

Ernst warns Russian film biz

By Nick Holdsworth

SOCHI, Russia — One of Russia's leading film producers has warned that the country's film industry boom could be in jeopardy from rampant overconfidence in the sector.

Konstantin Ernst, a film producer and the general director of Russia's biggest national television station, the First Channel, said many believed the success of local film in recent years was a firmly established trend that spelled success for any Russian-made movie.

But he warned: "The recent success of Russian film does not constitute a trend — it is a flash. There is no such thing as a Russian film industry at



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the moment; it is just a flash in the pan and producers need to be aware of the dangers of (overconfidence)," Ernst told Russian film producers meeting in the southern Russian Black Sea resort of Sochi for the 17th edition of the annual Russian film festival Kinotavr.

Ernst was behind this year's megahit "Dnevnoi Dozor" (Day Watch), which took nearly \$35 million at the domestic boxoffice.

As both a film producer and head of a national television network Ernst said he understood better than most the economics of the film industry, suggesting that many film producers do not "exist in the real economy" and think that just because a film is Russian-made its domestic success is guaranteed.

"Russian films do not achieve high ratings on television, and ratings for Russian TV series are beginning to drop. When the biggest three TV channels have barely shown an American series over the past few years, you need to understand that you are in an absurd situation," Ernst said, adding that when his channel screened popular U.S. series "Lost" it attracted a 45% share of viewers — double the top-rated Russian shows.

Signs that the Russian film industry bubble could burst were already evident, Ernst said, point-

ing to "Ice Age: The Meltdown" — currently the third-biggest boxoffice hit in Russia — which suggested that Russians still had a strong appetite for strong American film fare.

"There are some 200 Russian film productions already in the works for the coming year or so; I think our poor Russian viewers cannot cope with that many films," Ernst said, warning that Russian producers could see a number of flops over the next 18 months.

Ernst is credited by many as the creator of the Russian blockbuster — he produced the country's first big boxoffice hit "Nochnoi Dozor" (Night Watch), which took \$16 million domestically in 2004 and has since matched that in overseas sales — and his remarks are likely to carry weight in Russia.

Armen Dishdashian, vp international sales at Moscow production and distribution firm Central Partnership, which currently has a \$50 million slate of domestic film and TV production, agreed that Russian producers need to ensure that projects were of sufficiently high quality.

"We are in a situation where Russian film may this year account for half of all boxoffice results," Dishdashian said. "A more sustainable figure would be a third of the total. Russian producers need to contain costs and guarantee quality if they want to avoid their film being a flop." ■