

Media Times

Fortnightly update on the different media segments

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- * Key highlights/developments**
- * TV Broadcasting**
 - * Relative share of genres
 - * TV ratings: Analysis of strategy of Colors
- * Print**
 - * Newsprint prices
 - * Top 10 advertisers
- * Multiplexes/Movies**
 - * Occupancies of multiplexes (quarter-wise)
 - * Movie pipeline and box office collections
- * Radio**
 - * Top advertisers
- * Internet**
 - * Top daily page views
- * Forthcoming Events**
- * Valuation**
- * Performance of Media Stocks**

Broadcasting/TV content

- * Viewership gap between *Star Plus* and *Zee TV* has been narrowing over the past few weeks.
- * *Colors* maintained its No.3 position in Hindi GEC with a sharp jump in GRPs. *9X* and *NDTV Imagine* out of the Top 5.
- * IBN 18 plans to raise INR 4 bn.
- * INX Media in talks to raise up to USD 150 mn.
- * TAM starts DTH TV viewing data.
- * NDTV plans to launch regional channels.
- * TRAI directs *Star Den* to modify pricing of TV18 group channels.
- * *Star TV* inks its first US cable distribution deal with Cox Communications.
- * Eros and *Star TV* sign a multi-film syndication deal; titles include *Tere Naam* and *Naa Tum Jaano Naa Hum*.
- * Sony hires Gurdip Bhangoo, ex BBC Asian programming unit head, as programming head.

TV Distribution

- * Dish TV reported good numbers in August 2008; added 1,86,594 new subscribers; total registered customer base at 3.76 mn.
- * DTH service provider Sun Direct TV, which has a subscriber base of 1.3 mn, to invest INR 1.5 bn for expansion.

Print Media

- * TV18 and Jagran Prakashan put regional business newspaper project on hold due to prevailing market conditions.
- * *Daily Thanthi* and *Dinakaran*, two Tamil dailies, launched their Mumbai edition in the same week.
- * INS moots 30% hike in ad card rates for all print players to overcome rising newsprint prices.

Movie Production/Distribution

- * Shree Ashtavinayak to invest INR 800 mn; release four films in FY09.
- * Shemaroo to invest INR 2 bn in film production and distribution.
- * Eros and Star sign multi-film syndication deal.
- * Sahara One bags *EMI* global distribution rights for INR 375 mn.
- * Big Pictures forays into Marathi films with *Samaantar*.
- * Adlabs may be merged with Big Pictures.

Exhibition

- * PVR to invest INR 2.5 bn over the next five years to add 200 screens.
- * PVR and Major Cineplex to open bowling alleys, karaoke centers, ice skating rinks, and gaming zones in Q4FY09.
- * Adlabs plans three multiplexes in Chennai with 17 screens.
- * Inox to invest around INR 4-4.5 bn in the next three years to increase its screen count to ~260 screens. Also commences operations of a multiplex cinema at Jaipur (Rajasthan) on September 1, 2008.

Radio

- * The Ministry of Information and Broadcasting (MIB) has cancelled the bidding of vacant channels of FM radio in Phase II. A combined tender is likely to be floated in respect of vacant channels of Phase II and channels of Phase III.
- * Times Group to rebrand Virgin Radio as Absolute Radio; to invest INR 1.19 bn.

New Media/Others

- * Cinema Capital Venture Fund, which has floated entertainment funds worth INR 5-7 bn, is likely to invest in eight companies in 18 months.
- * IPL champs Rajasthan Royals are considering private placement/IPO.
- * Bigflix, which currently has 17,000 titles across its 100 movie rental stores, is planning to add 100 rental stores across 10 cities in FY09.
- * Bigflix to add 5,000 movie titles to its VOD platform by FY09 end from 1,400 titles currently.
- * Reliance Big Entertainment has acquired a majority stake in a US-based cricket webcasting portal, Willow TV, for an undisclosed amount.
- * 7seas launches mobile gaming portal *www.mobzill.com*.
- * Online gaming portal Zapak, a Reliance ADAG venture, has announced the launch of Zapak CD game.

