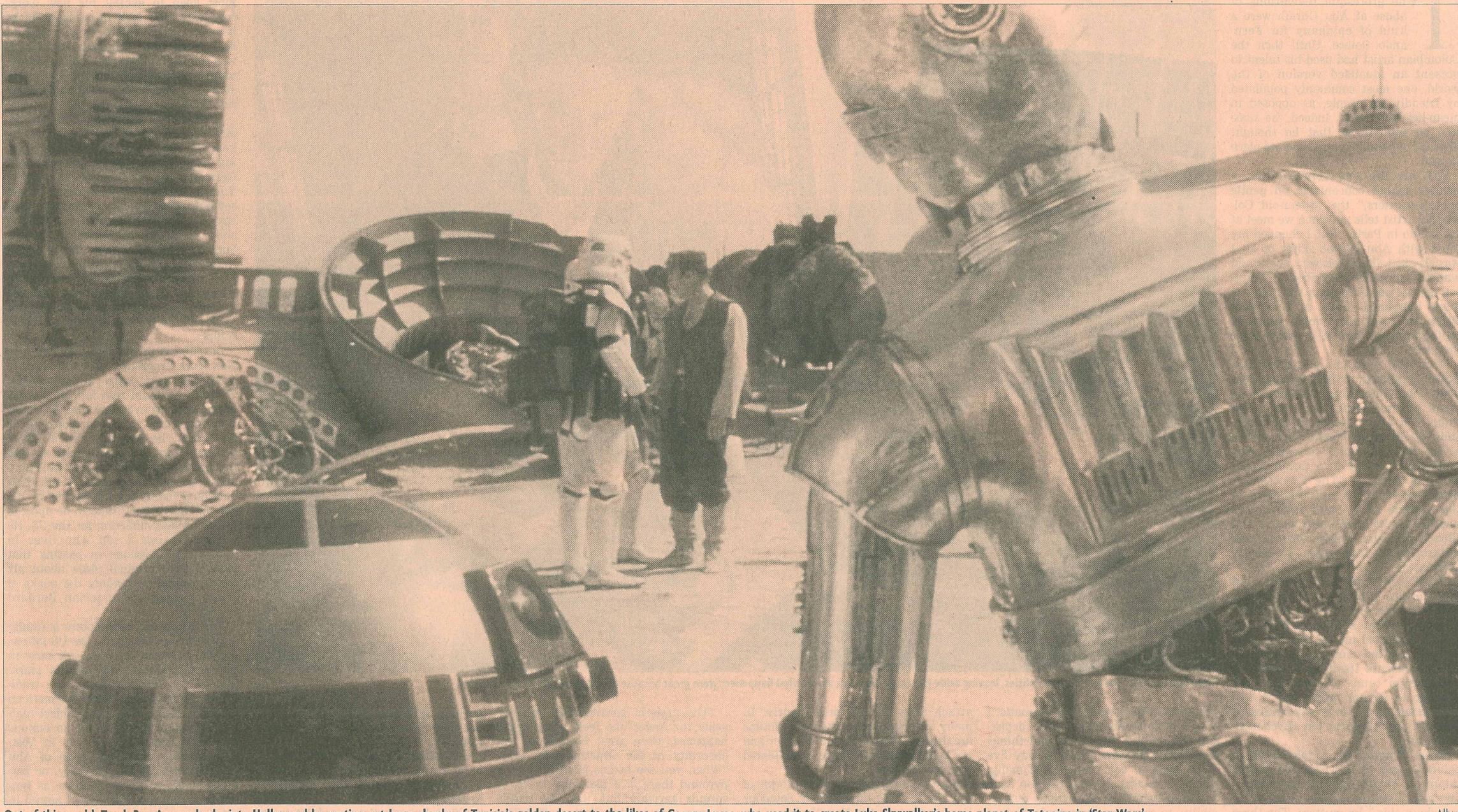


BUSINESS LIFE CREATIVE BUSINESS

NETWORKING

From Tunisian desert to Hollywood dealmaking

Tarak Ben Ammar's early contact with A-list film directors introduced him to the world of media moguls for whom he now brokers multi-billion dollar deals, writes Tim Burt



Out of this world: Tarak Ben Ammar broke into Hollywood by renting out large chunks of Tunisia's golden desert to the likes of George Lucas, who used it to create Luke Skywalker's home planet of Tatooine in 'Star Wars'

The telephone rings frequently in a small office on Avenue Hoche, in central Paris. Sometimes it is Rupert Murdoch calling; sometimes Silvio Berlusconi. On other occasions Prince Al Waleed bin Talal, the Saudi billionaire investor, wants some advice.

