

NEW ZEALAND

When The X Factor New Zealand premieres on TV3, there will be no bigger television, radio, online, print or even water cooler event in the country.

It is now 6 years since the last series of "New Zealand Idol" was broadcast. Viewers and performers alike are hungry for another big singing talent competition, and the ongoing ratings strength of the currently screening X Factor USA reminds us how popular these shows are in New Zealand.

THE X FACTOR is the show with X Factor, and no series will be bigger for the local TV3 audience than a local THE X FACTOR NEW ZEALAND.

Quite simply, it is the entertainment show with everything:

- × Ordinary New Zealanders getting a chance at a professional music career.
- × Big name judges with reputations at stake.
- An elimination contest that has room for the whole person and their story to be considered.
- × Audience participation and influence on the results.

It's the 'Rocky' formula - finding the underdogs with potential who possess a mix of great voice, charm, and charisma. We'll see them transform over 18 weeks in front of a New Zealand audience and end up with a bona fide new local recording artist. One of our own.

The Audience

Why does the audience love this show so much and why will they care? Because the journey to get there is fascinating. The wannabe's, the never-have-beens and never-will-be's, the shy but brilliant, the disturbed but unarguably talented, and the few who have the X-factor. The audience plays its part in the process - wincing at the awful, discovering the brilliant and mulling over the in-betweens with family and colleagues. And that's just the auditions!

The back-stories that unfold at audition time will help the audience to choose their favourites. They'll hear stories of triumph through adversity, and the personal challenges contestants have faced on their journey to the performance stage to any Best of all in The X Factor New Zealand — these stories are our stories. They are stories of ordinary New Zealanders who have been waiting for their moment to shine.

Once the Boot Camp is done and the planes land back in $\frac{1}{2}$ after the Judge's "Home visits", we all watch for 11 weeks as the final 12 contestants either sink or swim.... and $\frac{1}{2}$ get to decide... who has the X Factor.

The Format

Having screened international series of The X Factor with ratings success, Mediaworks have, through Fremantle Australia, acquired rights to make a local version of the world's biggest Global entertainment brand.

At TV3 we are confident of strong viewer interest using this proven format to make a local prime-time entertainment series. We love the fact that this show really does include everyone and anyone, and streiches to all corners of the country. We've chosen to make this show rather than developing something similar ourselves for a couple of reasons—audiences know it and live it, contestants are confident about what they are getting themselves in to, and even more importantly, judges know what they can expect.

And unlike all other talent contests, The X Factor has proven to be a credible step to a professional career in the music industry. The X Factor isn't about "here today, gone tomorrow". Our rope is that long after the prize package is over, our winner(s) will go on to have a recording career that sets them on the same path as the Brooke Frasers, Bic Rungas, Dave Dol byns and Dane Rumbles of the world.

But wait – there's more. This isn't just about the winner, but about everyone who makes it to the final 12 acts. New Zealand is a small country where getting on television, getting known by an audience, and getting noticed by the music industry is often all it takes to get a career started. We expect that a number of the finalists will go on in the industry.

The Contestants



There is no doubt that with the absence of a smillar TV show in the market since 2006, (and because of the broad age range we propose), the response to The X Factor's call for contestants will be huge.

We will get the kids who see it on it and are in for a laugh, or over-estimate their ability (which is always great television). While some of the auditionees off the street will be really quite good, to ensure we cast quality we also need to get to those who wouldn't usually take part in a show like this.

But we think there are several things on our side. Publicity has already let the country know TV3 will be doing The X Factor at some stage, so the idea has been percolating for some time. It's evident that in a downward spiralling music sales market The X Factor has become a legitimate way of setting into the industry. The X Factor is now seen by musicians and the music industry alike, as a way of helping guarantee sales and touring, something most artists struggle to do

We believe we will get the musician who plays Thursday nights in a bar in Dunedin to apply – and *nat is our goal – but we'll also partner with both NZ on Air and the NZ Music Commission (which has an in-schools programme with over 2500 students being mentored by NZ artists), to reach the younger talent.

Sony Music NZ, our record company partner, have also agreed to push artists who send them demos to audition for the show, basically developing talent to audition on the show, a term in the record company industry known as A & R (artists and repertoire development).

There will be 4 categories of contestants:

- × Girls 25 years and under
- × Boys 25 years and under
- × Groups (no age restriction)
- × Over 25 years

Although globally the show has been open to anyone from the age of 15 and over, The X Factor USA transformed this with a minimum age of 12. For New Zealand, we are heading for somewhere in-between. Allowing contestants as young as 14 opens the door to a wider talent pool and will certainly add to the diversity of the show, cleare street talk amongst all youth and widen the audience appeal.

In New Zealand we do of course expect many entries by ready-made vocal groups – particularly the Pacific Island and Maori church-going set – but the New Zealand music scene has never followed the UK pop market in its appetite for girl and boy bands. Rock bands, with instruments, are the predominant genre coming out of the NZ industry. For this reason we intend to allow guitar or piano accompanionent for groups.

And because in New Zealand musicians have always been resourceful, learning to sing by picking up their own guitar, we also intend to make instruments available to solo performers too.

