

9<sup>ème</sup> Conférence Annuelle  
Actes

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*9<sup>th</sup> Annual Conference  
Proceedings*

Paris  
25-28 novembre 2004  
*25<sup>th</sup> – 28<sup>th</sup> November 2004*

**CONFERENCE INAUGURATION**

Claude Miller, *Film director, President of Europa Cinemas*

Christophe Girard, *Deputy-mayor of the City of Paris, in charge of culture*

Monique Barbaroux, *Deputy General Director of CNC*

Claude-Eric Poiroux, *General Director of Europa Cinemas*

**Claude Miller:**

The number of participants at this year's Europa Cinemas Conference is very high, an indication of the strength of the network. When Europa Cinemas was just starting out twelve years ago its pioneers would not have dared hope of it growing so big.

**Christophe Girard:**

Europa Cinemas is playing a prominent role at a time when the 25 member states of the European Union are in the process of adopting a constitution. The network acts as a kind of ambassador for an open Europe which is not prepared to stand back and be afraid. Europa Cinemas plays a political role in the true sense of the word. It embraces the values of creativity, humanity and acceptance, all of which are reflected in the 7th art, and it is keen to see these notions expanding to other continents.

The Paris City Council takes a particular interest in the cinema. It has set up a number of initiatives aimed at protecting art house cinemas and runs campaigns such as "3 days, 3 euros". In 2003 it established a special aid fund for independent cinemas in Paris. For the last three years the French capital has been running its own festival, Paris Cinéma, and European films make up 66 % of its programme. It also supports events such as "From the Baltic to the Balkans", the first session of which was held last May. Paris has the same approach as Europa Cinemas in providing aid to its neighbours who are fighting for democracy, such as Ukraine is today. Together we can build on the notion of cultural diversity, heir to the struggles of the twentieth century.

**Claude-Eric Poiroux:**

Europa Cinemas expresses its thanks to the City of Paris and Christophe Girard for their hospitality in the capital. Thanks also to Centre National du Cinéma, which, together with the European Commission, has been supporting the position of exhibitors within the MEDIA programme and providing assistance to the Europa Cinemas network since its creation in 1992.

**Monique Barbaroux:**

The size of the audience at this conference is a sign of the dynamism and strength of the Europa Cinemas network. We have participants from Europe and also from Mediterranean and African countries. With the enlargement of the European Union, it would be good to see the profession of exhibitor and distributor being taken up by increasing numbers of women. But we are already

thrilled to see the arrival of Hungary and Malta on the scene bringing with them a network of around thirty new screens.

The CNC consults very closely with the whole cinema chain which includes producers, distributors and exhibitors. The theme of the first workshop devoted to the showing of European films is of immediate interest to the CNC, because exhibitors are going to be screening and circulating films from the new member states.

The theme of the second workshop is the introduction of digital cinema, which is currently in a transitional phase. There are many outstanding issues including the new economic model and its support system which the exhibitor would be joining. Digital cinema is also going to redefine the relationship between exhibitor and distributor.

Finally, the last workshop concerns itself with a particularly sensitive subject, which is Young Audiences. How to interest them in the cinema, help them develop a taste for cinematography and a critical mind, this is the kind of significant research which needs to be undertaken. We need to teach children how to discover films in the theatre.

The major challenge in tackling these various issues is the maintenance of cultural diversity. We are urgently awaiting the implementation of a legal tool by Unesco. The SACD (French society of authors' and composers rights), represented by Pascal Rogard, is giving this project extensive support. This diversity is as much about the national origins of films as it is about the various cinematographic genres. The discussions which are being held during the conference will also be taking place in a special context: that of the extension of the MEDIA Programme beyond 2007. The negotiations have already begun.

### **Claude-Eric Poiroux:**

As Claude Miller remarked, attendance at this conference is already promising to be numerous: 450 persons from roughly 40 countries have confirmed their participation, and we have handsomely increased numbers of participants from the ten new member countries.

Thanks to Eurimages and the French Ministry of Foreign Affairs, the Europa Cinemas network is represented in more than twenty Eastern and Central European countries in addition to the 25 countries of the European Union, as well as in the twelve countries of the Euro-Mediterranean partnership. Efforts by the European Commission, the Francophonie agency and the Ministry of Foreign Affairs have encouraged the creation of Africa Cinemas. And finally, the MEDIA programme has recently entrusted us with the mission of acting beyond the borders of our continent to support distributors of European films and theatres that screen them, particularly in Latin America and Asia.

The network now has more than 1300 screens. As this conference gets underway, it is a good idea to recall the results achieved in 2003: 33% of our screenings were devoted to European non-national films, in contrast to only a figure of barely 8% across the continent as a whole. In addition, our network cinemas showed national films at 22% of their screenings, which means that European content made up 55% of total films shown by network theatres. American films are not

altogether absent from our screens, but they are limited to 30%, whereas the overall European average is nearly 72%. The remaining 15% represents non-US, non-European films, for instance works from Latin America, Africa and Asia – films that are nearly not shown in the rest of the market (between 2 and 3%). These statistics show that European support encourages exhibitors to diversify, not only in terms of European films but in terms of films from around the world. This gives audiences in our theatres the privilege of having a wide range of high-quality choices.

Although we are spending some of our conference time discussing digital cinema, it is not our aim to promote new technologies at all costs, but rather to ensure that this development will allow us to increase the kind of programming diversity which is so important to us.

**Fatima Djoumer:**

The plenary sessions are translated into five languages, German, English, Spanish, French and Italian. English and French translations will be provided in the workshops.

## **SESSION I. EUROPEAN CINEMA: TOO MANY FILMS, NOT ENOUGH SCREENS?**

- Study on European films produced and distributed in Europe
- Is there sufficient coordination between distributors and exhibitors for film releases?
- Impact of massive print releases on the programming of European films
- Are there audiences for all European films?

Session chaired by Pascal Rogard (*General Director of SACD, France*)

### **1<sup>st</sup> part – speakers:**

Kim Ludolf Koch (*Consultant, RMC Medien Consult, Germany*)

Jean Labé (*President of Fédération Nationale des Cinémas Français*)

Johannes Klingsporn (*General representative of Verband der Filmverleiher e.V., Germany*)

Annika Estassy (*Managing Director in charge of exhibitions, Sandrew Metronome, Sweden*)

### **2<sup>nd</sup> part – speakers:**

Andrea Occhipinti (*Distributor, Lucky Red/Circuito Cinema, Italy*)

Michel Saint-Jean (*Distributor, Diaphana, France*)

Roman Gutek (*Distributor and exhibitor, Gutek Films, Poland*)

Paulo Branco (*Producer, distributor and exhibitor, Gemini Films, France/Portugal*)

### **Kim Ludolf Koch:**

The following information on the increased supply of films in Europe was provided by bodies such as Media Salles, Lumière and OBS. Exhibitors have also provided their own data by way of the number of copies they schedule. Several countries have been the focus of studies, such as France, Great Britain, Spain, Italy, Germany, Switzerland, Sweden, Denmark and Poland. To find a fair balance between the different countries, an average admission price in Europe was used as a point of reference. Attention was also focused on co-productions which change the nationality or the label of origin of a film even when a country has played a very minor role. The actual distribution was also taken into account since cinemas with exclusive rights are sometimes biased. Wrongly, new releases in December are generally not counted since they are part of the previous year's figures. Yet some superproductions like Harry Potter receive half of their turnover in that month.

