissance of Russian animation

Russian animation is reaching new heights both in Russia and internationally despite the tough conditions on the local market. This year producers, broadcasters and government institutions joined hands in an effort to revive the glorious past of Soviet animation and bring to the world the best productions of the talented Russian animators at this year's MIPCOM and MIPJunior.



The potential for growth is huge: from 50 hours of cartoons currently produced per year to up to 250-300 hours per year in less than two years.

The Russian government started paying close attention to the development of the animation sector for the first time this year, noting that different governmental sources poured around 800 million rubles (16 million euros) into creating domestic animated movies in 2013 and introducing tax reliefs for the industry from next year. The federal budget for 2015-2017 includes preference rates for the social tax payments for companies that specialize in production of 'animated audio-visual products' or services in animated cartoon sphere.

Animation producers welcomed the new government incentives stressing that the potential for growth is huge: from 50 hours of cartoons currently produced per year to up to 250-300 hours per year in less than two years.

The Association of Animation Producers also managed to successfully negotiate the creation of a special federal channel for animation which will air only local animated productions. At the same time, both CTC Media and VGTRK have announced plans to launch new kids/animated channels which would lead to additional demand for Russian animation. Currently, there are roughly two dozens of children's channels on the Russian TV market, only seven of them Russian and only one - Carousel - has a national FTA coverage.

The government is also planning to introduce additional quotas for children's and animation productions aired on the federal channels which would significantly increase the air time dedicated to such content which is currently estimated at 2% with foreign productions taking the lion's share of 83% in the animation genre on the six leading channels in the country, according to KVC Research.

Meanwhile, the popularity of the Russian animated productions continues to grow online, as half of the most popular YouTube channels in Russia offer domestic cartoon series.

Every year the Russian licensing market increases by one third due to the overall maturing of the entertainment industry and also due to the creation of monetization schemes for kids series, government support and development of local brands. The animation studios and right holders are learn-

ing fast from the international heavyweights. Keeping up the traditions of the world-renowned Soviet school of animation today's Russian animation industry moves forward relying on creativity and innovative techniques.

According to the research of Synovate Comcon in the first half of 2014, the most favorite characters of the Russian mothers with children up to 4 years are *Masha and The Bear* (52%), *Kikoriki* (30%), and *Luntiki* (23%), followed by Disney's *Cars* (22%) and *Winnie The Pooh* (19%). Also, the survey says that the most popular animated films in recent years in Russia are the series *Masha and The Bear*, *The Fixies* and *Kikoriki*.

The first animation brand that entered the licensing business was *Kikoriki* (*Smeshariki*). This cartoon premiered on Russian television in 2003 and managed to achieve almost one hundred percent brand recognition among the Russian audience of all ages. Thanks to the partnering with Nickelodeon, now *Kikoriki* is aired in 17 countries, reaching 60 countries.

Masha and the Bear has yet to realize its full international potential while continuing to conquer new territories. *Luntiki* are also among the leading local titles on the international market.

MIPJunior and MIPCOM will once again host the Russian Animation pavilion - an initiative organized by Cinema Fund with the support of the Ministry of Culture of the Russian Federation. The Russian Animation pavilion will focus on existing and brand new projects with huge international potential. The companies are also looking for cooperation and licensing agents.





YOKO (animated series)

Wizart Animation (Russia), Somuga (Spain), Dibulitooon (Spain)

Yoko has been developed as a truly international property focused on outdoor play patterns with a social curriculum that mixes friendship, nature, and imagination. Target group: Boys and Girls 4-6. The stories are about three friends: Oto, Mai and Vik, who meet in the City Park to play. Magical Yoko who lives in the park (and just wants to play too) appears at the beginning of each episode and his unpredictable baby nature turns the kids' everyday games into a high-stakes adventure where playgrounds become spaceships, or the sun goes dark because camping is simply more fun in the dark. The series will premiere in March 2015.



KIKORIKI (animated comedy series, features)

The Riki Group

Kikoriki is one of the leading programs in Russia among boys and girls aged 5-12 years with daily viewers of more than 5 million kids. 50% of the parents watch the show with their kids.

Life's a ball in *Kikoriki* — a place where everyone counts on the improbable and depends on the impractical; a land where you can turn snores into energy, order your dreams before bed, sail to the edge of the Earth, and even get a perpetual chocolate maker as a birthday gift! The series has been followed by the animated comedy *Kikoriki: Team Invincible* (stereoscopic 3D CGI) as a prequel. *Kikoriki: Legend of the Golden Dragon* is the next feature based upon the series, with release in Russia in 2015.



THE FIXIES (animated comedy series, edutainment)

Aeroplane Productions, The Riki Group

The *Fixies* are tiny creatures, that live inside of our machines and appliances, conscientiously cleaning and repairing them. The animated series is the launch pad for the multi-platform project *The Fixies*, an animated brand designed for the international market. It is one of the fastest developing projects in Russia, airing in primetime on Rossiya 1, and collecting more than 7 million viewers a day. The rights for the TV release of the show have been sold to 67 countries around the world.

Current production and development include the series, an internet portal, a feature film, computer and console games, specialized mobile content, a line of printed and e-books, and a character licensing program.



THE BUBBLES (adventure, comedy series)

NEBO animation studio

The series revolves around the lives of five Bubbles, in particular Marty who loves discovering new stuff, Marty's uncle Floyd, the naive and slightly nerdy Gloop, the sweet-natured Mika and Tim — the brainiest of the lot. Being bubbles, some of them bounce, while others can inflate, light up, or even change shape. They live in an amazing planet where everything is constantly flying, puffing up, bursting and exploding. The Bubbles are a curious bunch who never stay still — they're constantly exploring, finding new friends, and of course, getting into all kinds of sticky situations, the characters' adventures are always full of unexpected twists and turns. Target Audience: kids 4-7.

The Bubbles is being actively promoted to release on TV both in Russia and abroad. This year it will be aired on Carousel, the main Russian TV channel for children and youth. The first season is available on YouTube.

MASHA AND THE BEAR (animation series, family show)

Animaccord Animation Studio, Masha and the Bear Ltd

Masha and the Bear is an extremely popular cartoon about the unique relationship between a little girl Masha and her friend The Bear. As it reflects the communication between a child trying to learn about the world and an adult trying to help with this difficult task, the family show became a huge hit across Europe and Asia, partnering with such companies as Sony, NBCUniversal and Nordisk Film. The show has almost covered the whole of Europe airing on Cartoon Network, France TV, KIKI and other channels. It has more than 200 licensees globally.



CARROT CITY (action-comedy series)

PinkWing Studio

A family of colorful bunnies moves into a big city called Carrot City. They settle down in an ancestral manor, which they inherited. The main character of the show — Flip — accidentally finds a secret door that leads to a secret room. Flip shows his discovery to his brother Dock and sister Pinky. There, they find evidence that their ancestor was the founder of the city, as well as the creator of the mysterious "Tricky Rabbit" order. And so begins the most interesting quest that you can only dream of. Audience: Children 6-8.



THE MAGIC TOWER (animation, feature)

Masterfilm Studio

The Magic Tower is a historical fairy tale. In the movie the fictional characters interact with real historical figures. The action is set in Moscow during the rule of Tsar Peter. One of the main characters is Jacob Bruce. He is an associate of Tsar Peter, scientist, founder of the Navigation School for Boys, as well as a mysterious character. His magic laboratory is in the Tower. It's a symbolic place, and all adventures of Peter boy, Margo Bruce's daughter and their mechanical friend Cube start there. Audience: Children 6+.

Release in Russia — 2015.



BIMS (preschool 3D animated series)

Age of Aquarius (co-production: Russia, the UK, New Zealand, China)

BIMS is an original 3D animation series. The main characters are BIMS — cute, kind, fairy creatures, giving joy, happiness and good mood to people. With the help of their sorcery, music and magic recipes they make delicious things for children. Each of them gives its own superior force or helps children with their problems, for example to become brave, kind etc. Bims live in the Bims' village — a place of fairy tales, fantasy and magic. Everything in this world is colorful and looks eatable. In the Bims' village rivers are made of milk, buildings are constructed from pies and cookies, and fruit forest and yogurt waterfall are right around the corner.

52 episodes of *BIMS*, each of 6,5 minutes are to be released in 2015 and launched on Carousel and Mult channels in Russia. As the project is a co-production of Russia, New Zealand and China, it will seek popularity with the international audience with high probability of success.

The Russian Animation Pavilion at MIP-COM and MIPJunior 2014 will also house full length animated films such as *The Snow Queen 1 & 2*, *Sheep and Wolves* by Wizart Animation and others.



TISHKA THE TRAIN (animated series)

AA Studio

The main heroes of this animation series are trains (rather than locomotives) who live in Train Town, just like ordinary people. They have their own families and friends. Their life resembles life in the real world — relationships, problems, needs, dreams and daily routine. The heroes visit local shops to buy their spare parts, they go to service centers to fix the dents, clean wheels, change oil, clear windows, they visit cafes and restaurants to "refill". They watch TV to follow the world news, buy different "railway fashion" accessories to follow the latest trends and build their careers in training-related spheres.

ALISA KNOWS WHAT TO DO! (animated science-fiction adventure series)

Bazelevs, The Riki Group

2093. Planet Earth. Together with her friends, Alisa Seleznyova, the 12-year old daughter of an intergalactic zoologist, sets out on a series of incredible adventures throughout our galaxy. The stories are written to inspire the show's young viewers to develop independence, strive for creativity, and discover their individuality. The project is based on the books by Kir Bulychov, arguably the most famous author of science-fiction for children in Russia. His stories about Alisa are still as popular as ever with each new generation of young readers and have been adapted multiple times for big and small screens. Audience: Boys and girls 7-11. ■



IN THE NAME OF THE VIEWER

From Don Matteo to Father Matvey

How the famous Italian series was adapted for Russian audiences



This winter Russian viewers will see the premiere of the local adaptation of Italian hit series *Don Matteo*, *Otets Matvey* (*Father Matvey*), on Rossiya 1. TVBIZZ Russia went behind the scenes to see how the ageing Catholic priest from Italy was turned into a young Orthodox pope in the Russian production.

