

2020 to 2021: Apocalypse to Streaming Odyssey
Entertainment Bar Symposium
UCLA Ziffren Institute
Tom Wolzien
Text from June 2, 2021 Video Presentation

Hi everyone, and welcome to a chroma key of the outside of the auditorium where the symposium usually takes place. We were on the totally empty UCLA campus a few weeks back and Valerie said I had to take a picture of the auditorium... so there it is. But wherever you find yourself tonight, welcome, and thanks to the Ziffren Institute for having me back to open this 45th year.

Our agenda for the next three quarters of an hour will be an extended status report because everything in this second pandemic year is about where things stand, and what those things mean for the future. And we'll wrap in the new distribution and/or content bulk-up deals at Warner/Discovery and Amazon/MGM along the way.

We'll get the worst over first, looking at Studios, box office records—not the kind you want to have, slate delays, company closings, and changing release windows for theatrical and home video. We'll wrap in And we'll look at some surprising numbers when theatrical and home video are combined. Not nearly as horrible as I would have thought.



Distribution has not been good for the video services of the cable and satellite companies, but broadband has continued to grow. We'll look at the numbers in the US, and where the US fits in with other countries globally for broadband and cell phone percentages.

We'll explore the problems in measurement of broadband penetration as the US considers Biden's Big Deal to expand rural broadband, and we'll talk about the low orbit global satellite initiatives for data. They're farther along than you may think.

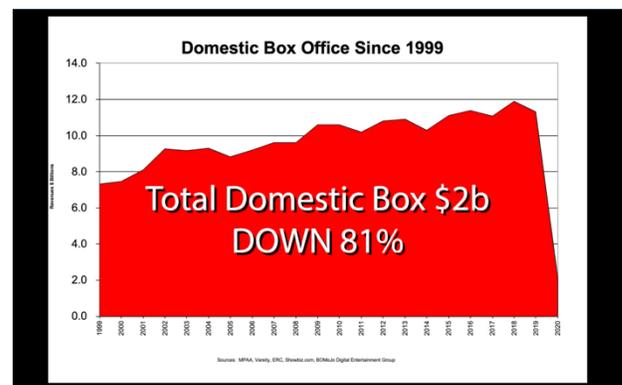
The Streaming section will not only look at the continued growth of the Subscription services, but also explore the total stew you encounter when trying to understand Advertising based VOD. And we'll acknowledge the really difficult task being faced by the guilds and the companies as they try to untangle the mess of first and second pay windows and the vanishing of windows-based residuals that comes with vertical integration.

But before we start, I want to let you know where Valerie and I have investments or do work in the media space. I have Verizon and AT&T stock in my IRA. Valerie is receiving residuals for her 25 published mystery novels many of which are now in ebook form. Wolzien LLC continues its long term relationship providing consulting services to the senior management at Discovery. And our major investment continues to be in The Video Call Center, which had a record year last year providing high quality smartphone remotes and remote video management services for national sports, entertainment, and news operations on broadcast, cable, and the web, including the many of the new plus services on SVOD as well as AVOD.

As always, the material here is based on the public record or private reporting, but not on the work for my clients. I say this every year, but must acknowledge it again.. Each of you knows far more about your specific areas of expertise than I, so please, as always,. consider this a generalist’s view of the industry from a 50,000 foot level. Thank you for that and lets get started.

Studio and Home Video Segment

2020 Studio numbers first, and we all know domestic box was bad. \$2 billion bad, down 81% from 2019. By March 24th the daily box office for the top ten movies dropped from the usual double digit millions to only \$4. Yes, 4. ¹



Bad Boys for Life topped the charts, luckily opening on January 17th. It grossed 206 million domestic and double that globally. Movies that didn’t open by the end of February basically didn’t open. Just a handful of indies were released in the months until October, so the early movies had the entire year to run, whatever that meant. Bad Boys was in release for 429 days, compared to 250 for Avengers End Game in 2019.

Day	Box Office	% Change	Rank	Movie
Friday	\$47.1	+143.3%	1	The Usher Lamb
Friday	\$7	-1200%	1	Be Natural: The Untold Story of Alice Guy-Blaché
Thursday	\$24	-86.1%	2	Be Natural: The Untold Story of Alice Guy-Blaché
Wednesday	\$173	+4,225%	2	Be Natural: The Untold Story of Alice Guy-Blaché
Tuesday	\$4	-66.7%	1	The Gentlemen
Monday	\$1	-50%	1	The Gentlemen
Sunday	\$2	-77.4%	1	The Gentlemen
Saturday	\$106	-5.6%	1	The Gentlemen
Friday	\$110	-99.9%	1	The Gentlemen
Thursday	\$143,641	-41.7%	37	Onward
Wednesday	\$246,568	-81.3%	39	Onward

Releases jumped to a couple-three dozen a month at the end of the year... about half the pre pandemic number.

