



# FILM MARKET TRENDS AND FILM FUNDING IN 4 SELECTED EUROPEAN COUNTRIES

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OBSERVATOIRE EUROPÉEN DE L'AUDIOVISUEL  
EUROPEAN AUDIOVISUAL OBSERVATORY  
EUROPÄISCHE AUDIOVISUELLE INFORMATIONSTELLE



# THE EUROPEAN AUDIOVISUAL OBSERVATORY

## Who we are

- ... a pan-European public service body operating within the legal framework of the Council of Europe (Enlarged Partial Agreement)
- ... financed by 39 European Member States and the European Union, represented by the European Commission

## Mission

- ... to increase transparency by providing information about the European audiovisual sector: TV, Cinema, Video, New Media

## What we do

- ... collect and prepare key facts & figures covering our 39 Member States
- ... follow relevant legal developments on the national as well as pan-European level



## CONTENTS OF THIS PRESENTATION

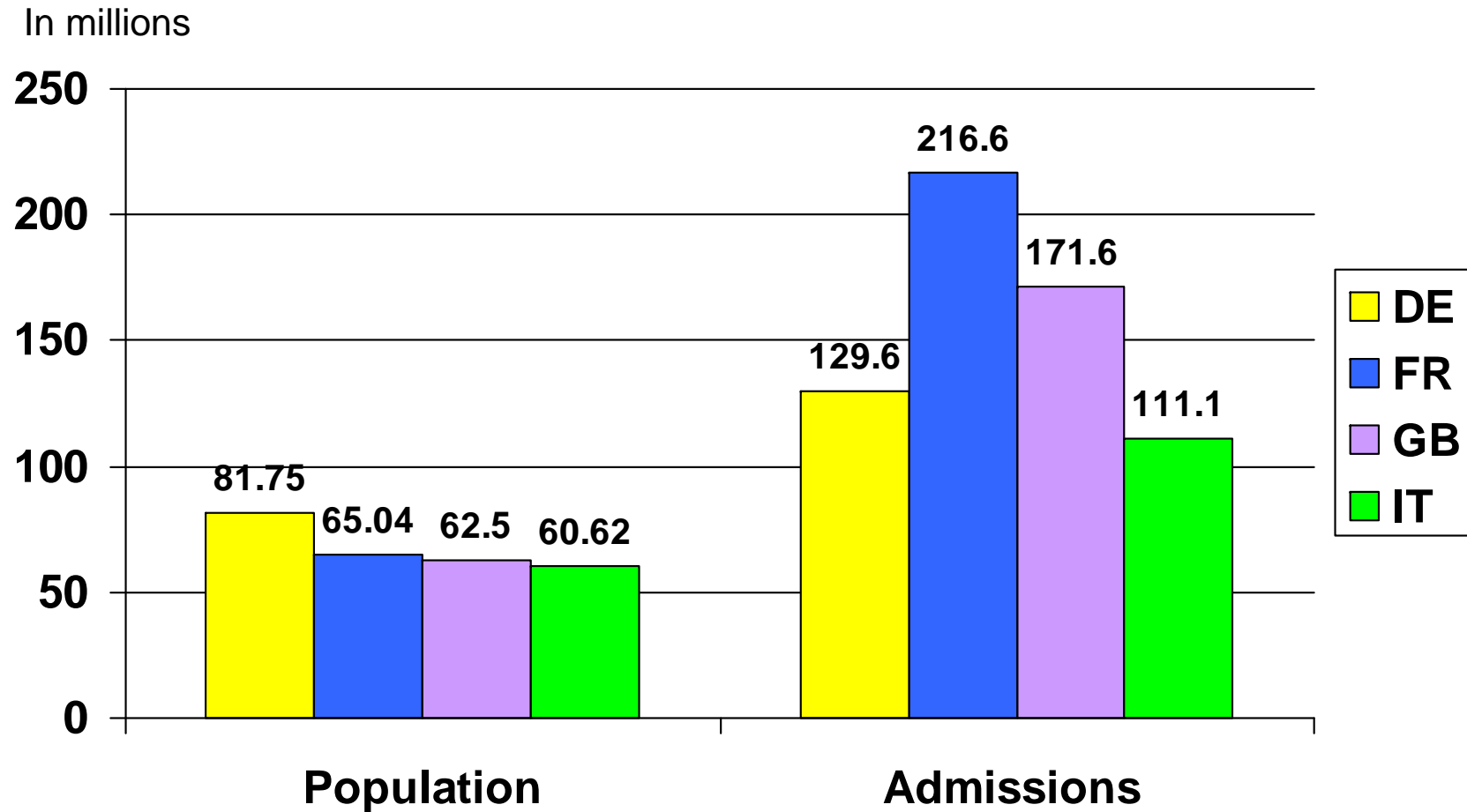
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- Focus on four selected European countries: France, Germany, Italy and United Kingdom
  - Market figures (production, distribution, exhibition, market shares)
  - Description of funding policy
  - Comparison of film export on European and non-European markets

Please note that all 2011 data in this presentation should be considered as provisional. Definitive data will be published in the Observatory's 2012 *Yearbook*.