Maria Chiara Duranti met with **Luca Bernabei** from Lux Vide in Rome and Georgi R. Chakarov spoke with **Irina Smirnova** from Russkoe in Moscow.

Don Matteo has been on air for more than 14 years and aired 194 episodes on Italy's leading channel Rai 1. How did you come up with the idea for the show and what are the key factors for its success?

Don Matteo really is a successful long-lasting format that is showing enormous potential. The audience's affection for this series is something that has happened just a few times in the history of Italian television. The reasons are to be traced in the soundness of the original concept, clearly inspired by the stories of *Father Brown* by G. K. Chesterton. The protagonist of the narrated individual cases is a priest of great charisma, able to investigate the souls of the people rather than the crimes of the guilty.

Unquestionable merit goes to the charming actor interpreting Don Matteo, Terence Hill, beloved star of several generations of viewers. Don Matteo is helped by the police force (Carabinieri)

and among them, the overflowing comedy skills of Nino Frassica, great actor of Italian cinema and television, stands out. The "choir" or - if you will - "the family" that lives around Don Matteo (the perpetual, the sacristan, children and girls housed in the rectory, the love stories that involve the families of the Carabinieri) created a strong empathy in the Italian audience, reinforced by the choice of setting the story inside the beautiful landscapes of Gubbio and Spoleto, two of Umbria's jewels, one of the most beautiful Italian provinces.

To all of this, a large and constant passion for all the details of both story and staging must be added. The writing is entrusted to extremely capable authors and showrunners who genuinely relate to the history of the series. The same crew oversaw the packaging of the product in all its details and through all of its stages without any phase of empassé, and this was bestowed with an audience loyalty for so many years.



Luca Bernabei
Executive Producer
Don Matteo

What was your reaction when you learned that there is a possibility to adapt the format in Russia?

I was thrilled to learn that our original format had aroused the interest of a Russian producer. In fact, the producer has operated with great respect for the original format but also with considerable autonomy. Right from the beginning, the impression was that both the strength and at the same time the simplicity of the format, as well as its rooting on the axis of universal values, could make it an easily exportable product abroad, in particular throughout the whole European territory, which is united by strongly shared cultural roots.

You have also adapted the show in Poland. How would you compare the two productions with the Italian one?

As you know, Poland and Russia are two areas with different traditions and audiences, and in the case of *Don Matteo*, the fact that one is a predominantly Catholic country while the other of Orthodox majority was not irrelevant. The story of *Don Matteo* had the qualities to adapt to both contexts and though the protagonist of the Polish series is a Catholic priest, and so perhaps closer to the original Italian priest, even the Russian Orthodox pope of the Russian series reflects the original character, despite being married with children, which of course raised some curiosity in me and would raise it in the Italian public too. In particular, what has been added in the Russian format is the possibility to develop the family dynamics of the main character, which are obviously precluded to the Italian series.

What impressed you the most from the Russian production?

I have not had the pleasure of seeing the material from the Russian series yet, but I am very anxious to do so since I was charmed, among other things, by the beautiful photographic images we received of the main protagonist who is a young actor of strong appeal, and so are the actors interpreting his family, his wife and two children.

Can you mention some formats from your catalog which may also interest the Russian companies? What new projects do you have in development?

I can't help but mention our four-part fiction blockbuster *War and Peace*, which among other things was co-produced with the Russian partner Rossiya 1. In addition to this, there's the miniseries about *Anna Karenina*. Two products that confronted us with Tolstoy's masterpieces and through which we experienced the universal power of Russian literature and its ability to speak even today to the mind and heart of modern people.

Soon we are going to develop a series called *God's Bankers*, telling the story of the family of Cosimo and his grandson Lorenzo de' Medici, set in the heart of the Florentine Renaissance. A family saga that, through the intertwining of politics, economics, faith and patronage, reveals itself as the forge of Europe and a mirror of the Western civilization as we live it today.

BIO

Luca Bernabei is the Managing Director of Italian production company Lux Vide and Executive Producer of *Don Matteo* which has been airing on Italian television since the year 2000. Bernabei is also the man behind another hit series starring Terence Hill, *Un Passo dal Cielo*, which premiered in 2011. He has also produced event miniseries like *Nerone*, *Pompei*, *Anna Karenina* and *Romeo and Juliet* all shown on Rai 1.





Irina Smirnova
Executive Producer
Otets Matvey

Irina, how did you decide to adapt *Don Matteo* for the Russian market?

One thing that I want to clarify is that we basically had a double-format scheme, if that's the right word for it. For our adaptation we used scripts provided by our Polish colleagues from Baltmedia who produced a Polish version of the Italian format for Telewizja Polska called *Ojciec Mateusz*.

We heard about the project from our colleagues from Baltmedia at the time when we were actively looking for an idea or a format of a detective story "with a twist". Obviously, a priest taking an active, crucial role in solving mysteries immediately attracted our attention. The only TV project with a

similar lead character known to Russian audience is *Father Brown*, the series from 1974, so of course the idea felt quite unique. The success of both the Italian and Polish versions of the series supported our expectation that the idea might appeal to the Russian viewers as well.

How hard was it to re-work the story for the Russian viewers?

Don Matteo (*Otets Matvey* in the Russian version) was our second adapted format produced for Rossiya 1. Judging from our previous experience and the experience of other producers we knew from the very start that the adaptation would involve a lot of changes to the script, its plot, the set of characters and the characters themselves. If you try to shoot an international format for Russian TV without major changes to the script, the end result feels "foreign" to the viewers. Although the actors and locations might be Russian, the series still has the feel of a foreign production with dubbed sound. Considering that the vast majority of regular Russian TV viewers are not interested in foreign productions, you obviously have to add a very strong Russian feel to the project when adapting an international format.

Obviously, there are differences between the various Russian broadcasters and their target audience. Of course, things that might look strange and "foreign" on Rossiya 1 might be accepted as perfectly normal on CTC, for example. But if you don't consider these still minor differences, the major trend remains the same: any international format needs a major overhaul to get a feel of an authentic product rather than a mere translation. I guess a TV series and its stories and characters have to have a real-life feel to them for the viewers to believe in the story and to relate to the characters.

There is a general view that adapting formats is not very effective for the Russian market. What is your opinion on the matter?

This has to do with cultural and historical background, differences in everyday life aspects, people's motivations, set of norms and taboos, the cultural code, if you put it short. This fact hinders many of the very successful international productions from being adapted for Russian television. Many of them don't go further than a pilot or don't get acquired at all.

The reasoning behind it is very simple. It's financially unreasonable to

pay from \$5,000 to \$25,000 (which is a standard price for the US majors) per episode for a script that you are hardly going to use. The production might end up using the main characters (with minor or major changes to their characteristics and arcs), the set up for the story and some of the turning points. The rest of the script is basically rewritten from scratch and, in the end, you get a somewhat similar but still a very different story.

Did you have to make many changes in the story for this production?

With *Otets Matvey* we did go through the whole process of rethinking the story in every aspect. The main concern was his family and social life. One difference is obvious: Catholic priests practice celibacy whereas Russian Orthodox priests do have to have a family, a wife and at least a couple of children. Also, a priest's position in his community in Italy or Poland seems to be very different from how things are in Russian communities. In the end, we had to write a whole new horizontal line of the series rather than trying to adapt the Polish version.

We also had to rethink the detective part of the series. Our aim was to keep as many detective plots used in the original series as possible. However, we felt that some of the plots would be unrealistic in the environment of a rural Russian town or felt "awkward", for the lack of a better word, no matter how much our script writers tried to adapt them. So we had to pass on some of the stories that appear in the Polish version. We acquired the format license for the two first seasons of the Polish production, or 30 episodes. Our first season counts 16 episodes, which is a fairly common number for prime-time series in Russia. While adapting the scripts we went along the original episode list, analyzing each of the stories and deciding if we could use this or that particular story for our version. In the end, we had to pass on 5 episodes, so we used up 21 original scripts to produce 16 of our episodes.

There was also a need to adapt the details of the detective plot, make some changes or additions, which, in our thinking, made the story "more Russian". For example, one of the stories in *Ojciec Mateusz* had a Chief Surgeon from the local hospital that carried out illegal medical experiments on his patients. We liked the whole story but knew that mysterious experiments in a rural hospital would seem too far-fetched. So our Chief Surgeon acquired



For the lead we needed someone very appealing, almost charismatic, but then again an actor who would feel comfortable wearing a cassock and taking up the role of the 'healer of human soul'.

uncertified medicine for the hospital, which was cheaper but had a lot of undocumented complications, putting the difference in the price in his pocket. We also tried to make the mystery part of the story more complex, so that the viewers would have more false leads and would not see the investigation as too obvious.

How long was the process of adapting the scripts?

The process of adapting the scripts (or better say, rewriting them) took us much longer than expected for many reasons. One of them was unexpected, really. We all know that script writers specialize in this or that format. It turned out that finding a writer who would know how to work with a detective story and feel comfortable writing about a Russian Orthodox priest was a very hard task. Some writers were very excited about the main character but could not make the detective side of the story "work". Others were scared away by the set-up that was too unusual and needed extra knowledge and care to deal with. Finding the right script writers, changing the team along the way a couple of times and getting the scripts for our production, in the end, took us more than a year. This does not include translating the scripts and all

the other prep work that was required before we actually got down to writing.