Spain gives weight to the idea that the more auditoria there are, the greater the attendance. But Sweden has just contradicted this finding, and you cannot generalise, even if the Swedish industry appears to be an exception. A significant number of productions do not appear at the cinema, for example 30% in Great Britain. As a result of its trilingualism, Switzerland has the greatest market share of European films. In terms of the percentage of national works scheduled, Denmark and Sweden have a high rate of 26% and 22%, but the champion is France, with 35%. Other countries barely exceed 20%, due to the domination of American distribution.

Attendance at national films in Europe is low, with only Denmark and Switzerland above average. For African, Asian and South American productions, Switzerland, again, has the highest number of admissions. The category of European and other films, save those from the United States, achieves the lowest attendances. Hollywood cinema comes out the clear winner, not for its general quality but for its very effective promotion. Thus blockbusters attract the most viewers and they have a dominant place in Germany, Great Britain and France, with Spain an exception to the rule. France remains the only country whose national productions enjoy great popularity.

The only two methods which should be reinforced to increase visibility of European and national films are promotion and campaigns to attract young viewers so they become accustomed to cinematographic diversity at an early age. In Germany, for example, it would be good if works which attract very few viewers were not distributed at all in order to make screens available.

**Johannes Klingsporn:**

The situation in Germany is very different from that of France in terms of distribution and operating costs. French attendance is centred on Paris, which allows the costs of a film to be recouped very rapidly, while Berlin cannot fulfil the same role. This results in much higher costs of releasing copies in Germany. In response to these increased costs, trailers may now be shown on German TV channels at low cost.

**Jean Labé:**

For 2004, we hope to return to a French attendance rate of 190 million admissions, the level achieved in 1984. Over the last twenty years the cinematographic landscape has changed a lot. TV channels have multiplied and first videos then DVDs appeared. The next stage in home cinema will be the VoD.

1,000 new auditoria have appeared in France over ten years and there are now 5,350 in the whole country. These are not enough for the 554 annual films, not to speak of the re-releases. And imposing a restriction on the number of copies of a film is inconceivable. That would penalize cinemas in small towns, as they would no longer have access to certain works. A restriction on the number of copies has, however, been proposed for multiplexes. The exhibitors have accepted this, since it gives them a greater flexibility in scheduling, given the huge availability of films. There is no written obligation and it is just an agreement, an undertaking by the multiplexes not to show more than two full-length copies in one building.

The big problem now is making films survive. The majority of the public can no longer see half of the scheduled productions, as their cinema career is now too short. The specialist French press does not help much either, by favouring specialized films which appeal to few viewers instead of providing information on all releases.

Paris represents 20% of a film's national admissions. Costs of promotion in and around the capital are around 80% of the budget for the whole country. It is desirable that regional TV channels broadcast publicity on average films.

**Pascal Rogard:**

Concerning the restriction of copies, Jean Labé was honest enough to state that for a start this measure would allow exhibitors to diversify their programmes and deal with several distributors, thus offering them economic flexibility. This practice is not aimed at protecting cultural diversity.

**Annika Estassy:**

Sweden has the distinctive feature of having an attendance rate of 18 million admissions with a population of 9 million people. This amount of viewers has not changed over the last three years. There are two large cinema circuits, Sandrew Metronome and Svensk. It is only in Stockholm, Gothenburg and Malmö that the same work can be shown by two competitors. In the other cities distributors must choose either one or the other. This creates very stiff competition, especially if one of the circuits cannot benefit from productions in the box office top ten. Thus Sandrew Metronome has had to fall back on European films because it cannot obtain very popular works. The difficulty then lies in interesting viewers in European productions. Just 25% of Swedes go to the cinema. 39% prefer to buy videos. There is a risk the number of screens will fall.

### **Pascal Rogard:**

It is in fact possible to imagine a country having too many cinemas. France benefits from a good system regulating and authorising the opening of new cinemas. As far as advertising in France is concerned, according to Jean Labé it is fair that the blockbusters do not benefit from televised promotion which would require all distributors to increase their budget. However, astonishingly, videos continue to benefit from this means of communication, giving French productions a market share which is just 50% of that achieved in cinemas.

### **Paulo Branco:**

The most important thing is still to maintain cinematographic diversity. Many directors would not have stayed in the business if their films had needed high attendances. Cinema is an industry of prototypes and its success is not measured by turnover alone.

Televised publicity for films d'auteur will achieve nothing. Something similar was attempted in Portugal and failed. The means must be organised for art house films to make their mark. Europa Cinemas is a good medium for that. The presence of demanding media and critics is also useful. To favour the distribution of non-national European films, the television without frontiers directive must be implemented such that distributors can sell rights to generalist networks. This measure does not exist at present.

### **Roman Gutek:**

The Polish cinema market is new and dynamic. Poland changed its economic system in 1989. Multiplexes have been built over the last seven years and have 66% of the market share. 40 million Poles went to the cinema in 2004. Release dates are decided on an individual basis between the exhibitor and the distributor. There is no general cooperation and coordination for the film industry. Polish exhibitors have therefore been very reluctant to show European works. Sometimes they have to yield to the might of American distribution networks represented by some multiplex circuits who can show three copies of the same film in the same building. So there is very little room for European productions which generally are granted only two weeks in the schedule in a local cinema. 50 to 60 European films are released in Polish cinemas, representing

16% of annual admissions. But they have a faithful audience. Salvation may come from the MEDIA PLUS plan which will favour the promotion of European works among the young.

**Pascal Rogard:**

It is encouraging that a Polish film can now pull itself up to first place at the box office. That proves that, after having been controlled by public finance alone, national production can benefit from the new market economy.

**Andrea Occhipinti:**

The Italian company Lucky Red distributes 80% of European films and is linked to a whole network of cinemas called Circuito Cinema. We work particularly in Rome, where we have 21 screens in seven cinemas. Far too many films are also released in Italy for too few cinemas. The press does not take an interest in films d'auteur and viewers are not well enough informed. The geographical distribution of screens is also worrying since there is a big imbalance between the north and the south of the country. There are also concerns for Italian production, whose sphere of activity is decreasing due to the reduction in state subsidies.

**Gilbert Grégoire:**

The International Federation of Associations of Film Distributors is, from now, leading discussions on the MEDIA programme from 2007. It has been asked that this continue and also be expanded to include films from the latest countries to join the European Union. This assistance complements that of Europa Cinemas. It allows a European film, once it has been shown at a large festival, to benefit from support from the moment a distributor becomes interested. Previously five distributors were necessary for this assistance to be received.

The Federation is also negotiating with the European Commission to implement the television without frontiers directive, which comprises a true willingness by networks to purchase, broadcast and promote European films.

