

When the Drama of Fiction Enters Politics, It Turns Into a RAI Sitcom

he first reaction of some independent Italian producers — who were asked by *VideoAge* for their opinion on Eleonora (Tinny) Andreatta, managing director of Rai Fiction — was amazement that she actually received a visitor and a journalist to boot.

Rai Fiction is the production and co-production arm of RAI, Italy's state broadcaster: a powerful division that provides the most original programming to eight of RAI's 14 national TV channels, including drama and animation.

During the interview, this *VideoAge* reporter was bewildered by Andreatta's surprising questions about whether Rai Fiction was required to pay for the resulting article and why certain basic business details about her division (such as distribution rights) were of concern to *VideoAge*'s readers.

Even though the 50-year-old Andreatta has been with RAI since 1995, she only recently became a favorite topic of Italian (and now international) print and online media, not only because she controls an annual production budget recently reduced to 220 million euro (U.S.\$300 million), but also because she's rumored as the next potential director general of RAI. Nonetheless, she remains mysterious to the Italian press, especially in regards to her private life, and is often portrayed as unpredictable and prone to mood swings. This is the first time she has given an interview to an international publication as far as it's known, and her uneasiness with an approach different from the Italian one was evident

However, as with everything in Italy, her Italian press reports are never balanced, with the left-leaning media (such as *laRepubblica* and *L'Espresso*) elevating her to a state close to sainthood, and the right (such as the daily *Il Giornale*) criticizing her mostly for the entitlement offered by her lineage, since she's the daughter of a late senator of the Italian Parliament who also held three different ministerial positions.

The current political environment is fueling the extra attention on Andreatta since she's close to the new center-left Prime Minister, Matteo Renzi, who will soon be de-facto designator of RAI's next director general.

To her credit, in the two years that Andreatta has been running Rai Fiction, she has managed to keep her division — one of RAI's three money and power centers, which include Rai Cinema and Rai Pubblicitá — out of inquiries and scandals. With an annual budget of 200 million euro, Rai Cinema is in charge of film production (60 million euro or \$80 million), domestic film distribution and international TV rights acquisition excluding sports (140 million euro or \$190 million). Rai Pubblicitá is the ad sales arm of RAI and generates annually 680 million euro (\$920 million).

Since its creation in 1997, Rai Fiction, now with a staff of 40 people, has been responsible for production of series, TV movies, sitcoms, soaps, animation and international co-productions, while format acquisitions and talk show productions are in the realm of individual RAI TV channels. During her tenure, Andreatta has ably managed to maintain a steady amount of production, despite her reduced budget and commissioned programs that became national



Eleonora (Tinny) Andreatta, managing director of Rai Fiction

successes, albeit with little international sales results. However, that predicament has existed since 1990, after Biagio Agnes left RAI's top post.

In addition, the fact that there are about 60 film-TV production companies in Italy (of which 30 are the largest) and, reportedly, Rai Fiction tends to assign projects to only a handful (dubbed by the Italian press as the "The happy five"), is causing some concern and grumbling, even though it is said that she inherited that ingrained business practice from past administrations.

Andreatta explained to *VideoAge* that, by law, Rai Fiction has to assign production to independent Italian companies. The challenge is that even though Rai Fiction's budget is assigned later in the year, she uses previous parameters to determine the number of original production hours for a current season in order to meet development, production timelines (which from pre-production to post-production take 18 months per program) and scheduling by RAI's three main TV channels.

Even though Andreatta was reluctant to explain the mechanisms of internal development and production phases, *VideoAge* was able to put together a general picture thanks to interjections from Rai Fiction's deputy director Luca Milano. The operating mechanism starts when a RAI TV channel (e.g., Rai-1) requests a series or Rai Fiction proposes a series to a RAI channel. If the theme of the series is of a pure domestic nature, Rai Fiction assigns the production to an independent Italian company. If the series has international elements, in addition to the independent Italian company, Rai Fiction shops around for one or more coproduction partners, which are then introduced to the assigned Italian production company.

News accounts indicate that, currently, Rai Fiction's financial contribution for a TV series can reach 600,000 euro (\$815,000) per hour, while for TV movies it can go up to 850,000 euro (\$1.15 million) per hour, which allows the division to provide RAI channels up to an estimated 500 original programming hours per year. These represent about 15 percent of the some 3,500 hours of drama that RAI channels broadcast yearly, of which 20 percent are repeats. The balance of 2,300 hours comes from imported drama at an average cost of 52,000 euro per hour.

In addition, Rai Fiction can originate a project and/or take pitches from independent producers (both domestic and international). As far as international exploitation rights are concerned, depending on the financial contribution level, they can be shared between Rai Fiction and the

Rai Fiction's financial contribution for a TV series can reach 600,000 euro (\$815,000) per hour.

domestic Italian production company. For example, in the case of children's animation series *Winx*, produced by the Italian company Rainbow for Rai-2, Rai Fiction contributed 25 percent of its budget in exchange for all television rights in Italy and a share of ancillary revenues for 15 years. However, Rainbow retained international distribution rights (for more on Rainbow, see page 24).

managing Lorenzo Miele, director FremantleMedia Italia, co-produced with Rai Fiction the long-running primetime soap, Un Posto al Sole. Reportedly, the budget for the annual 250, 25-minute episode series is 3.170 million euro. "The partnership is well tested and works very well. It is a true co-production, shot inside RAI's studios using RAI's crew," he said, "Now we have two series in development with Rai Fiction. They will likely be co-productions with mixed financing and rights ownership. Both projects have benefited from a strong commitment by Andreatta. She is bringing a good change in Rai Fiction's approach, and that is very welcome. In tough economic times, it's not easy to find the right balance between a conservative approach and the need to invest in new content.

"Unfortunately, I also have to say RAI's Kafkaesque bureaucracy has previously made it complicated for producers to work with the pubcaster, but current management seems to understand this and are willing to work on more efficient organization and procedures."

If Rai Fiction pays for the full production cost, it retains worldwide distribution rights (which go to Rai Commercial for sales). According to Andreatta, Rai Fiction's business model is similar to the German model.



Rai Fiction's deputy director Luca Milano with Rainbow's chairman and CEO Iginio Straffi