

MIPTV

**Keynote: Roy Price, Vice
President of Amazon Studios**

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Laurine Garaude

I'm Laurine Garaude, Director of the MIP Markets here at Reed MIDEM, and it's my pleasure to introduce this afternoon's Media Mastermind Keynotes. Few have had as dramatic an influence on the new business of streamed premium content as our first keynote speaker, Roy Price, Vice President of Amazon Studios. Roy has successfully expanded consumer perceptions of Amazon, from essentially an online department store, to also being the destination for hit and award winning original entertainment. As the driving force behind Amazon's Prime Video, he oversees content licencing and acquisition, along with development and production of Amazon Originals. This spans the Oscar winning feature, Manchester by the Sea, to high-end series like Transparent, Mozart in the Jungle, The Man in the High Castle and more. It is for all of these achievements, which are massively contributing to the international content industry, that we have selected to award Roy Price with the MIPTV Médailles d'Honneur Award later this week. Please give him a warm round of applause for this Award. Now, to introduce Roy, please welcome Scott Roxborough, Europe Bureau Chief for the Hollywood Reporter.

Scott Roxborough

Thanks all for coming to this Mastermind Keynote. I'll bring out Roy in a second but, first, because this is a content conference, I think we should see some content. I mean, we all know what Amazon has been doing the last few years; the awards actually speak for themselves. Amazon is a truly global streaming company, since they launched in over 200 markets last year, putting them on par with the only other global streaming company, which will remain nameless, but it rhymes with "wet licks." But, although these two companies are often compared, they're quite different entities, and that's something we're going to talk about today with Roy. The way that Amazon works, both what it does and how it does it, is quite unique in the industry. But before we bring Roy out and talk to him about those issues, first let's take a look at the stuff they've been doing. Here are some of the highlights. Why don't roll the Sizzle Reel. Take a look.

VIDEO CLIP**Scott Roxborough**

Roy Price.

Scott Roxborough

Very, very impressive. I mean, I mentioned some of the awards already, but you saw some at the very end of that clip. You've had an Emmy and Golden Globe for Transparent, a Golden Globe for Mozart in the Jungle. This year, Billy Bob Thornton won a Best Actor Golden Globe for Goliath. Tumble Leaf was shown there, the kid's programme. That's an Emmy winner kid's show.

Roy Price

Yes, two years in a row.

Scott Roxborough

And, of course, the Oscars.

Roy Price

Best Feature Film.

Scott Roxborough

Two for Manchester by the Sea, Best Actor, Best Screenplay, and Best Foreign Language Film for The Salesman; an Iranian film. Quality wise, I think, you know, we can pretty well establish that you're pretty well there. But as I mentioned at the very top, you're often compared with that other big streaming company, but you are quite a different entity. I mean, you're not just a streaming company, you're part of a massive media conglomerate, and even within Prime, that's a whole other, you know, ecosystem. Can I ask what makes Amazon different and how do you do things differently than, let's just name them, than Netflix?

Roy Price

Well, part of it is Prime, which is a broader programme in general than just the video part. Prime has tens of millions of subscribers around the world and grew by over 20 million subscribers in 2016, which was the biggest year of growth ever. It's in 11 countries in its sort of full version, with shipping, digital books and digital music and, of course, video. In those territories, there's the video service, but it also comes with all this other stuff and, of course, it is the best deal of all time and everybody in this room should be subscribed to Prime and yes you can subscribe to Prime on your phone right now. There's that and then, you know, we expanded last year, just Prime Video, to 240 countries and territories around the world; so that was a big effort to get into

every country; so now we're in from Iceland to Australia, available everywhere, which is exciting.

Scott Roxborough

Well, because you're not just a video company and part of this whole larger ecosystem, when it comes to the film and the TV stuff that you do, how do you even measure success? I mean, what are the metrics that you use to decide this is show we want to do, this is a show we want to continue, this is a show we want to cancel? I mean, what metrics do you use?

Roy Price

Well, I mean, you certainly pay attention to whether subscribers are engaging with the show and is it influencing people to stay subscribed? Is it influencing people, say, who are in their free trial to convert and become full subscribers and is it getting people into the free trial? You look at engagement and you look at influence on subscriptions.

Scott Roxborough

Does it have anything to do with connecting to the broader Amazon ecostructure, if they're engaging otherwise with Amazon after they see your original content?

Roy Price

Well, if people are engaged with Prime, they tend to see the broad value and range of services available on Prime and they tend to engage. If we get them in there, then that's a win. You know, so we certainly pay attention to those metrics. But I think it's wisest to just pay attention to Prime as a whole; you don't have to look at whether they go into particular stores or whatever. You just focus on growing the subscription, adding value for customers.

Scott Roxborough

Well, then, explain to me how The Grand Tour makes sense financially, because that's a huge show. I mean, there have been numbers thrown around from \$160m to \$250m for the three seasons that you've commissioned. Whatever we can agree on, it's a real shipload of money that you've spent on this show.