## **SESSION II. HOW HAVE EXHIBITORS RESPONDED TO THE OFFER OF EUROPEAN FILMS?**

- Investigation: should we be investing in new theatres and new screens?
- Should theatres specialize? Are there synergies between all types of exhibition?
- Will digital cinema offer new prospects for European cinema?
- What funds are available for these new investment projects? The role of private investors and public authorities

Session chaired by Patrick Frater (*chief editor of Screen International, UK*)

### **1<sup>st</sup> part – speakers:**

Claude-Eric Poiroux (*General Director of Europa Cinemas*)

Patrick Brouiller (*President of Association Française des Cinémas Art et Essai*)

Tony Jones (*Exhibitor, City Screens, UK*)

Raymond Walravens (*Exhibitor, Rialto, Netherlands*)

Lionello Cerri (*Producer and exhibitor, Anteo Spazio Cinema, Italy*)

Gregor Freund (*Manager in charge of acquisition, UCI-Kinowelt, Austria/Germany*)

### **2<sup>nd</sup> part – speakers:**

Primitivo Rodriguez Gordillo (*In charge of international affairs, Federación de cines de España, Spain*)

Nico Simon (*Exhibitor, Groupe Utopia, Benelux/France*)

Dr. Heribert Schlinker (*Exhibitor, in charge of the exhibitors' committee, Filmförderungsanstalt, Germany*)

Patrick Van Houdt (*Project manager, industrial service, European Investment Bank*)

### **Claude-Eric Poiroux:**

Here are the first results of the questionnaire given to Europa Cinemas network exhibitors. The first question concerned renovating theatres and improving their equipment. 85% of cinema establishments have carried out renovation work. But few have invested in new 35 mm material, in anticipation of digital technology.

The second question was about the creation of new screens. 66 exhibitors installed new screens: 31 on their own site, 24 in the same city, and 11 in another town. Generally this meant creating one or two supplementary auditoria. Germany and Italy are the countries with the largest increase in the number of screens.

The third question concerned the state of digital technology in the cinemas.

41 theatres are already equipped, and 51 occasionally hire material. Out of the 200 answers already obtained, 51% of the exhibitors use digital more or less frequently.

A further question addressed investment in equipment to aid the blind and hard of hearing. Few cinemas in France have invested in this domain. The United Kingdom is the first country to cater to this audience.

The last question addressed financing alternatives. Most financing comes from private funds, but national, regional or municipal institutions also play a role. As we are in France at the moment, let us recall that the support fund system allows exhibitors to mobilize rights acquired years in advance to bundle their investments and carry out renovations or new construction projects.

### **Tony Jones:**

Some towns in England have recently invested in large screens. These are Stratford, East London, Cambridge and Liverpool. A number of 70 mm projectors were bought. UGC is the only multiplex operator in the United Kingdom showing interest in independent and European films.

Others rely on popular titles. UGC also made its theatres available for festivals in London, Glasgow and Birmingham. The City Screens network fosters cinematographic diversity through its different regional member cinemas. It also organises different activities to raise subsidies for exhibitors. These subsidies are often granted by the British Film Institute, Sport Senate Foundation, and RDF. These investments are equivalent to risk capital funds. Cinema exhibition remains an uncertain business.

The British Film Council authorised distributors to increase their budgets for copies and marketing, but this was a limited success since the number of viewers did not increase. An association of independent exhibitors (AEFI) was created eighteen months ago. It pools together cinemas that show films with a strong cultural content. The association defends the specificity of the 7th art and this type of programming.

City Screens also fosters the distribution of European films and supports in particular documentaries through an itinerant programme. Today City Screens has 4,000 members and accounts for 38% of a film's box offices during the first 4 weeks of its release.

### **Gregor Freund:**

Vienna has an unusual cinema with 21 auditoria. It programmes popular films as well as art house works. Its special feature is that it is extremely comfortable, almost luxurious. However the ticket price had to be affordable to encourage viewers. It benefits from commercial and cultural agreements with UCI, the German-Austrian distribution multinational.

### **Raymond Walravens:**

Rialto, the independent cinema in Amsterdam set up in 1981, has two screens, and programmes mainly films d'auteur. This programming is only viable in cooperation with public partners and sponsors, which is also preferable for the banks. The cinema purchased the building in 1997, after renting it for sixteen years. 1.1 million euros went into refurbishments in 1999. The government provided 55% of the financing. Today Rialto wishes to buy land for a multiplex. The main reason for cinema closures in Holland has to do with new land ownership.

### **Patrick Brouiller:**

The supply of films in France is too great. There are over 600 releases a year. The films d'auteur no longer have enough time in theatres since they only gain an audience with time. Multiplexes have accelerated the rotation of copies. The calendar of releases must be reorganised. Art house cinema can be developed through summer programming to avoid the bottleneck of the fall season.

The term "art house cinema" will celebrate its fiftieth anniversary in 2005. It was created by Parisian exhibitors and critics who recognised the importance of cinematographic art and alternative distribution. In fact the original term is still very close to the type of films supported by the Europa Cinema network. This institution relies on the commitment of exhibitors belonging to

different categories. The network works with private, association and municipal theatres. Its objective is to maintain cinematographic diversity and avoid concentration of films in the multiplexes. The art house network accounts for 70% of box offices obtained by first works in France, and represents 18% of annual admissions.

It is clear that digital technology will replace 35 mm, and that it will be very effective. But one must be wary of the mergers it will bring about. These will marginalize art house exhibition. Digital could result in a very large number of productions, making theatres a sort of 'image garage' after the fashion of instar television. The cinema must preserve its artistic specificity.

Art house cinema benefits from a truly grateful public, and it has exceptional venues with a personal touch. The policy towards young audiences adds much to this success, as it is coordinated across a wide area. The network allows affiliated cinemas to establish a real link between filmmakers and their audiences.

Europa Cinemas places films in categories according to their country of origin. The art house label above all stands for quality in a film.

### **Lionello Cerri:**

The general situation of Italian cinema is not good. Today Italy has 4,000 screens, of which 1,500 were recently created, mostly by multiplexes. This evolution occurred over seven years. 165 multiplexes make up half of the attendance. There were 110 million viewers in 2004. It appears that the increase in the number of theatres, like that in the number of films distributed, does not increase admissions. Italian productions are present in the multiplexes, since by law there is a 20% share for national feature films. But box offices for these films in the multiplexes are only half those of specialist theatres. And the same is true of European films. It is important to play up the specificity of independent theatres to fight against the concentration of multiplexes. They must conquer their audience.

### **Patrick Frater:**

To mitigate the shortcoming of public and private funding in Italy, should exhibitors take part in the production and distribution processes?

### **Lionello Cerri:**

This could be possible, but it is really the love for a certain production that must guide financial commitment.

Cinemas in Italy should open in the summer. This would add 20 million viewers.

### **Nico Simon:**

The Utopia exhibition group started in Luxembourg with an art house cinema equipped with THX sound. Today it has established a presence throughout the Benelux countries. Utopia has multiplexes which schedule films d'auteur and commercial films. Concentration is on small and

medium sized centres to avoid competition. Cinema d'auteur benefits from high audience loyalty, while blockbuster viewers remain occasional viewers. It is cinematographic quality which will ensure the continuity of the industry on a long term basis.

**Primitivo Rodriguez Gordillo:**

It is clear that investing in new screens is necessary to renew a commercial and cultural presence. Spain carried out a great effort with regard to refurbishing theatres and a certain number of multiplexes. Some premises have too many screens. It is wise to build a theatre for at least 7,000 inhabitants. Several cinemas had to close down due to competition with multiplexes. They could no longer make investments that take 20 years to recoup.

Ten new films are released per week. The most important are distributed with a large number of copies, accelerating the rotation of films. Theatres that do not have access to large productions must specialise and propose alternative solutions with European films d'auteur, programmes for young audiences and retrospectives. But Hollywood cinema can coexist with demanding works in one establishment, if there is enough space for different audiences. Digital projections should foster alternative production distribution. They will bring with them a 10% increase in staffing expenditures. Financing the equipment will come as usual from banks, funds for the exhibitor and from public subsidies which are unfortunately weak. Spanish distribution has previously been too limited, and has suffocated exhibitors. Digital technology looks set to reverse this trend by providing greater distribution possibilities, which will in turn increase profit margins. Nevertheless, theatres must finance this new technology by themselves, to preserve their independence.