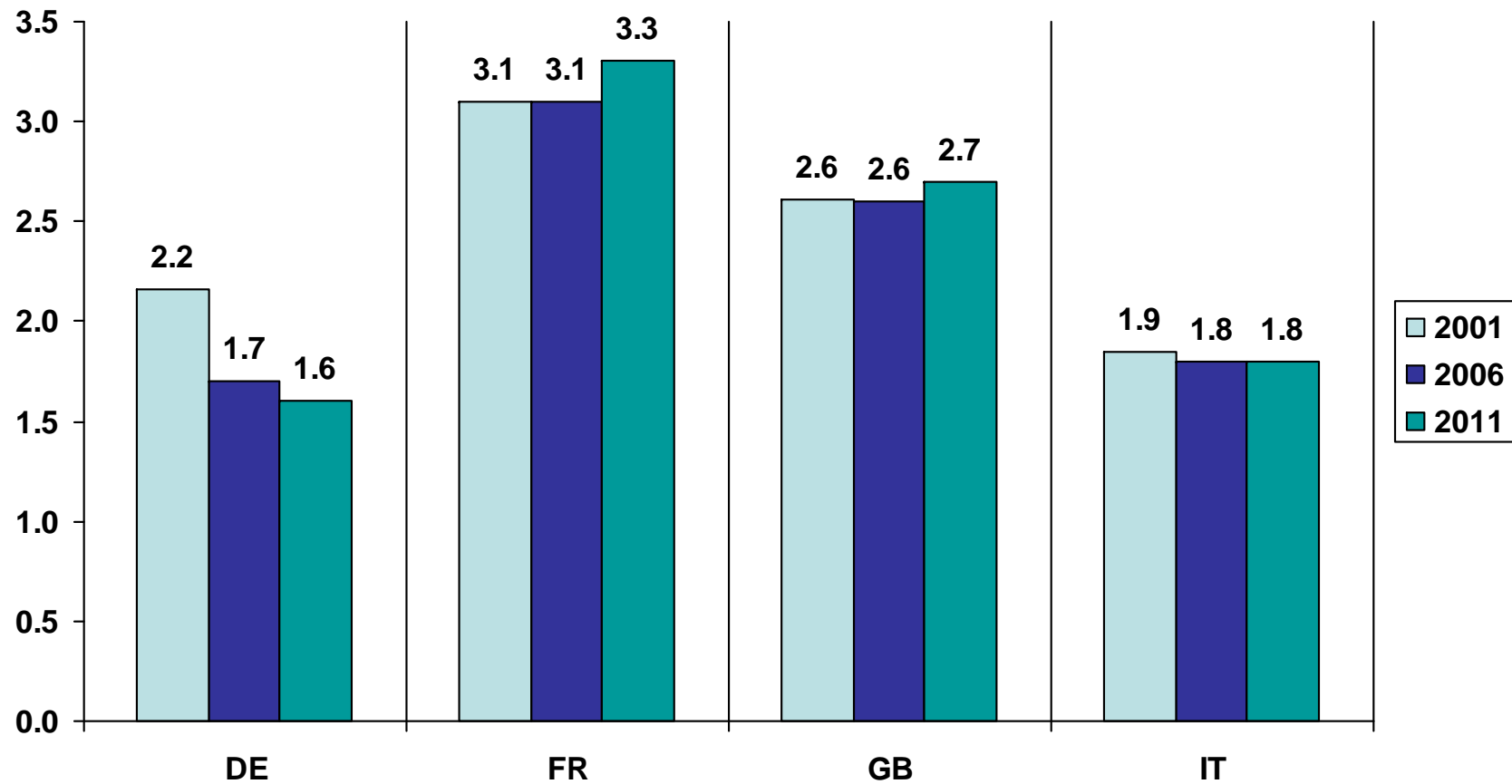
# BASIC DATA: POPULATION AND ADMISSIONS (2011)