Finding our Father Matvey (played by Vladimir Kolganov) was also a very tricky and lengthy process. We needed someone very appealing, almost charismatic, but then again an actor who would feel comfortable wearing a cassock and taking up the role of the "healer of human soul". It seems to us that we did manage to find just the right actor for the part.

What other challenges did you face working on this project?

One of the greatest challenges for our production was the fact that we had to shoot the project over the fall and winter season (started in September 2013 and finished in April 2014). The weather outside did not really do justice to the picture, most of the time. As we were bound by the terms of the license agreement and the contract with the Broadcaster we could not really postpone the production for another 6-9 months and wait for more favorable conditions. So most of the time you see rain, snow and no sun but lots of winter clothes, which is a pity really, but that's the harsh part of running a production in Central Russia, you only get 3-4 months a year of favorable conditions for shooting. ■

BIO

Irina Smirnova is the Executive Producer for *Otets Matvey*. She has been General Producer at Russkoe since 2007. She has also worked as producer and director for Amedia. Smirnova has produced more than 100 TV movies, miniseries and series including hits like *Sklifosovsky*, *Queen of the Bandits*, *Gulcatay*, etc.

Over the nine years of its operation Russkoe has produced more than 140 titles which amount to more than 700 hours, most of them aired on Rossiya 1.



A DIFFERENT TASTE

KÖÖK

* 'Köök': 'Kitchen' in Estonian

The story is well-known: a big restaurant in the center of the capital and a guy who wants to make a career as a master chef in the big city. Only this time the city is not so big. Compared to 12-million Moscow, Tallinn is 30 times smaller! And the restaurant's name turns from the pretentious Claude Monet to the much modest La Forêt.

Maks, the Estonian equivalent of Maxim, is played by Kristjan Kasearu who is an actor and musician. He arrives in Tallinn from a small provincial town dreaming to become the head chef of one of the city's top restaurants. He is a warm, kind fellow and colleague, yet a bit naive, so he gets easily in troubles.

And by trouble we mean master chef Viktor, played by acclaimed Estonian actor Indrek Taalmaa. Viktor is uncontrollable, tameless and uninhibited. He likes to risk a lot. He is often found drunk. To become his favorite is mission impossible, unless you have a master degree in psychology. Maks is stubborn and does not give up easy.

But he has another problem as well, he has fallen for the charms of restaurant administrator Vika (played by Margaret Kodusaar). She is beautiful and strict but most of all always on knives with the kitchen side of the

This fall Estonian channel Kanal 2 launched the first adaptation of Russia's most popular sitcom today – *The Kitchen*. TVBIZZ Russia tried to find out if there is a big difference in the tastes of the Estonian and Russian viewers and what is the international future of the format.

restaurant. On top of that, Maks had a one-night stand with her before he got the job...

The Estonian counterpart of Dmitry Nagiyev's character, Dmitry Vladimirovich, is played by Janek Savolainen. Everyone calls him Peremees (The Boss). He wears sunglasses indoors, dresses in expensive clothes and talks like he owns the world. At the same time, he always seems to be a bit worried. He seems a bit fishy and slippery in his actions and background; all because he cannot take defeats and the competition is breathing in his neck.

Obviously, there is no major difference in the taste after all, which is proved by the ratings as well. The series premiered in a Monday night slot in the beginning of September with a 33.3% share in the commercial demo, doubling the channel's average. The show also helped post the best September ratings in four years for Kanal 2

which has been the Number 1 network in Estonia since 2006.

Martin Algus who produced the show with his company Kassikuld tells us that the adaptation process went quite smooth:

"The adaptation of the original script into Estonian was actually easy. As the point of the script of *the Kitchen* is situational comedy, there wasn't much to do - the story is universal. We changed only a few of the jokes. For example, there was a comparison where we had to refer to a holy place. And in Estonia the traditional holy place is grove - a beautiful place in nature - so we referred to grove instead of church, as it sounded more interesting."

"The style of the restaurant is French, so we named it La Forêt. But I must say, we didn't have to change all the names - Max is Maks, so it sounds the same, in Estonian, it is short name from Margus."





Jaanus Noormets, Acquisitions Executive at Kanal 2, explains that despite being a tiny TV market Estonia has great hunger for locally produced shows based on hit formats like *The Kitchen*:

“In addition to developing new original local scripted series we are also taking a close look at the prevailing trends from the rest of the world. We try to find fresh points of view but also good scripts that could be easily adapted here, fitting our budgetary possibilities.”

We fell in love with *The Kitchen*'s colorful characters, unique visual style and witty dialogues. For us it is vital that the adapted series has many seasons, i.e a large number of episodes available. *The Kitchen* has already been produced for four seasons (80 episodes) in Russia.”

The Kanal 2 executive is also praising the high quality of the Russian format:

“*The Kitchen* is supposed to be one of the most expensive comedy series in Russia ever. The major effort put in *The Kitchen* can be sensed through the television screen, in every sense this series is competitive with other top television products all over the world,” Noormets says.

He also adds that a small market like Estonia cannot afford to adapt top titles from the US as they are too expensive so they look for cheaper options like Polish dramedy *Ranczo* and the German procedural *The Last Cop (Der Letzte Bulle)* which have been very successful and their budget is quite similar to that of *The Kitchen*.

“We need smaller and easier ideas, but they have to be fresh and clever.”

“Actually, the markets in Russia and Ukraine have no bigger priority than other markets. We keep our eye on the developments in the US as well as Europe. Southern Europe is a bit far for



“

Not only is *The Kitchen* the first Russian scripted format to be represented by CBSSI internationally. It's the first scripted format to ever be acquired by CBSSI to distribute.”

”

our radar, but we are well aware what is going on in the UK, Germany, Poland and the Scandinavian countries.”

Paul Gilbert, Senior Vice President, International Formats at CBS Studios International, adds that the Russian format marked a major first for the big US distributor:

“Not only is *The Kitchen* the first Russian scripted format to be represented by CBSSI internationally. It's the first scripted format to ever be acquired by CBSSI to distribute. I was attracted by how well the show was produced and how much I appreciated the comedy as well as the physical comedy.”

Mr. Gilbert is not at all surprised by the show's success in Estonia and promises more deals for the adaptation of *The Kitchen* in other countries:

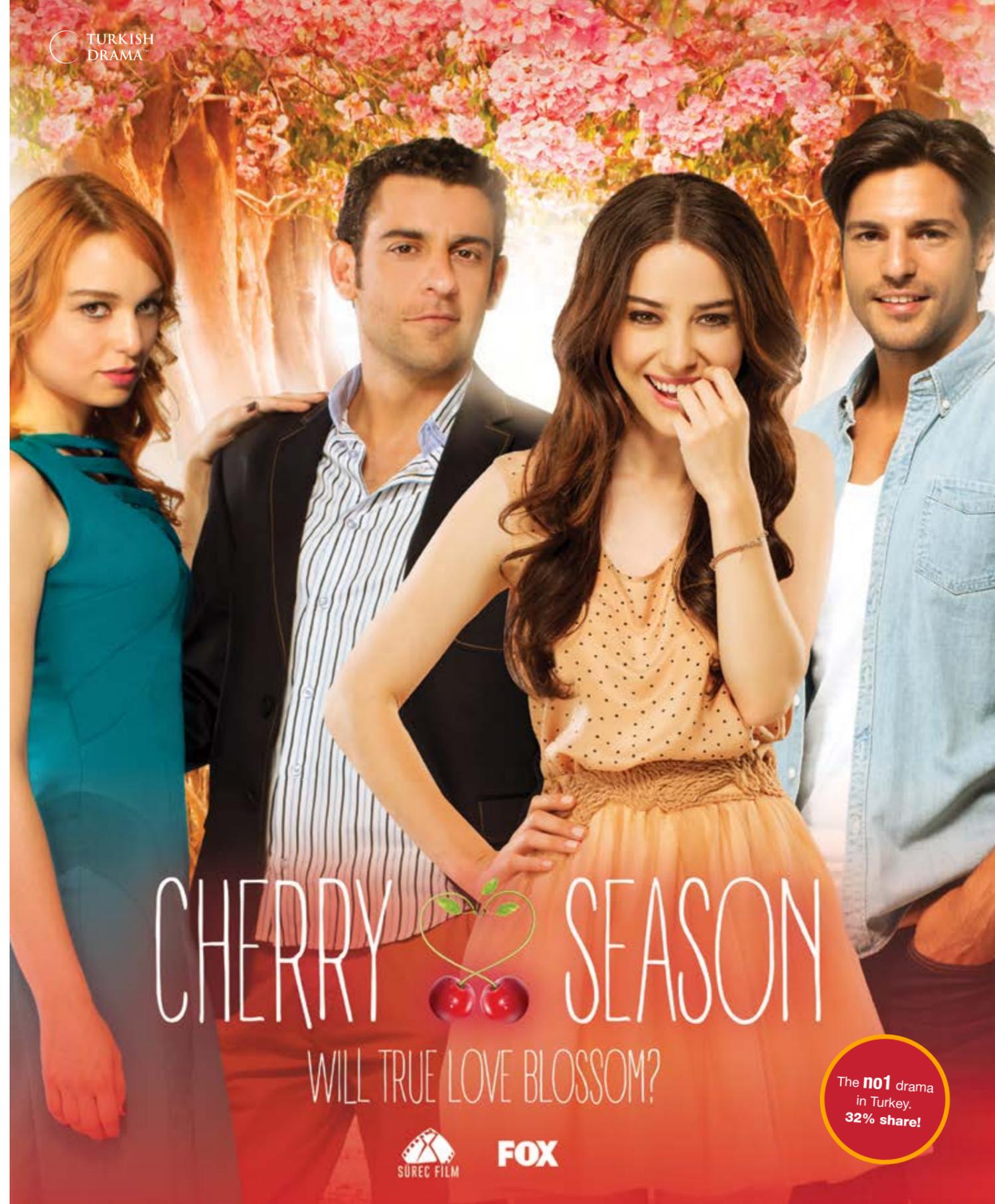
“We weren't surprised by Kanal 2's interest since the show is such a big success on CTC in Russia. We are thrilled that the show has been so successful on Kanal 2 and we look forward to launching the show in Latvia and Lithuania. We have several other deals we are discussing in Europe.”