**Dr Heribert Schlinker:**

In 1998, an eighty year old cinema with three auditoria was closed down, reopening with six screens. Annual admissions increased from 30,000 to 150,000.

If an estimate of the number of copies for the whole of Germany were established, one could not say there were too many productions. Distribution is not satisfactory, in particular in some small towns.

Investing in digital technology is a real problem. A fully equipped theatre costs 100,000 euros. Who could pay for the 4,000 German screens? Certainly not the public authorities. One could expect 50 million euros, but where will the remaining 350 million come from?

**Patrick Van Houdt:**

The EIB (European Investment Bank) was created in 1958 with the Treaty of Rome. It finances European integration projects. The capital put at disposal by member states under the form of guarantees is around 150 billion euros. This bank proposes low rate loans for minimum investments of 25 million euros. It may link up with financial intermediaries in granting loans. The bank responds according to the eligibility of the project submitted. This means the investment must have a real European integration objective. In this framework, the EIB wishes to take part in

audiovisual investments which can include refurbishing theatres and acquiring digital equipment. To achieve the minimum investment threshold, applications must be grouped together. Exhibitors can take part in a regional application. Appropriate economic models must be established before approaching the EIB.

**SESSION III – WORKSHOPS:**

**A1: DISTRIBUTORS AND EXHIBITORS IN THE TRANSITION TO DIGITAL CINEMA**

- Interim report on national and European pilot projects
- Repartition of investment and development of connections between distributors and exhibitors (financial models)
- 35mm / digital cinema: how should the transition be handled? Equipping theatres, training staff
- Image resolution, format definition, film distribution supports: what is the current situation?

Session chaired by Jonathan Davis (*consultant, UK Film Council*)

**Speakers:**

Steve Perrin (*Deputy head of distribution and exhibition, UK Film Council*)

Björn Koll (*Project director, EuroDocuZone, Germany*)

Bernard Collard (*Project director, XDC, Belgium*)

San Fu Maltha (*Distributor, A-Films, Netherlands*)

Laurent Danielou (*Distributor, Rezo Films, France*)

Monika Weibel (*Distributor, Frenetic Films, Switzerland*)

Heidrun Podszus (*Distributor, Ventura Films, Germany*)

Olivier Masclat (*Distributor, Les Films du Losange, France*)

Marcin Piasecki (*Distributor, Kinoswiat, Poland*)

Jean-Jacques Schpoliansky (*Exhibitor, Le Balzac, France*)

Alain Besse (*Engineer, Commission Supérieure Technique, France*)

Anders Geertsen (*Responsible for the commercial module, European Digital Cinema Forum*)

*Important information: a DLP cinema BARCO DP-30 projector and an EVS server will be demonstrated at Salle Léman/Constance all day on Saturday the 27<sup>th</sup>. Two technicians from BARCO and EVS will be available to answer your questions.*

**Jonathan Davis:**

This Conference will begin by taking stock of the introduction of digital technology. Following that, we will tackle in detail the question of financing, which remains a great unknown; the main concern being how to utilise digital technology to promote high-quality cinema.

**Alain Besse:**

The figures that will be quoted refer to cinemas with digital technology, equivalent to 35-mm resolution. The first theatres began to install this equipment in 1999. Today, 280 cinemas around the world are equipped with this technology. By the end of 2005, this should have increased to 1,000 screens. Asia is currently experiencing the most pronounced development of digital technology. Last year, only 8 countries in Europe used this equipment, but since then the technology has spread consistently across the continent. There are now 51 digital screens in Europe, of which 13 are in Belgium.

The digital distribution sector developed primarily in the United States where a considerably wider range of films than in Europe is available in this medium.

### **Bernard Collard:**

XDC is a Belgian company, which offers a complete, logistical solution for digital products and services as a third-party investor. It aims to help the cinema industry respond to specific needs. We have realised that the economic viability of this equipment is linked to the capacity to organise economies of scale. In this area, the Europa Cinemas network is a privileged partner. Digital technology must result in real value-added for the exhibitor. XDC offers exhibitors various leasing packages tailored to the size of the screen. Rental prices range from 500 Euro to 1,500 Euro per month for screens larger than 13 metres.

The digital distribution sector currently covers a catalogue of 100 films. However, 50 % of full-length feature films are digitally mastered after postproduction. That means a potential supply of films actually does exist and is large enough to speed up the transition to this new technology. The technology allows exhibitors to react extremely quickly to demand since it eliminates delays due to producing prints. Furthermore, it allows savings of 20 % on the cost of producing a 35-mm print.

XDC would like to create a network of theatres, which is set to grow in Sweden in particular. We hope to have 500 screens in Europe on board two years from now.

### **Olivier Masclet:**

There's one concern that keeps on cropping up here. Will XDC be able to take account of the programming diversity in the various theatres? In the course of its network project, it seems that this company could acquire content and create a bottleneck for film cultures with few digital resources.

### **Björn Koll:**

EuroDocuZone and Cinema Net Europe are putting together a pan-European project to develop digital technology via European cinematic content. It aims to promote distribution of low-budget films shown in small theatres. Its catalogue is mainly comprised of documentaries. Eight distributors have joined this project, which enables them to share subtitling and other costs. A GDC server is used, allowing a great deal of flexibility in displaying subtitles in ten different languages, as well as DLP Panasonic 1.4 K projectors. Cross-platform compatibility of various servers is still the main concern. There is no international standard to promote distribution of films in the digital catalogue. For the time being, we must also find a modus vivendi with local laws. EuroDocuZone feels that regional documentaries should be a priority for support.

A cinema participating in EuroDocuZone undertakes to distribute 26 programmes per year. The installation cost is 1,000 Euro and the annual subscription fee is 1,300 Euro. This may seem shocking, but it does no good for a film to be screened sometimes for a whole week in a small theatre with hardly any viewers. It makes more sense to distribute it for three days while organising a campaign of associated events.

### **Steve Perrin:**

Britain is fortunate enough to have a project to introduce digital technology into 150 cinemas with a total of 250 screens, spread throughout the country. The very best quality has been chosen, namely DLP 2K projectors, which will be installed in multiplex and art-house cinemas.

The current economic model, linking distributors and exhibitors, is likely to move forward. Digital technology will make it much easier for cinema managers to reorganise their programme to include an exclusive release no longer showing in their cinema, without having to renegotiate agreements to obtain a print. The various suppliers have been asked to get together as a consortium to issue a global call for tenders. Digital technology will allow art-house films to be shown in areas of Britain with no specialised film theatres. A call for tenders has also been launched for PR companies with a view to increasing audience awareness of this new digital programme, particularly among young people. Exhibitors prepared to install this equipment will be selected from the beginning of next year. An initial 50 projectors will go into service during that period. For the UK Film Council, digital technology is not an end in itself. It is a way to reach a larger and broader audience and to enable greater programming flexibility. The days when the same film was shown for two weeks are over. There are too many productions. Most of them will be proved to be flops. Exhibitors will have much more room for manoeuvre in including films that become long-term successes in their programmes again.