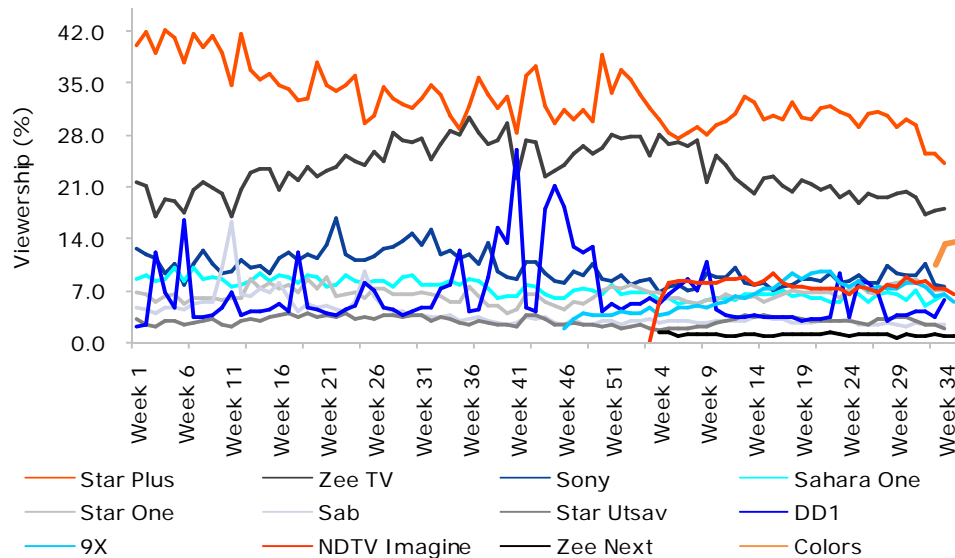
Relative share of genres in TV

Channel	(%)			
	Last 4 weeks	Last week	Week 35	Gain loss
Hindi general entertainment	24.3	25.2	24.5	(0.8)
South regional channels	19.3	18.9	18.1	(0.7)
Hindi movie channels	10.4	10.1	9.6	(0.5)
Sports channels	3.0	3.7	5.7	2.0
Hindi news channels	5.0	4.4	4.7	0.3
Kids channels	4.3	4.3	4.1	(0.2)
Music channels	1.7	1.7	1.7	-
English movie channels	0.7	0.7	0.7	-
Infotainment channels	0.8	0.8	0.7	(0.1)
English news channels	0.5	0.5	0.5	-
English business news channels	0.3	0.3	0.3	-
Hindi business news channels	0.2	0.2	0.2	-
English entertainment channels	0.1	0.1	0.1	-
Others - including other regional channels	29.3	29.1	29	(0.1)

Source: Edelweiss research

* Sports channels gain due to cricket (India v/s Sri Lanka)

Hindi GEC genre: TV ratings



Source: Edelweiss research

- * *Colors* has become the No.3 GEC within four weeks of launch. It had the best launch among the three new entrants.
- * *9X* and *NDTV Imagine* out of the Top 5 Hindi GECs. *9X* is struggling and has fallen behind even *Sahara One*. *NDTV Imagine* too is precariously close to *Sahara One*. Both these new entrants have come down sharply after initial success.

Viewership gap narrowing between *Star Plus* and *Zee TV*

Channel	Last 4 weeks	Last Week	Week 35	Gain Loss
Star Plus	26	25.4	24.2	(1.2)
Zee TV	17.7	17.9	18.1	0.2
Colors	11.2	13.2	13.5	0.2
Sony Entertainment TV	8.7	7.8	7.6	(0.2)
Star One	7.4	7.1	7	(0.1)
NDTV Imagine	7.4	7.4	6.6	(0.8)
Sahara One	5.6	5.7	6.5	0.8
DD1	3.6	3.3	5.8	2.5
9X	6.7	6.6	5.5	(1.1)
SAB	2.3	2.5	2.5	-
Star Utsav	2.6	2.4	2	(0.4)
Zee Next	0.9	0.8	0.8	-

Source: Edelweiss research

- * The viewership gap between *Star Plus* and *Zee TV* has been narrowing over the past few weeks (partly due to *Saregamapa* ratings and repositioning of serials such as *Naagin*).

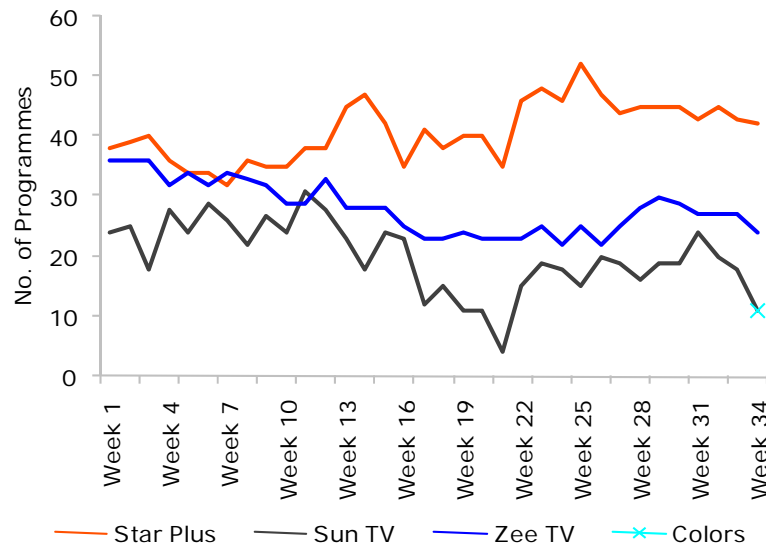
Hindi GECs: Is Colors' strategy sustainable?

Channels	GRPs for All Day Week 34	GRPs for Prime Time Week 34	GRPs for weekend programming Week 34
Star Plus	312	166	29
Zee TV	220	133	22
Colors	163	88	24
Sony	96	50	21
NDTV Imagine	91	40	N.A
Star One	87	47	N.A
9X	81	38	N.A
Sahara One	70	32	N.A
SAB	30	14	N.A
Zee Next	10	3	N.A

Source: Edelweiss research

- * In the prime time, Star and Zee are far ahead of the rest. *9X* and *NDTV Imagine* are pretty close to *Sahara One* in prime time which should be disappointing for them.
- * For weekend programming, GRPs of *Colors* were higher than *Zee TV*. This clearly indicates that *Colors* is following the strategy of tapping weekend viewers. The strategy of *Colors* has been to show new movies on weekends (*Mithya*, *Train*; plans to show *Om Shanti Om* shortly), repeat runs of its popular shows *Khatron ke Khiladi* and *Big Boss*. It promotes its soap operas such as *Balika Vadu* and *Jai Shri Krishna* heavily during these timebands. This has led to increasing ratings of its soap operas. However, we do note the high cost of this strategy and loss of ratings of *NDTV Imagine* and *9X* after initial success. However, *Colors* is way behind Zee TV in overall prime time.

