

# AMPERE

ANALYSIS



MIPCOM 2019: Positioning for the future of production and distribution

Ampere Analysis

October 2019



The quiet before the storm?

## And an already crowded market is about to get even more so in 2019-2020



### Disney+

**Launch dates:**

- US, CA, NL (12<sup>th</sup> Nov)
- AU, NZ (19<sup>th</sup> Nov)

**Pricing:**

- \$6.99/month direct
- \$12.99 bundled with ESPN+ and ad-supported Hulu (US)



### HBO Max

**Launch dates:**

- US (Spring 2020)

**Pricing:**

- >=\$14.99/month (the price of HBO Now)



### Peacock

**Launch dates:**

- US (April 2020)

**Pricing:**

- Free, ad-supported, for pay TV subscribers
- Unknown price for non pay TV subs and ad-free versions



### Apple TV+

**Launch dates:**

- US (1<sup>st</sup> November)
- Then >100 markets

**Pricing:**

- \$4.99/month (US)
- £4.99/month (UK)

International studios

Tech companies



*WarnerMedia's Chairman, Entertainment and Direct-to-Consumer told the audience at MIPCOM last week that Warner was pushing ahead with an 'aggressive' roll-out strategy for HBO Max that includes a boost to original production and huge acquisitions spree.*





Internal uncertainty

*Also a knock-on effect, but of the majors' own drives to go direct, internal licensing challenges are becoming the norm as international sales teams struggle to unravel and delineate the often-uncertain direct plans of the parent company...the question: What's left for international licensing and where?*





A busy time for indies

*Independent distributors found themselves in demand, doubtless a knock-on effect of the impending licensing challenge. While the market is usually quiet by Wednesday evening, several small distributors reported diaries packed until late Thursday evening....*

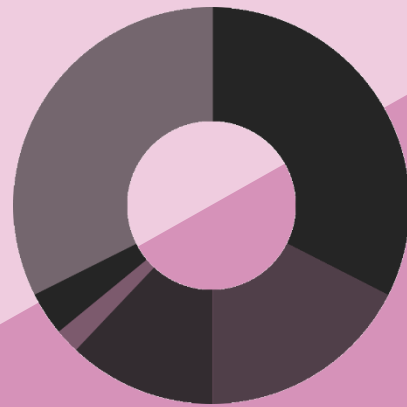




Internal reorganisations positioning  
groups for the future

*While re-organisations are a given at the newly married mega-merged groups, re-imagining and re-aligning divisions at established players was also evident. This is sure to be an on-going trend as groups position for the new world order. Hot on the heels of the BBC's re-org, ITV Studios held a press conference to explain its three-tiered strategy centered on Global Entertainment (format creation), Creative Networks (36 unscripted labels and format development) and Global Distribution (integrated international sales). The strategy follows recent acquisitions of Talpa and Armoza formats.*