The Judges

Unlike previous musical talent shows, The X Factor pits judges against each other in a unique way. Just as the contestant are competing each week to survive, so too are the judges, with each one responsible for their acts, their song choices, stage persona and choreography. Each judge wants one of their acts to become the ultimate winner, because it reflects well on their skills as a meeter and their credibility as a producer.

We recognise that this is a show where the strength of the judging panel is paramount. They must be credible in the music industry, capable of mentoring and making good song choices for their respective charges, and possess their own X Factor.

The Australian panel contained 3 accomplished singers and a high profile broadcaster, and we intend to do likewise. At least two of our judges will be established artists from the New Zealand music industry, while the third will be an international artist and the fourth will have a background in broadcasting or music management.

The Host

We have 3 strong candidates for the hosting role from within the Mediaworks TV and radio stable. Each will be screen-tested and evaluated mid year 2012.

We recognise the key attributes that our host must have. He/she must be warmly confident, able to get alongside nervous performers and talk to them and their families as a friend. He/she must be able to push the judges at the appropriate moment, to make a comment or reach a decision.

But most of all, he/she must allow the judges and performers to be the stars of the show.

THE X FACTOR NZ

Season One - 28 episodes

4 x Auditions

2 x Boot Camps

2 x Judge's Home Visits

10 x Live shows

10 x Results shows

The X Factor NZ will be based on the international format, utilising the brand but modified to fit the reality of New Zealand's music industry.

Timeline Overview

December 2011 - Seek NZOA support

March-April 2012 - Possible Poad-Trip with one judge, Producer, Cam-Ed posting web segments, telling everyone to spend winter practising because October is for real.

April 2012 - Start Prod Office - 6 months before non-TV auditions.

October 2012 - Non- Vauditions throughout New Zealand. 24 locations.

November-December 2012 - TV auditions - in Auckland, Wellington, South Island.

Jan 2013 - Boot Camp

Feb 2013 – Judge's Home Visits

April-12y-June 2013 - Live Shows

Although our on-air date is slightly later than originally envisaged, we believe launching at this time gets us on air when PUTs are going up rather than airing the show across the summer months when viewing numbers are not as strong.

The X Factor Production Process

Pre-Production

We will open a full-time production office in mid 2012 – or earlier if funding is finalised and confirmed earlier. As with all our in-house Mediaworks productions we will draw on the wide pool of freelance production talent to build our production management team.

Initially our production team will comprise two people – Executive Producer of McDonald and a Line Producer/Production Manager.

Our first tasks will be:

- × To develop a short-list of potential judges, including our overseas judge. Screen tests will be conducted.
- × To commence work on the first call-to-action and soft launch of the series. This will be done via our website, with a series of recorded segments featuring one of our judges probably the first judge to be secured. This first judge will become the one most strongly identified with the audition process, contracted to the series for the longest period and spending the most time on the road.

Within a few months we expect our X Factor office team to comprise, in addition to Executive Producer John McDonald, at least 4 people — Line Producer, Senior Production Manager and 2 Production Managers - primarily tasked with finding audition venues, booking production crew, travel and accomposation etc.

Our first call-to-action will be via our website. But in addition in early 2012:

We will undertake a series of short trips to our non-televised audition towns & cities.

Producer, Judge & Cameraman/Edicor will go to Kaitaia for 2 days, make noise, get on the radio, and visit schools, pubs and churches to announce that they will be back in a few months with a camera. They will of course take a small camera and post web updates of what they're doing and the Producer will write a blog.

The travel will continue to all corners of provincial New Zealand - Whangarei, Hamilton, Thames, Tauranga, Rotorua, New Plymouth, Gisborne, Taupo, Palmerston North, Wellington, Nelson, Greymouth, Christchurch, Timaru, Dunedin, Invercargill, Queenstown.

Throughout this period we'll begin screen-testing for the key on-screen roles of judging and hosting. We hope to contract one international judge, and have been offered a number of options from agents in Britain and the US.

In milite late 2012 we'll hire senior creative's – producers to manage the three areas of post-production, pre-recorded shows and live shows. We propose to consult with some of the Australian Executive Producers at this stage and bring them across for advice and tutorials. (We have met these people during trips to attend recordings of the Australian series)

Over late 2012 we'll run non-televised auditions in 21 New Zealand towns and cities.

Utilising our extensive network of national and local radio stations we will reach out to as many would-be singing stars as possible. Audition promos will run on TV3 and FOUR throughout the road trip, just as we've done for 3 seasons of Top Model.

We will also:

- × Run radio competitions and campaigns around recruitment and talent development at the same time.
- Enlist NZOA Music and NZ Music Commission help to reach people who may not normally apply.
- × Partner with Sony Music and encourage artists who are sending them demos to apply for the show.

From these initial auditions we expect to short-list around 300 acts for the televised auditions.



Production

120 possibles are chosen from 300 hopefuls

Televised auditions will be recorded over 6 days in late 2012.

We will have theatres in Auckland, Wellington and the South Island (probably Christchurch) and travel our Stage 1 set to the venues. We will shoot the auditions using a High Definition Outside Broadcast truck and Sony 700 XD-HD field cameras. Like Australia, New Zealand is fortunate to have creative and technical workers who have now been in the industry for 20-30 years and were trained in orthodox British methods of lighting and production.

