

Alibaba plans to take a 37 percent stake in Lionsgate

After getting a taste of “The Hunger Games,” Alibaba billionaire Jack Ma has an appetite for more.

1. Alibaba will provide Lionsgate movies, TV series, and other special content to Chinese consumer
2. Alibaba plans to take a 37 percent stake in Lionsgate in the United States
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of set-top box.

Lionsgate and Alibaba Group form strategic collaboration to offer Lionsgate entertainment world service in China

Lionsgate, a premier next generation global content leader, and Alibaba Group, a world leading online and mobile commerce company, have joined forces to launch Lionsgate Entertainment World, a subscription streaming service for mainland China that will be available exclusively through Alibaba's latest generation

The Lionsgate Entertainment World service will provide users of the Alibaba platform with instant access to such Hollywood blockbusters as the first installment of the Divergent franchise, which has already grossed nearly US\$300 million worldwide, as well as several titles from the Twilight Saga franchise, which has generated more than US\$3.3 billion at the global box office.

Alibaba plans to take a 37 percent stake in Lionsgate in the United States

The Chinese Internet tycoon — who is set to make the rounds of movie studios to scoop up content — is hungry after Mark Ratchesky's 37.4 percent of Lionsgate, the studio behind the blockbuster film franchise.

As Lionsgate's chairman and single largest shareholder, Ratchesky's stake is worth \$1.6 billion based on the current share price. Alibaba starts to spend some of its \$25 billion in

Alibaba Group Holding Ltd (NYSE:BABA)

Add to portfolio

109.58 +0.91 (0.84%)

Real-time: 12:19PM EST
NYSE real-time data - Disclaimer
Currency in USD

Range	107.21 - 109.97	Div/yield	-
52 week	82.81 - 110.14	EPS	-
Open	109.30	Shares	2.49B
Vol / Avg	16.10M/23.21M	Beta	-
Mkt cap	274.86B	Inst. own	5%
P/E	-		

+1 254

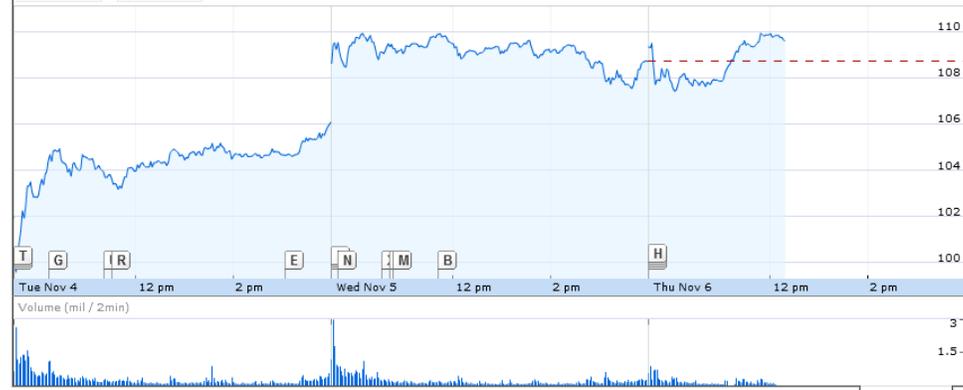
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proceeds from its record-setting IPO.

Alibaba is craving entertainment assets, in particular US film and TV shows that it can import into what's already the world's second-largest theatrical market.

"They may be the best in the business," he said, "and they do really clever deals." One of those deals, in fact, already features Alibaba. In July, China's e-commerce giant struck a deal to stream Lionsgate content such as "Mad Men" and the "Twilight" movies in its entertainment-hungry home country.

Lionsgate had a great progress last couple of years in China

Lionsgate had a great progress last couple of years in China. Jon Feltheimer, CEO of Lionsgate, made comments in Hong Kong at the Cable & Satellite Broadcasting Association of Asia annual convention.



"China is an incredible opportunity. We spend a lot of time looking at it, looking for the right partners," said Feltheimer.

"In the coming months we'll launch our Lionsgate Entertainment World streaming service with Alibaba, presenting movies, premium TV series exclusive footage, behind the scenes interviews and other special content for the Chinese consumer," Feltheimer said.

Feltheimer said. "We had a great progress last couple of years in China. 4 or 5 years ago we made no money distributing our content in China. Last year we probably made more than previous 5 years combined. We released 7 movies in China. 'Escape Plan' did better in China than it did in the U.S. So we see a marvellous opportunity to do business,"

"In the next five years, everything we do – the way we produce, package, distribute, market and monetize content — will be different," he said.

"And to those who worry that digital innovators will compress windows, turn business models on their heads and change our ecosystem... I would say, 'You don't need to,' because new, better and more profitable paradigms are waiting to take their place.

"If you've got the right content, a trusted brand, an efficient distribution mechanism and the means to effectively market to the consumer, new channels will be created and they will be successful.