### **Jean-Jacques Schpoliansky:**

The European Commission, the City of Paris and the Parisian Region have helped the cinema "Le Balzac" acquire a digital projector. It was used during a celebrity screening to honour Budd Schulberg, the screenwriter of "On the Waterfront". The original plan was to screen Elia Kazan's masterpiece with a projector, but it was impossible to get hold of a good enough print. So the film was shown from DVD. Digital projection provided staggering quality. Budd Schulberg was amazed. Since then, this equipment has allowed us to organise daily screenings dedicated to high-quality documentaries, most of them from Fipa [The International Festival of Audiovisual Programmes]. This equipment also attracts television companies and the majors, who come to the cinema to view their high-definition productions.

### **Ian Wall:**

One can draw a comparison between the transition to digital technology as experienced by cinema industry at the moment and the arrival of talking movies at the end of the twenties. At the time, many people asked themselves whether talkies had a future. Our European neighbours will be observing carefully how the installation of 250 digital projectors in Britain works out and this will certainly influence the shape of their future networks. On the other hand, there is the question of whether the diversity of films shown can continue to be guaranteed in this new British network. The UK Film Council has issued a call for tenders to PR partners to sell this equipment upgrade

scheme. Will these partners accept the diversity of distribution structures advocated by so many exhibitors?

**Steve Perrin:**

For the UK Film Council it's not about becoming an advertising agency for the digital network. Its strategy does not replace anything. It adds to the existing directives and will take the know-how and distinctive characteristics of the British distribution and exhibition markets into account.

**Raymond Walravens:**

Does the advance of digital technology force users to adopt one system or one type of content? For example, XDC might end up pushing the hardware system while Cinéma Net would be on the side of content. One will however inevitably gain the upper hand and become the economic model that will be imposed on others.

**Steve Perrin:**

In the case of the United Kingdom, the financial commitment taken on by exhibitors applies to local content and marketing. They sign up for diversity in cinema after having made and submitted their own programming proposals. The UK Film Council provides infrastructure with a contractual agreement, which allows the industry to develop certain sections of the market. This does not take the place of either distributors or exhibitors.

**Alain Besse:**

Going back to the comparison between the advent of talking movies and the launch of digital technology, an important distinction should nonetheless be made. Sound revolutionised cinema in artistic terms, while the introduction of digital technology is merely a change of technical medium, which can, admittedly, improve the quality of film projection. However development of this technology must keep on moving ahead. As early as 1982, there were attempts to project films electronically in the form of a network. The CST [Image and Sound Superior Technical Commission] even defined a quality standard.

Today, the standardisation process for digital technology in French cinemas is quite particular. France has 5,000 theatres throughout the country with an exceptionally wide variety of programming. It's impossible to take account of the overwhelming number of distinctive characteristics of each exhibitor. That's why the CST has been considering a single technical framework that would take account of this diversity. It is thought that a film theatre would be likely to show any film. We reject multi-speed distribution and quality. It is not feasible to ask a distributor to supply superior quality digital prints for one theatre and lower quality prints for another. That would be both costly and stupid. We must come up with a single system leading to global interoperability and compatibility. It will be up to the audiences to judge and they cannot but agree that the quality offered by digital technology is at least as good as 35 mm.

In France, technical standardisation of theatres is being carried out together with the CNC [National Consumers' Council], which provides the concept for granting operating permits to each cinema. AFNOR (the French Industrial Standards Authority) is putting forward a minimum technical basis, which will be finalised in the autumn of 2005 and integrated into CNC's official guidelines for granting operating permits.

This standard has been established on the basis of the 2K projector's scalability and file compatibility. Projection quality is not based on the difference between a 2K file's 2,048 pixels per line resolution and an HD file's 1,920 pixels. What matters is the level of contrast, which is significantly better in the case of the 2K. For exhibitors already equipped with digital technology, this standard takes account of their adaptation to the 2K criteria.

### **San Fu Maltha:**

It's important to stress that digital technology allows distributors and exhibitors to make real savings. Exhibitors always have scope to maintain control over their own programming. There is also a project in the Netherlands to introduce digital technology to some thirty screens. That shows that the spread of this new technology is unstoppable. It's simply a question of the time frame, of how long it will take. The Americans could well hold up this breakthrough of digital technology in Europe until 2010. Europeans must take the initiative for introducing this equipment themselves.

### **Marcin Piasecki:**

This presentation is looking at the role of the distributor in the digital age. When this technology first emerged some years ago, people said that distribution as such was destined to disappear. This position doesn't hold water any longer nowadays. Rights will always need to be traded and there will always be co-productions initiated by distributors. This commercial network will continue to exist for a long time to come.

Currently, the distributor determines film sales strategy. This includes the selection of release dates, regions, cinemas... The distributor is also responsible for organising translation for dubbing, along with subtitling and trailers. This activity is not going to change, however, will the underlying economic model develop further? The risk is that the majors rather than independent distributors will decide this. As 35-mm film is gradually abandoned, this will generate significant savings in the order of 20 %, whilst also cutting promotion budgets (trailers).

From the exhibitor's point of view, buying a DLP projector costs around 80,000 Euro. That's a major investment for a piece of equipment with an expected useful life of seven years. It seems distributors and exhibitors need to share the costs for this equipment. However, there is still no ideal solution as to how to split financing.

**Monika Weibel:**

In Switzerland it would not be feasible to ask a distributor to co-finance a digital projector for a theatre, or to rent one for it. Distributors are also afraid that this technology will result in an extremely high turn-over of films in theatres because prints will become so much more easily accessible.

**Laurent Danielou:**

When we screened Ingmar Bergman's *Saraband* digitally, we fulfilled a great filmmaker's wish. We accepted his artistic choice – we would have done it on Super 8 if he'd asked for it. It proved to be a real happening; as a result, the film will now screen in the provinces using HD equipment we're making available and the film will be shown in wonderful film theatres in Paris, such as the "Arlequin", the "Balzac", and the "Max Linder".

**Nico Simon:**

Converting a back catalogue of high quality and older films to digital raises the question of supply and demand. Can this be of interest to film theatres? Is it worth renewing the rights for these films in order to screen them using the digital medium?

Converting to digital will not generate more income for exhibitors. They can always organise side events, as Jean-Jacques Schpoliansky does, but given the initial investment, this won't make it possible to break even. The "Balzac" received funding from Brussels, Paris and Europa Cinemas, which enabled it to buy its equipment. The independents cannot do without public subsidies for the switch to digital technology. We cannot become investment pioneers without subsidies.

**Raymond Walravens:**

It is not possible to take the financial initiative until distributors and exhibitors have taken stock of their own companies' financial situation. We must find out what the two professions really stand to gain from converting to digital. At the moment nobody is willing to pay. Perhaps we should let the market leaders make the investments and then follow in their footsteps if it proves to be a viable approach. However that would mean that they will have defined the system and digital standards for everyone.

**Gilbert Grégoire:**

In the long-term, digital technology could become a low-cost medium. There is a danger that there may be greater demand to screen blockbusters. There is likely to be a still greater concentration of the majors and the films they offer at the expense of films d'auteur. This is because the Americans, like many others, are concerned about piracy. The majors will speed up the distribution of a film.

It is also difficult at present to motivate exhibitors to convert to digital technology, given that they have already made major investments to improve audience figures. Besides which, improvements in quality compared to 35 mm will be hardly noticeable to viewers.

**Antoine Virenque:**

At the moment, it appears that digital technology is a subject for numerous talking shops rather than a medium that makes it possible to see a significant number of films. However, on a more serious note, this development is taking its course. Standards are becoming established. The problem is that nobody is keen to pay. The economics of the cinema has always been risky and everybody is wary of it.

