

SHOP TILL YOU DROP

GMM Grammy's satellite TV unit has formed a joint venture with Korea's largest home shopping operator. **B6**

SATELLITE TV

GMM Z inks shopping JV with CJ O

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GMM Z, the satellite TV unit of GMM Grammy, is gearing up to boost revenue by forming a joint venture with CJ O Shopping, the largest home shopping operator in South Korea.

The TV home shopping business will generate 10-20% of total revenue for GMM Z in the next five years, said Grammy chairman Paiboon Damrongchaitham.

GMM CJ O Shopping Co is set up with 540 million baht in initial capital, with Grammy holding a 51% stake in the new venture and CJ O Shopping the remaining 49%.

The new channel, O Shopping, will premiere June 18 on GMM Z's Channel 9 and air around the clock.

"This business [home shopping] will become one of the main revenue generators for GMM Z," Mr Paiboon said.

"We expect to break even in four years."

He said Grammy had looked for a home shopping partner for more than 20 years.

"With CJ O Shopping, our business philosophy is a match and we can fulfil each other. GMM is a content provider and CJ O is a home shopping expert. So this is a good combination."

Sung Nak-je, global business director of CJ O Shopping, said his company had seriously studied the home shopping market in Thailand and found potential to grow here because of the shortage of players. Moreover, per-capita income is on the rise.

He expressed confidence that income from the O Shopping channel would boost the share of online shopping from 0.2% of consumer product sales (240 billion baht) to 1% in the next five years.

Thana Thienachariya, GMM Z's chief executive, noted that Thai home shopping is still small relative to the business in South Korea, China, Japan and India.

"During the first two years, we will focus on building trust among consumers," he said.

In another development, Grammy has approached TrueVisions to jointly bid on broadcast rights for the English Premier League, according to Mr Paiboon.

"Our goal is to become a free TV station in the future, when all rules and regulations are clearer," Mr Paiboon said.