Number of programmes in Top 100 for TV channels



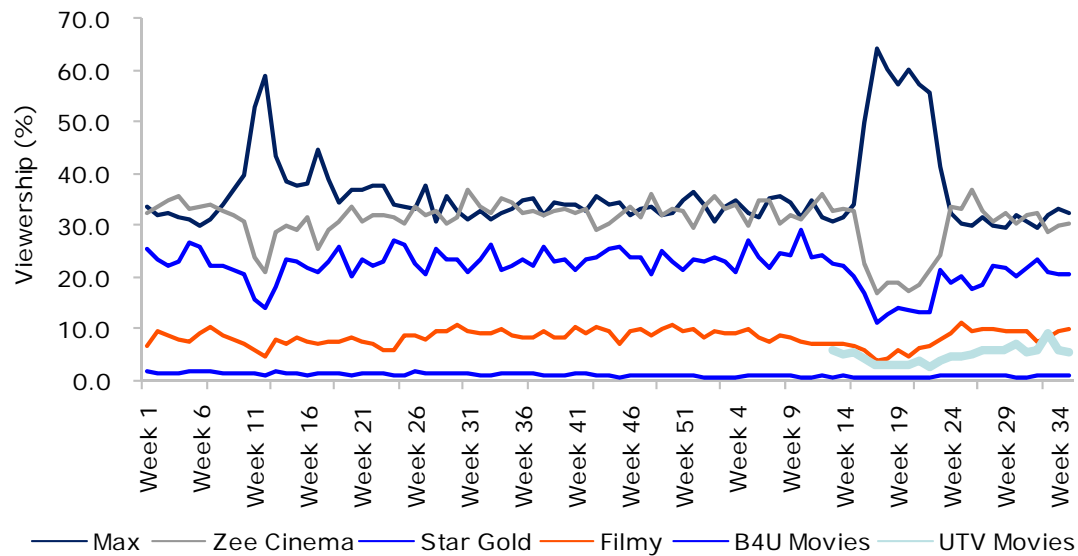
Source: Edelweiss research

Star Plus	Zee TV	Colors
Bidayi	Banoo Main Teri Dulhaan	Balika Vadhu
Kis Desh Mein Hai Meraa Dil	Maayka	Big Boss
Kyunki Saas Bhi Kabhi Bahu Thi	Kasamh Se	Jai Shri Krishna
Kasturi	Naagin-Vaadon Ki Agni Pariksha	
Raja Ki Aayegi Baarat	Betiyaan Ghar Ki Lakshmi	
Kahaani Ghar Ghar Ki	Saath Phere	
Baa Bahoo Aur Baby	Saregamapa	
Hamari Devrani		
Kayamath		
Santan		

Source: Edelweiss research

- * *Star Plus* and *Zee TV* continue to dominate Hindi GECs and have maintained their share.
- * Within four weeks of launch *Colors* has 11 programmes in top 100.
- * *Sun TV* has seen a dip in the number of programmes in Top 100 in the past three weeks.

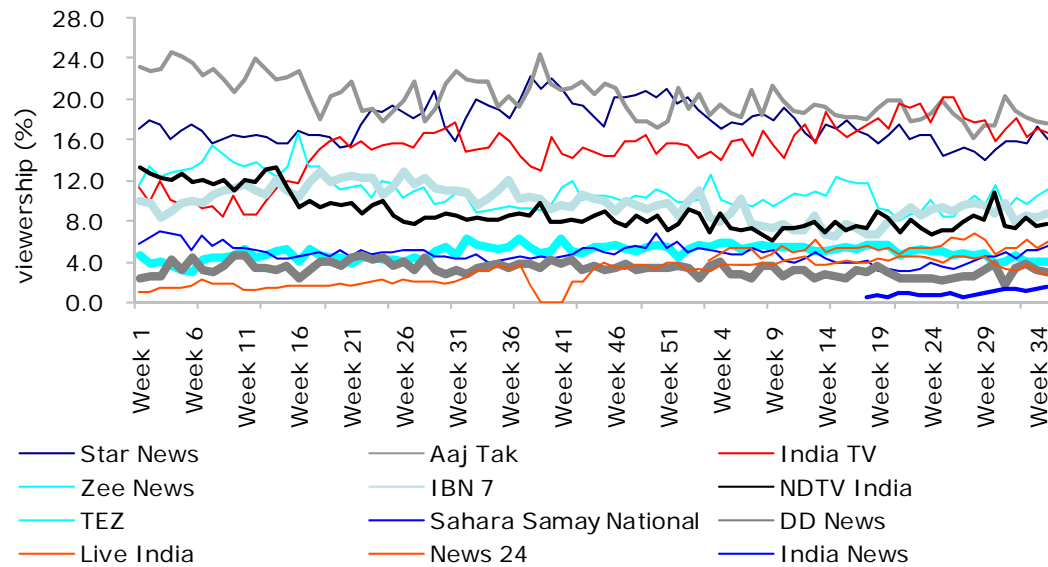
Hindi movie genre: TV ratings



Source: Edelweiss research

- * Excluding cricket matches on *Set Max*, the competition between *Zee Cinema* and *Set Max* has been stiff; both have been fighting for the No.1 position.