Each audition session will be 2-3 hours long with 2 sessions per day. These will be recorded before a live audience — minimum crowd of 400. Our aim is to audition around 25 contestants per session, a total of 300 contestants over the 6 days. Of these, 120 will advance to Boot Camp. In keeping with the UK format, our host will conduct backstage interviews with competitors and their families. He/she will also record the opening links for these episodes from amongst the crowd.

These first four episodes are about the excitement that The X Factor creates. This is a shared group experience, strangers meeting and bonding, people literally singing their nearts out to be noticed. But regardless of who goes through there are words of encouragement from those that don't.

120 become 24

Our **Boot Camp episodes** will be shot in Auckland over 2 days using the UK Super Boot Camp format. Here we start to get to the business end of the competition, separating the wheat from the chaff. Think Debbie Allen from 'Fame.' "You've pot big dreams? You want fame? Well, fame costs. And right here is where you start paying." Tears, tantrums, lyrics forgotten and above all unbelievable performances.

The first episode will see 120 contestants culled to approximately 50 and the second will end with our final 24. In keeping with the Australian and UK series' we'll be looking to recruit 6 acts in each of 4 categories, Girls 25.2 Under, Boys 25.8 Under, Groups, and Over 25s. Once again we'll use an existing theare and further develop our audition set to its Stage 2 look. Judges will remain together to select those final 24 acts who progress to home visits.

Aside from the contestants themselves, there will be no studio audience in these two episodes. Once the 6 acts in each rategory are selected, we'll surprise our Judges with their category allocations. Each judge will be told on-camera which category they've been selected to mentor.

24 begin but 12 go home

Our Judge's Home Vicit episodes will differ somewhat from the international format as we are very aware that we need to take a measured approach to these episodes. New Zealand's musical heritage is not full of musicians with true international acclaim - Neil Finn, our most famous musical export an exception. Although many NZ artists have gained international airplay, this nasn't translated into fame and fortune. The life of a typical successful NZ musician is comfortable but modest and this needs to be recognised in our show. The idea of Dave Debbyn, Bic Runga or even Neil Finn having holiday homes on the French Riviera, in Malibu or the Cayman islands is not only unbelievable, it is not helpful to portray as a lifestyle our X-Factor winner can attain.



Therefore the Home Visit episodes will primarily be based in New Zealand, utilising some of the beautiful retreat-style recording studios that already exist here. By making this change we take the obviously unattainable Hollywood lifestyle and convert it to the more attainable studio workspace, giving the same impression of success on a smaller, more believable scale.

However we recognise the importance of including glamorous and aspirational location experiences within the show and New Zealand has some of the best luxury retreats in the world — in Queenstown, the Bay of Islands and Taupo-Rotorua. Depending on the strength of our contra travel and accommodation arrangements, it may be feasible to take one or two of our category groups to Australia or the Pacific Islands for their home visit, but we do not see huge value in taking them further afield.

From the Home Visits, three acts in each category will be eliminated, and three will progress to the Live competition. These two episodes will be shot with field crews and a "drama kit" multi-channel audic recording system.

We expect to have the Boot Camp and Home Visit episodes recorded by late-February 2013, allowing almost 6 weeks of choreography and vocal training for our final 12 before the Live shows commence.

And then there were 12

The gala episodes are the showpiece of the series. The staging and scale are like putting on a concert twice a week. It's big, loud and fun.

Each contestant performs 1-2, 2 minute songs per episode, depending on how far through the series we are. Our **Live shows** will follow the format of the 2010 Australian series, with 10 weeks of competition culminating in the Grand Final, in which 3 acts sing off before one is eliminated midway and the final two sing to win.

Music research conducted by our radio brands can be used to develop the song lists from which contestants can choose. This is a huge advantage that we have as weekly research shows what the biggest songs are currently that week. Research of gold (oldies) tracks also happens, so all demos are covered. Music likeability is a key to entertail ment for the audience.

Some weeks these shows are themed, some not. Themed shows are important to bring in viewers who wouldn't normally watch. For example Rock week would drive male viewers who might not generally subscribe to the show. Used sparingly themes are a good way of drawing extra attention, and New Zealand's heritage of rock-priented singer-songwriters will incline our production to incorporate more from this gence.

Potential themes also direct us towards guest mentors who through VT packages mentor the contestants and then perform the following night on the results show.

Our **Results shows** will also follow the format of 2010 Australian X Factor, generally featuring two guest acts before voting results are revealed and the bottom two acts perform to stay alive.

X Factor Australia had the likes of Robin Gibb, Boyzone, and Enrique Iglesias all performing on the show at the record company's expense. The promotional value for those artists as far as album sales was invaluable in a TV landscape not offering any other live music outlet. Initial reactions from labels in NZ show this is entirely possible here.



Venue & Set - Live shows

The X Factor Gala and Results shows need to be the biggest show in town, staged in the biggest town. It's all about... Location, Location, Location, not to mention Radio station vehicles, news reporters and red carpets. The judges, contestants, and audience need to travel the same footpath to create the biggest stir. Hype creates demand and we will treat tickets like gold. Giveaways through TV3, FOUR and radio brands along with looking after sponsor requirements are the key to ensuring the hottest ticket in town mentality.



