



Delving deeper into the cinema industry with Scope Cinema's

NAVEED CADER

Standing today as the Executive Chairman of Scope Cinemas, Naveed Cader, hails from a family of pioneers in the cinema industry. Scope is famed for its opulence, plush, vanguard technology and above all, holds an influential position. Speaking to us, Naveed shared his insights on how Scope braved through the unprecedented economic hiccup and his perception of what the future holds for the entertainment industry along with the imminent trends.



The past 2 years have been an arduous journey for most businesses in Sri Lanka and it sure would have placed a strain on cinemas. In what ways have those events affected operations at Scope?

It goes without saying that the last couple of years have been challenging for the cinema industry. This is the type of industry that gets affected first, however, it could also be the first to recover. I would say as a company, we have been trying to persevere with utmost resilience. We have also taken this time to re-evaluate internally, prompting us to adjust our business approach. The last two years were a good learning curve. It has shaken us up and forced us to think differently. But I do see a silver lining and I believe that the situation will improve. We initially thought that it was going to be a challenge that we would not be able to overcome, but over time, we have learnt to deal with it and manage things accordingly.

What kind of support have you received from the Government, if any?

In terms of Government assistance, we are indeed grateful that we have been granted working capital loans during the first 2 lockdowns in 2020. However, this has only helped a fraction of our business since our industry is highly dependent on the physical presence of our customers. Moreover, the vaccination drive is also critical to bring the situation under control for us to be able to

bounce back to some level of normalcy. The health authorities from the Government have been working tirelessly to vaccinate all our people, which is a great help and is greatly appreciated.

Cinemas require a lot of space and special infrastructure. What are the typical costs and challenges in setting up a cinema?

Costs may vary. On average, it would be between LKR 40 to 45 million per screen. However, if you prefer more advanced technologies, it will cost a lot more because you simply cannot compromise the quality and the experience that it will offer our patrons. You have to strictly abide by international standards, hence this requires a huge investment in the overall aesthetics while paying extra attention to seats and amenities. This means most of the equipment, including cinema seats and other amenities, need to be imported since those are not available locally. That is considered a major challenge when building a cinema and this is especially true in recent times.

There is a lot of bureaucracy that we face in certain institutions in the Government as well. This has been the trend for the past 30-40 years and we are optimistic that the key stakeholders can get together and work unilaterally to be able to build an environment where everyone can thrive. However, this does not mean that they have not been supportive

at all. In fact, we have managed to work with the authorities and they have greatly assisted us. Even so, we feel that there is still big room for improvement, such as streamlining the procedures to make them clear and simple.

In general, what do you see that is lacking in the cinema industry and what kind of areas do you think can be improved?

Securing advanced technologies and providing world-class experience has been a challenge in the industry in general - and that is where I think we are lacking. However, we are proud to say that Scope Cinemas houses some of the most advanced technologies that are of international standards, having worked with and will continue to work with the best international partners. Our goal has always been to bring the world to Sri Lanka and let our people have the best cinematic experience here at home, rather than flying to another country to get that premium experience. It does not stop there as we would also like to see new formats introduced in the industry. This is something that we are currently working on. I think with time, we will have new formats which will give Sri Lankans more choices in the way they can watch and experience a film.

Aside from introducing new technologies, we also need to highlight the importance of improving our cinema operations. And that includes training and developing our staff to be able to give world-class service to our customers. They should be encouraged to fully understand what every film is all about so that they can share their excitement amongst their colleagues and most importantly, our patrons. Our primary product is movies and getting our staff involved in the entire thought-process of every film, makes them feel that they are truly part of something big which makes the job worthwhile.

Lastly, the Government, through more thoughtful and progressive laws, can help make the industry more viable and can foster a greater level of cooperation with the private sector. This is where the Government and private sector can work together to make changes that reflect the ever-changing industry. The private sector can make recommendations based on the practices and trends that have been applied in other parts of the world. This way, our industry can compete globally rather than being left behind. Keeping up with global trends can attract more investment into the industry, which also means more job opportunities for our people.

Another way is for the Government to make sure that the industry is more transparent and establish an open market to encourage fair competition. The public sector can certainly work better with the private sector, which will help to improve the entire industry.

Over the past few years, online platforms such as Netflix have gained immense popularity. What are your thoughts on how these platforms have been affecting or will affect the cinema industry?

Cinema is an industry that will never die, rather evolve constantly. Contents are now distinctive to either streaming platforms or the cinema. However, you can never replicate the overall experience that a cinema gives you - whether it be the big screen, the audio, the seats, the concessions or even the joy in knowing that total strangers share your excitement for the film. If we look at countries like the UK and the US, where the markets have already opened up, there has been a significant boost in the number of ticket sales. This is a reflection of how cinemas are still beloved despite the emergence of other platforms. The general consensus is that you can never replace cinemas because it is an overall experience. I am not very worried about the existing and

upcoming streaming platforms, as a matter of fact, I think they will complement each other over time. It is an exciting time for the whole entertainment industry as more content will be produced to satisfy the demand for both mediums. The entertainment industry is crucial in helping Sri Lanka overcome the trauma of a great challenge like a pandemic. Throughout history, keeping the population entertained is an important task in civilised societies. The cinema industry has an important role in helping us get back on our feet and bounce back.

In conclusion, what can you share about the future of Scope Cinemas and what can customers expect in the next few years?

We are currently working on our next projects and if things go as planned and we get some sense of normalcy, we are looking at adding at least 20-25 screens across the Island in the next 2 and a half years. We are excited about introducing new formats which will bring in different dynamics towards the movie viewing experience. We also have the intention to eventually look at certain foreign markets and if the environment is desirable, we may have a shot at taking our brand internationally.