The CBSSI exec is also looking to find new great ideas from the region:

“Russia and CIS have some really terrific and successful shows and we are constantly on the lookout for shows to add to our catalog and distribute,” Gilbert says.

So, if you are working on the next big hit we got Paul's number. Until then, we keep our fingers crossed for *The Kitchen* and its further international roll-out. ■

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Rising Star / Keshet International

FLASHBACK

The Rise and Fall of the Apps

More than a year has passed since pioneering show *Rising Star* started a new trend in TV format making - real-time interactivity with viewers via mobile applications. Many industry players hailed the innovation as the Next Big Thing but viewers around the world did not embrace the new shows so readily. Georgi R. Chakarov takes a look back at one year of app shows on a global level.

Rising Star will remain in TV history as the first major app-driven format that successfully engages viewers in a spectacular way on and off the screen. The mobile application developed by Screenz opened new territories in TV making by allowing viewers to vote and appear on air while their favorite performer is singing - the ultimate definition of real-time live event television.

In Israel, where mobile app usage is highest in the world, the show became an instant hit. Produced with a budget of nearly quarter of a million US dollars per episode, *Rising Star* premiered with 1.1 million viewers improving Keshet's slot average by 50%. The app downloads count was also impressive - more than a million, engaging every eighth Israeli.

The news of the huge new hit born in Israel broke immediately. Keshet International who had started preselling the show before MIPCOM had a very busy market in October last year

signing deal after deal for the hot new format. Only in October, the show was sold for adaptation in France, Russia, Germany, Scandinavia and Italy. Those were followed by top markets like the US, UK and Spain a month later.

In December *Rising Star* finished its first season with the second highest average share for a talent show in Israel reaching 83% of the households and registering more than 10 million votes with 1.5 million downloaded apps.

And if these staggering figures were not enough, various media reports added up to the hype of what many started calling The Next Big Thing in TV format business. In Norway, Kampanje reported that Nordisk Film TV doubled up on the standard price for a prime-time talent show to buy the format. In Russia, Rossiya 1 spent three times the price of *The Voice* to secure the rights, and in Brazil sponsorship for Globo's adaptation was sold out in 15 minutes generating close to 12 million euros for the network.

The TV world was 'wowed' and eventually in March - six months after its MIPCOM launch - the format was named fastest-selling talent show ever with deals for more than 25 territories. However, the new record holder had so far aired in just one country.

April, first day of MIPTV 2014. *Rising Star* has just made its debut in Brazil. Everyone wants to know the ratings. Will *Rising Star*'s glorious march continue? In the afternoon, TVBIZZ reports first: "The consolidated audience data from Ibope shows that the premiere of Globo's *Rising Star* ranked second in its slot last night. The show aired in the 23.02-00.13 slot and averaged 12.2 points, while SBT got 12.5 points in the same time period with *Programa Silvio Santos*." No fanfares, no champagne: reports of voting problems - a large part of the viewers around the country could not use the app.

Next launch in Portugal: 1.365.000 viewers, 14.1 rating and 43.8% share for the premiere. A breath of relief and also good news for Keshet from Brazil - despite losing the battle to SBT, the show is renewed for a second series. But the premiere in the US is not promising: just 1.0 rating in the key demo adults 18-49. By July it becomes clear that ABC had not found the ravishing hit it had hoped for - the show ends with slightly above average results.

Then comes the big blow: the opening episode on RTL in Germany delivers only 2.2 million viewers, dropping below 2 million for the second episode on Saturday night and eventually collapsing several days later with the dismal 5.9% share in the commercial demo, forcing the channel to quickly end its biggest premiere of the season. ITV in the UK were clearly not im-



Keep Your Light Shining / Global Agency

pressed by the turn of events internationally and in early September announced briefly: "As a commercial broadcaster, we always need to be as confident as possible about the potential ratings of any new program format that we have acquired, and we have therefore taken the decision not to proceed with plans to broadcast the series on ITV."

Just a few months earlier, the format had reached its absolute peak. Now, 'The Next Big Thing' was no longer so big. *Rising Star* clearly could not live up to the expectations. The reasons for this are numerous: technical problems, overblown publicity, lack of interest from viewers for new talent shows, etc.

The show was in need of a big new start with two premieres in September: Russia and France. The record high deal turned out to be another disappointment for Rossiya 1.

Six months after its MIPCOM launch, *Rising Star* was named the fastest-selling talent show ever with deals for more than 25 territories.



Love is Calling / Global Agency



The Singer Takes It All / Endemol

This past year proved that viewers around the world might need more time to embrace this new type of TV shows.

Rising Star was crashed by *The Voice* on Friday nights, forcing the channel to move it to a late night slot. The premiere in France a few days ago, looked more promising: 3.8 million viewers and 29% share in the housewives demo for the first spot in the slot. The second episode, however, lost more than a million viewers dropping to the third spot.

Rising Star: hit or miss? The question remains open.

The answer is definitely 'Miss' when it comes to the other app formats launched during the year.

Keep Your Light Shining from Global Agency also attracted huge interest with its interactive concept during MIPCOM. In short time after the market, the distributor announced deals and options for several key territories even though the format had not been aired anywhere.

In May, it finally had its world premiere on ProSieben which promoted it as the most innovative show on German air. A major publicity campaign supported the show which boasted an eye-pleasing, gigantic studio and still, viewers were unimpressed. The opening episode scored just 1.17 million viewers and the final, fourth episode ended quietly with less than a million viewers. The channel tweeted: "Our courage was not rewarded: An app that is running, a fun show, many votes, but a small audience."

Keep Your Light Shining is now on air in Thailand and is also set for a Chinese premiere.

Endemol also had a go in the hot 'talent app show' trend by launching *The Singer Takes It All* on Channel 4 in the UK. The mobile app delivered strong interactivity but once again the ratings were



Quiz Duel / ITV Studios

low. It premiered with 1.2 million viewers but in a few weeks dropped to only 690,000 viewers and 3.6% share ranking fifth in the slot. Major technical problems were reported here as well.

Despite the poor ratings, Endemol is optimistic and has put the format as one of its front-runners at this year's MIPCOM.

Mobile apps and dating go hand in hand in the modern world, so a daily show about singles could work great: probably that was the idea behind Global Agency's interactive daily dating format *Love is Calling*. RTL liked the concept for its daytime but could only keep it on air for two weeks and ended it quickly 'due to low rating' (actually 12% was the channel's average in August this year).

Global Agency is also not losing hope and the format is among the top titles

in its catalog at MIPCOM. The popular German mobile app *Quiz Duel* was also turned into a TV show for ARD. Yet again, technical problems marred the show as the producers struggled for 10 days to fix the malfunctions in the app. Viewers quickly lost interest in the interactive live quiz which delivered low results in the access slot of the channel.

The disappointing turnout did not discourage ITV Studios from taking global distribution rights to the format which will be launched at MIPCOM.

This past year proved that viewers around the world might need more time to embrace this new type of TV shows. International distributors remain optimistic and willing to experiment, so *The Next Big Thing* might be just around the corner. ■



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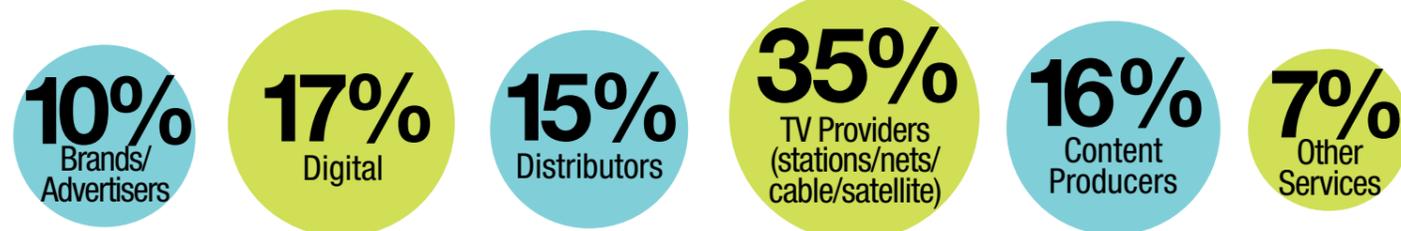


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MUST SEE

The big series premieres in Russia

TVBIZZ Russia presents the most expected series premieres for the new TV season.

Homeland

Rossiya 1 will broadcast this long-awaited adaptation of Israeli hit *Hatufim* (*Homeland*). The action starts in 1933 when colonel marine Alexey Bragin went missing during a military operation in North Caucasus. Six years later, a joint military operation of the Federal Security Service and a special unit of the Main Intelligence Directorate destroys a terrorist training camp: the agents secure a batch bin and find Bragin chained to the wall. Doctors and psychologists, as well as analytical experts from the anti-terrorist center start working with him.

Produced by: WeiT Media



Grigori R

Grigori Rasputin was killed in December 1916. The investigator Genrikh Nikolaevich Svitten is interrogating more than 1500 people that witnessed this murder. He is trying to recreate a real picture: who was this Grigori Efimovich Rasputin?

Produced by: Mars Media

Method

The new psychological thriller from Perviy tells the story of university graduate Eseniya, who starts working as a trainee of Rodion Meglin, who in turn specializes in serial killer cases. Getting close to her idol, she is able to understand the secret of his method: he is a maniac himself and has a nose for the killers.