Sources: Eurostat and European Audiovisual Observatory



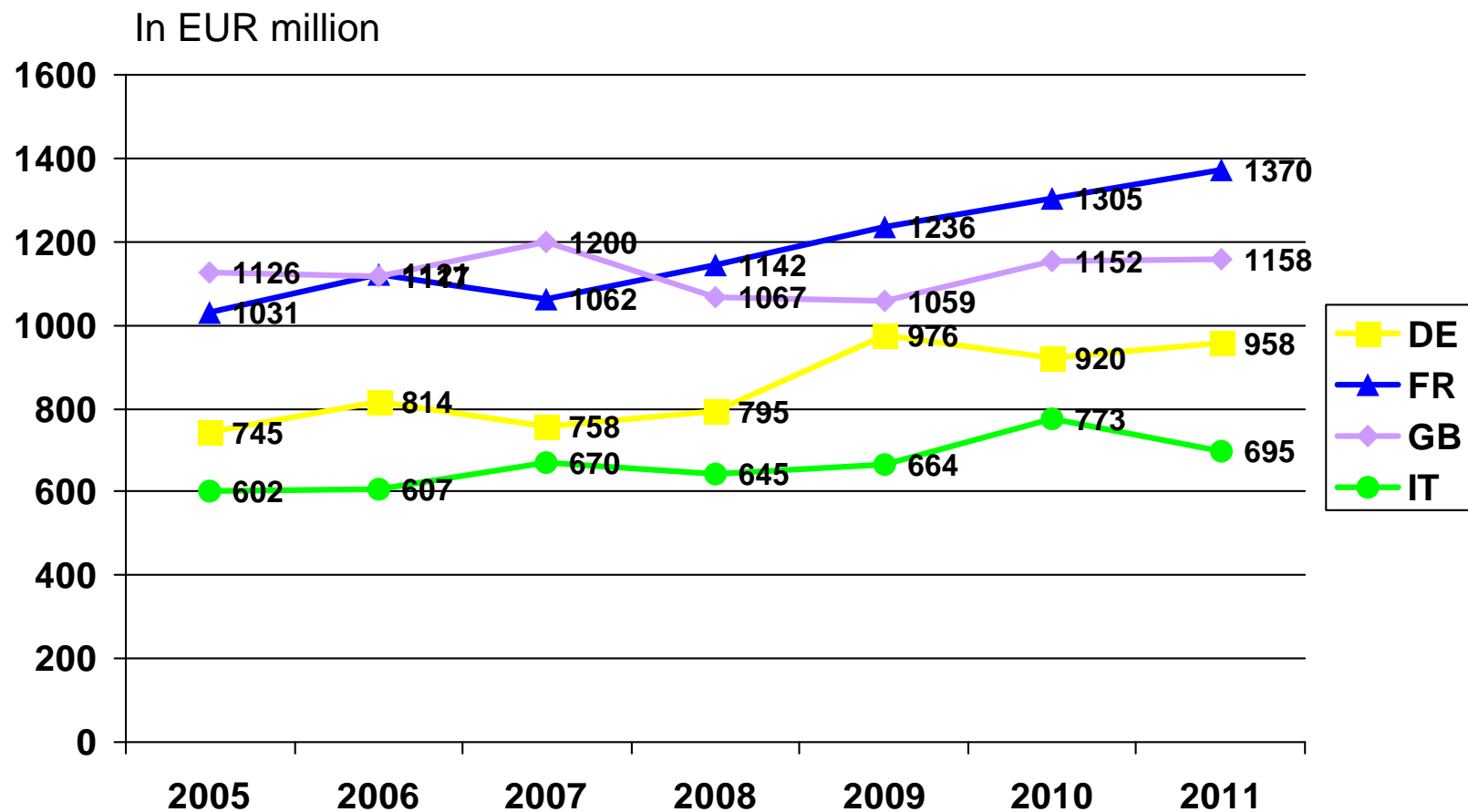
# AVERAGE ADMISSIONS PER CAPITA (2001-2011)

