



‘Solving the Distribution Problem Once and For All’ – Pat Utomi

It was clear that when the American government supports their entertainment industry they understood the dynamics of the industry and has a goal to turn the industry into a foreign earner for their country. Aside film being a strong tool to tell our story and promote our culture it has huge implications to economical development if ignored. If UN report that says that for every Nollywood film sold there are 9 pirated copies sold is true then Nigeria could be losing more than \$2billion to piracy every year.

One would have thought that all the funds coming from the government would be making impact by now? If for nothing, such funds would have been deliberately used to set an effective distribution structure rather than requesting stakeholders to access the fund, which has become difficult for them to access.

Having said all this, I will consider it unfair to come out here today to talk without doing something to find a solution. I remember we had a programme at Lagos Business School that brought some Nollywood stakeholders together. We have always had interest in finding solution to some of these challenges and at CVL (Center for Values in Leadership) where our mission is to build a body of value-driven leaders by empowering young people with leadership skills and values we have been working with a young man; **Paul Ikhane** who I consider to be very resilient and determine to launch a nation distribution platform.

Our idea was to set up an alternative distribution structure that will better serve the interest of both content owners and consumers so we set up **Exodus Entertainment** with the sole aim of effectively distributing Nigeria entertainment products (CD, DVD and Magazine) to all of Nigeria.

We started by carrying out extensive research and since late last year we have been operating the platform. With our platform anyone from anywhere in Nigeria can simply per-order or order a CD or DVD or Magazine and we deliver at the consumer's doorstep. One huge challenge we faced was pricing: the fact that we have to deliver at a consumer's doorstep already means that products will come at a premium price. So we invested on logistics and struck a deal with FedEx-Redstar. As it stands today we deliver CD to anywhere in Nigeria for as low as N200, for DVD for as low as N490 and Magazines sell for the same retail price. Aside ordering online a consumer can order by calling our dedicated line or at the Bank, we will deliver to the consumer. There is also the Payment-On-Delivery option available only in Lagos for now.

One interesting thing is that with the platform there is data for every activity: sales, delivery, cost and profit margin. So those days of short-changing contents owners are over.

We just simply combined what works in Nigeria to set up the platform: an online and mobile platform where a consumer makes orders that has either or not been released and we deliver to the consumer anywhere in Nigeria. So the question of easy access, reach and quality product has been taken care of. What we are doing now is developing Exodus into a trusted brand. We are very open to collaboration and partnership I will encourage you to talk to Paul, the young man has some ideas.

So if you ask me, I think we have found a way to solve the distribution challenges once and for all, what is left is for all us to ways to work together towards our goals.

Thank you.

This speech was delivered at the second edition of the Nigerian Entertainment Conference held on Wednesday, April 23, 2013 at the Grand Ball Room of the Eko Hotel and Suites, Lagos, Nigeria