

Takeshi Murakoshi

Will the Sun Rise? Japan's Limited Role in the Global Format Business

2016-08-01

<https://doi.org/10.25969/mediarep/14705>

Veröffentlichungsversion / published version
Zeitschriftenartikel / journal article

Empfohlene Zitierung / Suggested Citation:

Murakoshi, Takeshi: Will the Sun Rise? Japan's Limited Role in the Global Format Business.
In: *VIEW Journal of European Television History and Culture*, Jg. 5 (2016-08-01), Nr. 9, S. 48–59. DOI: <https://doi.org/10.25969/mediarep/14705>.

Erstmalig hier erschienen / Initial publication here:

<https://doi.org/10.18146/2213-0969.2016.jethc102>

Nutzungsbedingungen:

Dieser Text wird unter einer Creative Commons - Namensnennung - Weitergabe unter gleichen Bedingungen 4.0 Lizenz zur Verfügung gestellt. Nähere Auskünfte zu dieser Lizenz finden Sie hier:

<http://creativecommons.org/licenses/by-sa/4.0>

Terms of use:

This document is made available under a creative commons - Attribution - Share Alike 4.0 License. For more information see:

<http://creativecommons.org/licenses/by-sa/4.0>

WILL THE SUN RISE?

JAPAN'S LIMITED ROLE IN THE GLOBAL FORMAT BUSINESS

Takeshi Murakoshi

Royal Holloway University of London
Egham Hill, Egham, Surrey
United Kingdom, TW20 0EX

takeshi.murakoshi.1980@gmail.com

Abstract: This article illustrates the TV format business in Japan, which has a 60-year history of TV broadcasting and is the second biggest market in the world; however, it is still a small player in the business. The article examines the elements which prevent the international sale of more TV formats and suggests possible solutions. To meet the objectives, this study presents the following research: 1) a questionnaire to ask TV content buyers about the problems and strong points of Japanese TV formats, 2) semi-structured interviews with Japanese TV format sellers via email, 3) semi-structured interviews with TV format experts, and 4) archival research. As a result, this study found that the elements that prevent Japan from developing the TV format business include their unique presentation style in light entertainment shows, called 'variety show style', an inability to adjust this structure to the international market, and traditional Japanese-styled business practices. As possible solutions, this article suggests 1) introducing flying producers, 2) changing the business structure, 3) buying foreign TV formats, and 4) taking risks.

Keywords: Japanese TV, TV format, MIP TV

1 Introduction

According to John Ellis, the TV broadcasting industry is in a period of uncertainty.¹ Due to the arrival of the Internet and the fragmentation of the TV audience, TV executives cannot predict the next big hit. What dominates the international TV market at the moment is the expectation that TV formats will break the 'commercial uncertainty'.²

The centre of the business is in Europe, especially the UK, and Japan is a small player. According to a survey conducted by Format Recognition and Protection Association (FRAPA), the UK is the top exporter by almost '2 to 1' in terms of the numbers of formats, which is 257 for three years.³ Furthermore, nine of twelve TV production majors, which

1 John Ellis, *Seeing Things: Television in the Age of Uncertainty*, I.B.Tauris, London, 2002.

2 Albert Moran and Karina Aveyard, 'The place of television programme formats', *Continuum: Journal of Media & Cultural Studies*, Vol. 28 (1), 2014, p. 18.

3 FRAPA. *The FRAPA Report 2009-TV Formats to the World*, Naarden, FRAPA, 2009.

produce a myriad of TV formats, are based in London, and none are outside Europe.⁴ On the other hand, Japan exported 29 TV formats for three years and was ranked eighth in terms of production revenue generated.^{5,6}

This research illuminates elements which prevent the development of a Japanese TV industry format business and proposes possible solutions from European perspectives. First, the researcher distributed questionnaires regarding the Japanese TV format to international TV content buyers who attended *Marché International des Programmes de Télévision* (MIP TV, 'International fair of TV programmes') 2014, one of the biggest TV content fairs, held in April of that year in Cannes, France. The questionnaires were sent to approximately 200 TV content buyers and TV executives in charge of content acquisition, and answers from fifteen respondents were received.

Second, semi-structured interviews were conducted with TV format specialists in the UK. The interviewees were Simon Quigley, International Producer at BBC Worldwide and Tim Crescenti, President at Small World IFT, who is very familiar with the Japanese TV industry. Their valuable comments illuminate problems that the Japanese TV industry is facing and suggest possible solutions.