Produced by: Sreda





The Others

The biggest premiere on TV3 this season – the Russian adaptation of the American series *The 4400*. A huge asteroid is approaching Earth with high speed, threatening to destroy everything. However, at the last moment the object changes its course. When the special services arrive at the impact location, they see a lit up sphere, which is slowly coming down to the ground. 4400 people walk out of the object. All these people went missing during different decades, but none of them has changed. Who are these people? Why are they here? Are they still the same or are they, The Others?

Produced by: Shark LLC



The Great

The history and achievements of the sole ruler Catherine the Great from the moment of her arrival to Russia as the fiancé of Peter III and to the moment of ascension to the throne. Almost 20 years of palace intrigues, conspiracies, race for power and personal drama. One of the most awaited premieres of the year on Perviy.

Produced by: Mars Media

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Chernobyl. The Exclusion Zone

TNT continues to put a stake on unusual and exceptional series. One of them is the eight-episode story of five teenagers who go on a trip to the ghost city Pripyat where they face horrifying things. None of them will return the same.

Produced by: Cinelab Production

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FIVE STARS

Fizruk: Plenty of pearls to be found

Emmy award-winning writer, producer and director **Judd Pillott** saw two episodes of *Fizruk* (Sports Teacher) for an exclusive review for TVBIZZ Russia. Here is what the executive producer of shows like *According to Jim*, *8 Simple Rules* and *Just Shoot Me* thought about TNT's big sitcom hit.

I'll start by following my own rule. As a writer and show runner, I have great respect for those of us who create stories. So, whenever I give notes, I always begin with what's good. What's working? What's entertaining? What's well executed? If it's impossible to say, I'll search for some tiny grain of sand and turn it into a slightly larger pearl. With *Fizruk*, it was easy: there were plenty of pearls to be found.

I knew nothing of the show (sorry, not very well versed in Russian TV) but from the first frame I was intrigued. Night. Underworld tough guy, Foma, drives a black sedan through the rain-slick city at break-neck speeds. But his boss, Mamay, whom he idolizes, is angry at the reckless behavior, and fires him on the spot. How does a scar-faced thug handle the injustice? Well, this one transforms from ruthless bulldog

to whimpering hangdog in a comic instant.

One minute he's a killer, the next, a pouty child whose favorite teddy bear has been run over by a truck. One of the gleaming pearls in *Fizruk* is its star, Dmitriy Nagiev, as Foma. I don't speak Russian, but Nagiev's body language, facial expressions, and well-timed silences speak volumes. Terrific casting. Forlorn and alone after being fired, Foma sits at home drinking and watching TV. After sampling a stripper show, then a boxing match, he settles on a cartoon about an old dog whose been cast aside (this hangdog dog literally contemplates hanging himself). It's a funny bit, albeit somewhat on the nose, but played skillfully by Nagiev who gives us the first real glimpse as Foma, the brutal killer with the heart of a slightly disturbed toddler.

Foma consults his delightfully psychotic friend, Psikh played sharply by Vladimir Sychov. (I love that the character's name is Psikh, played by an actor named Sychov, and appears in subtitles as "Psycho") In this scene we get the mechanics of the premise. Foma plans to get back in the good graces of his boss, Mamay, by becoming a sports teacher at the school Mamay's son attends. He'll take the boy under his beefy wing, and the boss will be forever grateful. Okay, it's a very funny premise: Leg breaking, face-punching assassin must pose as a sports teacher around impressionable kids and stuffy administrators. But if that's the premise, if that's what the series is hung on, you'd better really nail it down.

From a writing standpoint, I want to know why this crazy scheme is Foma's best way back to the mob. I want to believe it so I can believe everything that follows. Foma could just find the boy, slowly befriend him... impart his wisdom and still impress the boss. Why go through the sports teacher charade? I know. Because it's funny! And it is... though it gets a little thin, and a little confusing.

When Foma does get the sports teacher job, through a silly, well-executed bit of strong-arming with the help of Psikh, the show cruises along. His introduction to the other teachers, and the students is terrific, lots of good jokes. Foma's nicknames for the kids, particularly, "Banana" for the goofy boy in the yellow hoodie, were very funny. But right away there's a hole. Foma insults a chubby girl, Sasha, also very well cast and played by Polina Grents. We quickly learn that this girl's father is Foma's former boss. Turns out Mamay has a daughter, not a son. Convenient for the joke, but how did Foma, attentive, loyal underling, make this mistake?

Early in the first episode, as part of his plan, Foma tells Psikh that Mamay has a son, Sanya. He knows this because, even though Mamay doesn't share much about his private life, he does talk to Foma, who boasts, "I'm like a brother for him." This is a pretty big mistake:

Not knowing if your "brother" has a daughter or a son. And you're planning your comeback on it? Okay...

All that just might be the analytical writer in me kicking up dust. But it's the kind of question that sticks with me, makes it hard to settle in to a premise. It's the kind of question I painstakingly try to avoid when I write pilots. It clearly hasn't bothered audi-

“

Technically the show is solid. The lighting, production design, and wardrobe are all good. It's edited crisply and cleanly. The direction is a bit heavy handed at times, but for the most part seamless.

”

ences, the show is a success. And I understand why. It is funny, and for the most part, well executed and written.

Technically the show is solid. The lighting, production design, and wardrobe are all good. It's edited crisply and cleanly. The direction is a bit heavy handed at times, but for the most part seamless. I did find the music overdone and less than original. The scoring started out well, with a sort of Foma's "tough guy" theme. But then went on to sound more like needle drops (and the same one, poorly mixed, over and over) than it did scoring. The bit at the end of the first episode, where Foma offers the cute teacher, Tatyana, a ride, should have had no transition music until he cranked up the radio from inside the Mercedes to impress her.

Overall, though, there is plenty of fun to be had with *Fizruk*, as Foma tries desperately to pass as a teacher while hiding his brutal history and core. A few "pearls"; the sequence where a little girl needs the bathroom but Foma turns her away, the joke where Banana says Foma's bald and has a scar, prompting Foma to shoot back, "Titan of the visible," and the nice twist when the imperious administrator who can bring Foma down, turns out to be "dirty."

Here's the biggest challenge for the show. Foma's "secret" quickly wears thin, the jokes get repetitive. I hope in future stories the writers dig a bit deeper into Foma, and his relationship with Sasha. Is he making progress? Is he becoming softer, taking a real interest in guiding her, and the other kids? Does Mamay come back into the picture? Will Foma be asked back to the mob, not want to abandon the kids, and have to perform both jobs? I guess the fact that I have these questions, and wonder if they are being answered makes me a fan of the show. ■



BIO

Writer, producer and director, **Judd Pillott**, has over twenty-five years experience in prime time comedy and film. An Emmy winner, and recipient of the prestigious Humanitas Award, Judd has run such hit shows as *COACH*, *Mad About You*, *Just Shoot Me*, *8 Simple Rules*, *According to Jim*, *Something So Right*, and many others. He has also created numerous series and pilots.

He wrote and produced the USA Network one-hour drama, *Operating Instructions*, and wrote the action thriller, *Us/Them*. Judd's also worked in feature films, having written several screenplays, including *Crazy on the Outside*, starring and directed by Tim Allen. He also provided production rewrites on the comedy feature, *The Bounty Hunter* starring Jennifer Aniston and Gerard Butler.

Judd is currently in Moscow consulting for Sony Pictures International, on *Voronins*, the Russian version of the iconic U.S. sitcom, *Everybody Loves Raymond*. He is also developing a pilot for a new sitcom project.

MY TV, YOUR TV

Let's play Monopoly

Georgi R. Chakarov looks into the recent legislation changes in Russia and the consequences of banning advertising on pay TV channels and limiting foreign ownership in media to 20% from 2015 and 2016, respectively.

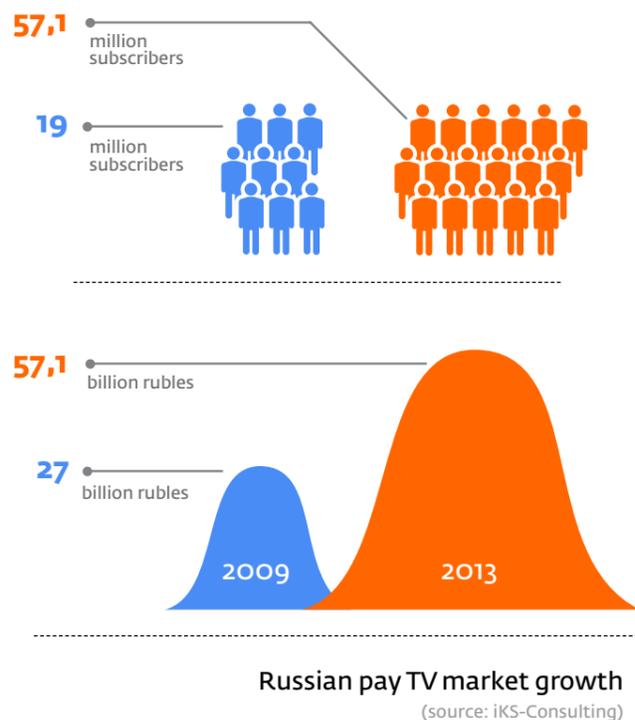
In July the Russian Federation introduced changes to the Law on Advertising banning commercials on pay TV, dropping the 35% market share limit for TV ad sales houses and re-allowing advertising of beer on stadiums and during sports broadcasts. The law will come into force on January 1, 2015.

Before signing the law, President Putin was advised by The Presidential Human Rights Council that “the amendments contradict the concepts of the advertising law, in particular they intervene with the development of the market of goods and services based on the fair competition principle. One part of the amendments actually creates monopoly conditions on the advertising market; the second one destroys the criteria of such conditions”.

