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 - > Movie goes Middle East – Opportunities for the media and film industry in an unfamiliar place

Abu Dhabi – The Hollywood of the Middle East

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The year 2009 did not exactly start promisingly, already in her New Year's Address for 2009, the German Chancellor referred to great efforts to be made in the coming year. The economic forecasts are being adjusted downwards on a weekly basis. Although the film industry is still doing well at present; winter time also means time to go to the cinema, after all, and the German Federal Film Fund helps make the film location Germany less susceptible to crisis.

But if the augurs prove to be right, and film financing also starts to slow down, what are we to do? Just like in a fairytale, there is light on the horizon amidst the darkness of pessimistic economic interpretations. In Abu Dhabi, the largest of the seven United Arab Emirates, efforts are currently being undertaken to realize a vision for the media and film industry which has fairytale-like proportions.

The idea

For several years now, intensive efforts have been made to reshape the cultural landscape of Abu Dhabi. The Emirate benefits from its cautious position. It was able to learn from the experiences of its neighbor Dubai. Despite, or maybe because of this cautious attitude, now,

several projects have started at the same time and with stunning speed, and there is already a presentiment of the new time dawning in the Orient.

There will be a worldwide unique collection of museums and concert halls designed by the most renowned architects. An entirely new infrastructure for film, television, print and other media is being created in a new, central quarter of the city together with a legislation of its own. After all, and this shows the Emirate's foresight, these developments are to be linked with the Emirate's history and are to increase the Emirate's education and training opportunities. And of course a new quarter of the city is also being built: The island *Saadiyat*, which translates as "island of happiness" where buildings are being constructed, which is to be developed touristically and which, in the future, will serve as the living room of the cultural metropolis – with a view the Persian Gulf to boot.

Abu Dhabi as the Hollywood of the Middle East

The development started with the incorporation of an enterprise and the clear commitment to involve the West. In 2007, Abu Dhabi Media Company ("ADMC") was founded in Abu Dhabi City and shortly thereafter, already in September 2007, announced its first cooperation with the Hollywood studio Warner Bros. This cooperation aims at co-financing several feature films, the joint construction of several multiplex cinemas and the construction of a theme park as well as the production of video games. The investment volume is estimated to be in excess of US \$ 1 billion, of which approximately US \$ 500 million each are allocated to the areas of film financing and video game development. With Edward Borgerding, Disney International's former head of Asia, a familiar face in the film industry was committed as CEO of ADMC. He made his debut by cooperating with a global player. In spring 2008, the formation of a joint venture with the Bertelsmann subsidiary Arvato was announced. This joint venture is to produce and distribute digital entertainment content for the Arab region. The first visible result is "GetMo", an online distribution platform for music, ringtones and videos.

Following these two large cooperations, Abu Dhabi Imagenation ("Imagenation"), a subsidiary of ADMC, was incorporated at the beginning of September of last year. This company is to bundle experience and competence in the area film production. Against the background of its topmost goals, Imagenation has to accomplish two tasks, to enter into joint ventures and co-productions with Hollywood studios and other international producers who produce films not only for the international market but also for the region, and to foster local and regional culture. How to realize this ambition, is one of the interesting questions which have to be dealt with. Although the Emirates had agreed to support the film "Syriana" and had granted a local shooting permit, the interpretation of its director Clooney was discussed quite controversially on site. In how far artistic design and interpretation of the joint ventures will get along with the local cultural understanding remains to be seen. At least the financial parameters seem secure.

Despite the international financial crisis, Abu Dhabi Media Company again has committed itself in recent press releases of January 2009 to make further film investments and to extend its activities.

Imagenation's latest projects

Shortly after its incorporation, the new company Imagenation disclosed three framework agreements which very clearly showed the intentions, and the financial possibilities, of the parties involved.

HydePark Entertainment, a film producer out of L.A., will work together with Imagenation to produce approximately 20 feature films within the next seven years. The films are to cover Western as well as Arabian topics, further details have not been made public yet. The transaction volume is said to amount to US \$ 250 million. The prospect of providing further financing for cross-cultural topics and films in Arabic has also been announced.