Third, Japanese TV format salespersons were interviewed via email. The aim was to highlight the problems and reality of the Japanese TV format business. Because the emails were written in Japanese, they were translated by the author.

The first part of this article presents basic information about the Japanese TV broadcasting industry, for example, the structure of the industry and the reasons its executives are interested in the TV format business, which are essential to understand this argument.

The second part identifies possible impeding factors that prevent the Japanese TV industry from improving the format business by examining the results of the questionnaires and interviews. The problems can be summarised into two points: alien-ness of Japanese popular shows and the lack of a structure to adjust them to the international market.

In the third part, possible solutions will be examined. This part suggests realistic and effective solutions to the problems, categorized into three options: exploitation of Japan's reputation for game shows, a change of the business structure and more purchases of TV formats.

2 Japanese TV Industry

2.1 The Structure of the Japanese TV Broadcasting System

Considering the history, market size, and system of the Japanese TV broadcasting industry, it can be argued that Japan has the potential to sell more successful TV formats. First, Japan has more than 60 years of history in TV broadcasting, which was started by Nihon Hoso Kyokai (NHK), the public service broadcaster, and Nippon Television Network Corporation (NTV), the first private TV channel in Japan, in 1953. Since then, the system has grown rapidly. Currently, NHK broadcasts nationwide, and other private TV stations, NTV, Tokyo Broadcasting System (TBS), Fuji Television (Fuji-TV), TV Asahi, and TV Tokyo broadcast nationwide through networks with local TV stations.⁷ The market size of the Japanese TV industry reached the second biggest in the world in terms of advertising spend, with \$19.2 billion in 2007, equivalent to 28.5% of the worldwide total.⁸

Second, since in-house production is still common in Japan, most Japanese TV shows are produced by TV broadcasters or subsidiaries, which means that almost all Japanese shows are produced domestically.⁹ In the 1980s,

4 Jean K. Chalaby, *The Format Age: Television's Entertainment Revolution*, Cambridge, Polity Press, 2015, pp. 118–119.

5 FRAPA, 2009.

6 Chalaby, *The Format Age*, 2015.

7 FRAPA, 2009.

8 Mark Schilling, *Japanese TV increases global sales*, *Variety*, 3rd April 2008.

9 FRAPA, 2009.

Japan imported only 5% of all programmes, and this tendency has not changed.¹⁰ Therefore, the Japanese TV broadcasting industry has a lot of TV shows that have not been exposed internationally and has accumulated a myriad of original TV programmes and ideas over a 60-year period.

2.2 Urgent Issues that Interest Japan in the Business

In addition to the ability to sell many TV formats, there are other reasons Japanese TV executives are now desperate to export more TV formats. First, the financial situation of Japanese TV channels has been deteriorating. According to one study, the total operating income of Japanese TV channels has drastically decreased since 2005 (Figure 1). One cause was the global economic crisis in 2008. Advertising revenue fell 4.7%, which was the first drop in five years.¹¹ Meanwhile, the advent of new technology also caused a sudden decline. For example, advertising revenue of TV channels decreased by 11% (worth ¥211.4 billion), whereas that of the Internet increased by 85%.¹² Since Japanese TV channels are private channels, except NHK, the sudden drop in advertising revenue was an urgent issue.

Second, expectation of the Japanese market's rapid shrinkage has put further pressure on TV executives. Due to the ageing society, the Japanese population is expected to decline rapidly, shrinking the domestic market accordingly.¹³ Put another way, Japanese TV channels cannot rely on the domestic market anymore. So Fujinuma, Director at the Worldwide Production and Sales International Department at Fuji-TV, announced: 'We are seeking additional income from the international market, as demand in the domestic market has reached the limit'.¹⁴

To summarise, Japanese TV channels have the ability to sell more TV formats internationally, and they have reasons for accelerating their business immediately.