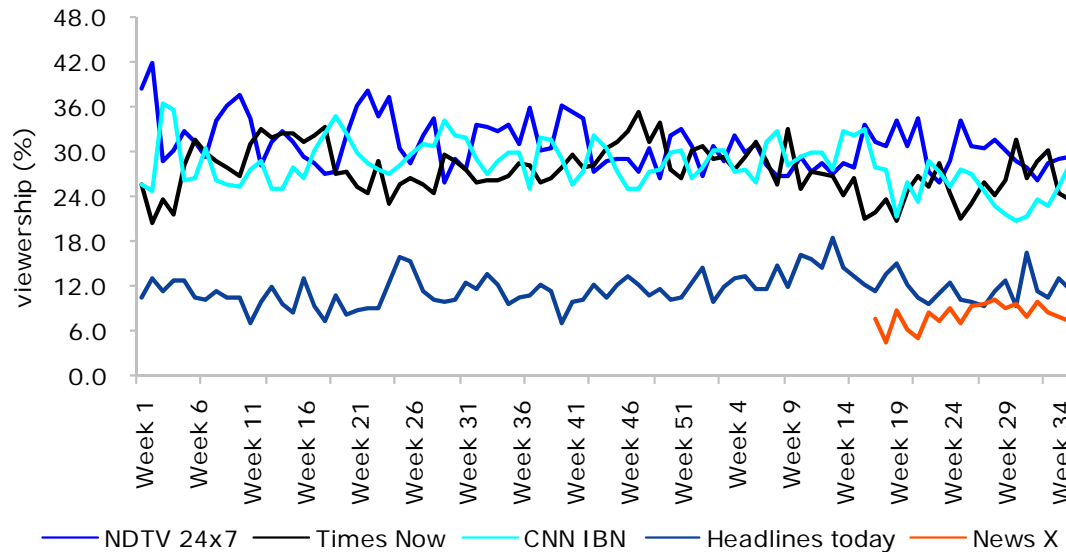
Hindi news genre: TV ratings



Source: Edelweiss research

- * Aaj Tak has maintained its No.1 position despite losing market share.
- * Stiff competition among top 3 players.

English news genre: TV ratings

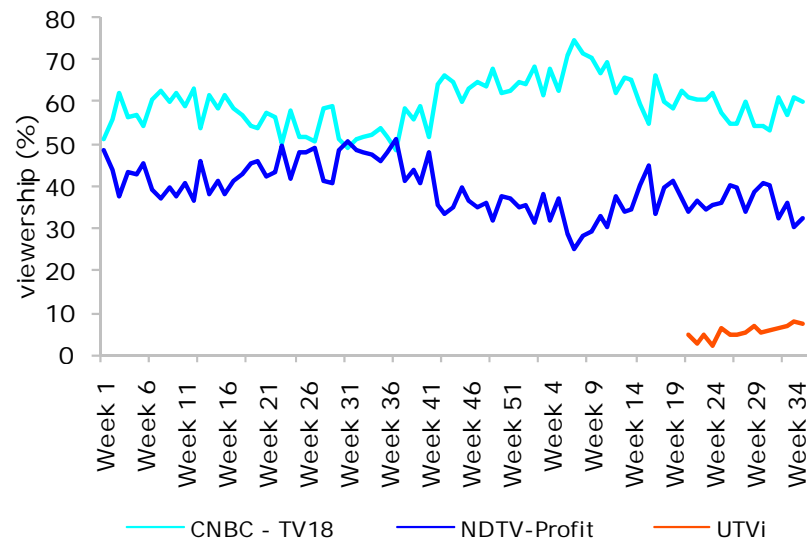


Source: Edelweiss research

- * *NDTV 24x7* has regained its No.1 position from *Times Now* as the TVRs of its programmes have started increasing and a few of them have also started appearing in the top 5 - *India 60 Minute Verdict Top Stories*, *China Shinning*, *The 9 O Clock News Top Stories*, *The Other Side of Terror*.
- * *CNN IBN* has become the No.2 player displacing *Times Now*.
- * Stiff competition among top 3 players.
- * *NewsX* has failed to have a major impact; currently No. 5 player.

