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- Mannheim-Heidelberg International Film Festival - *Tuning*, *Pavee Lackeen* and *Ryna*
- Thessaloniki International Film Festival - *Someone else's happiness*, *Backstage* and *Black Brush*

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RECENT AWARDS

• Mannheim-Heidelberg International Film Festival (excerpts)

Best film: **Tuning**, by Igor Sterk (Slovenia)

Fassbinder Prize and ecumenical prize: **Pavee Lackeen**, by Perry Ogden (Ireland)

Special Jury Prize and Best actress: **Ryna**, by Ruxandra Zenide (Romania / Switzerland), with Dorothea Petre

• Thessaloniki International Film Festival (excerpts)

Best film, Best script and Best actress: **Someone else's happiness** (*Een Ander Zijn Geluk*), by Fien Troch (Belgium/Netherlands), with Ina Geerts

Best actress: Isild le Besco in **Backstage**, by Emmanuelle Bercot (France)

Best direction: **Black Brush** (Fekete Kefe) by Roland Vranik (Hungary) and **Backstage** by Emmanuelle Bercot (France)

EUROPA CINEMAS' ANNUAL CONFERENCE – BUDAPEST 2005

• Exhibitors worried but enthusiastic

Yesterday in Budapest the 10th annual conference ended for the European exhibitors network Europa Cinemas. These professionals, in the front line against a drop in admissions, expressed their concerns but opinions on how to solve the problem are divided. For the more optimistic, this drop is temporary and can be explained by the lack of strong films, citing Germany, where the drop in quality films is however impossible to define. For the pessimists, the problem runs deeper and is directly related to competition from DVD, from piracy which has become commonplace and is difficult to beat and from methods of broadcasting films, notably on mobile phones, and finally the reduction in the broadcast window between theatre and video which is now about 5 months.

More globally, a gulf persists between the buyers and sellers, even though all admit that the two major problems within European cinema are promotion and education.

The workshop organised around the subject of the visibility of European cinema allowed a chance to return to the fundamentals of the job of exhibition and distribution: local commitment and passion.

Claudia Bedogni (Istituto Luce – Italy), thanks to the example of *Sophie Scholl*, recalled that to bring a film out is also and perhaps mainly about drawing the attention of the public film to the artistic, social or political merits of the piece. For **Ferenc Port**, exhibitor in Budapest awarded for his programming, each cinema has its own character and gains a faithful audience over the long term. Finally, **Michel Malacarnet** explained that it is largely thanks to state aid that Utopia (France) found its place. This theatre network was awarded the Prix Europa Cinémas for Best Entrepreneur to Jeanne Moreau. The prize for best programming for a Young Public went to **Katrin Rajasaare** for the Kino Soprus in Tallinn (Estonia). (...)

Source: www.cineuropa.org, 21 November 2005, Frédéric Violeau (excerpts)

• Europa Cinemas: heading for clear proposals

In welcoming nearly 400 participants to Budapest last weekend, the 10th Europa Cinemas annual conference revealed its essential character with discussions providing a glimpse of reality for each exhibitor in Europe. While the crisis in attendance is being shared by all, albeit in a very diverse way (from 9% to 23% depending on the country), the exhibitors attending the conference in Budapest, who are striving for the distribution of films d'auteur, in particular European ones, are seeing better resistance on the part of their admissions: European films d'auteur are the domain of a diehard audience. But such satisfaction does not quell the doubts related to the development of digital technology.

A first debate emphasised the importance of the window of exhibition at film theatres, threatened by piracy and the potential development of VOD, with the MPAA representative in Europe becoming the self-styled spokesperson for deregulation. The move to digital technology in film theatres also raises questions (including, inevitably, 'who's paying?'). So digital technology is as much a source of hope (for increased circulation, for increased material flexibility, etc.) as it is a cause for concern. Attending

alongside exhibitors, several distributors in European countries who work outside the big markets have played down the economies to be gained by going digital, hoping, at best, not to 'lose' money. Despite the diversity of situations, with some countries better structured to prepare for the changes, the lack of financial resources is common in Europe. Europe could then be persuaded to support this transition. Through its president, Claude Miller, Europa Cinemas has announced that a report with concrete proposals on digital technology and film theatres will be delivered to the European Commission during the first half of 2006. (...)