2.3 History of Japanese TV Formats Sold Internationally

Some Japanese TV formats have been sold into international markets since the 1980s, but the revenues are still low. In 1987, *Waku Waku Animal Land* (1983–1992, TBS), a quiz show featuring animals, was sold to the Netherlands and has

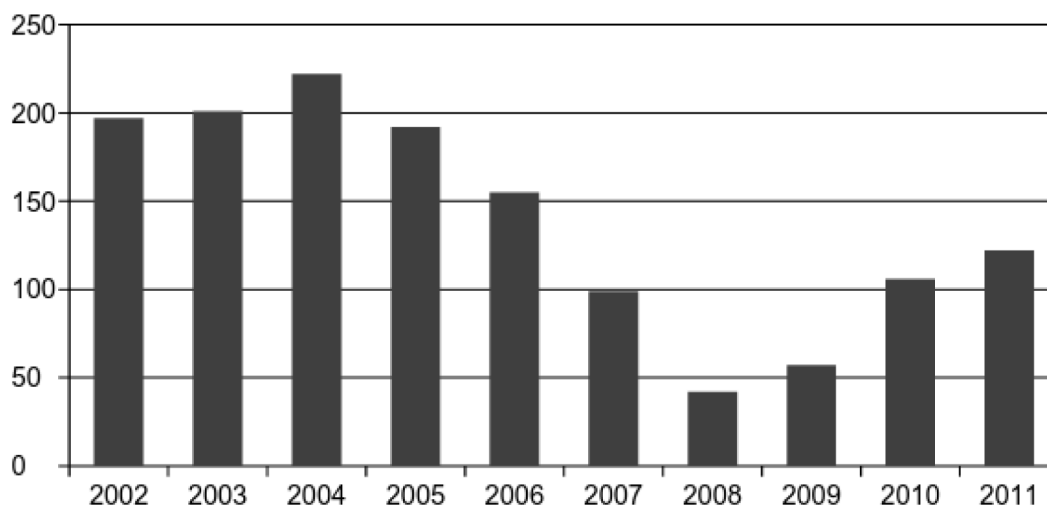


Figure 1. Operating profit or loss in Japanese TV stations.

10 Koichi Iwabuchi, 'Feeling glocal; Japan in the global television format business', in Albert Moran and Michael Keane, eds., *Television Across Asia: Television Industries, Program Formats and Globalization*, Oxon, Routledge, 2004, pp. 21–35.

11 Ministry of Internal Affairs and Communications. *Income and expenditure of private broadcasters in fiscal 2011, 2012*.

12 Ministry of Internal Affairs and Communications, 2012.

13 'Seniors grow to 26% of population as Japan shrinks for fourth year straight', *The Japan Times*, April 17th 2015.

14 So Fujinuma, 6 June 2014. Interview via email.

been sold to about 30 territories since then. Recently, *Dragons' Den* (2001–2004, NTV; 2005–present, BBC Two) aired on BBC Two, and *Ninja Warrior UK* (1997–present, TBS; 2015–present, ITV) aired on ITV. However, Japan is still a small player in the TV format business. According to FRAPA, the number of formats sold between 2006 and 2008 was 16, which ranked at sixth out of 14 selected countries.¹⁵ The sales income from formats just reached £3.5 million in 2012, whereas those of the UK reached £41 million in 2011.¹⁶ Makito Sugiyama, Chief/Vice President at Global Business Department at TBS, stated, 'in a scale of the whole company, the revenue reaches only a few percentages of the total revenue',¹⁷ and the revenue remains small for TV channels as well.

Considering its history, its market size, and its TV production abilities, I believe that Japan has the potential to sell more successful TV formats.

3 Possible Impeding Factors

The reason Japan remains a small player can be summarised into two points: alien-ness of Japanese popular shows and structural problems in the Japanese TV industry.

3.1 Alien-ness of Japanese Popular Shows. Japanese Presentation Style of 'Variety Shows'

Many buyers pointed out the problems of the unfamiliar format of the variety show as well as a tendency towards noisiness and exaggeration. Most Japanese light entertainment shows, one of the most popular genres in Japan, usually include several themed segments to hold the audience's attention; this format is called a variety show. For example, *Hole in the Wall*, (2006–present, Fuji-TV; 2008–2009, BBC One) a game show originally produced by Fuji-TV, was merely one segment of the variety show *Tunnels no Minasan no Okagedeshita* (*Tunnels Thanked for All*, 1998–present, Fuji-TV, 21 September 2006). In fact, in any single episode, the show also presents a completely different segment, a game in which two celebrities try to discover which menu the opponent dislikes while they are eating from five menus.