You had to go back 39 years to find a year with domestic box lower than 2020. That was 1981. Superman II led the charts...and its dreadful trailer is a reminder of how far we’ve come... at least as far as trailers are concerned.

¹ Boxoffice Mojo

Things are brighter so far in 2021, with theatres mostly open despite a wary public. Not surprisingly year to date numbers remained well behind pre-pandemic 2019, as opening for slate after slate, movie after movie were pushed later.

We were curious how that translated to theatre parking lots, and went up to Red Hook New York on Easter Sunday to take a look. If memory serves, the Lyceum six-plex's lot usually has around a 40 or 50 cars on a Sunday in the spring... but on this afternoon there were only about 14... probably including theater personnel.



Interestingly, this crude measure with down two-thirds or so from normal was not all that far off the national numbers for the weekend. Box Office Mojo tells us that Easter Weekend this year saw about \$10 m in box office, up nearly 1.8 million percent from just \$564 last year, but still down nearly two thirds from the more normal 30 million range. There's a cautionary lesson in

this 1.8 million percent... we'll be seeing huge percentages in headlines about the reopening... but we need to be careful to understand the difference between extraordinary—and flashy-- growth from near zero levels... and the economic realities of reestablishing normalcy.



Up at the Lyceum, Tom and Jerry was playing while we were there..and lead the box office during the first quarter. Also just opening was Godzilla vs Kong, which pushed into first place for the year by mid April, not a difficult task. But there was a clear message, within three weeks international box was doing far better than US—nearly four times the US gross. Nearly two thirds of the Godzilla-Kong international box came from China. And that's the story of a country well into recovery, versus a recovery just starting. Its also an example for potential recovery in the US.

And that stuttering US box office recovery started too late for some exhibitors, starved for both content and audiences. The most dramatic closure was Pacific and ArCLight which simply shut down, including the historic Cinerama Dome on Sunset Blvd. No attempt at avoiding bankruptcy like AMC successfully did in January. But on Monday, April 12th, Pacific and ArCLight simply said it was over. The business of its 30 theaters and 300 screens shut. That left lots of speculation on whether the company would be restructured,



assets sold, or whatever. As for the Cinerama Dome, it has landmark protection, so probably isn't going anywhere.



As far as what to do with the Cinerama Dome, the people of Los Angeles might take the example of the folks in Lihue, Hawaii². They took their empty theater, cut some windows in the side, and turned it into a senior citizen living center.

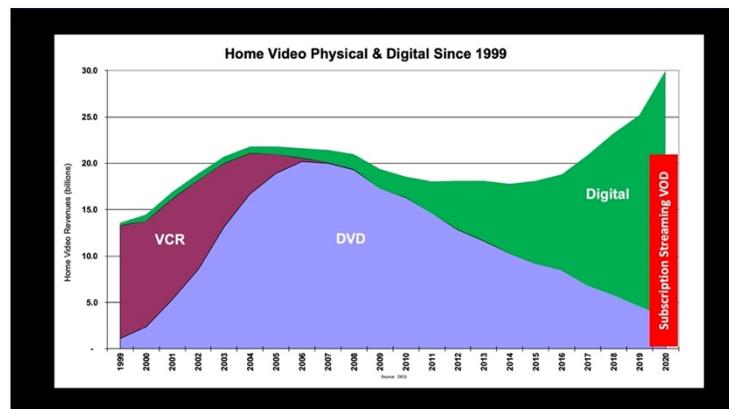
Despite some openings, studios continued to push big movie openings forward. First to this spring,

and then to summer and fall. MGM was supposed to open Bond back last fall, then this spring, now they'll try for November. Disney's Black Widow was pushed to July, and the 9th installment of Fast and Furious to late June.

