

# Big TV to go on a content acquisition spree

**The DTH service provider is in talks with channels to acquire broadcast rights for popular TV shows**

BY P.R. SANJAI & ANUSHREE CHANDRAN

MUMBAI

Direct-to-home (DTH) television service provider **Big TV Ltd**, a unit of the **Reliance-Anil Dhirubhai Ambani Group**, is setting out on a content acquisition spree to win an edge over rival such as **Dish TV India Ltd**, **Tata Sky Ltd**, **Airtel DTH** and **Sun Direct DTH Service**.

Big TV, which was launched in August, is in talks with a raft of general entertainment channels such as Colors, Star Plus, Sony and Zee TV to acquire broadcast rights for some of their popular television shows.

Sanjay Behl, chief executive of Big TV, told *Mint* that some TV shows will be beamed on its pay-per-view service, especially on weekends. He did not divulge the investment earmarked for content acquisition.

Big TV already airs many Bollywood films on a pay-per-view basis, in which a customer can choose the movie he wants to view for a price. TV shows would work on a similar

model and allow viewers strapped for time to watch reruns of the favourite programmes they missed.

Behl explains that DTH operators overseas offer "catch-up television" where they offer reruns of popular television shows on a subscription-based model.

"Obviously, this (TV shows on pay-per-view) is a new concept in India and none of the DTH players are currently offering such a service. We are still trying to fly this concept to broadcasters. It's still new territory and we are still deciding the details," he said.

Big TV, which claims 1.8 million subscribers, will also be beaming 100 more channels by year-end. It is talking to broadcasters such as Fox Studios, Warner Brothers, Disney and MGM.

"We will launch 50 channels before Diwali and 50 more by year-end. Since we already have 220 channels on board, the aim is to take this figure to 300-plus channels," Behl said.

Up to five high-definition television channels will also be launched on the platform by year-end. In tandem, Big TV will usher in a digital-video-recording facility with a storage space of 160GB per subscriber.

Big TV is looking to sell a minority stake and Behl confirmed that it is in talks with global DTH service providers



**Seeking an edge:** Big TV CEO Sanjay Behl says some TV shows will be beamed on its pay-per-view service, especially on weekends.

and also a few private equity funds. Foreign Investment Promotion Board norms permit upto 49% foreign equity in the DTH sector.

Big TV plans to sell a stake of up to 49% to foreign private equity companies and global DTH service providers, the *Business Standard* reported in April, citing investment banking officials it didn't name as saying the company expects to

raise about Rs8,000 crore.

Behl said the DTH service has aggressive targets and a partner will help consolidate its position.

A senior Big TV executive, who did want to be identified, said all DTH operators, other than Big TV, had foreign shareholding. Big TV has earmarked Rs150 crore for marketing activities for this fiscal, said this executive.

The firm, which claims 1.8 million users, will also be beaming 100 more channels by year-end

Tata Sky, the direct-to-home venture of Tata group and **News Corp.**, which owns **Star Group Ltd**, has telecast back-to-back episodes of *Star Plus* shows such as *Kahaani Ghar Ghar Ki* on its pay-per-view platform in the past, says chief marketing officer Vikram Mehra.

"What we did was to put in reruns of popular shows like *Kahaani* (episodes that have run during the week) during weekends for a set price. We were charging Rs15 for four episodes that ran during the week," he said.

The DTH sector in India has about 12 million subscribers, Mehra estimates. Tata Sky claims a subscriber base of 3.7 million and offers 175 channels.

Both Tata Sky and Dish TV say they already have a digital video recording service with

160GB storage space.

Said Jawahar Goel, managing director, Dish TV, "We offer a recording facility called Home Theatre where subscribers can record programming and it gets converted from analog to digital format, giving an enhanced viewing experience."

Dish TV's financial results show its gross subscriber base at 5.07 million as of 31 March, and it claim to have 42% of the DTH market share.

A joint study done last year by the Federation of Indian Chambers of Commerce and Industry and audit firm PricewaterhouseCoopers said the increasing footprint of digitized distribution systems such as DTH will see subscription revenue climbing from \$3.8 billion (Rs18,278 crore) to \$7.8 billion by 2012 and \$12.3 billion by 2017.

But DTH accounts for just a part of this figure. The number of digital pay TV subscribers including cable, DTH and IPTV, or Internet protocol TV, could grow to 28 million by 2012 and 15 million by 2017, said the study. DTH lags in this market at least partly because of intense price competition, experts say.

"You have all these players coming up with attractive new offers, but all at a throw-away price. Most of them have balance sheets written in red ink," said Ashok Mansukhani, president of the Multi-System Operators Alliance and director at Hinduja-owned IndusInd Media and Communications, which owns cable distribution arm In Cablenet.

pr.sanjai@livemint.com