Source: European Audiovisual Observatory



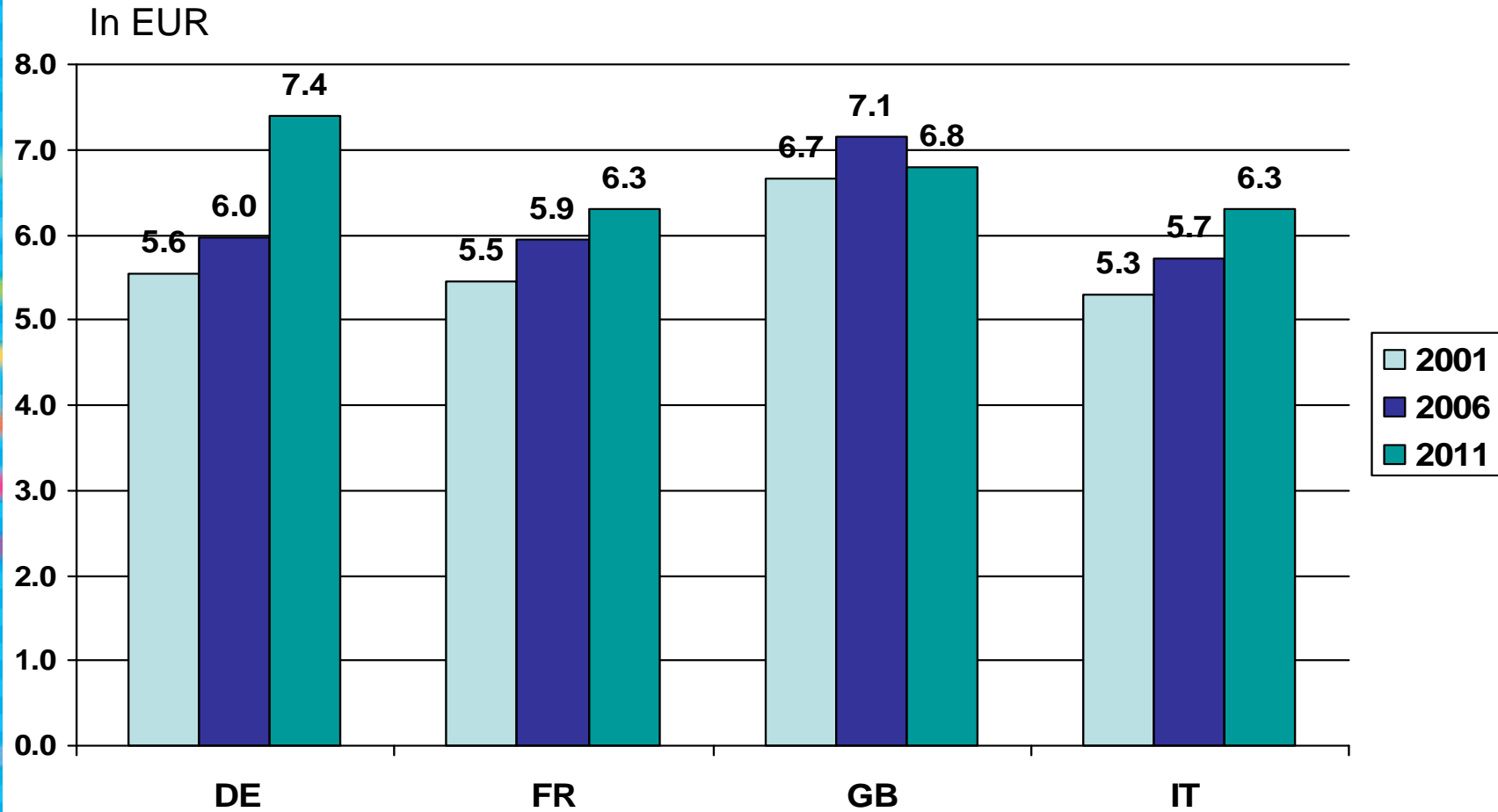
# GROSS BOX-OFFICE (2005-2011)

