



CEE

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# LEGAL MATTERS

IN-DEPTH ANALYSIS OF THE NEWS AND NEWSMAKERS THAT SHAPE  
EUROPE'S EMERGING LEGAL MARKETS

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# Industry Report: In Media Res



## Contributing to this Report



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## Comprehensive Review in Bulgaria



*Indian film actor/director/producer Ajay Degrn (in Action Jackson (2014)) turned to Bulgaria for the filming of his second feature.*



Hristo Nihrizov; Partner;  
Dimitrov, Petrov & Co.

Hristo Nihrizov, Partner at Dimitrov, Petrov & Co., reported that the Bulgarian TV and radio markets are dominated by three big, established operators in the country. There are some new international players (e.g., Bloomberg recently launched a new business-oriented channel with a local partner), but Nihrizov noted that these new channels usually face an uphill battle in carving out market share and generally focus instead on niche markets. Overall, though, he pointed to a growing number of channels in the country, “which is good for the consumers.”

In terms of print media, Nihrizov said: “I think we are lagging behind here, with not much in terms of new products. The ownership of the print outlets is constantly discussed as to whether it is inde-

pendent and objective or not.” He added: “Consumers tend to not trust the media. As an example, I recently read an article that said that only 17% of the consumers believe in the independence of the media, and confidence levels in it are also quite low, with numbers being reported along the lines of 59% of people thinking that all media depends on their publisher’s political and business interests.”

As to the film industry, Nihrizov mentioned that it is growing, with “more and more local productions made and distributed on local TV channels. Furthermore, several movies produced locally have won awards and international competitions; overall the industry is in a much better place than five years ago.” Nihrizov also pointed to an increasing “interest from foreign studios who are contemplating entering the European market through Bulgaria, such as from Bollywood, Turkey, and even some from the US.” When asked if that is driven by benefits – similar perhaps to the tax credits extended in Hungary (see page 43) – he explained that, “There are some benefits for local productions, but I don’t think that’s the main driver. Rather, I think it has to do with the natural resources of the country: we have beaches, mountains, all four seasons, meaning one can shoot just about anything here.” In addition, he said, “we have some really good studios

here, and the workforce is still relatively cheap compared to the rest of Europe, so you end up with a production branded as coming from the EU with less financing for the workforce, and the quality, I think, is great. Also consider that there is a lot of IT input in film production and Bulgaria is one of the top five outsourcing destinations – everything from graphic design and technology components of the productions can be found locally.”

On the legislative front, he said, despite some minor changes in the regulation of state-owned media, overall not much has changed recently. Nihrizov reported that at this point everyone is waiting to see how things will evolve with the pending overhaul of the EU media framework, which, in many parts, dates back to the 90s, which “makes it considerably outdated and not able to cover many updates such as convergence of services and online content, for example.”

Finally, Nihrizov said, Bulgaria is now working on the Collective Management of Copyrights and Neighboring Rights Act, which will likely come about by the end of the year. On this, he commented: “I am curious how it will change the market of copyrights and production, especially in terms of distributors – it will definitely reframe this part of the business.”