The great debate driven by the pandemic was how much to cut theatrical windows from the pre-lockdown 75-90 day exclusivity before home video release. During the pandemic year movies not pushed forward were often released day and date to home video and theatres. Movies like Tom and Jerry and Kong and Godzilla were part of AT&T/Warner's HBO Max simultaneous release plan...a plan likely subject to review after the Discovery deal closes. Comcast Universal cut deals for 17 day theatrical windows, while Paramount went to 45 days. Disney continued its plan to charge \$30 extra on Disney plus for day and date with movies like Curella and Black Widow.

But by last month Disney had moved to 45 day theatrical windows for two movies, Free Guy and Shang Chi.³

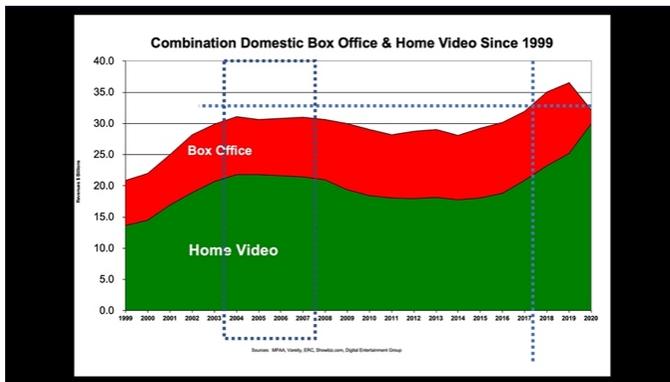
We all know that home video popped during the lockdown, overall up 21% to \$30 billion, with subscription streaming services bringing in 37% more revenue than 2019, according to the industry's Digital Entertainment Group.⁴ More on the streaming services later, but take a look at this chart which really surprised me.



² On the island of Kawai.

³ <https://variety.com/2021/film/news/disney-shang-chi-free-guy-45-day-window-1234972782/>

⁴ <https://www.degonline.org/deg-year-end-report-consumer-spending-on-digital-sales-rentals-rises-30-billion-2020-2/>



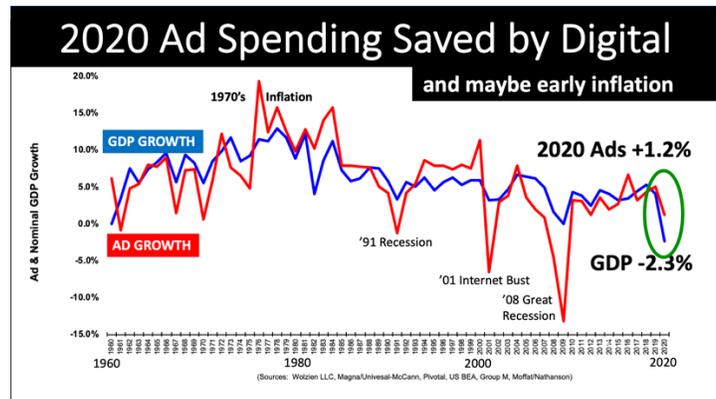
When digital growth was combined with box office carnage, the industry revenue drop took us back only to 2017-18 levels. Put another way, the 2020 bottom of combined studio and home video exceeded the peaks during the glory days before the great recession. New players, new allocations of revenue, but even last year a huge amount of money remained in the combination physical plus virtual distribution ecosystem.

ADVERTISING

Advertising last year turned out to be not nearly as bad as it might have been. You've seen this growth chart before, gross domestic product including inflation in blue, advertising in red. Last year GDP was down 2.3% including 1.2% inflation⁵, while ads grew 1.2%⁶, as digital offset declines in traditional media.

That compares really favorably to major drops during the 91 Recession, the Internet bust, and the great recession of a dozen years ago.

But we also need to remember what happened during the 1970s, when advertising way outperformed the economy thanks to massive inflation...and was an early indicator of coming inflation.



And it is just possible that some of the 2020 growth was an early indicator of inflation now. In April inflation jumped to 4.2%. And while inflation is great for advertising, there's hell to pay as it later impacts operating costs.

Cable, satellite, broadband & Mobile

The past year may have been unique for many, but the trends for video distributors weren't.

⁵ [https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate#:~:text=Current%2Ddollar%20GDP%20decreased%202.3,\(tables%201%20and%203\).](https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate#:~:text=Current%2Ddollar%20GDP%20decreased%202.3,(tables%201%20and%203).)

⁶ MoffatNathanson

Nielsen put the total households in the US for the 20-21 season at 121 million⁷, of which 116.4 million or 96.4% had TVs able to receive TV station content in some way, including broadband. Broadcast only homes have climbed to 16 million, with a third of homes not connected to cable or satellite in places like Milwaukee, Phoenix, and Albuquerque.