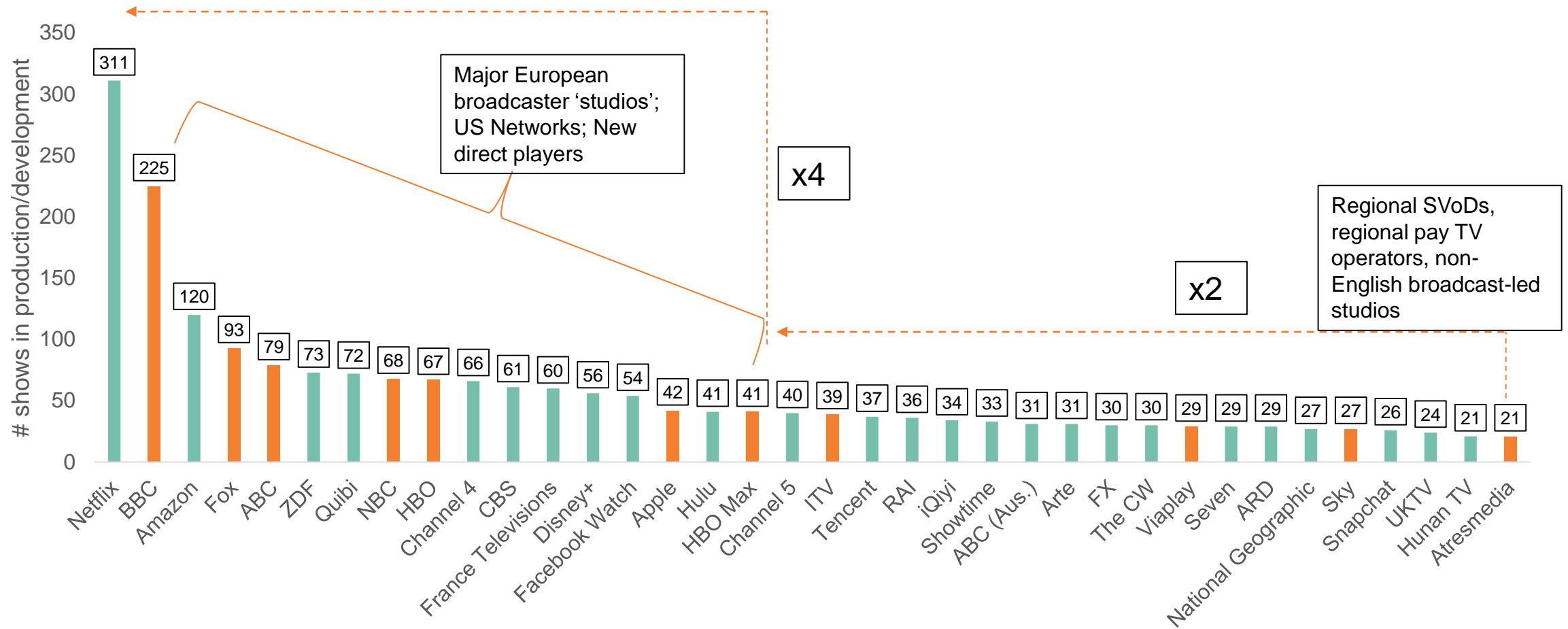


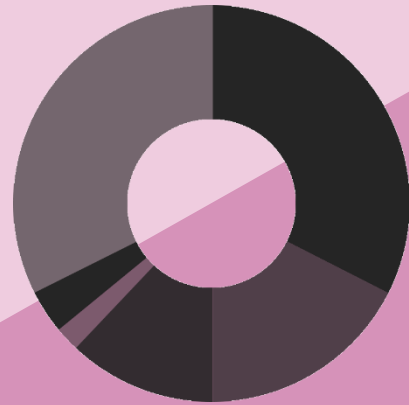


When I grow up I want to be a studio...

*A trend we identified in our April MIP TV update was the drive to create studios, both to fill the gap left by majors and their blockbuster-or-die approach to the movie business, but also to take advantage of the production boom. As well as the growing presence of broadcaster studio groups like BBC Studios (fancy new stand) and ITV Studios (fancy not so new stand) at MIPCOM...both Germany's Beta Film and NENT announced new studios at the show....*