“The removal of the 35% limit for the sales agents allows a range of companies to become full monopolists without any control, and by using the advertising streams actually control the informational policy in Russia. This of course threatens the informational security of Russia,” the council concluded.

The President signed the law nonetheless, while the State Duma also quickly took care of “the threat on informational security” by passing changes in legislation which restrict foreign ownership in Russian media to a maximum of 20% from 2016. This amendment was also voted in record time – less than three days between the first and third reading. One Deputy even suggested completely banning foreign capital in Russian mass media, especially now when “the country is sick”.

The direct consequences of the introduction of the two new laws will result in the concentration of media ownership and establishment of a major (state) monopoly which will be accompanied by the founding of a giant ad sales house selling advertising on four of the country's biggest broadcasting companies, excluding CTC Media which is already suffering major losses on the stock exchange.



Pay TV: rapid growth, not enough money

The pay TV sector has been growing rapidly in the last five years. According to iKS-Consulting, in 2009 the market was worth 27 billion rubles with 19.1 million subscribers. At the end of 2013 its value was 57.1 billion rubles with 35.1 million households (up 10% yoy) and a penetration of 64%. According to J'son & Partners Consulting, the market will grow by an average of 4% per year to reach 40.9 million households (75% penetration) by 2018.

The number of pay TV channels has also been increasing: in 2011 there were around 300 paid channels, in 2012 - more than 400, and now almost 600. The majority of these channels rely on revenues from subscriptions and advertising. However, the ad investments in the pay TV sector remain extremely low: 4 billion rubles out of the 156.2 billion rubles invested in TV advertising in 2013. In other words, pay TV channels take only 2% of the TV money in Russia.

Nevertheless, the main argument of the bill's author MP Igor Zotov (A Fair Russia) to ban advertising on cable TV was the intention to bring 'balance' and offer equal opportunities on the market for Free TV and pay TV channels.

Ilya Ponomarev, a Duma deputy and member of the opposition, commented for Financial Times: "I think they [the government] just want to monopolize the advertisement flows that are going through cable networks. It's not large but it's growing."

Growing... by an average of 27% between 2009 and 2013 in terms of ad investments. Growing... by 22.2% from 9.0% to 11.0% share in terms of audience share in one year (between 2012 and 2013).

Growing..., despite two major factors negatively affecting the development of the pay TV sector: dumping by the providers and lack of proper audience measurement system and advertising model.

Half of the pay TV operators in the country are not profitable due to the aggressive pricing policy of operators like Tricolor TV (10.1 million subscribers at the end of 2013) which offers packages below their obvious market price. The APRU in 2013 was 136 rubles (J'son & Partners). According to market players, the average price for a basic package should be two to three times higher than this. Some operators even charge channels for their distribution and not vice versa. Orion Express, for example, generates more than 20% of its revenue from such operations.

Advertising on the pay TV channels in Russia is sold by minutes and not by Gross Rating Points. The price per minute is very low: according to TNS Russia's AdIndex last year one minute on RBK TV cost on average of 389 rubles (VAT included), on Discovery Channel - 267 rubles, on Ru.TV - 256 rubles and on Nickelodeon - 67 rubles.

Compared to the revenues of the major FTA nets whose ad income reaches tens of billions of rubles per year, the numbers of the pay-TV channels are significantly smaller and just enough to stay in the business and develop new programs to attract viewers and grow on the market. The two leading channels in terms of ad revenues last year were Discovery Channel with 644 million rubles and RBK TV with 619.9 million rubles. Red Media which operates 13 thematic channels got 750 million rubles from advertising in 2013, according to Kommersant Kartoteka.

Building a media monopoly

The above-mentioned, tiny Red Media Holding attracted the attention of mastodon Gazprom Media this year. The Federal Anti-Monopoly Service announced in April this year that it has allowed NTV Plus to acquire the broadcaster. The finalization of the deal had not been confirmed by early October while the new changes in the advertising law could significantly reduce the value of the deal.

Prior to that, Gazprom Media acquired ProfMedia (TV3, 2x2, Pyatnitsa) for the price of \$602 million. Market players estimated the value of the company at around \$1 billion in late 2013, while its price tag in 2007 was \$1.8 billion. In July 2013 the capitalization of Gazprom Media reached \$7.5 billion.

Following the acquisition of ProfMedia, Gazprom Media announced that it is merging its operations with Alkasar, Russia's third biggest TV sales house, in a deal which cost not more than \$6.5 million, according to Kommersant.

This takes us back to the new amendments in the advertising law: dropping the 35% share rule, or literally allowing the creation of one sales agency which would not be restricted in setting up its dominant position.

Not surprisingly, this major new entity was announced a few days ago. In a joint statement Gazprom Media, Channel One, VGTRK and Na-

tional Media Group said that they have agreed to create New Vi which would sell advertising on their channels. The combined commercial share of these channels is more than 70%!

Some would argue that this is not new because Video International de facto has been dominating the market for years. The difference now, however, is in the ownership. Both Video International and Gazprom Media are controlled by the structures of Bank Rossiya owned by Yury Kovalchuk, well-known as a close friend of President Putin. Kovalchuk's companies also own shares in Channel One, CTC Media and National Media Group while VGTRK is a 100% state-owned company.

The key in this "media overhaul" was the control takeover of Vi. The Law On Advertising played a crucial role in this operation as well. In December 2009 the parliament introduced the 35% market share limit for TV advertising agencies. The first reports that Bank Rossiya will acquire Video International in April 2010, preceded by the resignation of Vi founder Mikhail Lesin who is now the General Director of Gazprom Media. The deal was finalized in June 2010 and was valued at \$205 million by Fitch. Kommersant explained the record low price (compared to the estimated revenues of \$3 billion in 2009) with the fact that Vi got political support and a chance to keep the business with minimum losses. In May this year, the owners of Vi said the value of the company is \$184.5 million while a simple calculation shows that its revenues in 2013 exceeded \$300 million.

Now, New Vi will be created on the basis of the old one with each broadcaster taking a 20% stake in the new company which will start operations from next year. Lesin welcomed the establishment of the new sales house which he qualified as "a natural process" which will result in better competition for the channels in terms of content and not in terms of their sales policy.

What's next for CTC Media?

CTC Media which proudly calls itself Russia's leading independent media company is now facing major obstacles for its survival and investors are not optimistic about its future. The company's stocks at NASDAQ dropped by nearly a third two weeks after the foreign ownership limit. The emerging of a new advertising player was the second big blow for the US-registered company resulting in a six percent drop on the stock exchange on the day of the announcement.

Swedish giant MTG holds a 37.9% stake in the company. The next biggest shareholder is Rossiya Bank's structure Cyprus-based Telcrest Investments Ltd with 25.4%. The limit on foreign ownership would mean that MTG will have to sell nearly half of its shares in CTC Media and lose control over the company. The reaction on the stock exchange was immediate: On September 1, MTG's shares were traded at 265.700 SEK; on October 2 their value dropped to 227 SEK, i.e. a drop of 14.5% in one month and the lowest trading rate for the company in years. In 2013 MTG posted sales of 14.1 billion SEK of which 586 million SEK came from

its participation in CTC Media.

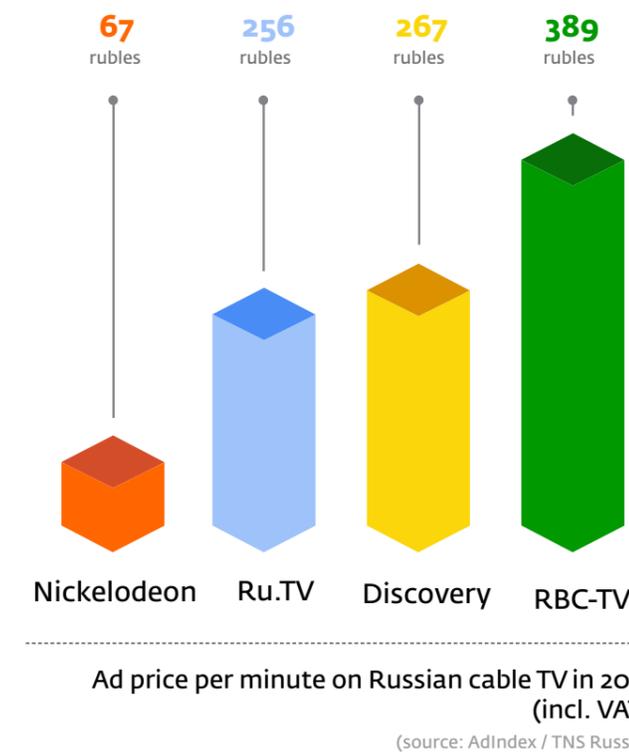
Russian media reported that CTC Media is looking at three possible scenarios: full or partial sale of the MTG package, delisting of shares from the stock exchange, or splitting the broadcasting business.