More evidence that US consumers are continuing to drop their cable and satellite video subscriptions, down another 7.4% this past year to about 77 million or 63% of occupied homes— levels not seen for thirty years. That ugliness was offset slightly by the virtual MVPDs, or online cable network packagers, up 20% last year to almost 12 million, making the decline in all multichannel homes about 5%.⁸ Thanks to Mike Nathanson and Craig Moffet at MoffetNathanson for tracking video and broadband numbers.



Satellite took the brunt of the decline in multichannel subscribers, and AT&T was worst. After years of decay, at AT&T video subs were down about 16% in 2020, despite more people at home during the pandemic. In response, and before the Warner Discovery deal, AT&T announced a spinoff of all of its video distribution assets into a \$16 billion recapitalization with TPG capital, previously Texas Pacific Group.⁹ The new company will include DirectTV, for which AT&T paid some \$66 billion in cash and debt just six years go.

All this is really bad news for the cable networks... and explains why the big ones are becoming broadband players. As we discussed in last year's session with my fictional Tom's TV Network, the companies running the networks they carry which lose both subscriber fees and advertising eyeballs. Since 2010 cable networks have effectively lost or missed out on 22 million subscribers when both cord cutters and non-subscribing new households are included. Assuming \$30 per month of the average cable bill goes to network content, that's \$8 billion a year not going to the networks.

That's money that is not going into the production pockets of everyone in this virtual room, so don't be fooled by those great spending reports on broadband product. Instead watch for the net spending on production.

⁷ <https://www.nielsen.com/us/en/insights/article/2020/nielsen-estimates-121-million-tv-homes-in-the-u-s-for-the-2020-2021-tv-season/#:~:text=Article-,Nielsen%20Estimates%20121%20Million%20TV%20Homes%20in%20the,the%202020%2D2021%20TV%20Season&text=According%20to%20Nielsen%20National%20Television,the%202020%2D2021%20TV%20season.>

⁸ MoffatNathanson

⁹ <https://www.cnbc.com/2021/02/25/att-to-spin-off-directv-att-tv-now-and-u-verse-into-new-company.html>

Broadband:

Broadband services were up nicely for the cable companies like Comcast and Charter, up 7%, while telco and satellite data connections declined slightly for 5% total wired broadband growth this past year. Overall, there were 105 million wired and satellite fixed broadband subscriptions in the US at year end, 86% of the 121 million total households. The cable and satellite operators now have about 30 million MORE household broadband subscribers than video subscribers. What a change.



This map is from the World Bank¹⁰ and shows wired or fixed broadband penetration by population with the darkest most penetrated. Parts of Western Europe and Canada have higher levels than the US, which basically matches China, Australia, and parts of Eastern Europe. Lots of growth potential in, South Asia and Africa, but with obvious wiring and capital difficulties.



Here's mobile penetration from the World Bank. The US is now above 134 mobile subscriptions per 100 people. We used to joke about putting one mobile phone on hold to answer another,



but now two subscriptions are commonplace—one personal and one business, or one phone and one iPad. Russia has beat us for years in mobile penetration, but the US matches Japan, Scandinavia, and much of Western Europe and parts of Latin America. Again, the growth potential lies in India, the Mid East, and Africa.

Besides basic upgrades of mobile to 4 and 5G, there are two major initiatives to increase broadband, one proposed in the US and one already beginning to fly globally.

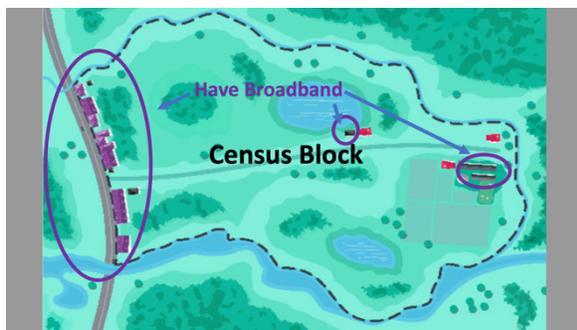
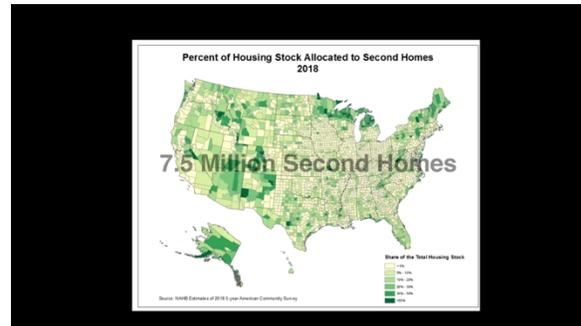
In the US, Biden's Big Deal proposal to improve rural broadband may rival the New Deal's rural electrification in the great depression. The pandemic taught us the need for kids to have good home broadband for school, and for many of us to work from home. This goes way beyond