Tarak Ben Ammar counts the News Corp chairman, the Italian prime minister and Saudi royalty among friends and clients for his small but increasingly influential media, film production and boutique banking business. Other regular callers include Harvey Weinstein and his brother Bob, the film-makers behind the Miramax studio, as well as Vincent Bolloré, the French investment entrepreneur.

Mr Ben Ammar is, arguably, the ultimate networker in an industry founded on personal relationships, discreet backroom deals and a

'It's easy for them to deal with other moguls through me directly. I make sure that things are smooth'

capillary system of famous names. The clutter and small staff working at Avenue Hoche, near the Arc de Triomphe, is a far cry from the marbled hallways of grand investment banks such as Goldman Sachs or Morgan Stanley. But some of the media industry's most complex deals have been hatched at the oddly-shaped triangular desk occupied by a 55-year-old Tunisian film producer.

There are usually a few people waiting outside the office – film distributors or financiers – and Mr Ben Ammar interrupts conversations to take calls, mostly in French or Italian and occasionally Arabic.

News Corp's formation of Sky Italia was conceived partly in this office, as was the recent share sale at Mediaset, the Italian media group controlled by Mr Berlusconi. It also served as the delivery suite and later the morgue for the disastrous investment and failed attempt to save KirchMedia, the German TV and entertainment rights empire of Leo Kirch.

It all seems a long way from the North African desert, where Mr Ben Ammar made his first fortune. Back in the 1970s, the Tunisian businessman – a nephew of Habib Bourguiba, the country's post-independence president – was seduced by the glamour of Hollywood.

"I said to myself: 'How do you get into films with no money and a name like Ben Ammar?' And when nobody in LA even knew where Tunisia was," he recalls. "So I copied what the Spanish and Italians did in the 1950s and 1960s and made Tunisia a destination for film-makers. He admits to hustling directors, even approaching

Jesus of Nazareth, so *Life of Brian* was done there because we had the sets," says Mr Ben Ammar.

"I met George Lucas who was looking for a desert for a new film. It was *Star Wars*," he adds. "*Star Wars* brought great power and then George says 'Stephen Spielberg wants to make this desert film but is scared of Arab countries'. It was *Raiders of the Lost Ark*."

Contacts with A-list directors opened the door to the media moguls behind the studios, among them Mr Murdoch, Mr Berlusconi and Mr Kirch. In turn, those meetings persuaded the Tunisian to form a boutique investment bank serving the

in media mergers and acquisitions. Such boutiques are employed by media groups, alongside blue chip advisers, to smooth the path on deals that can sometimes be tripped up by a clash of egos or personality splits.

"I moved away from films into TV and became an adviser to these big buyers such as Leo and Silvio and I brought in Prince Al Waleed as an investor in Mediaset," he explains. "I helped Berlusconi reduce the debt and take the company public."

Some industry bankers detected the hand of Mr Ben Ammar, a former Mediaset board member, when the Berlusconi family recently reduced its controlling stake in the Italian media group. They also saw his fingerprints on an open letter from Prince Al Waleed when the Saudi investor expressed strong support for the Murdoch family after John Malone's Liberty Media built a 19 per cent voting stake in News Corp.

Mr Ben Ammar argues: "Trust is developed with these partners. It's easy for them to deal with other moguls through me directly. I make sure that things are smooth and there's no conflict of interest."

It does not always go smoothly. The Quinta boss encouraged News Corp to invest heavily in KirchMedia, only to see the shares collapse three years ago when the German group went bankrupt. Mr Ben Ammar has harsh words for the Kirch bankers who pulled the plug, but claims he tried to save the business.