# The studio model is driving a commissioning boom

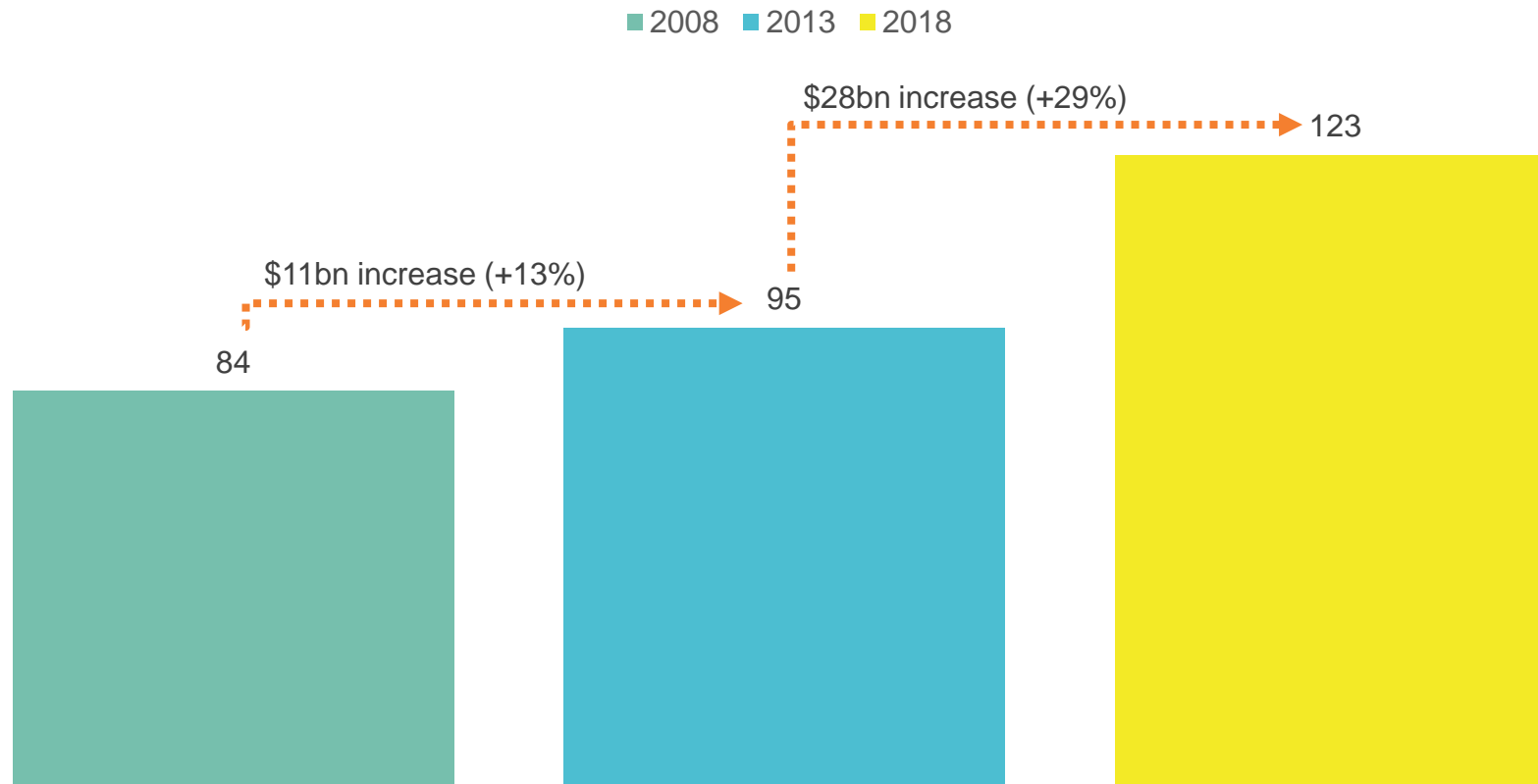




Meaning the content bubble is one that  
won't burst anytime soon

...and we are in the middle of a content boom

### Spending on non-sport content worldwide (\$bn)



Ampere Content Markets. Non-sport spend only, based on 27 markets representing approximately 80% of global TV revenue.

Source: Ampere Content Markets

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Consolidation phase 2 and 3



*If phase one of the current wave of consolidation was the content+content and content+infrastructure mega-mergers; phase two has been the internal re-organization of newly created behemoths and existing scale players to position fo direct. Phase three must surely be consolidation in the supply chain.....*