Participant Media, another one of "Syriana's" producers from LA, will produce approximately 15 to 18 feature films within the next five years. According to the press releases, this cooperation has a volume of approximately US \$ 250 million.

According to media reports, The National Geographics Television International, the film division of The National Geographic, with headquarters in London, is to produce 15 films under a framework agreement worth US \$ 100 million, with a term of approximately five years. Thematically, it is to cover the relationship between humans and the world, humans and the environment as well as relationships among humans. A first result of this joint venture is the documentary "Journey to Mecca" which was launched in the cinemas on January 7, 2009.

twofour54 – or how to persuade guests to stay

Abu Dhabi is not only entering the film industry as a new global player, the Emirate also aims to become a production center in its own right; a new Hollywood and anything but built on sand.

The name twofour54 denotes an area of 200,000 square meters located within Abu Dhabi City. At the same time, twofour54 is the trade name of this area and of its administration. Twofour54's conceptual design is that of a free zone with its own administration and the possibility of making its own laws. Again the Emirate has clearly opened up towards the West: with Tony Orsten, a former film and television producer, not only an experienced man of the media world was committed to the top of one of Abu Dhabi's administrative units. But also the rather internationally composed staff of twofour54 gives reason to assume that the best possible world will also be created with regard to regulatory aspects.

The idea and task is to create an environment which provides unique production conditions for the media and film industry. The companies intending to settle there are supported by one-stop incorporation services, service companies and state-of-the art technical support. In addition, a vocational training academy was founded in the twofour54 area. Hopes are that the new inhabitants of twofour54 will not only do business but will also considerably contribute to train the country's media experts.

The undertaking twofour54 has already attracted well-known companies. Since its incorporation, the following companies have settled there: the Arab office of the BBC, CNN's regional office, the Thomson Reuters Foundation, Abu Dhabi Media Company, Imagenation, Random House with an Arabic-speaking publishing house, Rotana Studios, the office of the

Financial Times' Middle East edition, Thomson Reuters with a financial information service which conforms to the Sharia, Harper Collins Publishers with a children's book project in Arabic, the Kuwaiti film production company C Sky Pictures, the TV channel Comedy Arabia as well as the largest music and event producer of the region called Flash.

Besides ADMC, there is another player which is making a significant contribution to changing the face Abu Dhabi's culture, the Abu Dhabi Authority for Culture and Heritage. Originally founded with the help of a UNESCO team in 2005 to ensure the country's cultural identity while leading it into the 21st century, this administrative unit of the Emirate has developed into the largest construction awarding authority. The museums and concert halls mentioned previously were commissioned by this unit. The list of architects involved reads like a list of who-is-who: Frank Gehry, Norman Foster, Jean Nouvel, Zaha Hadid.

ADACH is also the organizer of the largest film festival of the region, the Middle East Film Festival. Chances are good that the good climate created by the large investments actually develops into a paradise of unbureaucratic processing for the media and film industry.

Prospects

With regard to the details of the cooperations reported in the press, and the requirements concerning such cooperations, not much information is available to the public at the moment. It is clear, however, that a cooperation with German and other European partners is sought and currently the top names of the international media and film industry are beating a path to Abu Dhabi's doorstep.

Against the background that a flight from Frankfurt or Munich to Abu Dhabi takes hardly more than six hours, it is quicker to travel to the emerging Hollywood of the Middle East from where we are than it is to travel to a lot of other film metropolises. It is therefore apparent that Abu Dhabi will also establish itself as an interesting partner for the German media and film industry.

On February 6, 2009 at 3 p.m. and in the context of the Berlin International Film Festival Berlinale the law firm Hogan & Hartson Raue will host a panel discussion on the topic "Movie goes Middle East" at its offices at Potsdamer Platz 1, 9th floor, Berlin. The panelists are Edward Borgerding, CEO of Abu Dhabi Media Company; Nashwa Al Ruwaini, head of the Middle East Film Festival; Frédéric Sichler, Rotana Films; Shivani Pandya, head of the Dubai Film Festival and Professor Stutterheim of the HHF Potsdam. Moderation: Susan Tackenberg. In 2008, Hogan & Hartson opened an office in Abu Dhabi.