We expect to lease a mid-sized exhibition or performance venue in Auckland for 12 weeks, allowing build and rehearsal time at the front end. We will further develop our set to its Stage 3 look, with the addition of extra elements including more LED screens and moving lights. Whilst we are confident our performance set will look more sophisticated than anything previously assembled in New Zealand entertainment television, it will be a scaled back version of the Australian set, perhaps closer in look to The X Factor Norway set. We will have fewer moving lights and fewer LED panels. Tiered seating will accommodate an audience of 400.

We will employ a resident live-band for 11 weeks to perform the backing tracks. This plays to the NZ singer congwriter psyche and is the most cost effective option.

Post-Production

Our post production will be based at TV3, with access to the main server, audio finishing, network graphics, and easy access to our source material for our Promo Producers. We will run up to 6 Avid suites, operated by some of New Zealand's top Editors, several of whom worked closely with us editing "New Zealand's Next Top Model". In keeping with the format, our field crews will shoot back-stories around key performers, and our post teams will create packages in every episode.

So that's the show - THE X FACTOR NZ.

It is ambitious, exciting, broad, nationwide entertainment and a ratings winner - so let's talk about how it can be funded.

The Funding

Fundamentally The X Factor has a huge audience and a local version will showcase New Zealand talent to a broad New Zealand audience. The format is being adapted to suit the New Zealand environment and the realities of local music industry success. It is being made by the best constructed reality TV makers in the country – the same people who made New Zealand's Next Top Model a television success.

TV3 will make a significant investment in The X Factor, and we will utilise our Online and Radio stations to not only make sure this is the *biggest* TV entertainment event of the year, but to try to recoup some of this enormous investment. Ancillary rights are a potential revenue earner for us, for example, text revenue and home phone line voting are revenue generators (although it is worth noting that social media voting is now playing a part with international versions) and digital deals with music providers such as I-tunes on which the performed songs available for download at the end of the episode are another possibility.

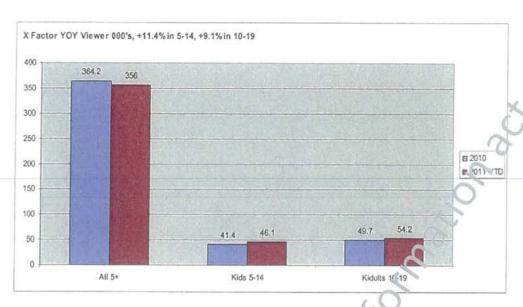
We will of course source funding from the market. Our Brand Funded team and Producers will collaborate to discuss product placement partners, for example, along with the usual sponsorship of travel, beverages etc, we will seek approval from Fremantle to launch a lotteries product to be announced each week on the results show.

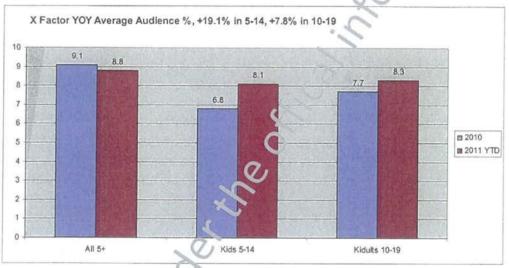
But The X Factor's very success makes it impossible to make without NZOA support. To go to every corner of the country (rather than just the three main centres), to audition everyone who is willing, to adjust it to our idiosyncratic market, to incorporate it all at the production level of the international his series - is simply cost prohibitive.

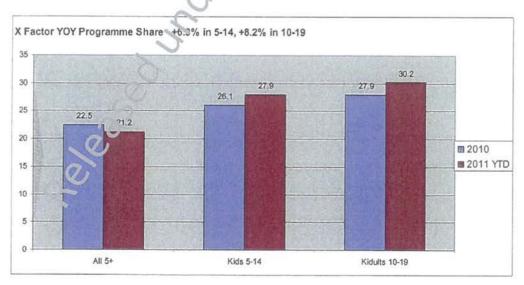
New Zealand On Air is the final piece of the puzzle.

We believe The X Factor NZ fits perfectly into NZOA's mandate.

After the recent Children's round NZOA chief executive Jane Wrightson said, "With the almost limitless range of foreign programmes available, it's critical that there is significant programming on our screens which reflects New Zealand culture and identity to our young people"







Music is one of the key elements able to attract young people to watch television. Television entertainment shows around popular music performed live, used to be a mainstay of New Zealand television. We all remember popular shows included *C'mon* in the 60s, *Happen Inn* in the 70s, *Ready to Roll, Radio with Pictures* and *Shazam* in the 80s, and *RTR* in the 90s. But today, live studio music shows require big budgets and recent economic pressures have virtually put an end to them in NZ.

Yet entertainment shouldn't be history. We should be entertaining the next generation — letting them see themselves, hear their voices, understanding that they are as good as the rest of the world. Now is the time.