Although this style is very common in Japan, it is not at all common for the international market. Peter Schweizer, Head of Development at Tresor TV in Germany, stated, '[It is] sometimes hard to adapt, as on Japanese TV there are many short form formats or segments (just 10–15 minutes long) which we don't have on German TV'.¹⁸ Girts Licis, Acquisitions Manager—Formats at Viasat Broadcasting UK, also stated:

[T]he structure of many Japanese formats is quite complicated (Japanese audience expects a new element in each part of the show between every 2 commercial breaks, otherwise they tend to switch channels) and that makes them complicated to produce – there are often more than just one setting required for each episode.¹⁹

Furthermore, Japanese variety shows are characterised by their presentation style: noisiness and exaggeration. Iwona Karpiuk, TV Production Commercial Director at HotPot Media SP. Z O O in Poland, made this point:

Japanese formats look different than [sic] European ones. It is mainly because your (Japanese) expressions are much stronger and louder. For some people they [are] too noisy so they discouraging [sic] them to check what is attractive in the format Their form is so different and in our opinion too noisy, too exaggerated.²⁰

15 FRAPA, 2009.

16 Ministry of Internal Affairs and Communications, 2012; Tim Westcott. 'UK TV exports still hit the spot in the US', *IHS Technology*, October 10th 2013.

17 Makito Sugiyama, 30 July 2014. Questionnaire via email.

18 Peter Schweizer, 2014. Questionnaire via email.

19 Girts Licis, 2014. Questionnaire via email.

20 Iwona Karpiuk, 2014. Questionnaire via email.

To clarify this point, compare two popular comedy panel talk shows, one from Japan and one from the UK. The Japanese show is *Ame-talk!*, a panel talk show by Japanese comedians, and the British one is *8 Out of 10 Cats*, a panel talk show on opinions and surveys.

Video 1. *Ame-Talk!*, TV Asahi, 2015. Go to the [online version](#) of this article to watch the video.

Video 2. *8 Out of 10 Cats*, Channel4, 29 December 2015. Go to the [online version](#) of this article to watch the video.

First, one obvious characteristic of the Japanese show is that 12 comedians including the hosts appear at the same time and often speak loudly and simultaneously. On the other hand, in *8 Out of 10 Cats*, although there are seven cast members including the host, Jimmy Carr, the panellists rarely speak loudly or simultaneously.

Second, *Ame-talk!* extraordinarily use superimpositions, but the British show never uses them. In the Japanese show, a phrase pronounced by a cast is often transcribed to emphasise it, which is rarely seen on any British programmes. Furthermore, the setting on *Ame-Talk!* is decorated confusingly, which is far different from *8 Out of 10 Cats*. Consequently, as Keren Shahar, Head of Distribution and Acquisitions at Keshet International in Israel, pointed out, this original style could make content buyers think that 'Japanese formats would require a lot of adaptation/development to our market' and it 'could make them less attractive'.²¹ In fact, *8 Out of 10 Cats* has been sold to five European countries, but the Japanese show has not been sold at all in that area.²²

However, if the differences are interpreted in a positive way, the otherness could help the formats to be sold internationally. In fact, some TV buyers expect Japan to produce fresh formats that are completely different for Western shows. For example, Xabi Zabaleta, Head of New Formats and Projects at Pausoka Entertainment in Spain, stated:

They [Japanese formats] look fresh and funny. Looks like broadcasters are always looking for new material. European and American formats are similar, but Japanese are different. This could be an opportunity.²³

However, completely new formats do not always lead to stable revenues even if they are sold internationally. For example, the British version of *Hole in the Wall* was produced on BBC One for only two seasons, and it has not aired since 2014.²⁴ The UK version of *Takeshi's Castle* (1986–1989, TBS; 2002–present, Challenge) has become almost a different programme because it is re-edited and features only the contestants' failures in the games, and the storyline has been completely changed.

Video 3. *Takeshi's Castle* original version, TBS, 20 January 1989. Go to the [online version](#) of this article to watch the video.

Video 4. UK version on Challenge. Go to the [online version](#) of this article to watch the video.

I would argue that some Japanese TV formats can be sold internationally, but most would gain only temporary popularity or be accepted merely as alien. According to So Fujinuma:

Japanese variety shows are 'Galapagosized' (as unique as the Galapagos islands), and the uniqueness leads to the demand. However, honestly they are seasonal or short-lived.²⁵

This is far from the proper format business model in which a local version is produced, preserving the original generative structures, for multiple seasons, which provides the licensor with a stable revenue source. Japan can sell TV formats successfully, but has not become one of the leading TV format producers.