Roy Price

Right. It's a technical term.

Scott Roxborough

It is a technical term. How can that make financial sense for Amazon? Explain that to me.

Roy Price

You know, The Grand Tour is an expensive show, but it's well worth it. I mean, it's actually efficient and good economics. In the subscription video and demand business, the thing that is going to make the most difference is the show that people are talking about and are really compelled to see. They might bring it up at lunch, it generates its own publicity, people come in and they want to do the free trial because of this show and Grand Tour brings all of that. In Prime Video around the world, in pretty much every territory, the top two shows are Grand Tour and The Man in the High Castle and so those shows are really bringing in customers, keeping customers and that's a big area of focus.

Scott Roxborough

How do you decide what shows you're going to commission? I mean, what do you use? Do you use algorithm? Do you use, like, a gut feeling? Did Billy Bob Thornton go on your casting couch and he said, OK, then we'll do it? I mean, what are the choices that go into that?

Roy Price

You know, you can look at what people watch, but you can't be too deterministic about that, because sometimes the show that is going to be the real game changer is a show that's a rule breaker and it's not what people are watching today. At the end of the day, I think perhaps the most important thing is to get artists absolutely at the top of their game; that are inspired, in their moment and excited to do something new and empower them to do that. That's what we focus on and I think we've got an amazing group of artists who are creating great work. I think that's the real explanation for the awards, you know, in adult television; the Academy Awards in movies; the kid's TV. The thing that all these things have in common is that we're seeking out, really, the top people in their area and trying to get behind them to do what they feel passionate about doing. You can overanalyse it but, at the end of the day, I think if you have, you know, Jill Soloway, Amy Sherman-Palladino, Woody Allen, Matt Winer, David O. Russell, Morten Tyldum and Nick Ruffin and we're developing with Barry Jenkins and, you know, I could go on. I've said in the past that development is very easy. It's really like putting together a fabulous dinner party of geniuses who are at the top of their game and I think that's right. Now, with global expansion, it's just become sort of a bigger, more fun, multilingual party.

Scott Roxborough

Does it change, now that you are completely global, since last year? Does that change what kind of stories you're looking for? I mean, are you looking for things that will appeal to everybody around the world? What sort of approach are you taking?

Roy Price

Well, I think you have kind of a base coat of international global shows, like *The Man in the High Castle* or *Grand Tour* but, you know, you can have a global service but, at the end of the day, there are no global customers; all customers are local. You have to pursue basically a multi-local strategy, where you're seeking out the great artist in each territory. For example, the other day, we premiered our first German original TV series, *You Are Wanted*, and it was the biggest opening for us ever in Germany. It has more five star reviews than any video in Prime Video Germany and so that's been huge. We have a lot of shows in development in India. That's going to be a very big effort over the next period of time. We've done 20 shows in Japan, including Hitoshi Matsumoto's *Documental*, which is hilarious; you should all check it out. *Happy Marriage with Dean Fujioka*, and, you know, a lot of the top talent in Japan. We try to replicate the Amazon Studios mentality in LA around the world and we're growing actual teams now in India, Tokyo, London, a series of regional development hubs to lead an international originals effort. Funny you mention it, I actually have a clip of some of our international original television shows if you'd like to see a little sample of what we've been doing around the world.

Scott Roxborough

Let's roll that tape.

VIDEO CLIP**Scott Roxborough**

Very good. I think we can agree that's worth just the price of admission to see Jeremy Clarkson speak French.

Roy Price

Yes, absolutely. But it's a big focus. I mean, this is the beginning of sort of a three week trip around the world for me and so international originals are going to be very interesting over the

next couple of years.

Scott Roxborough

Can you tell me how much you're going to be spending then, on content? They've been estimates that last year you spent around three billion on content, originals and acquisitions. Can you give me an idea of what you expect to be doing this year, or how much it's going to grow?

Roy Price

Nope.

Scott Roxborough

Can you give an idea of the balance between originals and acquisitions, how that's going to shift?

Roy Price

You know, that's a good question that I'm not going to answer. But, I mean, you know, a lot. There's plenty going into originals, and, as you can see, like, the volume is pretty high. In Japan, you know, as I said, we have 20 shows, and we'll have some volume in India and we're growing in the US. We'll have a development team in London and we're continuing to licence. You know, at the end of the day, we're not going to develop every single one of the best shows in the world, particularly when your real focus is the crème de la crème, you know, the top five to ten shows in the world that everybody's actually talking about in real life at lunch. You know, some of those are going to be developed by other people and so we're very active with licences and co-productions. You know, Preacher is an important show for us and Vikings and American Gods, which is premiering shortly, is a co-production. Our priority is getting the best show and what the deal is, whether we invented it, or it's a licence, or it's a co-production, or whatever it is, is all secondary. We're pretty open-minded about that.