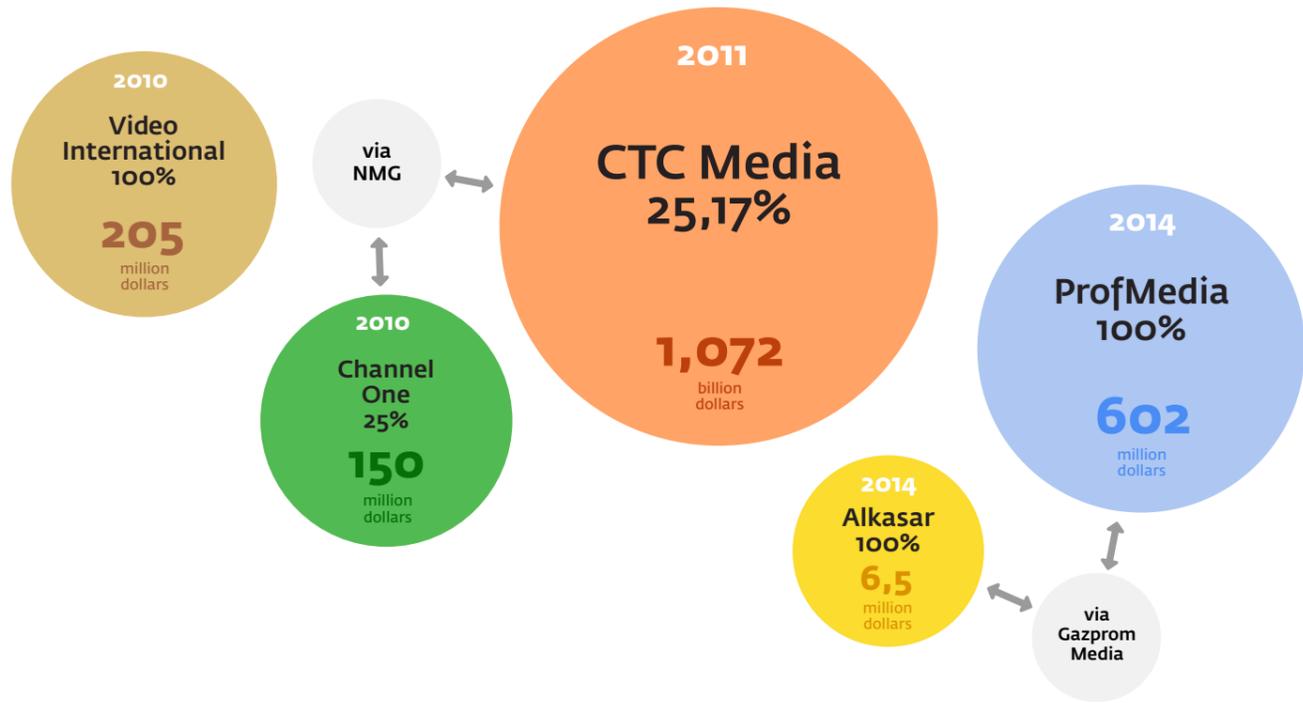
An analyst from Sberbank told Vedomosti that now it would be impossible to sell the shares at a good price; and in order to keep at least 20% of the shares CTC Media would have to withdraw its shares from the stock market. CTC Media will have to spend around \$500 million on buying out the shares from the minority shareholders. Then they will have to liquidate the company in the USA and transfer the assets to a Russian legal entity. Anton Inshutin from InVenture Partners thinks that this would mean paying the profit tax to the American government.

Another source thinks that if MTG decides to sell its package to the Russian shareholders, CTC Media can convert the American shares into the shares of the new legal entity in Russia. This legal entity can later hold an IPO in Moscow. This again would mean delisting and liquidation of the American company.

CTC Media can also split the broadcasting business into a separate Russian company, where at least 80% of shares will belong to Russians. CTC Media already works like this in Kazakhstan where foreigners cannot directly own mass media. There, CTC Media controls a group of companies that own Channel 31.

While CTC Media will surely survive in one form or another, the big question is who will be the new owners and will the holding remain "independent".





Bak Rossiya's media assets

Protecting Free (state) TV

While the argument on monopoly and consolidation of media assets is pretty clear, there is another issue which remains in the background of the changes in the Law on Advertising: protectionism.

The new law would hit not only the pay TV channels but the pay TV market as a whole. While most of the market players wait for new developments in the fall, some broadcasters have already declared that they will be forced to ask operators to pay more for their channels. The pay TV operators, on the other hand, are not ready to do this. The immediate result would be the disappearance of channels and less original content to attract the interest of Russian pay-TV viewers and eventually less pay-TV subscribers.

In this way, the audience and steady flow of ad revenues to the leading free TV channels would be 'guaranteed' with a possible return of pay-TV viewers back to the state-run digital terrestrial free-to-air network which is currently not so popular among Russians and is fighting for potential viewers with the pay-TV operators in the smaller cities.

Additionally, in August the government decided to postpone the analog switch-off from 2015 to 2018, easing the pressure on channels who pay for their distribution on the second digital multiplex. For example, CTC Media will pay only 185 million this year, instead of the initially planned 900 million rubles. At the same time, there have been reports that the government is planning to introduce must-carry rules which would eliminate the possibility of charging the DTT channels for their carriage on pay TV nets and vice versa.

The direct consequences of the introduction of the two new laws will result in the concentration of media ownership and the setting up of monopoly on the TV advertising market.

It seems that all of these measures are introduced to facilitate the development of the DTT network which is not seeing any significant growth despite its increasing reach; the second digital multiplex had a penetration of 60% this spring.

According to J'son & Partners, in the first half of 2012 households watching terrestrial TV declined by 8%, with the majority of those who leave joining the pay TV audience. However, almost all of those who made the switch were former subscribers to analog terrestrial TV.

In the same report, the company predicts a best case scenario with an 11-fold increase by 2015, to a penetration level at 27%, or 15 million households. However, the proliferation of digital terrestrial television will largely be happening at the expense of analog terrestrial and low channel TV, and not at the expense of pay TV, the experts said. The report was published in October 2012. There have not been any updates since. ■

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STEP AHEAD

Russians ready to pay for content

Alexandra Egumenova and **Youri Hazanov**, Head of YouTube Partnerships, Russia & CIS, discuss YouTube's plans for expansion in the region in an exclusive interview for TVBIZZ Russia

Mr. Hazanov, tell us what are the current activities of YouTube in Russia?

YouTube is currently very active in Russia, as this is one of our top priority markets globally.

We are growing very quickly, as nearly 90% of online video users in Russia watch YouTube every month, according to Comscore, for a monthly audience of 61 million people.

Our goal at YouTube is to offer all the video content available out there to our users. Thus we are focusing on both the traditional media that uses YouTube today as an additional and essential channel of distribution for their content, but also the new generation of creators, for whom YouTube is the key

to fame and success.

Last year we have been focusing a lot on Comedy and Entertainment content, and we have built a strong offer on YouTube, as we are working with all the major broadcasters and production companies in Russia (Channel One, CTC, Weitmedia, Starmedia, NTV, etc.), and all of them are distributing their top shows and programs on YouTube, whether it is archive, catch-up or premieres.

In the first half of this year we focused on developing our native creators, as we organized in May a large event for YouTube creators and their fans, with more than 1000 creators who attended from more than 40 different Russian cities.

Currently our focus of development is on music and on Kids specific content.

We are planning to develop those verticals, as we are encouraging independent artists to use YouTube as a platform to get known to a large audience and make it into the music industry. As for Kids content, we would like to offer a safe environment for Kids on YouTube.

Where do you rank in terms of visits and user activity? How do you compare to popular Russian-based portals?

Currently YouTube is one of the most popular websites in Russia, with more 61 million people visiting it every month, according to Comscore.

It is definitely and by far the most watched and visited online video platform in Russia and globally.

The Russian online advertising market is constantly expanding with annual rates close to 30% annually. Can you disclose how your company rates to those trends? What is your share in Russia and other CIS countries?

We cannot disclose our revenue on YouTube, as that revenue is included in the global Google revenue that we announce every quarter.

However we can say that our video revenue in Russia has been growing very quickly these past 2 years, and we are forecasting a quick growth in the next 3-4 years as well. We can also say that our share of the market has been growing, and we hope to grow it further in the next years.

Which are the most successful channels operated by Russian companies on YouTube? What type of content do Russian users prefer to watch? on your service?

Russian users watch different kind of content, but the most popular categories of content are Cartoons/Animation, Comedy, Gaming (reviews of video games), and Music.

The most successful channels include Luntik (more than 2B views, and largest Kids channel globally on YouTube), ELLO (more than 1B views), Russia Today (more than 1B views), KVN (more than 2M subscribers), but also channels like Kuhnya (official of the show of the same name), Weitmedia (Odin v Odin show), Starmedia or Mosfilm.

How do you plan to further develop your service and attract the Russian

web users?

We plan to develop further our music and Kids offer, and to strengthen our Entertainment offer.

For example, we recently signed a large deal with Disney, and launched 5 channels with top Disney content on YouTube.

We also plan to develop our SVOD service, as some right holders already started to experiment this model on YouTube and launched paid channels, on a subscription basis.

Are you going to expand your cooperation with local channels and producers to offer exclusive original content? How effective is YouTube in terms of monetization?

Yes we are planning to strengthen our cooperation with local right holders and creators. Some of them are already thinking of creating original content for YouTube, specifically production companies.

YouTube becomes more and more effective in terms of monetization as our advertising revenue, but also the average CPM offered to partners grows every year.

We are also experimenting other models on YouTube to allow right holders to monetize their content or finance their projects, such as subscription, or crowd funding.

What do you think of the growing popularity of VOD services like Netflix? Why is this model not working in Russia for the moment? Do you see potential in developing paid (on-demand) web TV services in Russia and CIS?

Netflix is a very popular service in the United States, where the TV market is a paid one, and people are used to pay and subscribe to different packages, in order to gain access to certain programs.

Russia is still a market with a certain level of piracy, and different popular resources on the Russian internet, still offer illegal content to Russian users.

However, with the successful launch of iTunes and of Google Play in Russia (specifically the all-access music subscription service), I believe there is room for a subscription service in Russia and that people would be ready to pay for quality content.

That is why we are currently in discussion with different right holders, in order to launch paid channels with some of their top content. ■



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THE FUTURE NOW

Going East

From the Old World to the New World

Innovation centers for youth, technological clusters, digital communication clusters... Technology develops so quickly that we do not have enough time to understand it. Meanwhile, the one who makes sense of it first, hits the jackpot. Moreover, the habit of looking towards America and Europe for new technology is gradually changing: the outlook now is to the East - China, Japan, Indonesia and other countries. What will tomorrow look like? Susanna Alperina asked **Alexander Shulgin**, the expert on new media.