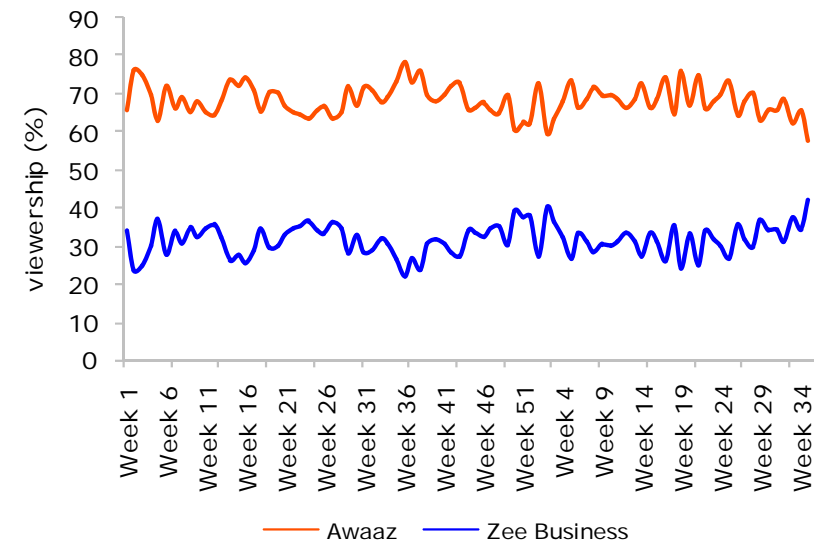
Business news genre: TV ratings

English



Source: Edelweiss research

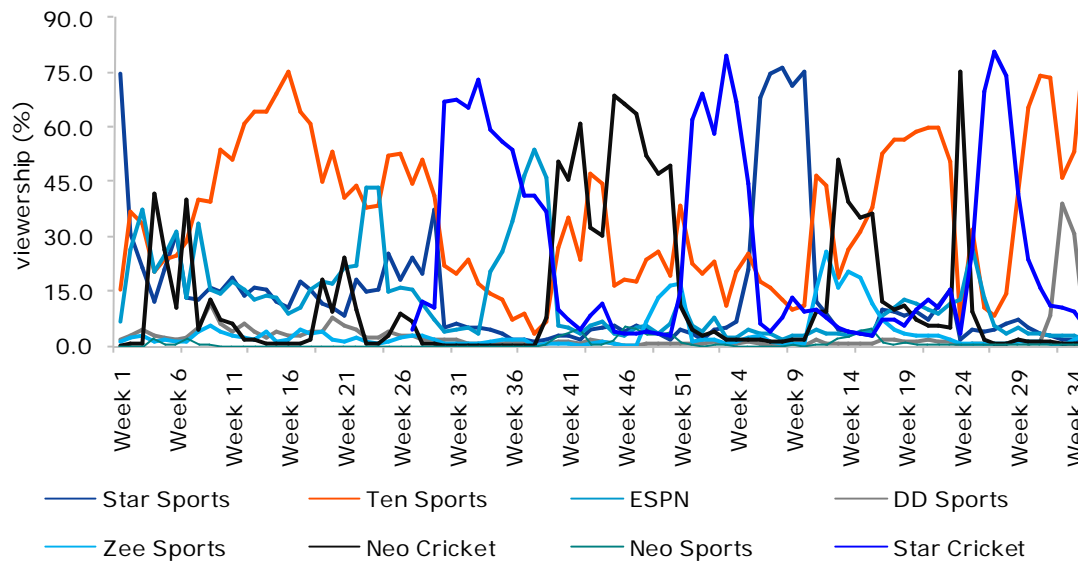
Hindi



Source: Edelweiss research

- * *UTVi's market share has been rising (from a small base) for the past few weeks. It has impacted NDTV-Profit more than CNBC-TV18.*
- * *The revamped content of Zee Business has helped it close the gap with CNBC Awaaz.*

Sports genre: TV ratings



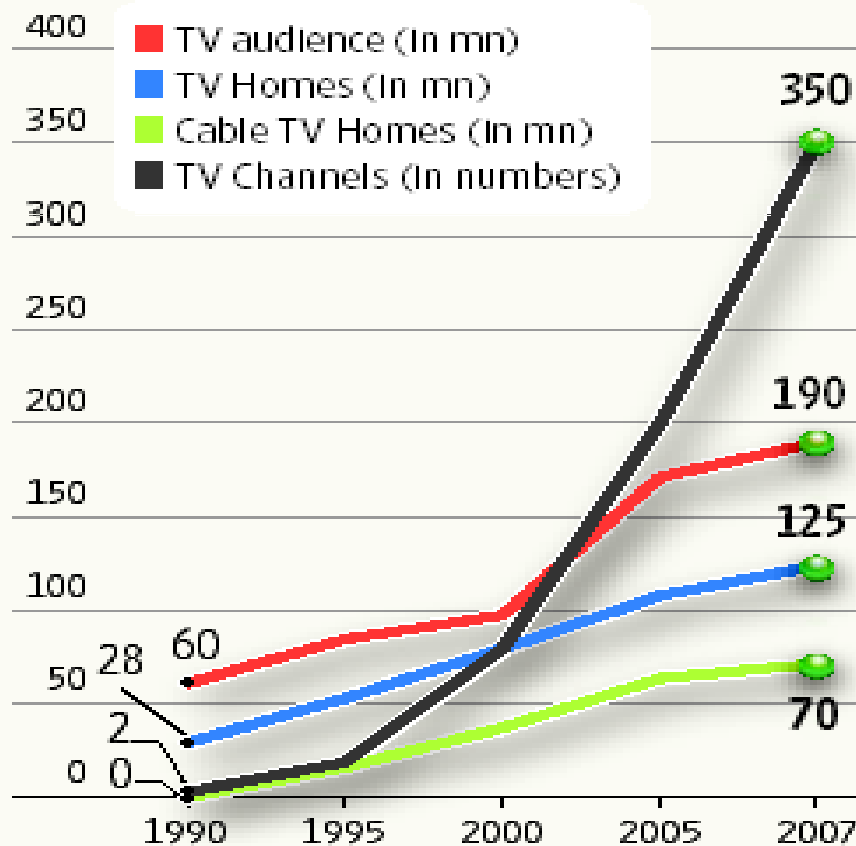
Source: Edelweiss research

- * *Ten Sports* has improved the channel's viewership in the past few weeks due to WWE and India vs. Sri Lanka matches.
- * *DD Sports* viewership surged during the past few weeks due to the telecasting of Olympics.

Growth of TV channels in India

Television business in the country has seen a profitable growth.