**Anders Geersten:**

Here are a few concluding points. It is essential that there is only one transparent, open standard for digital technology. We shouldn't adopt the standard course taken by computer specialists who adopt mutually incompatible systems. Nowadays, we are heading towards the 2K standard, but a standard for screening digital prints is needed too. An encryption program to protect films must also be developed.

Distributors will only be interested in digital technology if it means they can cut costs. Therefore, they must be offered a logical market based on the ability to switch flexibly from one platform to another. It's also a question of guaranteeing exhibitors a profit after they have converted to digital technology.

Finally, if the cinema business is to survive, it's crucial that films shown in film theatres offer much better quality than home cinema.

**Claude-Eric Poiroux:**

After all the polemics and technological speculations raised by the issue of digital technology, people naturally now ask whether distributors or exhibitors will take the lead in investing. The European Commission is expecting proposals from them under the MEDIA plan. Europa Cinemas hopes that its support for digital technology will develop the market for European films in theatres. Currently, the most advanced project comes from Britain and is financed exclusively with public money. But would this be appropriate for European cinema? Distributors are also expected to offer film titles that will play an exemplary role in the evolution of digital cinema. In this context, exhibitors are already somewhat ahead of distributors.

## **A2: INTRODUCING YOUNG PEOPLE TO THE GENRES AND LANGUAGES OF CINEMA?**

- The role of exhibitors and teachers in initiating young people to cinema
- How to develop young people's taste for cinema in theatres and schools?
- How to approach documentaries and the film heritage?
- How to open up young audiences to the diversity of European cinema?

Session chaired by Ian Wall (*Director, Film Education, UK*)

### **Speakers:**

Michel Condé (*Pedagogical officer, Cinémas Le Parc/Churchill, Belgium*)

Robbert Bleys (*Teacher, Netherlands*)

Ivo Andrlé (*Exhibitor, Kino Aero, Czech Republic*)

Klas Viklund (*Pedagogical officer, Swedish Film Institute, Sweden*)

Anne Huet (*Teacher, France*)

Carole Desbarats (*Director of studies, FEMIS / Enfants de Cinéma, France*)

Gian Luca Farinelli (*Manager of Cineteca de Bologna, Italy*)

Vincent Adatte (*Manager of La Lanterne Magique, Switzerland*)

Michiel Snijders (*Project manager, Illuster, Netherlands*)

### **Ian Wall:**

When you walk into a Europa Cinemas network theatre today, the large number of young people makes you feel young again. A survey has been conducted among adolescents between 16 and 18, asking if they had already seen films classed as art house or specialist. 80 % of these young people had seen a subtitled work, and 90 % of them wanted to see another.

### **Carole Desbarats:**

As director of La Femis [France's national college for the audiovisual arts] and leader of the study group which is part of the association "Les Enfants de cinema", I would like to present some details on young people and the cinema. La Femis, in spite of its strict admissions policy (1,100 applicants for 38 places), is currently faced with a lack of knowledge among its students, some of whom are still not familiar with Dreyer, Mizoguchi or Tati. To understand this situation, we contacted the teachers at the national music conservatory and the cinema schools. They too are confronted with the same problem: students with a fragmented and sometimes very specific knowledge in their field. They have decided to show films in their courses, to fill in the gaps and structure their students' enthusiasm for the cinema. This initiative includes the participation of filmmakers and directors of photography, who present one of their favourite films. Courses are also offered in image aesthetics, one of which is being run by Georges Didi-Huberman. This lack of knowledge is also found in the other cinema schools around Europe.

This situation stems from the fact that cinema is now more than a hundred years old. Today's students need to be familiar with a greater number of works than our generations, who grew up with the early stages of cinema. Another reason for this trend is the permanent flood of images students are confronted with. This makes it difficult for them to stop and take the time to absorb a work of art. The fact that we have stopped teaching chronological history has also contributed to the absence of references for evaluating the cinema repertory in 2004.

In collaboration with the Les Enfants de cinema, a programme has been devised to increase awareness of cinema, with a view to avoiding the cultural shortcomings that have started to set in. The association organises films for schoolchildren, presented by their teachers. And it encourages reflection on how to teach film to the very young. The association was set up ten years ago and comprises 400,000 children in 16,000 classes. It works with 700 theatres and has a repertoire of 55 films. Its most important aim is to motivate schoolchildren, and inspire them to go to the cinema. This is achieved through national meetings, which set research themes that are sometimes quite provocative. One of these was devoted to video games, the main rival of cinema for young people. This showed what cinema teachers were up against in attempting to win over the interest of their pupils.

The choice of films always results in a lively debate. This was the case for *The Night of the Hunter* by Charles Laughton, a film which can be shocking for children under ten. Five year olds are given an introduction to cinema theatres that covers, among other things, how to behave and how to pay attention to the film shown. And with an eye to the future, they are taught to make cultural choices via different cinematographic horizons.

### **Klas Viklund:**

In Sweden, our pedagogical concerns are similar to those of France. Sweden is a country with 9 million inhabitants, and annual admissions of 18 million. Various festivals bring in another 680,000 viewers. Sweden has the highest screen/population ratio in Europe.

The Swedish Film Institute also has a school programme. It covers the entire nation, from major cities to small villages, reaching 175 out of 290 municipalities. Teachers and students form working groups in various local associations. These groups receive state grants for the first three years. On the municipal level students can participate in making a film on video, to familiarise them with job opportunities in the cinema industry through practical experience. Starting from the same documentary subject, different production angles are compared to teach pupils about cinematographic writing and its various forms. These productions are being compiled under the title "101 Documentaries" and will be entered into the National Library's database to make them as widely accessible as possible.

The pedagogical initiative is quite original. Teachers were asked to choose films according to the subject they teach. As the films are shown during classes, it is possible to enrich the year's syllabus without putting cinema instruction in a separate box. The Swedish Film Institute faces a certain amount of resistance from people who do not want to see the popular culture of cinema become part of traditional teaching in schools. The government, however, has shown its motivation with booklets encouraging pupils to take an interest in the cinema.

### **Anne Huet:**

In 2000, a French project known as the APAC classes started to take shape. Its aim was to integrate art at all levels of schooling, from nurseries through to secondary school. This resolution

was taken while Jack Lang was in charge of two ministries: national education and culture. Cinema immediately found its place in this structure with Alain Bergala's original initiative of having a director, a director of photography or an editor participate in classes along with the teacher and pupils. They had to give an introduction to their work by means of practical exercises, such as shooting a short film or, more modestly, a single shot. A series of DVDs entitled "Eden Cinéma" was also produced, comprising 16 classics, along with educational programmes to familiarise pupils with film analysis. It was essential, however, that pupils should first see the films in a theatre. Since 2002, the APAC programme has run out of steam.

### **Ivo Andrlé:**

The Czech Republic also has a cinema training programme. It is mainly intended for secondary school students and encourages them, above all, to discover films for themselves in theatres. 10 municipalities are already taking part in this programme, which was started as a private initiative by the Kino Aero cinema. This project makes it possible to distribute a catalogue of classics for which the rights have already been acquired. Assistance has been provided in particular by the Swedish Film Institute. The list of works was drawn up using a questionnaire given to critics, journalists and festival organisers. The result was a shortlist of ten films for each decade. The programme now includes 170 films. Czech audiences traditionally have a great love for the cinema. The day before the school holidays, it is customary for teachers to take their pupils to the cinema in large numbers. Wednesday afternoons are also highly valued for their free art house screenings, which pupils can attend once they have registered on the training programme's website. Critics' competitions are also organised among pupils, with prizes awarded to the winners.