21 Keren Shahar, 2014. Questionnaire via email.

22 *8 Outs of 10 Cats-Format*, Endemol Shine Distribution, 2016.

23 Xabi Zabaleta, 2014. Questionnaire via email.

24 *Hole in the Wall*, BBC One, 2016.

25 So Fujinuma, 2014. Interview via email.

3.2 Lack of Structure to Adjust to the International Market

Some interviewees pointed out the differing business styles of Japan from the international market, especially Western countries. For example, Girts Licis stated:

Overall there is a feeling that the system of format sales is not as efficient in Japan as in some other territories, the aftercare can be rusty at times, some sales people act as production consultants which is not quite professional.²⁶

Also, Olga Slisarenko, Head of Format Department at TV Channel studio 1+1 in Ukraine, pointed out a problem:

Normally there are negotiations with European/American companies regarding terms and conditions of the contract. Then 1–3 months of legal discussion between company's lawyers. Meanwhile all necessary materials are delivered and production starts working on a project. In the case of Japanese companies it took us more than two month to agree on terms and conditions. The discussion between lawyers lasted for almost a year. Normally we answer to partners letters immediately, but Japanese companies answer only after a few reminders. After meetings with Japanese managers they never follow up.²⁷

The TV format business is not a single sales process. If a local version is not produced, the licensor cannot gain any profit, which means that the business process after “the deal” is as important as the quality of the programme. This section examines the causes of three problems pointed out by the TV buyers: lack of a flying producer system, understaffing and a frequent change of staff.

3.2.1 Lack of a Flying Producer System

This research has found that a flying producer (or international producer) system has not been firmly established in the Japanese TV format business. According to Simon Quigley, an international producer at BBC Worldwide, flying producers will be ‘involved [in] the production by supplying the producers and broadcasters with the format bibles’ after a format is licensed or sold to broadcasters worldwide.²⁸ They are also in charge of consultancy on the production from pre-production all the way through to transmission. Put another way, flying producers are responsible for the success of local versions as ‘game makers’ in local production teams. Since producers and broadcasters buy TV formats that already have track records in a territory, to secure the success of the local version, the flying producer system is one of the most important services for the licensee. However, this study found that Japanese TV channels do not employ flying producers or hire only one (Table 1).

Table 1. Answers to ‘Do you have a flying producer? If you have, how many?’^{29,30,31,32,33}

NHK	N.A.	
NTV	YES – one	
TBS	NO	
Fuji-TV	YES – one	Head of the department is also a flying producer.
TV Asahi	YES – one	They just hired one in July 2015.
TV Tokyo	NO	

TV channels that do not have flying producers usually order the original producers to play the role of flying producers. Considering that BBC Worldwide has three flying producers, it is clear that the system has not penetrated

26 Girts Licis, 2014.

27 Olga Slisarenko, 2014. Questionnaire via email.

28 Simon Quigley, Interview at BBC Worldwide, 30 July 2015.

29 Shigeiko Chino, Senior Director at International Business Development at NTV, Questionnaire via email, 6 August 2015.

30 Makito Sugiyama, 2014.

31 So Fujinuma, 2015.

32 Hedwig Shreck, Head of International Format Sales at TV Asahi Corporation, interview via email, 6 August 2015.

33 Kei Kitamura, Sales Manager at International Business Department Content Business Division at TV Tokyo, interview via email, 5 August 2015.

well in Japan. Regarding the disadvantages of not having flying producers, Simon Quigley stated that a TV format producer

sells [the format] twice, three times, then this person [the original producer]'s job becomes this production around the world. They are then stepping away from their core job. Another problem with using the original producer is that they are too close to the format, if you like. They are so close to the format I have made it, they might be very resistant to change, to the cultural differences to produce the format.³⁴

Generally, producers on popular shows are very busy. It would take a long time to actually visit the local licensees and give them some advice on production. Even if the format is licensed, the Japanese TV format business proceeds very slowly. Moreover, Simon Quigley points out that original producers' affection for the shows can impede format sales. Since the ability to adapt is TV formats' *raison d'être*, the licensees naturally expect to be allowed to adapt the format to some extent. However, the original producers tend to hesitate in allowing adaptation because they have a strong affection for their shows.