Source: adapted from Ecran Total, 23 November 2005, Frank Dupoux (excerpts)

● **Digital technology at the heart of Europe**

(...) Digital projection occupied a significant place in a high-quality discussion. Once in a while not doing any harm, there were distributors around the table. Laurent Danielou of Rezo Films gave to the European exhibitors a presentation of the release of *Saraband* in digital. The subject was of course economic models and technical standards, with the exhibitors agreeing on the need for Europe to adopt the DCI recommendations. Without questioning the adaptability of digital technology or the now redundant need for prints, some emphasised that exhibitors and distributors may have a new role to play in the circulation of films, especially European ones.

Away from the subject of digital technology, Ruth Hieronymi, MEP, made an important point on the new Media programme for 2007/2013. Adopted by the Commission and by Parliament, it is now with the Council. An agreement on its budget (1.3 billion euros) should be reached during the next, Austrian presidency.

Source: adopted from Le Film Français, 25 November 2005, Anthony Bobeau (excerpts)

DISTRIBUTION-PROMOTION

● **Distributors revolutionize film promotion**

Mindful of the appearance of new means of communication and wishing to implement innovative strategies, distributors are developing promotion. (...)

In five years methods of film promotion have developed quite significantly. The explanation has nothing to do with the commencement of TV advertising which continues to be banned on general channels. Some distributors just about tolerate this French peculiarity while others get along with it perfectly well. This is particularly the case with BVI whose marketing director, Jean de Rivières, is convinced that such opening up would only increase promotion costs without necessarily achieving many more admissions. According to him, the profile of television viewers is very different to that of cinema viewers. On the other hand, he does favour the authorisation which has been granted to specialised channels whose audience are regular cinema-goers. (...)

Explosion of promotion in cinemas

(...) Below-the-line advertising in its broad sense occupies a determining place, particularly as regards promotion in film theatres. Henri Ernst, marketing director at TFM Distribution, explains that this is because people who go to the cinema represent just over half of the population and are always the same. So the best way to reach them is by investing in the point of sale by showing trailers, posting bills (the presence of promotional material in the lobbies of multiplexes pays) or by buying space in the free magazines distributed in film theatres. On this level real new promotional budgets have been created and have grown out of all proportion while, previously, showing trailers had been free, as had been posting bills in cinemas.

This development led BVI to create the position of head of film theatre marketing (...). And the French subsidiary of the Disney group now spends on average as much on below-the-line advertising as on above-the-line advertising, compared with a third/two-thirds split previously. During the last few years below-the-line advertising, in its strictest sense, has also become an increasingly widespread practice among distributors. Convinced of this, Henri Ernst explains that below-the-line advertising may be generalised but with specific strategies and procedures depending on the type of film. For thematic films (...) obvious ideas stand out (...). Thus, by working in these different areas through the organisation of preview screenings, discussions or specific methods of communication, below-the-line advertising will enable particular targets or opinion formers, affected first by the film's release, to be reached. TFM's marketing director admits that it is not always possible to measure the real impact of such actions but he does, nevertheless, consider that they help to maximise the film's chances of success. For promotional films, below-the-line advertising also shows itself to be very effective. It

comes in the form of a partnership with brands or with shows and events and enables communication on the film in places where this is not naturally present. (...)

Internet and mobiles, now indispensable tools

(...) For the cinema the web assumes an obvious interest because of its capacity to show audiovisual images and, therefore, trailers. (...) The Internet now plays a full part in a film's advertising schedule and some distributors even go through central buying offices to purchase web space. Grégoire Lassalle, managing director of Allociné, even believes that the Internet's share in film promotion will increase noticeably. And he revealed that in 2006 a distributor will trial a film launch marketed exclusively on the web.

Mobile phones, thanks to 3G technology which allows them to show videos, are following in the same pattern (...) To take advantage of such piggybacking, distributors no longer delay in signing exclusive partnership deals with such or such an operator (...).

The strong growth of these new means of communications combined with the explosion of below-the-line advertising in its broad sense can translate only into an increase in the marketing budgets of films. This is a trend which concerns Jean de Rivières who states that in the last few years marketing costs have increased more than attendance at film theatres. In this context, the marketing director of BVI believes that distributors should learn to become reasonable as, even if there are other mediums (DVD, TV) to ensure subsequent takings for the film, the primary objective is to make cinema release profitable.