Growth of TV In India



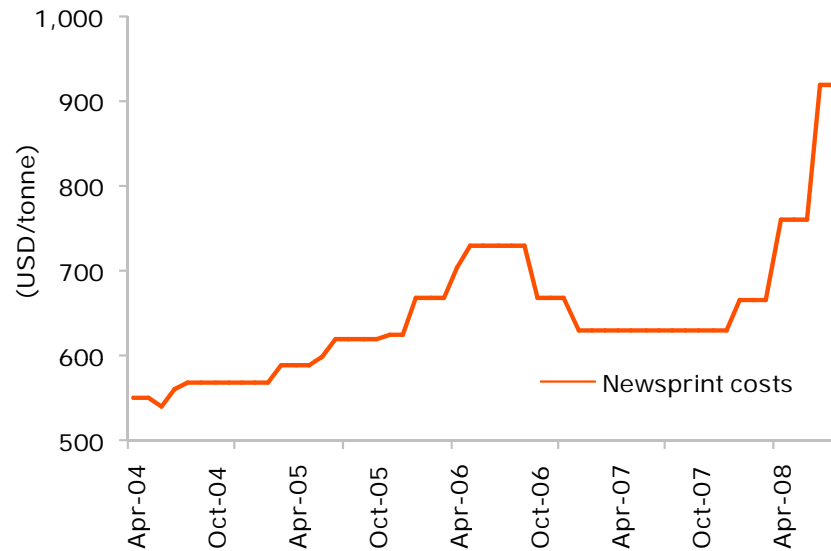
No. of channels



Source: Livemint.com

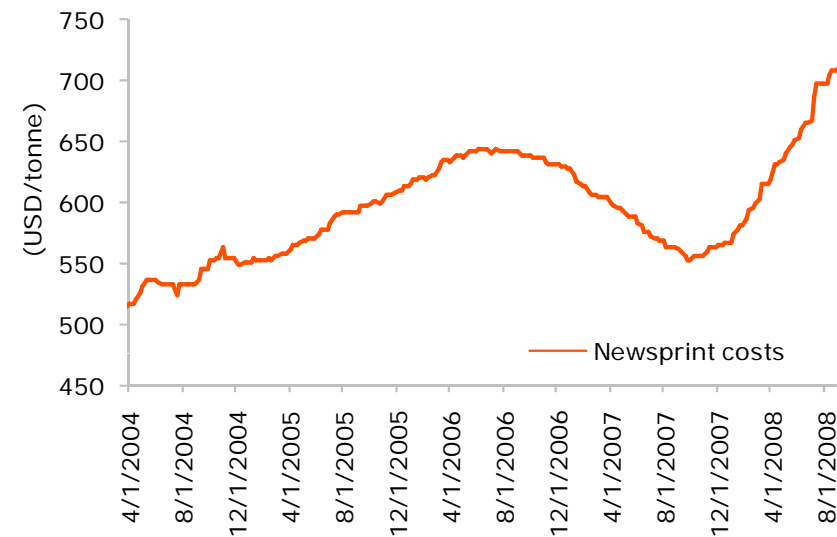
Newsprint prices: Still no signs of a reversal

CIF Mumbai (Canadian Newsprint)



Source: Crisil research

Newsprint - 30 lbs



Source: Bloomberg

- * Newsprint costs has risen significantly in the past eight months due to consolidation in mills in the US, higher demand due to Olympics in China, elections in the US, increase in energy costs, and appreciation of the Canadian dollar against USD.

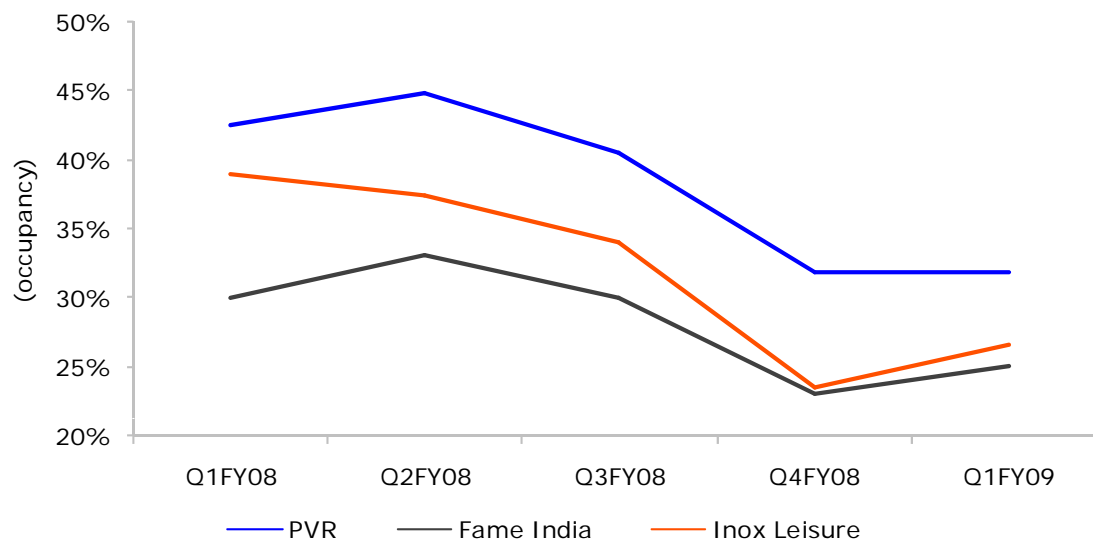
Top 10 sectors in print media (ads)

Top sectors	% share (Jan - Jun 2008)
Education	17
Services	12
Banking/Finance/Investment	11
Auto	7
Retail	4
Corporate/Brand image	4
Durables	3
Personal accessories	3
Telecom/Internet service providers	3
Media	2

Source: Edelweiss research

- * Education sector had the highest percentage share in the print ad market form January–June 2008.

Multiplexes: Occupancies to improve going forward



Source: Edelweiss research

PVR and Fame India occupancies are as reported by company

Inox Leisure occupancy is based on our calculation

- * We expect sequential improvement in occupancy in Q2FY09 as this quarter has seen big ticket movies releasing like *Singh is Kinng*, *Jaane Tu Ya Jaane Na* and also due to a strong pipeline of movies.

