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Tarak Ben Ammar: The Great Negotiator

by Dom Serafini

If Rupert Murdoch, Silvio Berlusconi, Prince Alwaleed, Leo Kirch and Vincent Bolloré have a common denominator, that could only be Franco-Tunisian financier-producer-broker-financial advisor Tarak Ben Ammar.

But the 54-year old Ben Ammar is more than just that: he's also a shareholder of Lux Vide, Italy's largest TV production house; chairman of Paris-based Quinta Communications; owner of production facilities in his native Tunisia, as well as post-production and special effects houses in France; and now a board member of Mediobanca, Italy's largest investment bank, which also controls Assicurazione Generali, Europe's largest insurance company. Ben Ammar also has a 50.1 percent equity share in Roma Studios through his Promotion e Partecipazione International.

As *VideoAge* Daily at MIPCOM 2003 wrote: "One doesn't need to qualify Tarak Ben Ammar, only to quantify him."

For this story, *VideoAge* met with Ben Ammar first at the Anti-Defamation League's Award Ceremony honoring Silvio Berlusconi in New York, then at the MIPCOM 2003 "Personality of the Year" Award dinner for News Corp. COO Peter Chernin, and finally on his boat, moored in the port of Cannes' MIPCOM Palais.

Ben Ammar's ascent in the entertainment industry began in the movies: through his studios, Carthago Films, in Hammamet, Tunisia, he has been involved in a total of 60 film productions, including 1977's *Star Wars*, 1981's *Raiders of the Lost Ark* and, most recently, Brian De Palma's *Femme Fatale*. But he did not neglect financing, and today Ben Ammar is working on a venture called Global Partners, a mergers investment bank, in partnership with ABN Ambro, the Netherlands's largest bank.

In the Netherlands, Ben Ammar also owns Holland Coordinator & Services (HC&S), a holding company now involved in brokering the two Italian national TV terrestrial frequencies that Rupert Murdoch's News Corp. inherited (but, by law, has soon to dispose) by acquiring Vivendi-Universal's Telepiù. This pay-TV service was renamed Sky Italia when it was merged with Italian pay-TV service Stream. The two frequencies, called Telepiù Bianco and Telepiù Nero, were first grouped under two companies: Europa TV for the former and Prima TV for the latter. Subsequently, News Corp. sold them to SPAFID, a trust company owned by Mediobanca. Now HC&S is acquiring Europa TV for 70 million euro and Prima TV for 40 million euro. The French TF1 group is to buy up 49 percent of Europa TV for 40 million euro. TF1, through its wholly-owned subsidiary Eurosport, plans to launch Sport Italia, a national, not-soccer-based sports channel covering 83 percent of Italy. If the agreements get



official approval, the partners plan to launch in time for the New Year on an unscrambled basis. Prima TV, on the other hand, would become a multiplex for digital terrestrial television whose programs will be farmed out.

Ben Ammar first negotiated News Corp.'s 48 million euro control of Stream from Telecom Italia. Later, he helped with Murdoch's 920 million euro (cash and debt) acquisition of Telepiù.

Ben Ammar first came into contact with Murdoch in 1995 when News Corp.'s chairman wanted to buy Silvio Berlusconi's media group, Mediaset. Conversely, Ben Ammar has known Italian Prime Minister Berlusconi since 1983, when he met him at the Tunisian vacation house of a mutual friend: the then-Italian Prime Minister Bettino Craxi.

Craxi was subsequently discredited and vilified, but before that, he was instrumental in forging legislature that allowed Berlusconi to build his national TV network Canale 5 and to expand his TV operations in Italy. Craxi's demise induced Berlusconi to enter national politics in 1993 in order to protect his interests from threatening, politically well-connected competitors.

In 1990, Berlusconi and Ben Ammar formed Quinta Communications, a production and distribution company which, starting in 1994, co-produced with Lux Vide such TV series as *Jesus of Nazareth* and *The Bible*. Last September, Ben Ammar became a Lux Vide shareholder, with a 25 percent stake.

In 1995, Ben Ammar advised Saudi Prince Alwaleed bin Talal to invest in Berlusconi's Mediaset when it went public, and was rewarded with a seat on the Italian media conglomerate's board, a position that he left recently when Alwaleed shed his Mediaset investment. Similarly, Ben Ammar advised Alwaleed to invest \$400 million in Murdoch's News Corp. in 1997.

Prince Alwaleed, who is also Citigroup's largest individual investor and owns a big chunk of Euro Disney, is a family friend of Ben Ammar's. Both men completed their studies in the U.S.: Ben Ammar at Georgetown University in Washington, D.C., and Alwaleed at Menlo College in California.

Since 1995, Ben Ammar has overseen media investments on behalf of Prince Alwaleed's Kingdom Holding Co. Earlier, in 1993, in association with Alwaleed and Saudi Group Dallah Al Baraka, controlled by Sheikh Salah Abdallah Kamel, Ben Ammar helped to establish Arab Radio & Television (ART), which satcasts in the Middle East and North Africa with uplinking facilities in Italy. In 1995 he assisted Italian broadcaster RAI in establishing RAI International's satcasts via Echostar in North America and Galaxy in South America in association with Alwaleed and Dallah Al Baraka.

In 1999, Ben Ammar arranged for Berlusconi, Alwaleed and Lehman Brothers to invest \$1.3 billion in Kirch Media and for Murdoch's B-Sky B to invest \$1.4 billion in Kirch's pay-TV Premiere in Germany. His relationship with Kirch began in 1978, when he produced Franco Zeffirelli's *La Traviata* for him. In 1995, he assisted Kirch in investing, together with Alwaleed and the South African group Nethold, some \$1 billion in Berlusconi's Mediaset.

Ben Ammar told *VideoAge* that he's especially proud of his recent appointment to the board of Mediobanca, since, as he put it, "It's the first time that a film and TV executive has been asked to be part of Italy's financial center. It's also a first time for a non-Westerner."

The post is to represent the interests of Vincent Bolloré, a French investor and Ben Ammar's neighbor in Paris, who had to mount an offensive to protect his investment in Mediobanca, and especially in Assicurazione Generali, against a challenge from Italian shareholders (mostly banks) and thus preserve the job of his friend at Generali, chairman Antoine Bernheim, who's also a Bolloré business partner.

All in all, Ben Ammar's negotiating skills have netted him an estimated \$100 million in connection with transactions on the order of 13 billion euro. Not bad for someone who, in 1975, started with \$10,000 to build a production services company outside Tunis.

The son of a Muslim father and a Catholic mother of Corsican descent, Ben Ammar was raised Muslim, but when his lawyer father became Tunisia's Ambassador to Italy, he attended an American Catholic school in Rome. Ben Ammar's grandfather, also a lawyer, was the father-in-law of Habib

Bourghiba, the revolutionary leader who, in 1956, became the first president of a Tunisia independent from the French colonialists. Later, as a Tunisian government official, Ben Ammar's father moved with his family to France and Germany, so, in addition to Arabic, Tarak now speaks four other languages fluently. He's married to a Catholic Pole and they live in Paris with their four children.