To stabilize release costs it is absolutely and arithmetically necessary to reduce advertising investments in traditional mediums. Taking up over half of distributors' advertising expenses, bills are undoubtedly the first target. It is a sensitive subject and distributors do not wish to give a clear answer. Rather than use the term 'reduction', they prefer to speak of 'controlling' the billing budget. Some have already implemented this 'control' punctiliously by spending a little less on such and such film than initially planned. Following this logic, distributors are seeking to place greater importance on targeted billing, namely billing which will reach viewers during their travels. But all agree that billing remains and will remain an important and essential medium for the promotion of their films.

Source: adapted from Ecran Total, 23 November 2005, Bertrand Lott (excerpts)

• EFP, a great ship a-sa(i)ling

Film Sales Support (FSS), an initiative launched at the beginning of 2004 by the European Film Promotion to promote and market European films outside of Europe, has just received €400,000 from the MEDIA Programme to keep on with the good work in 2006. This sum adds to the financial support already granted by the Spanish ICAA and the German Federal Government's Commissioner for Culture and the Media, which will be joined by other partners who are still negotiating the terms of their contributions.

In two years, FFS has proved very efficient: it helped promote 143 films on the international market, notably by granting 60 different European sales agents specific sales incentives to cover the costs of subtitled or dubbed prints and publicity material. This work was very fruitful, and almost 35% per cent of a number of supported feature films and documentaries were sold for local distribution after the festival screenings. (...)

The mission of the EFP consists mainly in ensuring the visibility of our cinema at international festivals and markets, and FSS was present at many non-European festivals. This year, for the first time, it organised screenings at the Toronto Film Festival (...). In 2006, FSS will, again, attend Sundance, Mar de Plata, Buenos Aires, Shanghai, Toronto, Rio, and Pusan.

Source: www.cineuropa.org, 24 November 2005, Bénédicte Prot (excerpts)

• D.I.R.E.: reform for Media fast-track aid

The eight French distribution companies, grouped together since June under the name of D.I.R.E. (**European Reunited Independent Distributors**) have put forward suggestions for the reform of fast-track distribution handed out by Media Programme. Aimed at encouraging and helping the trans-national distribution of European films, this financial aid for reinvestment is determined on the basis of the number of admissions achieved by the non-local European films during the previous year. The members of D.I.R.E. (Pyramide, ID Distribution, Pan Européenne, Bac Films, Rezo Films, Diaphana Distribution, Haut et Court and Les Films du Losange) think that the system, even though it works well, could be improved. Adeline Monzier, delegate general, explained to Cineuropa: "The idea would be to integrate new parameters, in particular to increases on a first rung of admissions. In fact, we

notice that, for example, in France, 70 - 80% of non-local European films achieve less than 50 000 admissions. So we must aid the distributors on this first rung of admissions which, of course, will vary from country to country". (...)

Source: www.cineuropa.org, 28 November 2005, Fabien Lemercier (excerpts)

AUSTRIA – POLAND...

● **Films from the 'East' find their way to cinemas**

Credit for the approval of the new Polish law falls to the Polish Film Institute. The director of this newly created Institute, Agnieszka Odrowitz, bore witness to this at the International Festival in Cottbus. 'In Poland, we have fought for this law for eleven years. Eleven years of effort and at last we have won. The first principle of our law is to obtain finance for films through advertising and television'.

The new Polish law provides for the tripling of subsidies for cinematographic projects, which will represent 25 million euros next year. (...) From now on it will be possible to subsidise Polish films by up to 90% of their budget, with the subsidy per film not to exceed 500,000 euros.

The principal intention of the law is attract viewers into film theatres and to reawaken the interest of foreign countries in Polish films. The number of films produced should be roughly the same as today: 22 feature length films for the cinema and 18 for television. (...)

Coproductions

The Eastern European film industries work together very little. For this reason, the Polish Film Institute has set up a German-Polish coproduction development fund. The fund will have 150,000 euros at its disposal annually and should support 5 coproductions between Germany and Poland each year, that is, 30,000 euros planned per project. However, the film's subject must not be exclusively Polish. Screenwriters should propose a story which takes place in the borderlands of the two countries or introduce a character from one of the two countries.

Television channels

Public television channels in former Communist countries continue to be weighty coproducers. The situation is very similar to that in Western European countries where, for large projects, sources of finance come from both production companies and television channels. So, in Austria, an agreement between the public ORF channel and cinema producers forces the channel to release 6 million euros per year for the production of independent films.

However, once the film has been completed, the sale proves to be problematic. Few foreign companies aim to sell films from Eastern Europe: MDC in Germany, Razor Films in Berlin and EastWest Filmdistribution in Vienna, the latter particularly representing films from the former Yugoslavia.