The X Factor NZ should be supported by NZOA because:

- x the success overseas of programmes like The X Factor have proven the audience demand for a local version;
- of the aspirational and inspirational elements of the programme for example, positive role models and New Zealand values particularly for young viewers;
- × of the ability for an entertainment music show to reach a broad audience. The X Factor NZ is a truly collective experience, where three generations of New Zealanders can share viewing together a rare event in local television.
- x the proposed programme meets many of the NZ on Air's objectives in the arts and performance areas (arts and performance areas are identified by NZ On Air as 'special interest' areas and NZ on Air's objectives in relation to them are covered by section 39 (d) (ii) of the Broadcasting Act that provides for the 'availability of α balanced range of programmes providing for varied interests in the community'); and
- × the likelihood of the programme being of a high quality with broad audience appeal.

The last live music entertainment show of this kind funded by NZOA was NZ Idol in 2004.

"[NZ Idol] has been pspirational to many, many viewers, and has shown that ordinary New Zealanders are concole of achieving extraordinary things. It was public service programming in the sense that it provided a strong, shared experience amongst the widest cross-section of the community. It included insights into communities as diverse as Rotorua and Panguru (where most of the far-north town came out to see Emily Kay have her moment of fame) as the NZ Idol programme included interviews with and footage of the communities that contest into live in. It was the first television talent show of its type for New Zealand..."

Press Release: NZ On Air - Tuesday, 31 August 2004, 9:46 am

The X Factor NZ goes further than Idol ever dreamed of. It clearly and strongly fits with NZOA's mandate to promote and foster expressions of NZ culture and identity, and the cost of production requires an element of public subsidy to top up what might be available from other sources.

Now it's time to talk INNOVATION....

In particular, innovation around the funding model

We are <u>not</u> asking NZOA to be the primary funder of The X-Factor. We are <u>not</u> asking you to commit 50% of the budget. Instead we are approaching this funding request in a completely new way in that we are asking for a contribution towards the budget which means your involvement would be more like that of a *PREMILIA* INTEGRATION PARTNER for The X-Factor NZ.

WHAT WOULD THIS MEAN?

We would like to see NZOA benefit from their investment in the show in a similar way to how our commercial partners will benefit.

We will drive **brand engagement for NZC**, around the primetime television show by integrating the NZOA brand into the fabric of the storyline.

The creative integration would be determined by NZOA in discussion with our Mediaworks Integration team and the production feam to ensure that NZOA's key objectives are being met. Mediaworks would create bespoke integration into the programme itself, and build additional integration throughout our other media platforms.

Some immediate suggestions would be:

- × Key positioning of the NZOA brand in the integrated talent casting call across TV, radio and on-line.
- × In programme integration bespoke exposure across the series with NZ On Air brand scripted into the storyline of the show, for example including a music video and/or recording package funded by NZ On Air as part of the ultimate prize package for the winner, and illustrating this as a 1-2 minute segment about NZ On Air and how they support NZ artists (a bit like the Pepsi commercial for the winner of USA X factor which is referenced throughout the series). The value of this is enormous as the prize package VT is played every week and verbal support stated at least once per episode.
- × We believe there is a way to include a mentor from NZOA one week, for example, featuring them behind the scenes as part of the pre-casting, which will allow the key principles of NZ On Air's music mandate to be integrated naturally into the show.

× An online integration package of NZ On Air branded content, video on demand, display advertising, social media, which means the NZOA brand is integrated into the fan zone of the show. This is a 24/7 event across all platforms television, radio, online, VOD. The value of the repeat plays On Demand is clear:

The last three weeks of X Factor USA – Video On Demand via TV3 websites

Shows	Streams	UBs	Mark (
X FACTOR USA	26,460	11,405	wee < 42
X FACTOR USA	28,501	11,375	weel 43
X FACTOR USA	22,600	11,093	week 44

- × Visual and verbal branding on X Factor 30" promos produced specifically for NZOA that would run across TV3 and FOUR.
- × Radio integration of NZOA verbal branding and arrouncer adlibs across our Radio partner: The Edge.
- × From Gala week, we'll make the individual tracks available to radio. Although covers versions, these tracks count as NZ content which automatically means NZ content on radio is going to increase, making NZ On Air's yearly numbers inflate. NZ On Air has an obligation to get a broadcast outcome for new recording artists, and we are legitimately finding a new recording artist. Synergy!
- × Delivery of video masters of all NZOA branded VT packages, mentor integration and NZOA specific promos for NZOA to use for their own marketing.
- × Access to contestants / hosts for NZOA events.
- × And of course the standaro NZOA full screen credit at the end of each show, logo integration after the branks etc.

What we are suggesting is unique and has <u>never</u> been offered to NZOA before. The reality is that The X Factor NZ is a unique one-off television event, one that will require innovative thinking for us to get the budget that we need to make the show. It seems a perfect opportunity to try a different approach to our broadcast relationship.

But it is actually more than that. It's about forming a partnership, with the television arm of NZOA under Arts and Performance as well as with the music arm of NZOA to really find, build and premote new musical talent.

We consider that a contribution of \$1.6 million towards over 30 prime time hours of what will be the highest rating and most talked about local television event of 2013 represents a good investment for NZOA. We're very excited about the opportunity to make this show and we hope you will be too.

THE X FACTOR NEW ZEALAND

Mediaworks is proud to have secured New Zealand rights to make singing talent series "The X Factor".