Scott Roxborough

When you look at what people are watching on Prime around the world, what do you see? I mean, are they watching your originals? Are they watching licenced programming? Are they, you know, looking at third party stuff? I'd be interested to know what people are watching around the world on your service.

Roy Price

Yes, it's a real mix. It kind of reflects the selection that you see on the service. You see movies, first run television, library TV, substantial kid's TV programmes and then you see originals and all of those have a real role to play. You know, there's a lot of focus on TV, but people watch a lot of movies, particularly people who are new to the service; so there's a role for each category. I'd say that the top of the totem pole is your originals and they really lead the way; the original exclusive shows.

Scott Roxborough

You mentioned the focus on cinematic talent. You mentioned a lot of the great, real amazing talent, like Woody Allen, like Barry Jenkins, like David O. Russell, who are all doing shows for you. Why that focus? Why the focus on cinematic talent so much?

Roy Price

You know, I really think it's a new era in television. I think a new day has dawned where, when you're in this hyper-competitive world of hundreds and thousands of shows and you really care about the top ten shows, you've got to go for it big time and you've got to get people who are going to do things differently and bring something really fresh and interesting to it? You've got to look at everybody, you know, film people, TV people. We sort of think of it as being different from traditional television and call it "filmevision." We kind of patented that word, or trademarked, whatever you call it. It's television, but it should really strive to be bigger and better and, you know, bigger doesn't have to be dragons and spaceships, though it can be; but maybe it's just being more real and contemporary and moving and fresh. Or maybe it's bigger and more cinematic in 4K and HDR. All of that you should bring. We do work with a lot of talent who've traditionally been doing television, but also a lot of talent who have a background in film; whether it's Woody Allen, or David O. Russell, or Barry Jenkins, or, you know, people who've done both, like Jill Soloway. It's an inspiring, I think, global creative challenge and a lot of people are rising to the call from sort of both sides of the aisle.

Scott Roxborough

I mean, you also, of course, do films yourself. You buy them, you make them yourself. You talked about Manchester by the Sea winning two Oscars. What really separates you guys from Netflix, when it comes to the cinema side, is that you will bring the movies into the theatres. You

work with distributors, you release them in proper theatres; you don't do what Netflix does, which is only on their platform worldwide. Why do you do that? Why do you still work with theatres and not just take the thing and release it, you know, on your own platform worldwide?

Roy Price

Well, I think customers appreciate the opportunity to see films in a cinema where you get a full theatrical experience and we want to create that opportunity for customers. Also, from a filmmaker point of view, a lot of people became filmmakers, you know? They want people to have the opportunity to see their film kind of as intended, in the full experience. Whatever you may predict about what's going to happen six or seven years from now, theatres play an important role in the movie ecosystem now and so why not participate in that? I also think, once the movie comes on to the service, having been in theatres, I think there is a perception that it's a legit movie; that was reviewed and it was in a theatre and it's like a movie. I think, it helps with the customer perception, it helps with filmmakers and so we're very supportive of the theatrical window. I think that's helped us put together a strong line up and attract filmmakers. You know, we're very happy with, as I say, Woody Allen's movie and Whit Stillman, Love & Friendship and we had a great year last year, Park Chan-wook with The Handmaiden and another fun year this year with Todd Haynes' picture, Richard Linklater. We're doing about 15 movies a year and working with a lot of top filmmakers. Again, our goal is to produce movies and distribute movies that people really care about, they talk about, they generate buzz and they stand the test of time, oh, and win the Academy Award. Then it would be the perfect Amazon Studios movie.

Scott Roxborough

That's the ideal. We haven't got much time left, but you mentioned a couple of new stuff you're doing. Can you give other titbits, what's coming up, both on the TV and the film side and on your originals?

Roy Price

Well, it should be a fun year. We've got more Grand Tour, The Man in the High Castle, Transparent and Tumble Leaf and we have films from Richard Linklater and Woody Allen, as mentioned. We also have a new show called Jack Ryan that we're in production on right now. We're in production all over the world now. We're in production in Tokyo, India, the Canary Islands, Europe, the US; so it's exciting. It's gotten to the point where you can't possibly visit all the sets, so hopefully everybody's actually working today. We actually have some footage of

Jack Ryan, which is the first footage ever to be seen and, so, if we want to check that out.

Scott Roxborough

We'll probably go out on the footage, so applause for Roy Price, receiving his Mastermind Award honour tomorrow from MIPTV. Yes, so this is the first time this footage has been show from Jack Ryan?

Roy Price

Yes, so the world premiere of a very, very early clip, fresh from the set of the new Jack Ryan show, coming from Platinum Dunes, Michael Bay's company, starring John Krasinski. Obviously, based on the Tom Clancy novels. We're very excited, and it'll come out in probably quarter one of next year.

Scott Roxborough

Great. Alright, well, let's roll that clip.

VIDEO CLIP

Scott Roxborough

Roy Price. Thank you so much.