### **Michel Condé:**

The Belgian training programme focused first of all on the French-speaking part of the country under the name "Des écrans larges sur tableau noir" [The big screen on the blackboard]. It links around fifteen art house theatres. The programme is available to 120,000 young viewers and presents 35 films a year, twenty or so of which are new releases. Registration for teachers and their classes is free and takes place at the film. Free teaching dossiers are also handed out, with simple material for children at pre-school, primary and secondary level. This material differs from an academic approach because it is in no way a vulgarisation of university teaching. It is up to teachers to direct this introduction in a way appropriate to their subject. The programme does not impose a point of view, but provides a space for democratic debate and dialogue which together with the screenings will enhance students' understanding of the cinema. These discussions focus on the artistic intention of the filmmaker and analyse the work in its globality, not by isolating shots or sequences. The Pianist by Roman Polanski, for example, allowed pupils to study the representation of time through the film's historical subject. The film covers a five year period in

about two and a half hours. Pupils are given the opportunity to take a more complex view of a cinematographic work.

### **Gian Luca Farinelli:**

The Bologna Film Library is a municipal institution archiving 25,000 films. Its library includes 30,000 works on cinema and a collection of 5,000 posters. The photographic library comprises almost a million images. The Film Library does a huge amount of work restoring and preserving films. Three theatres enable it to present the latest works, new discoveries, and a programme drawn from the national and international cinema repertoire. In summer the Film Library also organises a major festival devoted to the history of cinema, with open-air projections that attract 5,000 viewers.

Thematic cycles are scheduled in schools, along with courses on cinematographic techniques and writing. However, Italy does not have a general programme for teaching cinema in the schools like that in France.

### **Robbert Bleys:**

The pedagogical initiative organised in the Netherlands takes the form of production workshops for children. The aim is not to turn the children into filmmakers or get them into cinema school. It is first and foremost a recreational form of learning allowing children to enjoy the experience of making a film. Various themes are also raised, such as the sound for animated films. The children learn to make sound effects with various accessories. As for story development, there is no question of asking them to write screenplays. The children start to envisage a story through handling the camera and organising different points of view. These workshops give underprivileged youngsters a chance to take active part in making documentaries and treating subjects that are close to them, such as children's rights. Camera in hand, the beginners go off to shoot interviews in the street.

### **Vincent Adatte:**

The association "La Lanterne magique" was created in Neuchâtel, Switzerland, in 1992. It has 25,000 members and comprises 64 theatres. It also extends to Germany, France, Italy and Spain. Romania and Senegal are set to join soon as well. It is an extracurricular project, with meetings taking place outside teaching hours. Children must buy a card which costs just ten euros and entitles them to nine cinema admissions. For each film they receive a little booklet one week prior to the projection. Cinema professionals often come and talk about the film industry. An original editorial line has been adopted for the film programming, focussing on different cinematographic emotions such as laughter, sadness, fear etc. It also presents groups of three films in chronological order, for example a silent film, a film from the fifties and a contemporary film, introducing pupils to the historical development of cinema.

"La Lanterne magique" has just started up a website with the assistance of a European organisation known as E. Learning. This pedagogical site has been translated into five languages and aims to raise awareness of cinema among children, parents and teachers. Each generation has its own database and portal. For children, an audio format has been developed to overcome their inability to read the text. The site is interactive, and the user is guided by a fictitious character. The content corresponds to a cinema library and its film collection, but also deals with cinema professions and various forms of cinematography. In six months the database should contain 220 films. There is also a production simulation that a child can follow. This section is extremely precise, taking into account the censorship in certain countries and therefore the difficulties of producing works there.

**Michiel Snijders:**

The Dutch project initiated by Illuster productions allows young people to create short animated films adapted from poems. It has met with unexpected success, with 300 schools now participating in the programme. 15 short films have already been produced and shown in theatres. Today, 25 short films devoted to the 25 countries of the European Union are in development. We expect this latest series to be supported by Europa Cinemas. The projections start with a reading by the poet whose poem has been adapted. The public then view the 'making of'.

**Ian Wall:**

In conclusion, it seems essential that young people need to take an interest in their own national culture to experience the attraction of cinema. They can only accept cinematographic diversity by taking into account the complexity of the society in which they live.

**Sunday, 28 November 2004**

**REPORT ON YESTERDAY'S TWO WORKSHOPS**

Jonathan Davis (Consultant, UK Film Council)

Ian Wall (Director, Film Education, UK)

**Ian Wall:**

The workshop addressed the question of training and educating people on films. One important part of the discussion centred on how to teach cinema to young audiences and schoolteachers. We then tackled the different types of cinema. These are divided into four categories of European films: specialist films, quality films, art house films and films appealing to a more limited audience. Another factor discussed was the required age of the students attending these screenings. Should children be shown films from the age of five? In the United Kingdom, for instance, this immediately leads to scheduling difficulties due to strict censorship. The experience of the Czech Republic shows how free screenings really encourage students to go to the cinema. Lastly, there was the need to urge teachers to develop the cinema as a subject, and to inspire in them a love for the cinema which can then be transmitted to young audiences. Teachers should also take interest in the professional cinema milieu, to appreciate the intentions of European filmmakers. And television must take its part of responsibility for education on the cinema. Another teaching tool is the Internet, with sites like "The Magic Lantern" or Europa Cinemas' "Open Your Eyes."

**Jonathan Davis:**

Here are the conclusions of the workshop on digital technology. Today there are 100,000 screens in the world, and only 280 digital projectors. By the end of 2005 this figure will reach 950. Europe currently has 51 digitally-equipped theatres. By 2015, everything should be digital. 35 mm will have disappeared, except for certain repertory films. However, setting up the new generation of theatres will initially force exhibitors to make additional investments, which must be evaluated in relation to expected profit. X. T. C. predicts a 20 % saving for every digitally-equipped theatre. A study should be considered to determine exactly the ratio between initial outlays and future gains. A serious discussion is beginning between distributors and exhibitors to resolve which of the two should incur the costs of digital copies. A possible solution is offered by an initiative of UNIC: exhibitors can hire digital material with a leasing agreement, while distributors can grant discounts to encourage use of the new technology.

Then there is the question of public funding for these digital installations. In the United Kingdom, 250 screens will be financed this way. According to Claude-Eric Poiroux, the transition to digital is best achieved with public funding. Two other investment possibilities appear interesting: one for setting up a European network of digital theatres, and one which hires material to studios within a specific schedule. Jean-Jacques Schpoliansky, director of the Balzac Cinema in Paris, has adopted this strategy with some distribution operations.

The European digital cinema network may come about at two speeds. In Sweden for example, the Cinema Net digital documentary network has moved ahead of other countries in digital technology.

Quality harmonisation of digital projectors is also going to be a problem. Many exhibitors are satisfied with a resolution of 1.4K, while a 2K resolution corresponds to 35 mm. The interoperability of data files of one server to another also raises many questions. However, computer and other experts are sure that standardisation will be soon in coming. Optimally, this would take place at world level.

Finally, to continue enticing viewers to go to the cinema, the quality of projections must always be above reproach, and superior to home plasma screens, which many people will soon be able to buy.

As Arnaud Pasquali of the MEDIA Programme reminds us, the above comments imply substantial coordination among exhibitors, distributors and European and national decision-makers.

