

## IM Global chief predicts China digital boom

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Speaking at the Shanghai International Film Festival, IM Global chief Stuart Ford predicted that China digital and pay-TV revenues could become the biggest driver of the global movie market within five years.

Ford was delivering a keynote conversation at the Winston Baker Film Finance China conference (June 16), part of the SIFF Forum series of panel discussions and talks.

“You don’t need to be a soothsayer to say that five years from now, digital and pay-TV revenues in China will be the single biggest revenue stream of any movie globally,” said Ford when asked about the entrance of BAT (Chinese tech giants Baidu, Alibaba, Tencent) into the China film market.

When asked if that revenue stream would be bigger than US theatrical, Ford replied: “Yes, in due course, and certainly more cost effective. It’s hard to see how the people who are paying that kind of money for content won’t have a hand in controlling its production and distribution in future.”

Ford added that, far from their entry resulting in a ‘dumbing down’ of content, the tech giants may be more willing to take risks creatively – just as Netflix, Amazon, Hulu and their pay-TV cousin HBO have been in the US.

“We’re not yet familiar with how it’s happening here, but my personal feeling is that over a three to five-year period, Alibaba and Tencent will take plenty of creative risks to own premium content,” said Ford. “Amazon and their competitors are chasing prestige films – if you win the Oscar brand, that could have more value globally than just another popcorn movie.”

IM Global is one of the most active international sales and production companies in China – both selling into the market and also picking up Chinese titles such as Wanda Pictures’ *The Ghouls* and Enlight Media’s *Hollywood Adventures* for international

distribution. The company's Beijing office also acquires pan-Asian rights for its Apsara label, which distributes outside of China.

Ford also said it was only a matter of time before a Chinese film had the kind of global success enjoyed by Indian blockbuster *3 Idiots*, produced by IM Global shareholder Reliance Entertainment. "Historically the Chinese movies with international profile were prestige or martial arts actions film. There's still room for those, but they're no longer bread and butter of the local industry," said Ford.

"[Chinese] romantic comedies speak to the local audience first and foremost, as do Korean, Japanese, French and British films – but Chinese films have the advantage because of the economics involved. They can make big-budget spectacles that have real shine and great VFX and are a whole lot of fun."

Talking about the deepening relationship between China and Hollywood, Ford said both sides are starting to understand how they can add value to one another, which should lead to more constructive deal-making.

"A few years ago, the inclination of Hollywood was to run over here and say give us cash. Chinese companies were smart and no-one parts with money that quickly and easily. Now there's more understanding of what international content will work here, so both sides are smarter and more aware of each other's needs."

Other speakers over the course of the day included IMAX Corp CEO Richard Gelfond, TIK Films president Eric Rong, Leomus Pictures CEO Qiu Jie, Wanda Media general manager Gillian Zhao Fang and iQiyi Pictures president Li Yansong.

<http://www.screendaily.com/territories/asia-pacific/im-global-chief-predicts-china-digital-boom/5089449.article>