



Q & A: Richard Ellis, co-founder of MTM London / Vanessa Arden-Wood, Director of Operations at Illumina Digital

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Why did you get involved with Take 12?

Richard: It is just such a great project. The UK film industry needs a bit of a pick me up – there is so much talent and it is not always utilised fully. The changes that have started to happen to the market are going to turn it upside down, just like has happened with the music market and it is great to be involved in this.

It is also a great opportunity for us to work with smaller companies. Quite often, it is the smaller companies who have innovative ideas that the big companies don't have, because they can be more agile and take more risks. So we can all learn from them.

Vanessa: The film industry is an exciting industry, and it is great to be involved in the changes that are happening in terms of technology and to be able to help shape how the industry will innovate and become ready for the future.

Why did you decide to team up and what can you bring to the programme?

Richard: MTM London is a specific strategy consultancy – we help media businesses to build digital businesses.

So for example, with a business like Zini, who are a start up VOD company right at the beginning of their life cycle we can help them by making sure they are ready to stand in front of the investors.

Vanessa: We had worked together before, and we knew that we could offer complimentary services. Illumina are more production focused, whereas MTM are on the strategic business development side. Because of the range of companies we wanted to be able to offer the whole package and cover any potential outcome they were looking for.

Where our strengths lie depends on where the companies are in their life-cycle. Some are already well established, but recognise there might be a new area they want to explore, so we can help them build new models. Others really need a strategy before they start building anything, which is where MTM come in.

Have you been impressed by the film businesses so far?

Richard: There is a really interesting mix and a nice balance of businesses from across the film industry. If you draw a value chain of the film industry, you have got people from every stage - from production companies, to sales agents and distributors, to front end VOD businesses.

This means that the whole film industry can benefit. Any film company in the UK should be able to find, partially at least, a match with one of the businesses on this programme, and watch and learn from their involvement in the programme.

Whenever you have six companies, there are going to be strengths and weaknesses. But in general I have been hugely impressed.

How well is the film industry adapting to digital technology?

Richard: Technology brings problems, but it is also an amazing thing. It allows you to get your product to more people and to do things with film that you just couldn't do even 2 years ago.

The biggest problem will be how film businesses are going to make money. The DVD world will at some point fall off the platform like the CD world has. DVDs have kept the industry going over the last few years, so people are going to have to find new sources of revenue.

I think the reason that the film industry has been slower to adapt than the TV/Music industries is not its fault. It is much easier to put songs or short form TV onto ipods/online than feature films. And people want to watch films on big screens. But it has to adapt, and the great thing is, both MTM and Illumina have been working closely with TV and Music companies over the last few years, so we can transfer what we have learnt from them to the film industry.

Vanessa: The film industry is behind TV and Music, but this is partly because of the nature of the way film production works. Film companies shrink and grow on a project by project basis, so there isn't a steady person there to say, what are we going to do about digital. It is not that the film industry is narrow minded – they know they have to make changes- but the structure isn't there.

What results are you looking for?

Richard: The purpose of the programme is not so much about delivering specific results as about finding decent models to help companies adapt to the digital changes. Having said that, all of the businesses involved have specific lessons they need to learn.

Vanessa: Although we have come up with specific programmes for each of the film businesses, this is also a deliberately organic process. We are just going to see what happens, rather than making big decisions in the first few weeks. The companies taking part in this programme are in a strong position, because by choosing to take part, they are showing that they are willing to adapt. And we hope that by the end of the programme each of these businesses will be able to stand up and say this is what we have learnt and this is what we are doing about it. It will then be up to the rest of the film industry to follow.