3.2.2 Understaffing

The second cause is that most Japanese TV format producers are understaffed. So Fujinuma at Fuji-TV stated: 'The department is very small and lack[s] workers, and our in-house production teams don't understand our business very well'.³⁵ As noted, Japan has the second largest market in the TV industry, but the country is still a small player in the format business. The departments in charge of international sales are not given enough staff. Due to the lack of a flying producer system, the departments need help from in-house production teams for production consultancy, but they do not understand the business at all.

Consequently, the few staff members cannot avoid being in charge of both the business and the production consultancy, which is considered untrustworthy by potential licensees. Furthermore, even if a Japanese TV format is acquired, the overly long process can make the licensee give up trying to produce the local version, for example, due to changes in their business circumstances. Therefore, even if they have an interest in a Japanese format, the situation discourages them from buying the format, and thus many opportunities disappear.

3.2.3 Frequent Change of Staff Members

One characteristic of Japanese TV channels is that staff members are often shuffled, which can impede format sales as well. Tim Crescenti, President at Small World IFT, stated that Japanese TV channels change management structure every two years, which does not help the format business. Many Japanese companies traditionally have trained their employees by rotating them among several departments. However, this is not good for the format business because that business is all about 'building and continuing relationship[s]', as Crescenti stated.³⁶

One place where TV format workers build and nurture their relationships is at global TV content fairs. The author did fieldwork at MIP TV 2014 in Cannes, France. Format salespersons and distributors pay huge entrance fees, as much as €1,400 per person, to build booths to market their latest content and attract content buyers in Palais des Festivals, a big convention centre next to the Mediterranean, where the Cannes International Film Festival also takes place (Figures 2 and 3). Extravagant parties are held every night after the fair (Figure 4).

However, these conventions are not only for marketing but also for networking with TV workers. In fact, Crescenti had 82 meetings in five days during the fair. The author observed many small conversations following greetings such as 'Long time no see!' at every corner (Figure 5). Some stands were equipped with small spaces for meetings, most of which were occupied because there is 'nothing better than personal connections in the business'.³⁷

³⁴ *Ibid.*

³⁵ So Fujinuma, 2014.

³⁶ Tim Crescenti, interview at MIP TV, 2014.

³⁷ *Ibid.*



Figure 2. The author at the MIP TV 2014.



Figure 3. Big booths and stands.



Figure 4. Welcome party at MIP TV 2014.



Figure 5. Small conversations in every corner.

Personal connection is an aspect of Japanese business practice, however, frequent shuffling of staff in Japanese TV channels is a serious problem. The traditional management style is one impediment to Japanese TV format sales.

4 Possible Solutions

Japanese TV format sales could be improved by adopting three possible solutions: building on Japan's established reputation for game shows; adapting business structures to established international practice; and learning by purchasing TV formats from outside Japan.

4.1 Exploitation of Japan's Reputation for Game Shows

Japanese format salespersons are unanimous in stating that they need to increase format sales as quickly as possible to persuade their management to invest more in human resources. According to the interviews, current TV format departments are very small, so genre concentration is required to achieve any growth.

Game shows are a suitable target because Japan has an established reputation for unique game shows. Anna Kushnir, Formats Purchasing Manager at Direct Sight Acquisitions in Ukraine, stated, 'It seems like a lot of new and fresh ideas are in Japanese markets, especially in game shows'.³⁸ Girts Lics advised:

'[R]eality', we first think Endemol (*Big Brother*) or if we think 'talent show' we first think of Fremantle (*Got Talent, X Factor*). In the same way we think of Japan when we look for funny games. It would take much time for your country to break into international format business in other genre. Better to concentrate on this genre.³⁹

Game shows are one of the most popular formats in the TV format business. According to Moran, game shows are more international than other genres because game shows are less connected to 'specific bodies of knowledge held by particular communities'.⁴⁰ In fact, 14,839 out of 62,743 studio game show episodes were exported from 2006 to 2008. If *Candid Camera* and smaller games, game shows/competitions on location, and quizzes are included, the number of exported episodes reaches 24,892, which is equal to about 40% of the total.⁴¹

However, the particular Japanese variety show style is an obstacle and some predecessors, for example, *Takeshi's Castle* and *Hole in the Wall*, were short-lived or too adapted in a way to emphasise the craziness. However, Japanese TV channels should be able to find some suitable game shows for the international market from their TV libraries, which stretch back over 60 years. To uncover hidden treasures from this long history, I would argue that Japanese TV channels need to concentrate on game shows first.