Source: European Audiovisual Observatory



# AVERAGE TICKET PRICE (2001-2011)

Source: European Audiovisual Observatory





## COMPARING FILM POLICIES REQUIRES PRUDENCE

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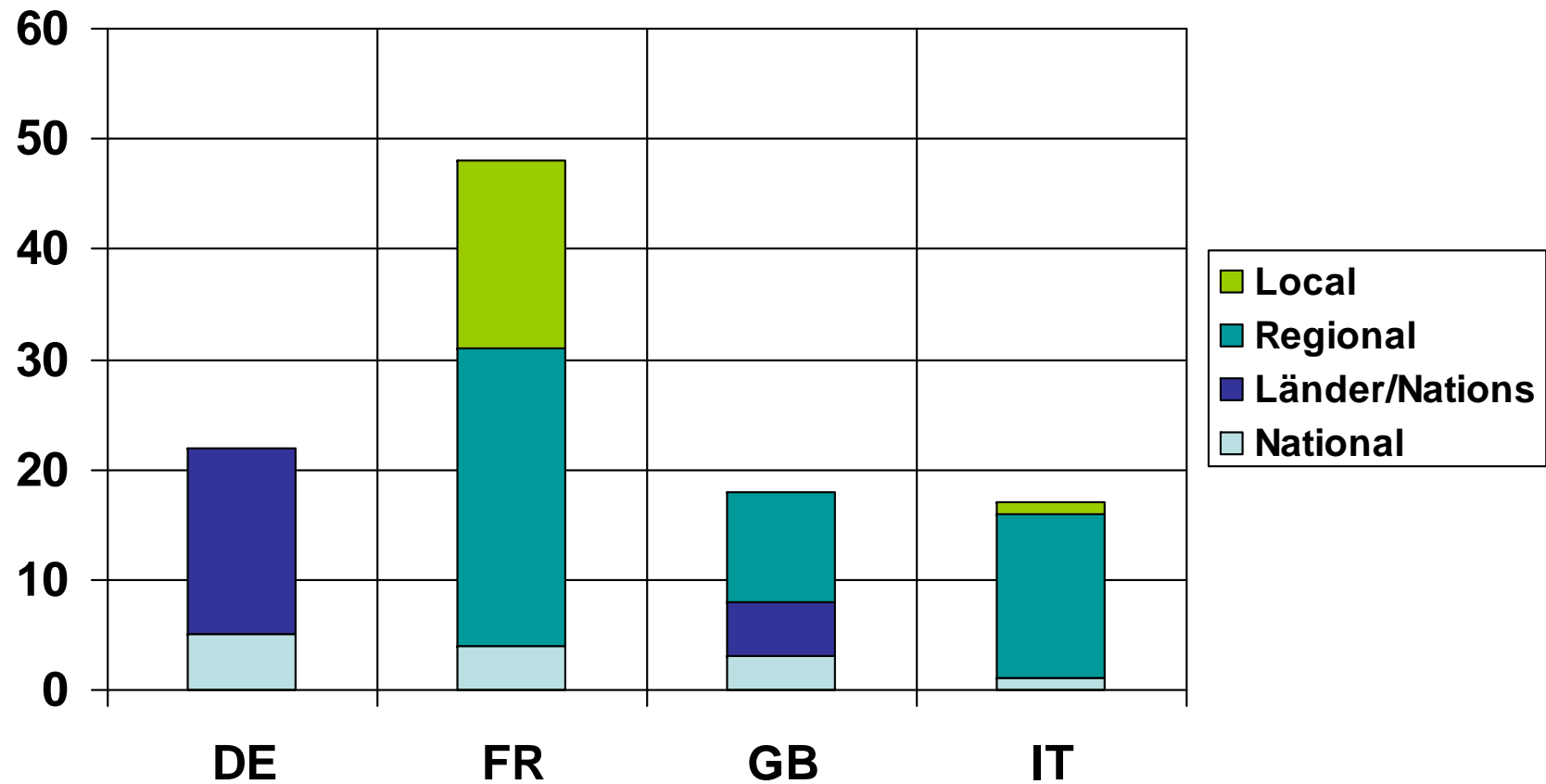
Film policy is not only direct public funding but includes also:

- Fiscal incentives
- Regulation of the relations between the various branches of the AV industry
- Protection of IPR – the fight against piracy
- Promotion of international co-operation (co-production policy)
- Promotion of the circulation of films (including international promotion)
- Support to festivals
- Film literacy
- Training
- Policy in relation to archives



# NUMBER OF PUBLIC FUNDING ORGANISATIONS (2009)

Source: European Audiovisual Observatory (KORDA database)