**Claude-Eric Poiroux:**

The discussion about equipment is not an imposed debate, and it does not spell the end of 35 mm. Moreover, it is not merely a matter of technology. We must remember that our network exhibitors are interested primarily in the content of their programming, and that it is this freedom of choice that they want to preserve and consolidate, even though it is true that screening technology has to evolve, as has already been the case in the area of creation and production.

#### **SESSION IV. EUROPA CINEMAS: APPRAISALS AND PERSPECTIVES**

- MEDIA Plus: perspectives for 2005/2006 and beyond
- Enlargement of the network to countries outside MEDIA
- Assessment of Euromed Audiovisual I
- Miscellaneous information

Session chaired by Claude-Eric Poiroux (*General Director of Europa Cinemas*)

#### **Speakers:**

Claude Miller (*Film director, President of Europa Cinemas*)

Philippe Cayla (*Chairman and Managing Director of Euronews, France*)

Hugues Dewavrin (*Un Cinéma pour Kaboul, Ariana*)

Enrico Chiesa (*Vice-delegate of AFCAE/CICAE*)

Marc Kervella (*Manager of IT Networks, France*)

Antoine Trotet (*"Open your eyes 2004" game, Europa Cinemas*)

#### **Claude-Eric Poiroux:**

With regard to the MEDIA Plus programme, Europa Cinemas has responded to the call for propositions for the coming two years. We hope our proposition will be accepted, and that we will be able to sign in December. In this case we will be able to present the new 2005 Guidelines at the next meeting, which will be at the Cannes Festival. There will not be very many fundamental changes, but a few improvements in terms of access conditions to the network, the introduction of a bonus for diversity and measures to support digital projection of European films in our cinemas.

#### **Menem Richa:**

As coordinator of the Euromed Audiovisual 1 programme, I will briefly evaluate the last four years. This initiative terminated at the end of 2004. Today people are waiting for the European Commission's decision to renew its support to the 41 theatres of the Europa Cinemas network in the Mediterranean Region. This programme includes 73 screens in 25 cities and 9 Mediterranean countries. It also concerns 35 distribution companies which distributed around 170 European and Mediterranean films with 860 copies. Promotion assistance was in the order of 50 %, and attendance reached 5 million admissions. Important follow-up was carried out at festivals, such as in Cairo, Carthage, Marrakech, Ankara and Istanbul.

The goals for the Euromed Audiovisual 2 Programme lead first of all to North-South reciprocity. It is important that distributors and the European festivals benefit from distribution support for Mediterranean works. The current network must then be strengthened according to the two following criteria: programming for young audiences, and programming of exportable European and Mediterranean films. Distributors will be encouraged to group together to reduce release costs. Finally, training support for exhibitors and distributors in the Mediterranean area will also be organised.

#### **Marc Kervella:**

The new website of Europa Cinemas will become operational in early 2005 and is proving to be first and foremost a real tool.

It provides one portal for all Internet users and another for the network exhibitors so they can communicate with each other. The public area illustrates the geographical richness of the development of Europa Cinemas. As you navigate the site, you immediately reach a news section in which you can find the guidelines of the MEDIA programme, support mechanisms and support scales, all constantly updated.

By returning to the menu you can reach the page of an exhibitor and obtain their contact information. This simple method also allows you to access the various films and their information pages. Searching for a title involves key words. The same system has been developed for the distributor section. A final heading is devoted to the organisation of Europa Cinemas.

Exhibitors enter the professional area with a user name and password. There they find a message board as well as information and forms for their cooperation with the Europa Cinemas network.

### **Antoine Trotet:**

For the sixth consecutive year, Europa Cinemas, in association with Net Days, has put the game 'Open Your Eyes' on line. Translated into five languages, it benefits from cooperation with the Ministry for Culture and a partnership agreement with the TV channel TV5. It is divided into two sections, one giving a sort of tracking shot of European cinema, comprising pages on 23 European films and the film industry, accompanied by a glossary of 77 technical film terms.

The other section introduces 11 games modules, both quizzes and interactive animations on various technical aspects of film production. Each module is linked to help given in the first section.

At the end of the game the Internet users complete a form to enter the competition with different prizes such as DV cameras, DVD players and cinema tickets. Exhibitors are asked to tell schools and young viewers about this educational site.

### **Philippe Cayla:**

The EuroNews network has decided to produce a programme on the cinema, promoting European films. The programme will provide real-time information on releases and will be translated into seven languages. News coverage of the different European festivals and promotion of the Europa Cinemas network's initiatives are also planned. Eurimages may also cofinance "making ofs" about films they support, which would be shown on the programme too.

### **Claude-Eric Poiroux:**

Europa Cinemas will be pleased to provide EuroNews with information and to facilitate its access to images from European films.

Two years ago, a significant cultural agreement was undertaken in the form of the reopening of a cinema in Kabul. This establishment is now up and running.

### **Hugues Dewavrin:**

Two years after having introduced the project involving the Ariana in Kabul, I can now announce that the cinema was inaugurated last May in the presence of the Minister for Culture and of our partners, including, of course, Europa Cinemas.

The cinema has already welcomed nearly 40,000 cinemagoers, including women and children. The architect Frédéric Namur has produced an exceptional piece of work. Following this conclusive experiment, Iraq would welcome a similar undertaking.

### **Frédéric Namur:**

The main difficulty was in reconstructing a cinema building, since the town was lacking water, electricity, schools and hospitals.

Construction took ten months, and we tried to respect the original architecture while ensuring high levels of audience comfort and ease of projection. Audiences seem pleased with the reopened cinema. To ensure that it can continue to operate, exhibitors of the Europa Cinemas network, which includes the Ariana, can help by facilitating its access to prints of European films.

### **Claude-Eric Poiroux:**

In fact prints of films must be provided to the cinema permanently, within the constraints of censorship in Afghanistan. Europa Cinemas and the Ministry for Foreign Affairs are already its main source of support for programming.

### **Enrico Chiesa:**

CICAIE, the international association of art house cinemas, began a training programme this year on the management of art house cinemas. The training is open to 80 people divided into four language groups (German, English, French and Italian) and is to take place in Venice in March 2005. This training is based on the economic and cultural management of cinemas. As a central part of the training course students will meet exhibitors from art house cinemas in various types of urban area. Finally the emphasis will be on scheduling for young audiences, showing back-catalogue works, documentaries and short films.

### **Claude Miller:**

The outstanding theme of the Conference was without any doubt digital technology. In previous years this was viewed with trepidation. The debate at this 2004 conference has shown that it can be welcomed if we take a clear-sighted approach. How will European decision-makers act to ensure this latest technology lasts and is regulated properly? Time will tell. But three points can be learnt.

First of all, congratulations to exhibitors who show European non-national films at 33% of their screenings. This is a particularly successful background effort at ensuring the distribution of our films. Another wish: now that Europa Cinemas has encouraged emulators in Africa, South

America and Asia, might it be possible to find ways of developing our market in North America? And finally, congratulations to all of you for your untiring participation at this conference and for the quality of our discussions. We must also not forget the efficient organizational work done by the Europa Cinemas team.

**Claude-Eric Poiroux:**

We thank all the professionals who participated in the panel discussions of the last two days, and all our partners whose presence showed their interest for the efficient work of our network exhibitors in favour of European films. We will be meeting again in Cannes in May 2005, and in another European capital in November.

**End of the 9<sup>th</sup> annual conference of Europa Cinemas**