Source: *Hospodarské Noviny (Prague)*, 15 November 2005, Radovan Holub (excerpts), translated from Czech by Marketa Colin-Hodouskova

<http://www.eastwest-distribution.com/>

<http://www.mdc-int.de/>

FRANCE

● **Fiftieth anniversary of the French Association of Art House Cinemas**

Patrick Brouiller: The art of showing films

Patrick Brouiller, successor to Jean Lescure as president of the French Association of Art House Cinemas, Afcae, is head of a national network of 1,024 establishments (that is, 1,991 auditoria), representing over a third of total screens, in which cinema has lived in all its artistic and economic diversity for half a century.

Isn't 'art house' a very elitist term?

(...) The number of art house cinemas and their establishment across the whole country readily show that we are not in an intellectual ghetto. Many suburban or rural cinemas are part of this movement. And many French people see art house films without realising it, such as those who went to see *Good Bye Lenin!* in 2003: 63% of the film's admissions were at art house cinemas. In fact, the name designates particularly the special link you can have with a place (...).

How does a film theatre become an art house cinema?

(...) It could be a cinema on a big commercial circuit, an independent cinema or an associate cinema. The art house classification was suggested to the CNC by Afcae. It is the synergy of the personal voluntary participation by exhibitors and public willingness to support them which creates the originality and effectiveness of the French system. (...)

So it is the cinemas which are classified as art house, and not the films?

To avoid any prescriptive rigidity, films are simply 'recommended' in several categories: animation, films for young audiences, repertory, research and discovery. There is no obligation to schedule particular films but if a cinema fills all the categories, it will be given all labels and therefore all grants.

How are grants allocated?

Cinemas do not all receive the same grants. There is a constant quest for fairness. Aid is allocated according to work carried out: exhibition of films, diversity of scheduling (difficult films are better supported financially), research and discovery (for demanding films or ones which are less financially rewarding), animation (such as debates with the film crew) and publication of documentation. 65% of Afcae's budget comes from cinema subscriptions. The CNC gets involved for specific, controlled financing but its support is vital.

In the current context of the drop in attendance at cinemas, how do you see things developing? Are you concerned about the future?

Between 2003 and 2004, attendance at art house cinemas increased by 16%, and the [recent] drop was less severe there than at other film theatres. The recent success of Jim Jarmusch's *Broken Flowers*, an OV film which reached the top of the charts, or of Michael Haneke's *Hidden*, which achieved 15% of the market share during its first week, shows that art house films are the ones which offer most resistance. (...)

Source: adapted from Le Figaro, 20 October 2005, Marie-Noëlle Tranchant (excerpts)

BALTIC COUNTRIES

• Baltic Event launches its first co-production market

New films by Latvia's Alexander Hahn, Lithuania's Algimantas Puipa, Norway's Marius Holst, and Romania's Cristian Mungiu are among 12 projects being presented at the first Baltic Event Co-Production Market to be held in Tallinn from December 1-2. (...)

Among the foreign guests attending this first edition of the market are Alain de la Mata (Wild Bunch), Olaf Aichinger (Bavaria Film International), Michael Werner (NonStop Sales), Eva Hubert (Hamburg Film Fund), Sam Klebanov (Maywin Media), Renate Roginas (Eurimages), Pavel Strnad (Negativ Film) and Tine Klint (Trust Film Sales).

Source: www.screendaily.com, 30 November 2005, Martin Blaney (excerpts)

<http://www.poff.ee/>

POLAND

• Reduced attendance in 2005

17.4 million viewers visited Polish film theatres in the first three quarters of the year. Attendance showed a steep drop in comparison with 2004 when 26.5 million viewers visited film theatres during the same period. 2004 was an historic year since box office takings increased by 50% against 2003, but the rate of attendance was still very low, with 0.86 tickets per person sold each year. In October 2005, the films which achieved the best admissions were *Broken Flowers*, with 130,500 admissions, *The Island*, with 122,100 admissions, and *Karol – Człowiek, który Został Papieżem*, with 119,000 admissions.

Source: adapted from Brèves Audiovisuelles Polonaises, French Embassy in Poland, October 2005.

SLOVAK REPUBLIC

• Slovakia's cinema going plunges

The French Centre for Cinema (CNC) has published box office details from selected European territories for the first nine months of this year. According to it, Slovakia has lost 30 percent on the number of people that had visited a film theatre in 2005 compared to that of last year. Slovakia is far ahead of second placed Germany which the report has found out to have a 21 percent drop. All countries mentioned in the report had negative results but only Slovakia and Germany's percentages are over 20 percent.