Strong pipeline of movies: Positive for multiplexes

Date	Banner	Cast
12-Sep-08		
1920	ASA Films	Rajneesh Duggal, Adah Sharma
Ru Ba Ru	Percept Picture Company	Randeep Hooda, Shahana Goswami
Saas Bahu aur Sensex	Warner Bros/PLA Entertainment	Tanushree Dutta, Kirron Kher, Farooq Sheikh
The Last Lear	Planman Motion Pictures	Amitabh Bachchan, Priety Zinta, Arjun Rampal
19-Sep-08		
Hari Puttar - A Comedy of Terrors	Mirchi Movies Ltd	Sarika, Jackie Shroff, Zain Khan, Lilette Dubey
Hulla	Handmade Films	Rajat Kapoor, Sushant Singh
Welcome to Sajjanpur	UTV Spot Boy	Shreyas Talpade, Amrita Rao, Ravi Kishan
26-Sep-08		
Rang Rasiya/Colors of Passion	Maya Movies	Randeep Hooda, Nandana Sen, Paresh Rawal
2-Oct-08		
Drona	Rose Movies Eros Entertainment	Abhishek Bachchan, Priyanka Chopra, Kay Kay Menon, Jaya Bachchan
Kidnap	Shree Ashtavinayak	Sanjay Dutt, Minissha Lamba, Imran Khan, Malaika Arora, Amrita Arora, Rahul dev, Vidya Malvade
3-Oct-08		
Ramchand Pakistani	Percept Picture Company	Nandita Das, Rashid Farooqui, Noman Ijaz, Maria Wasti

Source: Edelweiss research

Collections till date for each movie

Film	Week	Domestic Net Total (INR)	Total Domestic Gross (INR)	USA Gross (USD)	UK Gross (GBP)
Bachna Ae Haseeno	2	272,234,997	386,227,484	613,771	259,926
Singh Is Kinng	3	692,325,381	960,484,398	2,300,000	1,267,840
Phoonk	1	67,473,144	90,449,029	n/a	n/a
Mumbai Meri Jaan	1	24,892,779	36,793,196	n/a	n/a
God Tussi Great Ho	2	130,350,263	183,855,015	163,756	120,250
Maan Gaye Mughal-e-Azam	1	17,628,028	25,949,610	n/a	n/a
Jaane Tu Ya Jaane Na	8	576,298,121	820,264,036	600,922	136,750
My Friend Ganesha 2	1	313,520	424,203	n/a	n/a
Kismet Konnection	6	51,869,524	353,761,425	479,759	241,554
Ugly aur Pagli	4	67,915,911	90,921,222	n/a	30,029

as on 31-August-2008

Source: Edelweiss research

* Movie ratings by newspapers and web portals

Movie	A Wednesday!	Hijack	Tahaan	Rock On	Chamku	Wall-E
Times of India	4/5	2/5	3/5	3/5	1/5	3.5/5
Mumbai Mirrior	2/5	1/5	3/5	3/5	3/5	4.5/5
Hindustan Times	4/5	1.5/5	4/5	3.5/5	2/5	3.5/5
Rediff	3.5/5	1/5	4/5	4/5	1/5	4/5
CNN-IBN	4/5	1/5	3/5	3/5	2/5	4/5

Source: Edelweiss research

Animation: Big budget movies in pipeline

Film	Banner	Animation Studio	Voice-overs	Budget (INR mn)
Roadside Romeo	Walt Disney Studios & Yash Raj Films	Visual Computing Labs (Tata Elxsi Ltd)	Saif Ali Khan, Kareena Kapoor, Jaaved Jaaferi	N.A
Toonpur Ka Superhero	Eros, Big Screen Entertainment	2nz, MEL	Ajay Devgan, Kajol	>400
Ek Khiladi Ek Haseena 2.0	Pritish Nandy Communications	Estudio Flex (Costa Rica)	Fardeen Khan, Feroz Khan	~220
Sultan - The Warrior	Adlabs, Ocher Studios	Ocher Studios	Rajnikanth	>400
Mahayoddha Rama	Contiloe Pictures	Pixion	Kunal Kapoor, Sameera Reddy, Jimmy Shergill	>250
Arjun	UTV Motion Pictures	UTV Toonz, Tata Elxsi	N.A	>300

Source: Edelweiss research

- * Companies are now spending INR 250-450 mn on an animation movie, which is as much as a few big ticket non-animation movies.
- * *Roadside Romeo* is expected to release in Diwali.

