



# SCREEN TEST

If you are not one of those heading to South Africa to watch IPL matches, then you could go to the closest multiplex to cheer your team. For this, the stakeholders need to strike a deal beneficial to all, says **Nandini Raghavendra**



**T**WO years ago, a multiplex in Mumbai's hip suburb Versova decided to screen the T20 World Cup final between India and Pakistan. The logistics were all worked out in just 48 hours. This involved hiring a projector and getting the support of the local cable network.

Devang Sampat, senior vice-president, Cinemax, decided to devote four of his six screens — two of these were the high-end Red Lounge ones. The total capacity was 1,000 seats. It was a complete sellout and, in the process, two corporate bookings from Citibank and Provogue were clinched. At a handy Rs 500 a seat, he added a cool Rs 5 lakh to his kitty after three hours. Of course the price came with the incentive of unlimited beer. "This was a one-off thing and was after all an India-Pakistan final. The response was bound to be good," says Sampat candidly.

With the IPL2 now shifting to South Africa, the theatres offer the next best option to a live experience. There is also a tangible business opportunity for distributors and theatres — all this comes with great viewing experience for the cricket fans. The IPL had recognised this and put in a tender for the same.

The multiplex players realise the potential that can be tapped. Now, with circumstances putting the whole game into a spin, the last date for submitting the tender was extended from March 16 by two weeks. The initial reaction from industry, both the advertising and film industries, for these rights was positive with names like UTV, Eros, UFO, PVR, Group M and WSG all heard to be in the fray.

Very soon, most lost interest. One of the main reasons could be the sum that had to be paid as mini-

mum guarantee to IPL, worked out to be uneconomical with talks of rights being given only for a year making it even more unviable. Figures being quoted for the same ranged between Rs 25-50 crore.

## PLEX MUSCLE

India's multiplexes today have 850 screens across five to six big players. It is an industry, which is embroiled in a revenue sharing battle with the producers' fraternity. In all likelihood, this battle looks like it is heading towards the strike call, which the producers had threatened starting April 3 — simply put, no new film can be released.

There is a lot at stake. In the pipeline are Akshay Kumar starrer *8x10* Taneer to Mukesh Bhatt's *Jashn* and Yash Raj's *New York, Indian Film* *Sherkat* lined up for release over the next 4-6 weeks. In fact if the strike does take place, around Rs 500 crore is what will be at stake. This translated is the cost for the films that are being held up apart from an opportunity lost for the exhibitors.

In the eventuality of this scenario, the IPL comes as a life-saver. Amitabh Yadhan, CEO of PVR which has around 108 screens, thinks it's too early to rule out a truce. But he maintains that the IPL is a great business opportunity. "We definitely want to show the matches but we are not sure at what cost or how many screens we can dedicate or how much demand IPL2 will generate. With the matches having a three-hour duration, the tickets should be priced as close to the movie ticket prices as possible. Every player is going to look at optimisation," says Yadhan who adds that there every location will offer its

own pricing as will every match. He adds that they are fully prepared with 2K digital in many screens while the rest can be fitted with projectors.

The demand, according to the exhibition industry, will be to a point where 400 of the 850 screens can be used. This is when the matches garner a 50% occupancy or 250 seats per screen, viability should be fine.

Sampat seems to have worked it all out. Of his 75 screens he says 25 is the maximum he would devote to the IPL and over the 45 days, he would expect an average of 30-35% occupancy. "We are very excited about it as the game has moved out of India and we offer a fabulous experience as close to the stadium as possible. However we do need at least 15 days for marketing and getting corporate bookings while the projectors can be fitted in two days.

For Sanjay Galkwad, founder and managing director, UFO Moviez that has 1,400 screens across 600 cities and towns, there is a huge opportunity. "We are fully equipped with the best digital projectors and can give the best experience due to our technology. The event can expect to generate an average ticket price of anywhere between Rs 60-80 for sure," said Galkwad.

Clearly, there is money to be made here for everyone and with stadium revenue lost, every stream of revenue needs to be optimised. While Lalit Modi and the Sundar Raman sit in South Africa working out the logistics of the IPL scheduled to begin in less than three weeks, the cinema halls are waiting to hear the cries of the cricket fans.

WITH INPUTS FROM LEENA MULCHANDANI

## The race over?

Media buying agency Group M has bagged the rights to show IPL-2 in cinemas, said three film and sports industry veterans, requesting anonymity.

While Group M faced tough competition initially from a field that included some large players from the advertising and film industries such as UTV, Eros, UFO, PVR and WSG, most of these firms opted out of the race due to unknown reasons. The agency is said to have offered a minimum guarantee in the range of Rs 15-18 crore. The final revenue sharing deals with the exhibitors will be worked out by Group M.

IPL chief executive Sunder Raman was not available for comment. IPL website says the submission date for the tender, which was to have been announced on March 16, was postponed by two weeks. Vikram Sakhuja, GroupM's South Asia CEO, also refused to confirm the news, saying, "The IPL theatrical rights present an interesting opportunity."