This is a proven format, taking talented unknown singers and turning them into household names. It is about discovering someone with that indefinable "something" that makes for star quality, and uncovering New Zealand's next top recording artist.

It is "event" television, offering the chance to perform on a big stage in front of a live audience with great sound, lighting and technical support.

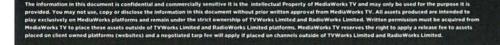
Over a 14-week period, singers are mentored by their judges and given vocal coaching and choreography. Those with special talent and that indefinable X factor make it all the way to the finish, winning a recording contract and such prize, and this is just the beginning for them.

With overseas winners like Australia's Reece Mastin building a lorge fan base and selling out live performances throughout Australasia, "The X Factor" has demonstrated that it is now a legitimate way to get a great kick-start in the music industry...

This series will be the biggest in-house production ever undertaken by TV3 incorporating all aspects of our media business and we want New Zealand On Air to be one of our partners in this exciting venture.







THE FORMAT

Like most of the international versions, The X Factor New Zealand will comprise 28 episodes, over 35 hours on-air.

Episodes 1-4: Aucitions: Approximately 300 acts are auditioned over 6 days, with the top 100 progressing to Boot Camp.

Episodes 5 & 6: Boot Camp: Over two days those 100 successful auditonees are culled firstly to 50, then to 24 acts, 6 in each of 4 categories.

The categories are:

Girls 14-25 years.

Boys 14-25 years.

Groups - (no age restriction)

Men & Women solo singers 25 years & over.

At the end of Boot Camp, our 4 celebrity judges are each appointed to mentor a category.

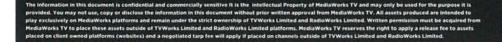
Episodes 7 & 8: Judge's Home Visits: Each judge (accompanied by a musical colleague or guest judge) takes their 6 acts to a luxury homestead or lodge for several days where the must sing again. 3 acts from each category are sent home leaving just 12 acts, 3 with each judge, to contest the Live shows.

Episodes 9-28: Live Performance & Results Shows: Over 11 weeks, the 12 contestants perform to survive. Each week, one contestant is eliminated. Public vote determines a "bottom 2" each week, who must perform in the Results show. The judges then vote on which of those 2 acts is eliminated.

In the Grand Final, the last 3 surviving acts compete to win. One of them is eliminated halfway through the episode, and the other 2 sing for the big prize.







HOW WILL WE DO IT?

In January 2013, following an extensive publicity campaign in partnership with our MediaWorks radio stations, we will conduct an audition tour to 27 towns and cities throughout New Zealand. Outside of news and website activity, these auditions will not be televised. They will be conducted in local halls and conference room, intended to be unintimidating and supportive. We expect several thousand singers to come to these auditions.

In late February we will bring the 300 best auditionees to a large studio in Auckland to conduct the "televised" auditions. Over 6 days, each act will perform for the first time in front of our judging panel and an audience of 400. They will perform on the X Factor set, complete with giant LED screens, concert sound and lighting.

The best material recorded over these 6 days will become the first 4 episodes of our series.

These initial episodes are about the excitement that The X Factor creates. This is a shared group experience, strangers meeting and bonding, people literally singing their hearts out to be noticed. Regardless of who goes through there are words of encouragement for mose that don't make it.

The 100 best auditionees progress to Boot Camp.

In mid March we will again bring those 100 singers into the Aucklanus aucho to pre-record two "Boot Camp" episodes. This is where we start to get to the business end of the competition, separating the wheat from the chaff.

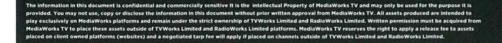
Once again they perform on the X Factor set, but this time there is no studio audience – just the 4 judges. The first Boot Camp episode will see half of the 100 contestants eliminated, and the second will end with our final 24 which are then split into the 4 categories outlined earlier. With 6 acts selected in each category, we'll surprise our Judges with their category allocations. Each judge will be told on-camera which category they've been selected to mentor.

In April we'll record our two "Judge's Home Visit" episodes.

Each judge takes his 6 charges to a luxurious retreat-style location for several days, often accompanied by a friend or guest judge.







HOW WILL WE DO IT? (continued)

Our Home Visit episodes will primarily be based in New Zealand, utilising some of the beautiful retreat-resorts that exist here.

Each of our performers must sing for their judge, and the judge must choose his favourite 3 acts to take into the knockout rounds. These episodes provide an opportunity for performers to get a real one-on-one appraisal of their ability, and for the judges to make crucial strategic decisions about who they really believe has special qualities.

Three acts in each category are eliminated, and three progress to the live competition.

The **Live Performance episodes and Live Results shows** are the showpiece of the series. The staging and scale are equivalent to putting on a concert twice a week. It's big, loud and fun. Following their Judge's Home Visits, our 12 acts will have had several weeks of vocal coaching and choreography to prepare for these big show performances.

Beginning in early May, each contestant performs 1 or 2 two-minute songs per episode, depending on how far through the series we are. Our Live shows will follow the rolling at of the Australian series, with 10 weeks of competition culminating in the Grand Final, in which 3 acts sing off before cars is eliminated midway and the final two sing to win. Our winner will be crowned in early July, taking a Sony recording control and a cash prize.