4.2 Reform the Old Tradition

Japanese TV channels should also change their business structure by developing the role of the flying producer, because they can solve many problems and improve aftercare services. Because format sales is a continuous business, even if a seller and a purchaser agree on a contract, the production is often cancelled for some reason.⁴²

38 Anna Kushnir, 2014. Questionnaire via email.

39 Girts Lics, 2014.

40 Albert Moran, 'Global franchising, local customizing: The cultural economy of TV program formats', *Continuum: Journal of Media & Cultural Studies*, Vol. 23 (2), 2009, p. 120.

41 FRAPA, 2009, p. 20.

42 Olga Slisarenko, 2014.

Therefore, aftercare services or consultancy services to maintain the local version's broadcasting are important for both licensees and licensors.

For licensees, it enables them to make the most of the format, avoid the same mistakes the original producers made, and reproduce the local version smoothly to ensure its success. Meanwhile, consultancy provides licensors with two benefits. First, consultancy steers the local version to long-term success, which in turn increases license fee revenues. For example, FremantleMedia, the licensor of *Idol*, a singing competition format, allowed a Norwegian producer to consult with the producers of the American version when the Norwegian version of *Idol* was not proving as successful. Thanks to the consultation, the popularity of the Norwegian version was restored, which enabled FremantleMedia to maintain the license fee revenue.⁴³

Second, consultancy is lucrative for licensors. According to Moran, license fees are not very lucrative, and thus licensors usually seek additional fees, such as a consultancy fee, to produce a local version.⁴⁴ In fact, license fees for imported formats only account for about 5% to 7% of the programme budget in Germany and 4% to 7% in the US.⁴⁵

In addition, introduction of flying producers can solve the current problems of business negotiation. Potential licensees can discuss business with salespersons and discuss production with flying producers. Tomoko Hasegawa, chief editor and writer of the Japanese trade magazine *Hoso Journal*, states, 'In order to accelerate the speed of the business, Japanese format industry should promote staff like international producers who are not only good at English but familiar with TV production'.⁴⁶

4.3 Purchase of TV Formats

The Japanese industry can also learn contemporary business practices by buying rather than selling formats. Xabi Zabaleta, head of New Formats and Projects at Pausoka Entertainment in Spain, insists that Japanese TV channels should buy formats to learn how to work worldwide.

If they open their mind and start buying foreign formats, probably they will start thinking globally, start creating other kinds of shows and Japan will become one of the strongest industries on TV formats. [...] Maybe they spent so much time just looking to the local market and now they have to learn how to work worldwide.⁴⁷

Japan is strangely reluctant to buy TV formats. Japan sold 16 formats but bought only one from 2006 to 2008, whereas the UK bought 37 formats and the US bought 67.⁴⁸ When a TV channel buys a format from another country, the channel can see in practice not only the content of the bible, but also the process of reproduction and consultancy. I would argue that purchases of foreign TV formats enables them to learn international business practice.

5 Conclusion

Although Japan has a track record of selling TV formats, for example, *Takeshi's Castle* (TBS), *Dragon's Den* (NTV), and *Hole in the Wall* (Fuji-TV), it is still a small player due to four impeding elements: the variety show form; lack of the flying producer system; lack of business efficiency in the sales departments; and frequent turnover of staff. As

43 Yngver Njus, 'Collaborative Reproduction of Attraction and Performance: The Case of the Reality Show Idol', in Albert Moran, eds., *TV formats worldwide: localising global programs*, Intellect, Bristol, 2009, pp. 113–128.

44 Albert Moran 'Makeover on the move: Global television and programme formats', *Continuum: Journal of Media & Cultural Studies*, Vol. 22 (4), August 2008, pp. 459–469.

45 FRAPA, 2009.

46 Tomoko Hasegawa, interview via email. 4 June 2014.

47 Xabi Zabaleta, 2014. Questionnaire via email.

48 FRAPA, 2009, p. 11.

profitability declines in the Japanese TV industry, greater participation in the international formats market is becoming a business imperative.

Biography

Takeshi Murakoshi graduated from the MA programme in International Broadcasting at Royal Holloway University of London in 2014–2015, after working as a TV director in Japan for seven years.