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https://datacatalog.worldbank.org/search?search_api_views_fulltext_op=AND&query=broadband&nid=&sort_by=search_api_relevance&sort_by=search_api_relevance

getting Netflix without pinwheels. Data and media based business—and what businesses aren't reliant on data or media these days-- can't start without decent broadband. But the cable and phone companies already have billions invested in lesser forms of rural broadband...and want a piece of action.¹¹

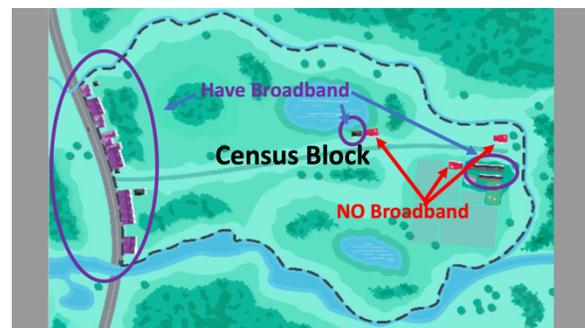
As the country debates how to upgrade its broadband infrastructure, problems need to be addressed regarding the basic numbers politicians are using. We talked about the number of residential subscriptions mostly gathered from the companies, but there are big inconsistencies in penetration estimates. On one hand, how many of the nation's 7.5 million¹² second homes have broadband, so subscription numbers double count some users when second homes (or first homes) aren't occupied, and on the other, how many homes without broadband access are missed in government mandated counts?



For years, government records have overstated the percentage of homes that could receive wired broadband. The problem came from the way Congress and the FCC asked for information from the industry.

These example from the NCTA show the issue.¹³ This is a census tract, the basis of government broadband measurement. Under the old rules,

broadband service was measured if just one house or business within the census tract had broadband... the purple buildings. The red buildings don't have broadband, but were considered to have it because they fell in the census tract. There's no record of the houses that don't have broadband access. There's also no record of sheds and other structures that don't warrant being counted.



By last year there was bi-partisan recognition that the old system needed to be replaced. Congress acted and funded a new FCC measurement effort, and by this spring the FCC

¹¹ <https://www.cnet.com/home/internet/bidens-100-billion-broadband-plan-is-already-getting-pushback/>

¹² <https://eyeonhousing.org/2020/10/nations-stock-of-second-homes-2/#:~:text=According%20to%20NAHB%20estimates%2C%20the,the%20most%20recent%20data%20available.>

¹³ <https://www.ncta.com/positions/rural-broadband/broadband-maps>

was well on its way to coming up with a new system to measure broadband penetration and speed.

The second broadband initiative is the global and is driven by the likes of Elon Musk, Jeff Bezos, Richard Branson and others. The approach relies on thousands of low earth orbit or LEO satellites, each handling broadband connections as fly around the globe. Here's what makes them different from the geosynchronous communications satellites we're used to. The geosynchronous satellites are over 22 thousand miles up over the equator and data, even traveling at the speed of light takes this long to get up there and back to the ground. Beep..... beep.... a little over a half a second.

Compare that to a LEO satellite flying as low as 300 miles. Beepbeep. Way under a tenth of a second up and back.

So when compared with geosynchronous satellites, in developed areas the tens of thousands of LEOs will mean no horrible pauses in conversations, no head shaking yada yadas as we wait for a reporter's signal to bounce to our TVs, and minimal delays for data, whether for Wall Street trading or gaming.

