



**INTERVIEW: SANJAY GAIKWAD**  
UFO MOVIEZ MD

# 'If *Ra.One* succeeds, it will accelerate 3D installations'

A LOT OF the credit for Bollywood films now being able to release on over 2,000 screens week after week must go to UFO Moviez and particularly its MD Sanjay Gaikwad, who envisioned ten years ago that the movie distribution business needed to change and urged exhibitors to download films via satellite instead of waiting for spools. "Under the old system of distribution, a film could release at 500 screens at best," says Gaikwad, who is now preparing the Indian film industry for a 3D explosion by equipping multi and single plexes with a cheaper 3D system designed in-house. In this, the company was in direct confrontation with Hollywood's preferred 3D technology, the Digital Cinema Initiative, which is backed by seven top studios, from Sony, Disney to Warner. But UFO Moviez has thought of a way to counter this too—in April, the company acquired a 25% stake in Scrabble, which distributes DCI projectors in India. "That way, we can take care of both Bollywood and Hollywood," explains Gaikwad. In a chat with FE, Gaikwad explains why the plexes are ready to usher in a 3D revolu-

tion, the buzz around *Ra.One* and *Don 2* in 3D films and how small-town India is willing to pay more for better entertainment. Excerpts:

**You have set yourself ambitious targets on equipping plexes with 3D technology. What is the roadmap?**  
Currently, we have around 160-odd 3D screens and going forward, by March 2012, around 500 screens are planned. By March 2013, we should have 1,250 screens.

**But is there a 3D slate Bollywood is coming up with to complement your expansion plans?**

Yes. After the success of *Haunted*—it earned thrice its ₹8-crore budget—on 3D there's a lot of Bollywood directors who are planning films on 3D. Movies like *Ra.One* and *Don 2*, which will also be released on 3D, are creating a lot of buzz. If *Ra.One* succeeds, it will accelerate 3D installation in the country.

**But Hollywood studios don't accept**



your technology, they go by DCI. So aren't you restricting further expansion?

We took care of that by acquiring a strategic stake in Scrabble, which supplies DCI-compliant projectors in India. Then again, Hollywood content is not the mainstream market in India. For Hollywood, India is an incidental market. We are confident of getting a good 3D slate from the Indian film industry to take us forward.

**How will you fund the expansion?**  
In April, providence equity partner invested ₹260 crore in the company. We have a unique business model, we are installing the 3D equipment at the plexes, taking the pressure off exhibitors. We charge ₹7.50 to ₹12 per ticket sales as our recovery service charge.

**How will you comfortably get return on investment?**  
We will recover our investments over eight-ten films in 3D.

**Is the interest in 3D only in the big towns and the bigger multiplexes?**  
No. Small towns are showing a great interest in 3D. People are willing to pay ₹30-40 more for better entertainment. Infact, it's a big opportunity for theatre owners, earlier 3D was only in multiplexes, not anymore.

**Your digital platform has also expanded. How many screens do you have now?**  
We have 2,600 screens on the digital platform now. By March 31, 2012, we should have 3,800-4,000 digital screens. In two-three years, the analogue system will become extinct. Movie budgets are changing, revenues have gone up manifold. *Ra.One* is going to release in more than 3,000 screens. Because of digitalisation, the time and cost arbitrage is tremendous. From a small theatre in Arunachal Pradesh to a multiplex in Chennai, films are releasing all over the country the same day and adding to box office numbers.