AVoD







# AVoD is hot



Social networks



Pure-play AVoD



Hybrid models



Device-focused

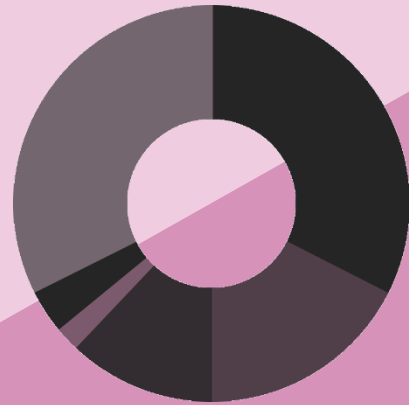


Publishers



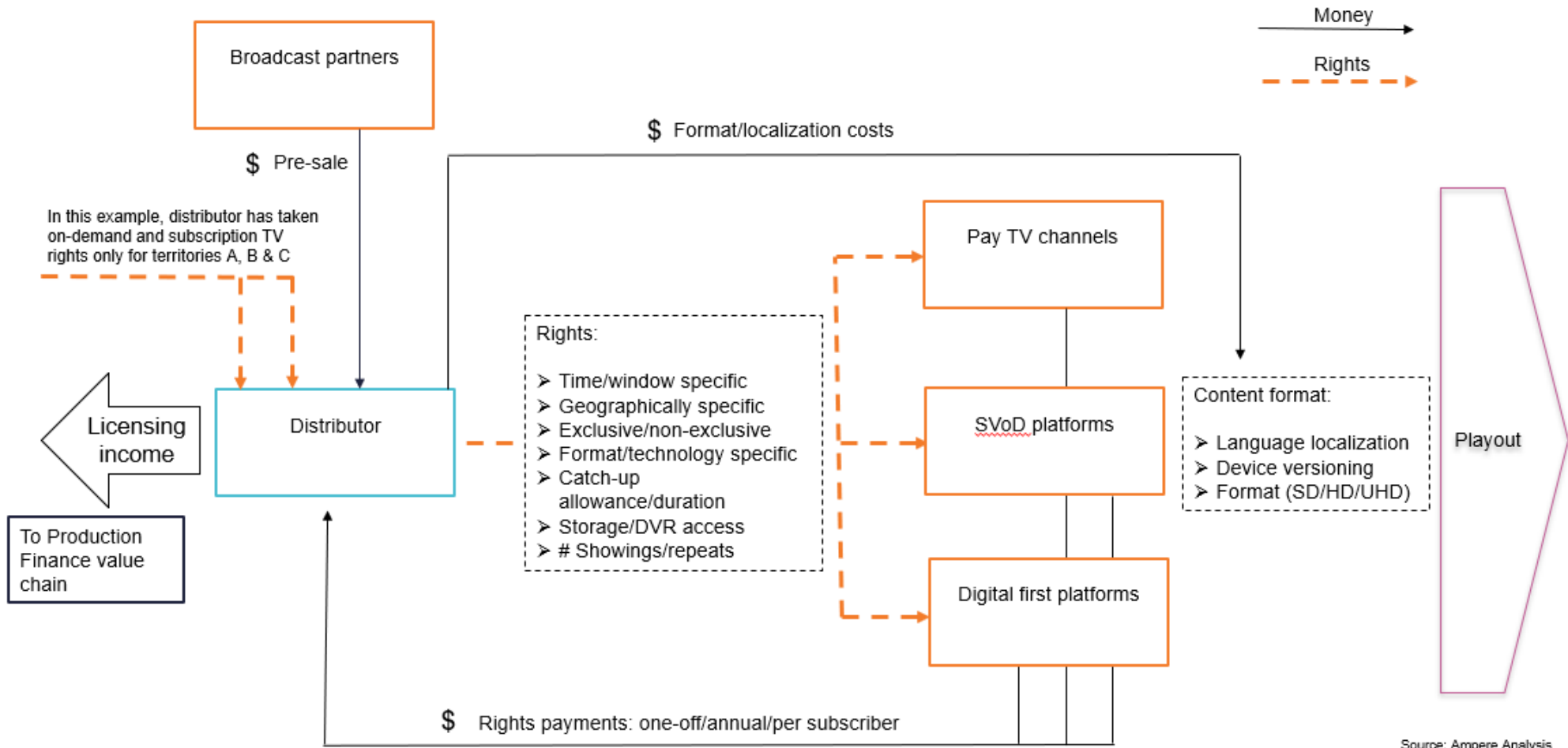
*AVoD is the new frontier for global streaming, TUBI talked of its 130m hours viewed across it's 5,000-title catalogue, there was detail of an AVoD launch from Rakuten and smaller distributors repored that AVoD players were buying up titles that otherwise would have languished, unloved in the archive....key given the increasing refinement of SVoD offers which has seen the long-tail goldrush evaporate.*