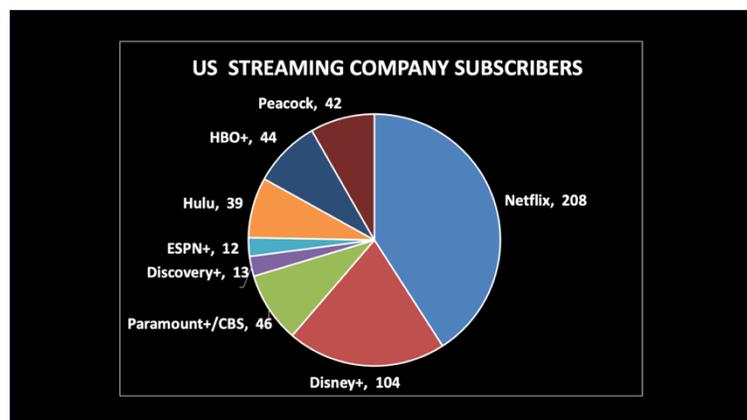
Most importantly, in those countries where broadband infrastructure is less developed, the LEO services will join wireless upgrades to 4G to immediately provide fast connectivity... with the potential for improved commerce and economic growth.... Not to mention potential for a lot more streaming video.

By the way, Musk's Starlink now claims to have a half million pre-orders or signups. The service doesn't come cheap--\$100 a month plus a one time \$499 for equipment.¹⁴

Streaming Services

While there are streaming services all over the world, we're going to focus on those owned by US companies, regardless of where distributed.

Here are the latest global subscription video on demand numbers—some year end and some Q1. US based SVOD is now half billion subscribers.



¹⁴ <https://www.pcmag.com/news/spacex-over-500000-people-have-placed-orders-for-starlink>

Netflix has nearly half of those, with 74 of its 208 million in the US, where subs grew 9% in 2020¹⁵. Netflix international was up 30% last year to more than 133 million.

Disney Plus is now the second largest streaming service with 104 million subs, up about two and a half times in the past year.¹⁶ Disney doesn't break out domestic and international.

Paramount Plus from ViacomCBS¹⁷, AT&T's HBO, Comcast's Peacock¹⁸, and Disney controlled Hulu¹⁹ are all in the 40-45 million range. Comcast attributes much of a 9 million sub jump in the first quarter to the addition of WWE with its viewers already used to pay per view and VOD, and The Office which was brought back from Netflix.

The new, global Discovery+²⁰ and Disney controlled ESPN+²¹ are in the low to mid teens.

And since this is all about scale, when you put the pieces together, Netflix has its 208 million subs followed by Disney with a total of 156 million, and the combination of HBO and Discovery—assuming the deal closes—approaching 60 million. Together those three are 83% of a total of about a half billion subs.

Still to be included are Disney's international Star service—Hulu like according to some--, incorporation of some disparate HBO international services, and the huge and impossible to define one—Amazon Prime—now trying to get more users with MGM and James Bond. Together those could push the total of US owned services to over 600 million subscribers.

And that's before advertising based video on demand, AVOD.

To do a better job of explaining the difficulties of understanding AVOD we went down to the kitchen where Valerie was making Dijon Beef Stew, a bit of an unusual metaphor for AVOD, but apt. The problem with understanding a serving of stew—and AVOD—is that a lot goes into it, but you can't really see everything ... either in the stew, or in the total AVOD numbers... if you can find even something resembling total numbers.

¹⁵ <https://ir.netflix.net/ir-overview/profile/default.aspx>

¹⁶ <https://thewaltdisneycompany.com/app/uploads/2021/02/q1-fy21-earnings.pdf>

¹⁷ <https://ir.viacomcbs.com/static-files/78a9d2e0-5f09-4f6f-b890-45b139769eff>

¹⁸ <https://www.cmcsa.com/news-releases/news-release-details/comcast-reports-1st-quarter-2021-results>

¹⁹ <https://thewaltdisneycompany.com/app/uploads/2021/02/q1-fy21-earnings.pdf>

²⁰ <https://deadline.com/2021/04/discovery-streaming-portfolio-reaches-15m-subscribers-but-advertising-decline-hits-q1-results-1234745600/>

²¹ <https://thewaltdisneycompany.com/app/uploads/2021/02/q1-fy21-earnings.pdf>

This starts with defining what AVOD is. For our purposes, I'll say it is a streaming service solely supported by advertising, as opposed to a subscription service like Hulu or Paramount + which charges a subscriber fee but also can include some advertising.

There are a batch of AVOD services. I was able to put together a quick list of over a dozen, but I'm sure there are more. There are obvious ones we've all heard of like Pluto from ViacomCBS, Facebook Watch, and YouTube. And then there are some that perhaps you weren't aware of like two from TV set manufacturers—Samsung TV and Vizio's WatchFree which Vizio says is "powered by" Pluto.