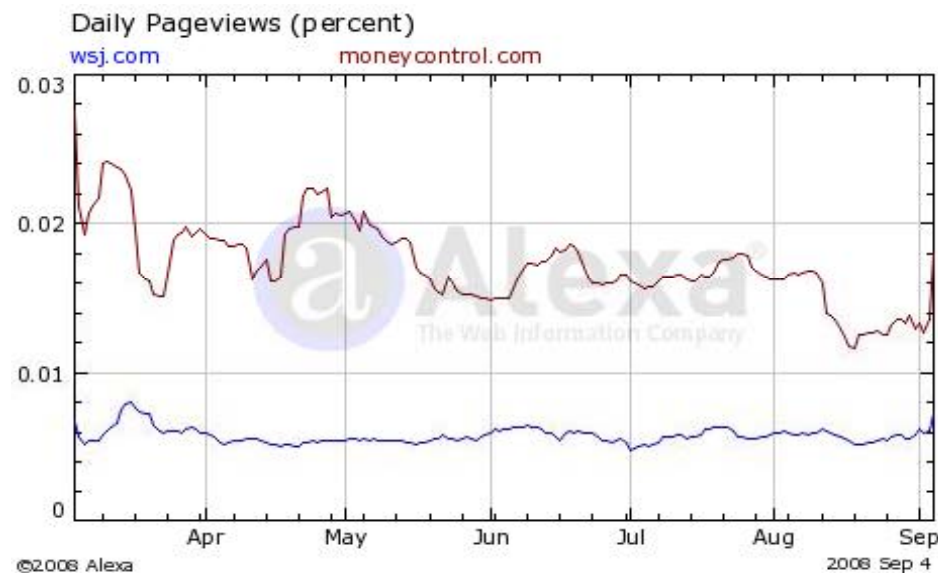
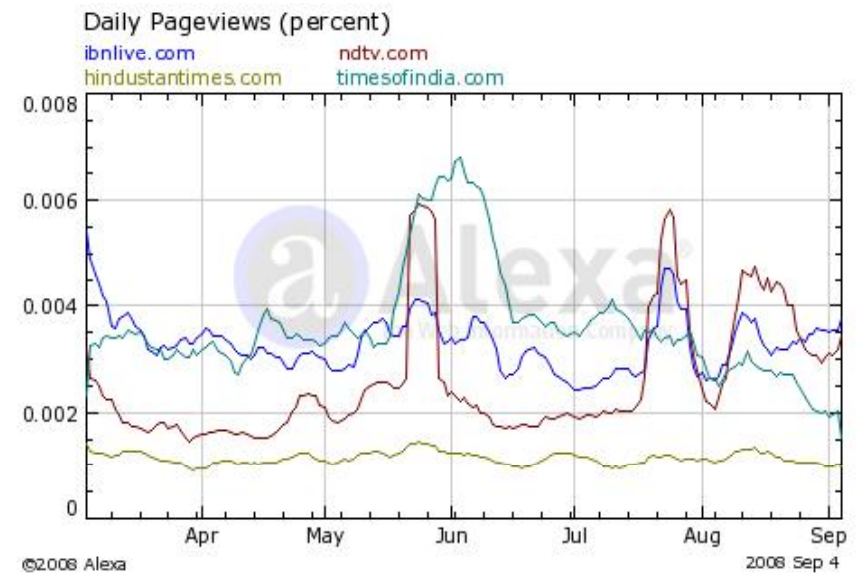
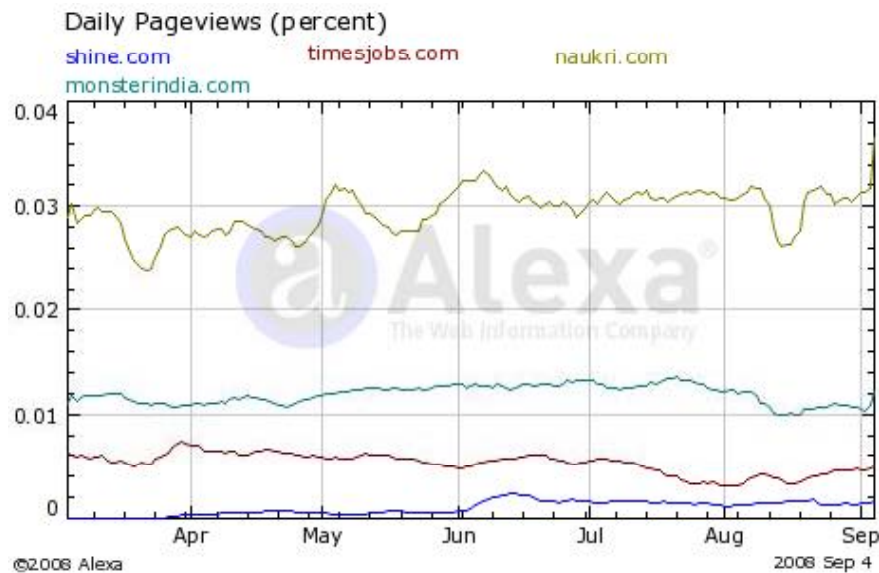
Top Advertisers in July 2008

Categories	Advertisers	Brands
TV Channel Promotions	Tata Teleservices	Airtel mChak
Cellular Phone Service	Bharti Airtel Ltd	Virgin V Bling Phones
Independent Retailers	Pantaloons Retail India Ltd	Reliance SIP(Systematic Investment Plan)
Properties/Real Estates	Reliance Capital Asset Management	Nike Shoes/Apparel
Publications/Books	LG Electronics India Ltd	Tata Indicom Cellular Phone Service
Educational Institutions	Bharat Sanchar Nigam Ltd	Huggies Care
Jewellery	Nike	BSNL Cellular Phone Service
Social Advertisements	Hindustan Unilever Ltd	Tata Sky
Readymade Garments	Kimberly Clark Corporation	LG Dynamite
Cars/Jeeps	Pepsi Co India Holding (Pvt) Ltd	Bausch & Lomb Soft Comfort

Source: Edelweiss research

- * The Ministry of Information and Broadcasting has cancelled the bidding of vacant channels of FM radio in Phase II. Instead, a combined tender is likely to be floated in respect of vacant channels of Phase II and channels of Phase III.
- * Radio Mirchi's new stations have broken even.
- * Times Of India Group to rebrand Virgin Radio as Absolute Radio; to invest INR 1.19 bn.

Web portals: Daily page views trend



Source: Edelweiss research

Broadcasting

- * ZNL plans to launch channels in Tamil Nadu and Chhattisgarh.
- * Reliance ADA Group plans to launch 20 channels to supplement its DTH venture, Big TV.
- * *Raj TV* is planning to launch news channels in Telugu, Kannada, and Malayalam.
- * *TV 9* to launch five news and entertainment channels.

Print

- * Ad rate hike expected by HT Media in September.
- * We expect ad rate hike by other players too due to INS recommendation.
- * Industry expects newsprint prices to peak and start declining in the next two quarters.

Distribution

- * FDI cap in DTH and HITS may rise to 74% from 49% (current).
- * Launch of DTH by Bharti and Videocon.

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