



Report Digitisation beams to far-flung screens

Tanvi Shukla
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In reaching instantaneously everywhere, the system also scuttles the pirates who generally thrive on their reach and speed

MUMBAI: Vivek Malviya runs two cinemas in Betul, Madhya Pradesh — Kantishiva, which screens family movies, and Shivshakti for B-Grade flicks.

Two years back, he installed a digital projector equipment in the 880-seater Kantishiva. With that move, Malviya collapsed time, as it were: new movies arrived in this sleepy town one half of which talks Bundelkhandi and the other Marathi, three months after release.

With the digital projector, Malviya lines up first-day, first shows, through a platform provided by vendor UFO India Ltd. This digitisation of movies came as manna for Malviya because collections shot up five-fold in no time.

"Last week, the latest Akshay Kumar starrer 'Welcome' garnered Rs 2 lakh in the first week, Malviya said.

The best of new releases, he said, gave him no more than Rs 30,000 to Rs 40,000 in a week before digitisation happened.

He is now completely revamping his second theatre, the 250-seater Shivshakti, by investing Rs 35 lakh and even this theatre will run A-grade family Bollywood flicks through the digitised platform. Ticket prices have also gone up from Rs 10 to 70, yet viewership has only increased.

Cut to Loni in Ahmednagar district, Maharashtra. Here, Shivaji Rao Gorge of Chitralaya Cinema has made life simpler for students of engineering and medical colleges nearby by going for the digitisation platform. They used to bike down to Nashik for their weekly dose of entertainment through new movies.

Collections have doubled for Rao with some help from costlier tickets.

He says even flop movies generate money these days because he offers the facility of advance booking.

Digitisation, especially through use of satellites, ensures that theatres all around even in far flung areas such as Siliguri in Assam and Katra in Jammu & Kashmir get to exhibit a movie the same time and day it is released elsewhere. While film distributors normally need 100-150 prints to completely exploit demand geographically, digitisation reaches all corners instantaneously.

Rajesh Mishra, chief executive office, Indian operations, UFO Digital Cinema, said a movie such as Priyadarshan's Bhaagam Bhaag drew at best Rs 5 lakh from a small town exhibitor.

"But a year later, Welcome, a similar genre movie with similar star cast, has raked in more than Rs 1 crore from the same exhibitor. This was simply because he got the prints at the same time as the rest of the country and so he beat the pirates in reaching out to the movie lovers."

Not surprisingly, the digital adoption rate has been higher in India than in developed markets such as the United States.

This year, as many as 510 movies were released digital prints, with the latest Shahrukh Khan blockbuster Om Shanti Om unwrapping a whopping 2,000 prints.

UFO Cinema, says Mishra, has already digitised 924 theatres.

It does so by installing hardware worth Rs 15 lakh in a theatre. It then transmits the digital copy of a film through satellite to all the theatres with the UFO system. What such digitisation does is rid the distributor of cumbersome procedures such as reaching the reels to various nooks. And with each print costing upwards of Rs 50,000, there is only a limited number that can be printed, which gets passed on from one town to the other.

Smaller towns like Betul and Loni don't see fresh releases for months on end because how fast the prints reach such places is a function of how much the revenue potential they have. So piracy booms and whenever the print finally reaches, collections are not worth the trouble.

According to 'The new economics of Indian film industry', a report by consultant AT Kearney and the Confederation of Indian Industry, a hit movie would get gross box office collections of Rs 20-25 crore in the current set, but with digitisation, this could go up by 40% to Rs 30-35 crore. Even for a flop, collections can go up — by as much as 15%, the study said, adding that there would be an increase of 25% in ticket sales because of digitisation. "Earlier there was a war going on about who would take the onus of setting up the hardware and digitising the distribution. Exhibitors, distributors or producers — nobody wanted to do it. We now do the job for them - and charge them separately," said Mishra.

Exhibitors pay Rs 250 per show to the platform provider. Distributors pay Rs 200 per show amounting to about Rs 5,600 for the first week to the platform provider. For the second week, the charges are Rs 3,500 and then nil from third week onwards. So instead of the Rs 50,000 for a print, digitisation does the job for Rs 9,000, says a smug Mishra. Malviya and Gorge couldn't agree more.