Music selection for these episodes is all important, so that the flow throughout the hour retains the audience. We will utilise our weekly music research conducted by our radio brand; to develop strong song lists our contestants can choose from. This is a huge advantage that we have as weekly research highlights song popularity week by week. Some weeks our performance shows will be themed, some not. The med shows are important to bring in viewers who wouldn't normally watch. For example Rock week will drive male viewers vino might not otherwise be drawn to the show. Used sparingly themes are a good way of getting extra attention.

Potential themes also direct us towards guest mentors who through VT packages mentor the contestants and then perform the following night on the results show.

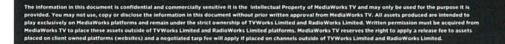
Our Results shows which play out the following night will also follow the format of Australian X Fucior, generally featuring two guest acts before voting results are revealed and the bottom two acts perform to stay alive.

We propose the guest slots will be filled with current New Zealand artists showcasing their current singles as well as touring internationals. With very few outlets for live performance on Network Television we see this as a key promotional tool for the NZ music industry.

We are confident our performance set will look more sophisticated than anything previously assembled in New Zeakand entertainment television. Tiered seating at the venue will accommodate an audience of 400.







THE JUDGES

Unlike previous musical talent shows, The X Factor pits judges against each other in a unique way. Just as the contestants are competing each week to survive, so too are the judges, with each one responsible for their acts, their song choices, stage persona and choreography.

Each judge wants one of their acts to become the ultimate winner, because it reflects well on their skills as a mentor and their credibility as a producer.

We recognise that this is a show where the strength of the judging panel is paramount. They must be credible in the music industry, capable of mentoring and making good song choices for their respective charges, and possess their own X Factor.

Of the panel of four, three of our judges will either be established New Zealand musicians or music industry professionals while the fourth will be an international musician of note.

THE HOST

We recognise the key attributes that our host must have. He/she must be warmly confident, able to get alongside nervous performers and talk to them and their families as a friend. He/she must be able to push the judges at the appropriate moment, to make a comment or reach a decision.

But most of all, he/she must allow the judges and performers to be the stars of the show







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THE X FACTOR PRODUCTION PROCESS

Timeline Overview

Late August 2012: Establish Production office.

<u>September 2012</u>—Innounce the New Zealand version during the X Factor USA broadcasts on TV3 This will include call to action promotional spots on TV and Radio during the broadcast of the show, backed up with support from Medic Works radio operation.

January 2013 - Non-TV auditions throughout New Zealand, 27 locations.

Feb 2013 - Televised Auditions, in Auckland

March 2013 - Boot Camp, Auckland

April 2013 - Judge's Home Visits.

May-July 2013 - Live Performance & Live Pessits shows.



We will open a full-time production office in late-August 2012, once funding is finalised. As with all our inhouse Mediaworks productions we will draw on the wide pool of reelance production talent to build our production management team.

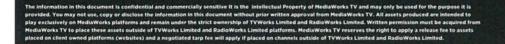
Initially our team will comprise John McDonald and Andrew Szusterman, both seasoned broadcasters. Both have been involved in the TV3 hit 'New Zealand's Next Top Model' which has been not only a success in NZ but also has sold to several territories overseas.

John as Head Of Local Production for TV3 oversees the majority of its in-house production. rior to this John was the Head of Production at MTV Asia and worked on their productions for a number of years

Andrew is currently seconded from his role as Group Programme Director for Mediaworks music rauic brands. Prior to that he was responsible for the original C4 Music Television channel and has been Head of Music Programming for MTV UK and Ireland.







PRE-PRODUCTION (continued)

Our first tasks will be:

To develop a short-list of potential judges, including our overseas judge. Screen tests will be conducted.

To commence work on the first call-to-action and soft launch of the series. This will be done via our website, with a series of recorded segments featuring one of our judges. This first judge will become the one most strongly identified with the audition process, contracted to the series for the longest period and spending the most time on the road.

Within a few months we expect our X Factor office team to comprise, in addition to Executive Producer's John McDonald and Andrew Szusterman, of Scat 4 people – Line Producer, Senior Production Manager and 2 Production Managers - primarily tasked with finding a solving venues, booking production crew, travel and accommodation etc.

PRODUCTION

Most of this has been covered in the "How Will We Do It?" section earlier, but briefly:

We have already made a number of visits to the production studios of the Australian X Factor to study how they make the series and discuss all aspects of the production with their Executive Producers.

We will ship the Australian X Factor set to New Zealand including the centre-stage high definition LED screen that parts vertically to allow our talent to enter.

Studio space for a production of this size is not easy to come by four we've found Life Convention Centre in Mangere where shows such as "Stars in Their Eyes" and "Deal or No Deal" were recorded, and Auckland Film Studios in Henderson where shows like "Xena", "Spartacus" and "Legend of the Seeker" suit at le for the show.

We will hire a 10-camera Outside Broadcast truck, two Jibs and Steadicam Wong with a sizeable array of lights and sound equipment.

Freelance production crews from the independent television and film community will be employed for the duration along with 2 field crews shooting back-stories about our singers and their families. Four to six edit suites will run through the peak production period.