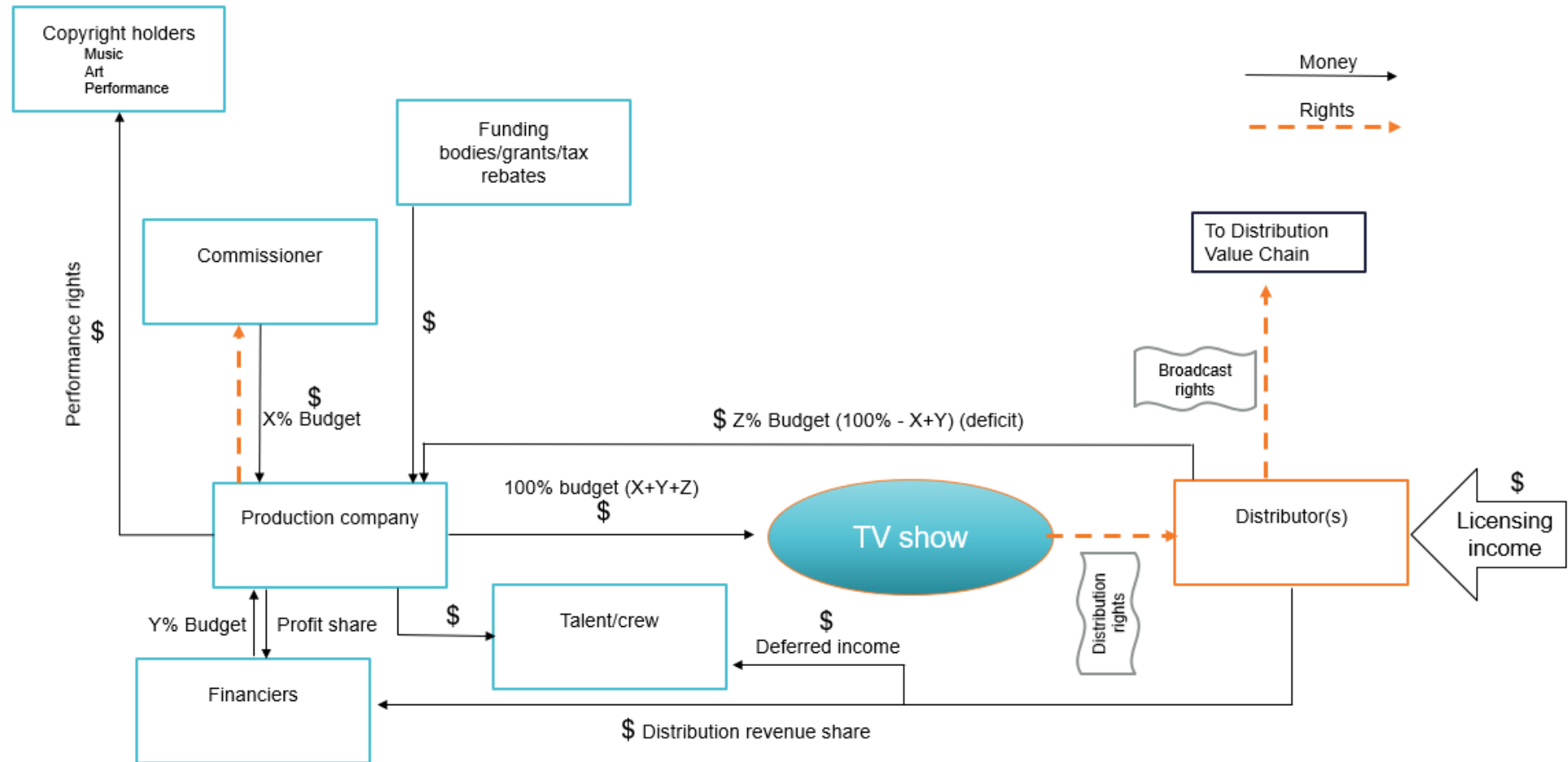


Changing role for distributors

# The traditional role of the distributor has been to handle the buyer relationship



# Increasingly distributors are getting involved at the point of commissioning and development



Source: Ampere Analysis

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