SERVICE	OWNING COMPANY
Crackle	Chick Soup for the Soul
Facebook Watch	Facebook
Pluto	ViacomCBS
Roku Channel	Roku
Samsung TV Plus	Samsung
Snapchat	Snap
STIRR	Sinclair
TikTok	ByteDance
Tubi	Fox
Twitch	Amazon
Twitter	Twitter, Inc
Vudu	Fandango
WatchFree	Vizio/Pluto/ViacomCBS
Xumo	Comcast/Xfinity
YouTube	Alphabet/Google

The stew occurs when you try to tease out how much advertising is actually going into AVOD. Some media analysts just look at the media-owned AVOD services, with a guesses in the \$4 billion range.

But that's nothing when compared with the AVOD revenues of the tech companies. For example, in Q1 Google reported that YouTube brought in nearly \$7 billion²² putting it on a track way ahead of the \$19 billion in all of 2020. If YouTube continues the year with similar quarterly results, Youtube revenues alone will match or exceed the total of all local TV station revenues. And while YouTube is pure streaming, the VOD revenue part of other services like Facebook Watch, Snap, and Twitter get lost inside those companies total ad revenues, so the actual AVOD industry amount in the US is lots more than Google reported and probably equal to all broadcast television advertising—station and network.

And by the way, if you're interested, you can find the recipe Valerie used for the Dijon Beef Stew in the New York Times²³. Finally, something useful for anyone complaining these sessions are only jam packed business and legal stuff.

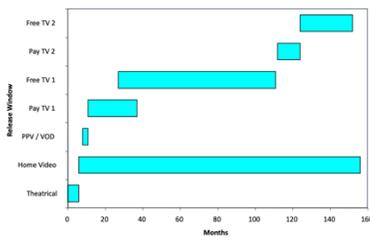
Speaking of legal stuff, lets move on to a truly knotty problem of agreeing how to pay both above and below the line production folks.

There's hardly anyone in our virtual auditorium tonight that hasn't seen one of these windows charts. This is a simplified one we used at Bernstein fifteen years go. A gazillion different sales

²² <https://www.cnn.com/2021/04/27/youtube-could-soon-equal-netflix-in-revenue.html>

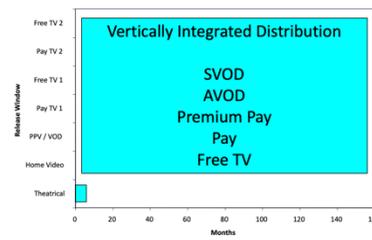
²³ <https://cooking.nytimes.com/recipes/1017085-dijon-and-cognac-beef-stew?searchResultPosition=1>

Windows Models (Bernstein 2006)



Source: Bernstein Analysis, Disney 10-K

Windows Models (TW 2021)



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and distribution options as content was reused over and over, sold over and over to different distributors for use at different times.

That was then. Here's today. The problem has been brought about by a combination of the collapse of windows and vertical integration where the same company owns distribution—streaming, broadcast, cable, whatever—and owns the production itself. As a result, many of the arm's length compensation discussions of the past have morphed into relationships closer to work for hire with the parent company owning everything until the end of time.

Today the License a first window for theatrical for a month or so, as we discussed earlier, or, in some cases, first run TV, and then the product reverts to the vertically integrated media company for the second window which...effectively...runs on any platform or many platforms owned by that company until the end of days.

Now there are no arms length agreements when on division of a company sells to another. The only formal indication of total value of those internal transactions can be found within some quarterly SEC filings for something called inter-company

their ability to understand our operating performance. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. Stock-based compensation is included as a component of our consolidated Adjusted OIBDA. The reconciliation of Adjusted OIBDA to our consolidated net earnings is presented in Note 14 to the consolidated financial statements.

During the fourth quarter of 2020, we entered into an agreement to sell Simon & Schuster, which was previously reported as the *Publishing* segment. Simon & Schuster has been presented as a discontinued operation in our consolidated financial statements for all periods presented.