"Rupert Murdoch and I made an offer. I said: 'Leo, you're going down and there's one man who can save you – Rupert. I'm here to tell you to agree to sell and let him run it and we can save the company.' He agreed but changed his mind on the way from Munich to London. Everybody lost."

The film-maker turned banker tried to compensate News Corp by delivering another deal on a plate – a controversial monopoly of Italian satellite TV. The troubles of another media group, Vivendi Universal, created the opportunity. Debt-burdened Vivendi was persuaded to sell Telepiu, its Italian pay-TV arm, to Mr Murdoch. News Corp then merged Telepiu with Stream, its own Italian TV business.

"It was a great deal," according to Mr Ben Ammar, who played a pivotal role in persuading the French side to accept Mr Murdoch's terms. "News Corp paid less than \$1bn for something that could be worth \$7bn-\$8bn."

That deal helped persuade him to develop his own media business. Quinta expanded by acquiring two Italian digital channels from News Corp, which was forced to sell them in order to get regulatory approval

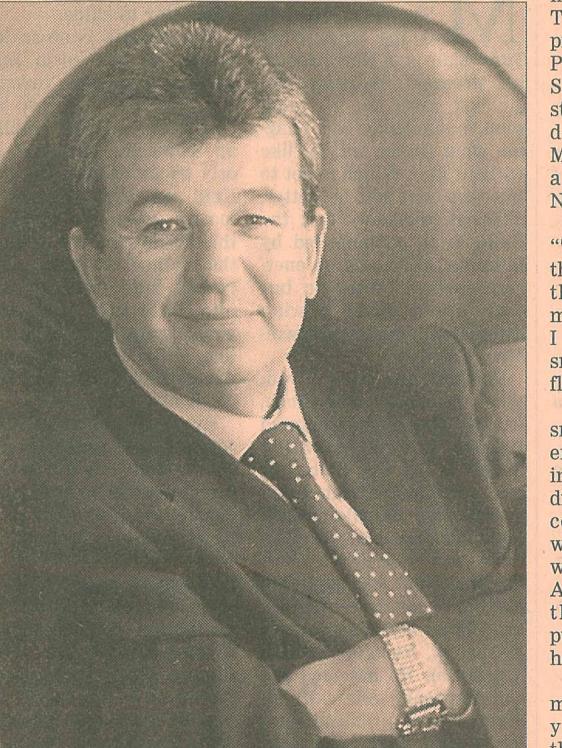
for the Telepiu transaction. The Tunisian is now creating a small, vertically integrated media company around those channels and his film distribution business. The mini-empire now includes sound production, special effects labs and post-

production facilities, along with the North African TV and film production facilities.

Earlier this month, Mr Ben Ammar emerged as a leading investor in the new Weinstein company, set up by brothers Harvey and Bob

following their departure from Walt Disney, the group that owns the Miramax company.

Showing no signs of fatigue with the industry or its temperamental owners, the Quinta chairman hopes to finance and co-distribute films for the new Weinstein business, where he has joined the board. He is also planning further expansion of his media and advisory operations. He grins: "It's a small business that if you do it right you make money at every stage."



Smooth operator: Ben Ammar hatches huge deals at his small office

them in airports and offering cheap production facilities in North Africa. Carthago, his fledgling film company, started to win location contracts – literally renting sand to Hollywood.

Jesus of Nazareth was not filmed in the Holy Land, but in Tunisia. "Some English comedians from Monty Python were on vacation when we were shooting

industry. Quinta Communications, the investment vehicle he formed in 1990, is partly owned by the Italian premier.

But it styles itself as an independent advisory firm in the same mould as Allen & Co, the New York boutique involved in many of the past decade's media deals, or London's LongAcre Partners – another regular participant

THE BEN AMMAR ROUTE TO MEDIA'S TOP TABLE

- Offer film production facilities and services cheaper than international rivals
- Leverage new deals off film contracts
- Use film contacts to access media bosses
- Offer boutique advisory services to media groups
- Buy up non-core assets from M&A deals and create new media business around them
- Cross-promote and feed new orders from newly acquired businesses to original film and TV production business