Alexander, do we live in a revolutionary time? I mean technological revolution.

Today we are in a point of bifurcation, a time of serious changes, when certain patterns of life and thought of society, and technology in particular, are rapidly transforming. We are moving to the postindustrial period, to a different monetary system. At the very least, we are moving away from physical money and maybe even from money as it is. But this is not the topic of our conversation.

Now the world is at the point when the sun rises above the second hemisphere - Asia. We understand that the 21st century is the century of Asia, and the Old World remains in shade. It all happens as part of the natural cycle of life. Even in geopolitical terms, we move to a different axis - there is a change in the technological patterns. In society, it is a zone of turbulence, which we have to carefully go through.

How can we go through this turbulence zone in Russia? What is our strength?

Of course, we try to look at nanotechnology and biotechnology advancement. But this direction is not organizationally developed. When it comes to the IT industry, it is quite competitive in Russia - we have many specialized universities and the specialists receive a very strong knowledge base. There are many Russian programmers in the Silicon Valley, and they have Russian technical schools behind them.

Not so long ago, the Russian government approved a roadmap of development of the IT industry for the period until 2020. According to this roadmap from the Ministry of Communication and Mass Media today there are 300 thousand people in this sector, and by 2020 there should be 700 thousand specialists. All of them are highly qualified and highly paid professionals. Hence there are tasks and challenges.

Moreover, technological clusters is the top-priority development direction today. There are many of them in Russia, but only a dozen working. It goes to the programmers as well - we have so many, but most of them work for outsourcing companies from abroad, draining away from the motherland.

How many technological clusters are there in Russia?

The Ministry of Communications has 12 technological clusters in different development stages. Others are not part of the Ministry - 5-10 such clusters that do not need state support. But in general the technological clusters in Russia work the same way as developers do: they constructed the buildings on favorable terms and now rent them out to startups or other residents. They work as administrative managers. On one hand, they try to create the atmosphere that enables startups - they offer legal, financial, and advisory services. In other words, everything that helps a young, unexperienced startup to not fail, being stuck with reports and accounting. But there is no strategy that says what can be done with technological clusters, how to propel to the next level and how to provide them with orders.

State orders you mean?

For example, there is a technological cluster and an innovation city that are being built in Kazan - Innopolis. The state is the main commissioner of this project, it needs processing of large amount of data. We have a dream team of young specialists headed by the Minister Nikolay Nikiforov. But they are not marketing experts, not packers or sales managers. Now we are trying to offer our IT services to the three sectors of global economy. The service is called MES - Media, Entertainment, Sports. These three industries take 85% of the total world system of data storage.

For example, everyone knows that 3D video technology is getting old. The new technology is 4K. In the beginning of June, Japan launched the first satellite TV broadcast in this format. One 4K episode is 8 terabytes. You do the math: one production studio films 90 thousand hours of content on average which is more than a million hours a year. This is the example of a recently found studio, which Disney acquired for about a billion dollars last spring.

What opportunities are there in Russia to store the products of not only new, but old studios as well?

The global MES industry more and more depends on the storage options since the launch of 4K. Then there will be 8K, 11K and so on. The size of financial investment into this industry is colossal. And if we look at the world's leading producers of multimedia content, they all need special storage for this huge volume of product. Medical data, traffic penalties, text messages, letters, etc. do not take as much space as Instagram for example. And if media content was not enough, there is sports and entertainment on top of it. Please note that we do not take into consideration the political and news content, only movies, series, music and sports. This type of content you can keep anywhere without being afraid that it gets blocked.

Now there are already a few unique data storages here: in Krasnoyarsk and Irkutsk, at the bottom of the hydroelectric power stations. It is very cold there therefore such storages do not need extra refrigeration. This way the climate in Russia facilitates the profitable conditions for data storage. The energy comes from the hydroelectric stations. As a result, the cost of data storage in Russia is five times less than in Singapore, Hong Kong, San Francisco or Palo Alto - in other words, in places where the average temperature is always 30 degrees.

Okay, the cost is clear. What about the quality?

If we place a technological cluster next to every data center that services large commissioners of the industry, we solve many problems. For example, there is the Association of Broadcasters with hundreds of channels that need special technological solutions for many issues. If the technological cluster specializes in sports broadcasts, it can become the world's leading expert in this area so if someone out there wants to do something, there is a place that knows how to do it.

We have good programmers, at least as good as in San Francisco, but much cheaper. Thus the price/quality ratio is good. Plus, there is potential for the global industry.

You mentioned something about the convenient geolocation of Russia..

Yes, and the next convenience for Russia is the rise of Asia. If we build the range of technological clusters from the central part of Russia to the Asian borders, connected between themselves, we can transfer the traffic from the Old World to the New One. There is the Great Silk Way, and there can be a new,



BIO

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In 2011, Alexander successfully established rASIA.com - a brand new networking platform that promotes the concept of collaboration with the Asian market in both business and culture.



so called iSilk Way- when large traffic of data and communication between the Old and the New World happens in a new way.

Look at where technology leads us. Just a few years and we will get over the highly popular Google Glass and we will use communication lenses. This means that in 2020 we will be communicating visually, not through Twitter or text messages. But a person will have lenses in his eyes, through which he sees the messages and any other additional reality.

Relatively speaking, Google Glass compared to this new technology is like a pager to the smartphone. If we start communicating visually, and millions of people will demand the best quality of the picture, therefore needing the unthinkable volume of traffic. It is best to build this traffic between the Old and New Worlds through Russia.

There is always aspiration to make the servers more capacious, making a hybrid between the server and a computer for storage, calculation and transfer of data.

Why is Russian way the best way?

What other options are out there? The traffic goes through the Pacific Ocean between Asia and America, but the cable that is there now is not enough for such volumes. To create such a Transatlantic way means huge investments. The second option is to make the way through Tibet and Tian Shan. But this is difficult. Thus we have the ideal way – our Trans-Siberian Express Route.

Plus, when there is a connected range of technological clusters, the new technology enables the real time data transfer.

This is a very serious problem the way I see it.

Of course it is. Now the problem of every technology is working in real time. The delay of data happens despite of the satellites. For example, if a team scored and you placed a sum of money on it, some machine can bet in splits of a second and win. Same thing happens during the voting. Why are the most expensive places for servers on Wall Street right in the neighboring buildings? The delay of information is minimal, the robots are playing on the bets. If the server is far from the working group, the loss is obvious.

What are the digital communication clusters and how are they different from the technological clusters?

Let's take a look at the Sverdlovsk industry which strives to become such a cluster. They can raise a generation of new specialists and in few years when companies need their own media, it can help them. They can service companies from the Ural region and even reach Tomsk, providing them with new media, new solutions and new content. And they will know how to do it.

I will explain further: companies now need specialists in such professions that do not exist yet. For example, a milk factory, which services the Yekaterinburg region, will have to have its own media. Why? To communicate in the digital sphere with mothers in need of baby food, instead of advertising on local channels or on billboards. They will know that this particular mom today is in the fifth month of pregnancy, and give her all useful information. And they will know when someone is born and how the baby is growing. They will know the demand



The future is in the communication channels and creation of personal content. Most of this will be visualized using game reality and additional layers.



for particular products in the region. The factory will not produce any excess products. The employees will know what each category of customers needs: growing babies, restaurants, people on a milk diet, and others. Communication with customers is a great thing. If the factory knows how to handle it on their own – it is great. But if not, such digital communication clusters are there to help. It would be very effective and cost efficient.

What is your forecast on the development of media and mass communication?

Media will experience certain metamorphosis and will evolve into IMedia (YaMedia), when every person communicates with thousands of people. In other words, when he is his own media. Take the law on bloggers. Three thousand readers and the blog is treated as mass media in Russia. Look at the way large corporations are building their own communication channels with their own media personalities. For example, Red Bull invited Felix Baumgartner for Stratos – a space diving project, the success of which became the base for the new media empire of Red Bull.

Every significant brand will have its own media and specialists working for it. And every small factory that cannot afford to have its own media will outsource. A personal website, Facebook page or any other social media will stay in the past. The future is in the communication channels and creation of personal content. Most of this will be visualized using game reality and additional layers. Textual and graphic content has already started becoming a part of the past. This process is slowing down because the quality of communication is not good enough. But this issue will be solved in the next three to five years. Media is a mediator, an intermediary. And there will be no intermediaries between the brand and the customer. In the future the brand will directly communicate with the customer, it will start coming up with new creative ideas and use new ways of communication. The brand would not need mass media – newspapers, TV or Radio. The IMedia system will communicate. The only thing that media will need is good content through which it communicates with consumers.

How will this happen if there is no media, but MES names them?

We name them as producers and processors of content. There will be a need



The only thing that media needs is good content through which it communicates with consumers.



for IT solutions, their processing and delivery. And now the offers from Russia can be optimal. This is why we created the Innovation Pavilion of Russia, and we want to organize meetings as part of the next world's leading markets: sports, entertainment and media meets IT and new technology. We want Russia to offer a package to these three global industries.

What do you mean when you say world's leading platforms?

I mean the content markets of MIDEM – MIPCOM in Cannes is the biggest one in Europe. South by Southwest (SXSW) is an interactive music, film and technology festival held annually in the USA. All That Matters (ATM) is the biggest market for entertainment, innovation and digital technology in Asia. Also, it is worth mentioning the following events: Loyd Level summit in Dublin, Digital Life Design (DLD) in Munich, Ted Conference in Edinburgh, World Economic Forum in Seoul, Sport-matters in Singapore and other events in Hong Kong. ■

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October 13-17
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