	Three Months Ended March 31,				Increase/(Decrease)	
	2021	% of Total Revenues	2020	% of Total Revenues	\$	%
Revenues:						
TV Entertainment	\$ 3,511	47 %	\$ 2,947	45 %	\$ 564	19 %
Cable Networks	3,259	44	2,858	44	401	14
Filmed Entertainment	997	14	811	13	186	23
Corporate/Eliminations	(355)	(5)	(117)	(2)	(238)	(20)
Total Revenues	\$ 7,412	100 %	\$ 6,499	100 %	\$ 913	14 %

VIACOMCBS First Quarter 2021 SEC Filing

eliminations...here's a page from the first quarter ViacomCBS 10-Q filed last month²⁴—which more than doubled from a year ago. But even this may be a bit of a fiction because those cross-division bookings were supposed to reflect arms length transactions---and those are difficult to find.

²⁴ <https://ir.viacomcbs.com/node/51196/html>

There are a couple of independents left like Sony and MGM (“Outdated” graphic overlay) who might be able to serve as proxies for arms length transactions at other companies... but every time there is another merger, or on one of those companies starts its own streaming service, the ability to set fair value gets more and more difficult.

OK, guys, I got caught. I recorded my on camera stuff a couple of weeks ago so I’d have time to edit. But then last week Amazon announced it was spending 8 billion to buy MGM... thus removing MGM as any arm’s length comparison for participations. Guess that made my point.

There are a batch of cases moving through the courts and arbitration from all levels of the industry—producers, talent, and the guilds—that will ultimately set a pattern for a new way to handle comp. My guess is that half of you watching this evening are on one side of this... and half on the other. Good luck in figuring this out, whichever side you find yourself on.

International Risks

There are other risks in the global explosion of streaming content. Not just business risks, but actual lock-them-up legal risks as creative license meets radical regulation, and the streaming companies scramble to adapt.

India is a main focus...because of its half billion broadband subs...and its increasingly radical right wing Hindi government which put new censorship rules in place late last year. Take the case of House of Cards like Tandav.



The Washington Post reports Tandav²⁵ became the “target of Hindu nationalists angered by a brief scene depicting a Hindu god and remarks referencing India’s hierarchical caste system.” The producers removed the offending scene and apologized under a jail threat. They got off with a reprimand from India’s Supreme Court.



Then there’s the extraordinarily well done police procedural Paatal Lok²⁶, with its heavy theme of Hindi-Muslim discrimination. The show was shelved after one season... right after the government put out its new censorship rules. Here is the type of thing that got Paatal Lok in trouble:

²⁵ <https://www.washingtonpost.com/world/2021/03/14/india-netflix-amazon-censorship/>

²⁶ <https://indianexpress.com/article/entertainment/web-series/paatal-lok-controversies-everything-that-has-happened-6428414/>

[The claim is that the reference to a Nepoli Whore was discriminatory because it was a cast-system stereotype. The Hindi newspaper reports that Representatives of the Gorka minority filed a complaint saying:] “... this web series will incite not just racial but sexual slur and rape attempts at the women of our community. We strongly condemn it...” Left out of the complaint is the fact that the character is later revealed to be a transvestite sexually abused from a young age.

The censorship problems for producers and platforms in India go beyond shows already on the air. Some shows, already in the can, don't seem to be making air at all. Mint reports that “release of Disney+Hotstar’s Kamathipura based on the red-light district in Mumbai for International Women’s Day has been postponed indefinitely.”²⁷

India isn't alone in challenging producers. Take the case of a show called “If Only.” In Turkey last summer Netflix refused to go along with government censors who wanted a gay character removed from a script. Instead, Netflix cancelled the show all together²⁸, decently paying the pre-production costs incurred by studio Ay Yapim. While there were rumors Netflix would pullout of Turkey, production on other shows continues.



Pushing the case is the global hit, The Protector²⁹, which Variety says is “considered a game-changer in terms of disrupting productions models and storylines in Turkey’s TV Market.”³⁰

And if the Protector sounds a bit familiar, it may be because we identified it as one of the important international shows to

watch back in the 2019 edition of The Symposium when we were all in one room together.

Well, that wraps up my prologue for this 45th annual Entertainment Bar symposium. Thanks for watching, and enjoy the rest of the symposium.

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²⁷ <https://www.livemint.com/industry/media/otts-tread-on-cautious-ground-axe-shows-11615188592226.html>

²⁸ <https://variety.com/2020/digital/global/netflix-cancels-if-only-gay-character-turkey-original-censorship-1234712131/>

²⁹ <https://lfeisee.wixsite.com/website/post/the-protector-comes-full-circle>

³⁰ considered a game-changer in terms of disrupting productions models and storylines in Turkey’s TV Market