According to the Union of Slovak distributors the actual percentage of the drop is slightly corrected at 28 percent - 1 552 934 tickets this year from 2 157 887 in 2004 for the period January 1 to September 30 (...). Many Slovak distributors attribute the plunge to the worldwide trend, blamed on the lack of major box office hits coming out of the US market. But Mária Pichnarcíková from the Association of Cinema Operators told journalists that it is the simple economics of Slovak society that prevent people from choosing what has become expensive entertainment. More and more small screens are disappearing and are replaced by multiplexes where ticket prices are well above the national average (one euro).

Slovakia's audiovisual output is one of the lowest in Europe with only two fully fledged Slovak films produced in 2004.

Source: www.cineuropa.org, 30 november 2005, Sakis Kontos (excerpts)

ALGERIA

• Italian films put in at Algiers during the Italian season in Algeria

Italian films are putting in at Algiers from 27 November to 3 December. Seven Italian films representing the different genres and trends in Italian cinema, which has given so much to the seventh art, will be shown at the El Mouggarr cinema. These screenings will be shown as part of the touring mini-festival entitled 'From Damascus to Rabat', implemented recently by the organisers of the Italian film festival Medfilm, whose 11th edition took place from 7 to 13 November in Rome. After visiting its first port of call, Algiers, coinciding with the organisation of the Italian cultural season in Algeria, the festival will call in at five other places: Rabat, Damascus, Tripoli, Tunis and Beirut. (...)

Credit where it is due: the festival will be inaugurated with Bernardo Bertolucci's cult film *The Last Emperor*.

But the festival is not just a trip down memory lane. Alongside classic films the line up will include recent productions which, from whodunits through melodrama and realist films to comedy, will cover the whole range of genres and themes frequently dealt with in Italian films. (...) Since its creation in 1995 its philosophy has been the promotion of European and Mediterranean culture and Medfilm thus attempts to create a forum for dialogue between the different cultures of the two sides of the Mediterranean, in which film, thanks to the richness of its language and its narrative forms, becomes the means of communication between the peoples of the Mediterranean. From this viewpoint, prints of touring films will for the first time be subtitled in Arabic.

As a reminder, Medfilm Festival was created 'on the occasion of the centenary of the cinema, the 50th anniversary of the United Nations and the Barcelona Declaration,' according to the festival brochure. (...)

Source: adapted from *La Tribune (Algiers)*, 22 November 2005, Hassan Gherab (excerpts)

TUNISIA

• The 7th Fifej event in Sousse postponed

The 7th Fifej (International Festival of Films for Children and Young People) event in Sousse, planned for December 2005, will be postponed until March 2006 due to the closure of some of the areas in which the festival normally takes place, that is, the municipal theatre in Sousse, under renovation, and the Nejma multiplex of three cinema screens. Since its creation the Fifej has had 10 projection rooms at its disposal: 6 in Sousse (the municipal theatre, the Nejma complex, the cultural centre in Sousse and Le Palace) along with four other areas in surrounding towns.

However, following the closure of both the theatre and the Nejma complex, sealed off, the Fifej has found itself without any locations. The festival directors have, meanwhile, shown their solidarity with the manager of the Nejma multiplex so that he may reopen his building. The regional and national authorities have been notified so that they may intervene to raise media and public awareness of the crisis affecting exhibition in July 2005. Hope was renewed when the Ministry for Culture and Heritage granted substantial financial assistance to the company managing the Nejma complex. The problem should have been resolved but unfortunately the legal action bringing the company owning the complex into conflict with the manager has complicated the situation. (...)

Source: adapted from La Presse (Tunis) / AllAfrica.com, 19 November 2005 (excerpts)

SOME FESTIVALS...

- ***Tallinn Black Nights Film Festival***

11 / 26 – 12 / 11

www.poff.ee

- ***Cairo International Film Festival***

11 / 29 – 12 / 9

www.cairofilmfest.com

- ***Bratislava International Film Festival***

12 / 2 – 10

www.iffbratislava.sk

- ***Courmayeur Noir In Festival***

12 / 6 - 12

www.noirfest.com

- ***6ème Festival International de Cinéma L'Industrie du Rêve***

12 / 6 - 13

www.industriedureve.com

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