

3-D seen as boost for overseas markets

By Carl DiOrio
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LAS VEGAS -- It didn't take long to plop 3-D cinema front row center at ShoWest 2008, as a panel of international execs exuded broad enthusiasm for the technology Monday.

A morning seminar on the worldwide marketplace, moderated by The Hollywood Reporter vp and publisher Eric Mika, covered a spectrum of issues. But panelists placed a major emphasis on the extra-dimensional exhibition format.

"The big growth product we have as an industry going forward is 3-D," Paramount Pictures International president Andrew Cripps said.

Noting that the "premium experience" of 3-D will allow exhibitors to charge more for movie admissions, Cripps tried to rally enthusiasm among the foreign exhibitors in attendance at the seminar, one of several international day offerings at ShoWest.

"I would ask everybody to get on board," he urged. "If we're going to make 3-D work internationally, we need to have the screens."

Of course, to install 3-D equipment, theaters first must be outfitted for digital projection.

"Our focus right now is trying to digitize our circuit," said Tim Richards, CEO of Vue Entertainment, which operates multiplexes in the U.K., Portugal and Taiwan. "(But) the opportunities that 3-D and digital are going to bring are going to grow the market."

Vue is committed to top-quality digital installations, despite costs upward of \$80,000 per digital projector and the acknowledged inability to charge higher admissions for films shown in 2-D digital, Richards said.

"You don't want to under-invest (and) buy something that's going to be breaking down on you nine to 12 months down the road," he said.

Panelists noted a chicken-and-egg problem, in which there had been too few digital films for distribution to few digital screens, seems to have been overcome. That's partly because studios now are releasing more digital films -- and many of them in 3-D.

"To say that every one of your products has to be in 3-D doesn't make sense (but) pretty much every one of our animated pictures is 3-D," said Anthony Marcoly, president of Walt Disney Studios Motion Pictures International.

"There are many virtues to 3-D," Universal Pictures International president David Kosse said. "It's a big defense against home entertainment, and I think it might also be a defense against piracy."

Among other topics, Mika pressed execs on the prospect of a spreading global recession. But panelists seem to exude a collective what-me-worry attitude because of the industry's famous resilience in tough economic times.

"Cinemasgoing is still an incredibly cheap form of entertainment," Cripps said.

"Movies still remain the most affordable and accessible form of entertainment," said Mark Zucker, president of Sony Pictures Releasing International.

Marcoly noted Disney had reined in its slate size recently to manage studio film costs, and other panelists acknowledged a bolstered commitment to cost containment. But Zucker said Sony remains committed to its "huge" slate.

"And we're also bolstering that with a lot of local production in some countries," he added.

Rising Star Media general director Paul Heth said Russian-based production "is what's driving our business right now."

Fox international co-president Paul Hanneman noted his studio also is committed to boosting its involvement in indigenous film production in various territories. And Marcoly said Disney is particularly interested in competing head to head with Bollywood producers, whose films generate an estimated 95% of the Indian boxoffice.

Zucker said that European exhibition has room to grow, with the U.K. still a bit underscreened. And Heth suggested that Russian cinema -- which has marked big strides in recent years -- can also expand further, though Marcoly said that the "low-hanging fruit has been picked."

The panel was less bullish on the immediate prospects in China.

"God knows about China," Marcoly sighed, citing continued governmental and other obstructions. "We've been talking about it as an emerging growth market for 10 years (but) we've got to continue to be patient."

Meanwhile, Hollywood's growing appetite for foreign-based productions was apparent in the majors' reel presentations for ShoWest's international exhibits Monday afternoon.

Warner Bros. international distribution president Veronika Kwan-Rubinek said her studio's revenue from international film productions has been growing at an annual average rate of 16% since 2003. The studio has been consistently active in Europe, Mexico and increasingly Japan, and it has plans for future projects in Russia and Poland, she noted.

ShoWest's core program kicks off Tuesday with opening addresses by DreamWorks Animation CEO Jeffrey Katzenberg, Paramount vice chairman Rob Moore, MPAA chairman and CEO Dan Glickman and NATO chief John Fithian. The exhibition confab runs through Thursday at the Bally's and Paris hotels here.