POST-PRODUCTION

Our post-production will be based at TV3, with access to the main server, audio finishing, network glaranes, and easy access to our source material for our Promo Producers. We will run up to 6 Avid suites, operated by some of New Zealand's top editors, several of whom worked closely with us editing "New Zealand's Next Top Model". In keeping with the format, our field crews will shoot back-stories around key performers, and our post teams will create packages in every episode.

As a format show, we are naturally expected to adhere to the broad principles and practises of the format we have purchased, Fremantle Australia are already working closely with us to provide support and guidance regarding all aspects of production and content.





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WHY FUND THE X FACTOR NZ?

We are <u>not</u> asking New Zealand On Air to be the primary funder of The X-Factor. Given the scale of this project we propess a different funding model where New Zealand On Air involvement would be more like that of a **PREMIUN INTEGRATION PARTNER**.

FACTOR NEW ZEALAND

WHAT WOULD THIS IVE AN?

We would like to see New Zealand On Air benefit from their investment in the show in a similar way to how our commercial partners will benefit. The beauty of The X Factor is that it is a music show looking for the next great recording artist, this works well with Now Zealand On Air's music initiatives and these can be woven into the fabric of the show. Utilising MediaWorks music properties, including some of New Zealand's most listened to radio stations including The Edge, The Rock, Mai FM and More FM we believe we can deliver New Zealand On Air more than just a TV show on investment.

The creative integration would be determined by New Zealand On Air in discussion with both our MediaWorks Integration team and the production team to ensure that New Zealand On Air's key objectives are being met

NZ On Air

RATHER BE.

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WHAT CAN WE DO FOR NEW ZEALAND ON AIR?

Outside of finding a new recording artist for the New Zealand music industry. The X Factor offers:

The ability to expose New Zealand On Air funded artists to a broad television audience will help in gaining more airplay for those funded artists. We know that radio airplay and New Zealand On Air funded music features go a long way toward the success of locally produced music. The X Factor during its weekly results show will showcase NZ musicians and their current records to a broad audience.

We propose to feature a min mum of 4 New Zealand On Air funded tracks throughout the show. Working with our radio operations and New Zealand On Air together we'll select a minimum of 4 newly funded records to be performed by our contestants. The esult will be that we create instant hits of these original songs. This has been proven with records that have been performed on similar shows overseas which have then charted, including our own Kimbra in the Sorine effect of shows like The X Factor on chart performance can be seen in a recent top 10 itunes chart in Australia where 9 of the top 10 songs that week featured contestants from the show.

In-programme integration. Bespoke exposure across the series with New Zealand On Air brand scripted into the storyline of the show. For example, including a music video or d/or recording package funded by New Zealand On Air as part of the ultimate prize package for the winner and illustrating this as a 1-2 minute segment about New Zealand On Air and how they support NZ artists.

We also believe there is a way to include a mentor from New Zealand On Air one week - for example, featuring them behind the scenes as part of the pre-casting, which will allow the key principles of New Zealand On Air 's music mandate to be integrated naturally into the show.

Key positioning of the New Zealand On Air brand in the integrated talent casting call across TV, radio and on-line.







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WHAT CAN WE DO FOR NEW ZEALAND ON AIR?

An online integration package of New Zealand On Air branded content, video on demand, display advertising, social media, which means the New Zealand On Air brand is integrated into the fan zone of the show. This is a 24/7 event across all platforms television, radio, online, VOD. Success of TV3's X Factor USA's interactive activity pelow shows how beneficial this can be.

Shows	Streams	UBs	WEEK
X FACTOR USA	26,460	11,405	week 42
X FACTOR USA	28,501	11,375	week 43
X FACTOR USA	22 500	11,093	week 44



- Access to the contestants and host for New Zealand On Air events.
- The standard New Zealand On Air full screen credit at the end of ϵ ach show, logo integration after the breaks etc.
- Tickets for New Zealand On Air to all Live shows.







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SUMMARY

New Zealand On Air's funding will help significantly in making this show a success. However because of the scale of the production we will also have to look at non traditional ways of revenue generation to get to break-even on the production.

Ancillary rights are a potential revenue earner, text revenue, touring, and home phone line voting are revenue generators, aignal deals with music providers such as itunes on which the performed songs available for download at the and of the episode are another possibility.

We will of course source funding from the market. Our Brand Funded team and Producers will collaborate to discuss product placement along with the usual sponsorship of travel, beverages etc. Still with this funding accounted for New Zealand On Air support is vital.

What we are suggesting is unique and to our knowledge has <u>never</u> been offered to New Zealand On Air before. The reality is that The X Factor NZ is a unique one-off devision event, one which will require innovative thinking for us to get the budget that we need to make the show. It seems a perfect opportunity to try a different approach to our broadcast relationship.

But it is actually more than that. It's about forming a partnership, with the television arm of New Zealand On Air under Arts and Performance as well as with the music arm of New Zealand On Air to really find, build and promote new musical talent, combining the power of TV3, FOUR, The Edge, The Rock, More FM and Mai FM to find the next great recording artist.

We consider that a contribution of \$1.6 million towards over 30 prime time hours of where we hope will be the highest rating and most talked about local television event of 2013 represents a good investment for New Zealand On Air. We're very excited about the opportunity to make this show and we hope you will be too.





