

# IPL 3 holds 40-60% occupancy on big screens: UFO Moviez

Bureau



Indian Premier League (IPL) season three has got off to a power packed start. However, the theatre screenings have been rather subdued. Average occupancies have been around 25% to 40%. Close to 100% occupancy is expected only for the semi-finals and finals.

In an interview with CNBC-TV18, Kapil Agarwal, Joint Managing Director of UFO Moviez, spoke about it.

**Below is a verbatim transcript of an exclusive interview with Kapil Agarwal on CNBC-TV18. Also watch the accompanying video.**

**Q: Take us through the initial response as far as bringing the IPL onto movie screens has been like?**

A: The initial response is very good. It is better than our expectations because there are a lot of theaters which have reported upto 100% occupancy. There have been many of them which have been in the range of 40-60% occupancy, which is much better this was the first time it is being shown in the movie theaters anywhere in the world. So the response has been excellent for us.

**Q: Are you seeing more traction in the metros, are you seeing more traction in smaller cities because that is the information that we seem to be picking up that in the metros the response has been muted?**

A: The response in the metros is less than the response in other smaller cities. In places like Nagpur, Ahmedabad, Jaipur, West Bengal, many cities of Bihar, Uttar Pradesh (UP) we are finding absolutely mind-boggling response.

**Q: Are you seeing a lot of corporate bookings or bulk bookings? How is this actually working?**

A: We have not officially launched the corporate booking because we wanted to see initially how it is going but incidentally more than a lakh of corporate tickets have already been sold. There are theaters in Pune and Nagpur where a corporate has booked the entire screen for all 45 days of matches. We have sold more than a lakh of corporate tickets.

We believe that this is an excellent exercise for HR bonding like if the corporates book the entire theater and they give it to their employees and their families with free food it hardly costs Rs 50,000-60,000 per theater. They can invite 300-400 people in the theatre. It is a great bonding exercise. Similarly, we also believe that for organizations like banks can give it to their premier customers and the various production companies can give it to their dealers and distributors. So there is a lot of traction coming from there.

**Q: How is the economics of all of this working because you do have a revenue share agreement with the cinema halls? How soon do you expect a recovery or money on this?**

A: The first year is the year of experiment. There is a lot of investment going into this position but the company, which is holding the rights, has for ten years and we have ten years agreement technology and marketing agreement with them. So we will be happy that in first two years if we even breakeven. After a couple of years, it should give very good returns because currently this year we have been only able to go to around 700 screens, which is by standard excellent. Next year we will be going to more than 1,500 screens.

**Q: So you do have the rights for ten years but what is your breakeven period that you are targeting?**

A: I think at least third year if not second. First year definitely may not breakeven.