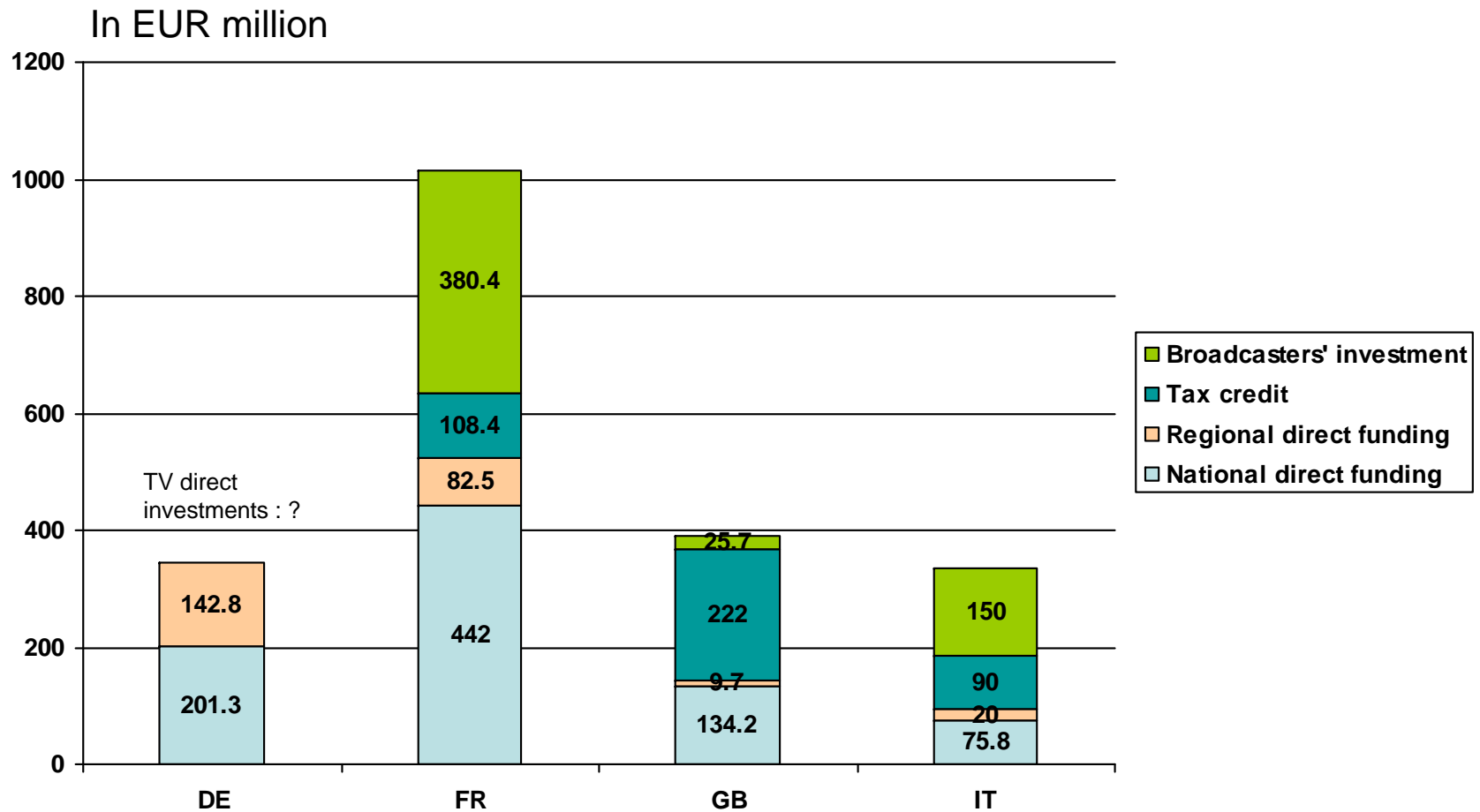
## SUMMARY OF FILM POLICIES (2011)

In EUR million

	National direct funding	Regional funding	Tax relief / Tax shelter	Broadcasters' investments and contributions
DE	Total: 201.3 M EUR - FFA: 101.9 - BKM & DFFF: 100.4	> 142.8 M EUR		Contribution to FFA and regional funds Direct investment : Bavaria, Studio Hamburg
FR	CNC : 720.1 M EUR - Cinema: 309.5 - Audiovisual: 287 - Digital: 32.5 - Transversal: 91.1	109 M EUR -'Communautés territoriales': 82.5 - CNC + DRAC: 26.5	-Sofica (invest.: 3 M EUR) -Crédit d'impôt cinema: 58.5 M EUR AV : 49.9 M EUR - Crédit d'impôt international	Investment: 380.4 M EUR - Free ch.: 145.7 - Canal+: 182.5 -Others: 52.2. - Contribution to the CNC: 309 M EUR
GB	Total : 134.2 M EUR - DCMS: 56.1; - Lottery: 48.4 - Other national : 29.7	9.7 M EUR (Northern Ireland, Wales)	Tax relief (222 M EUR in 2011)	Public broadcasters: 25.7 M EUR - BBC Films: 14.2 M EUR - Film 4: 11.5 M EUR
IT	F.U.S. : 75.8 M EUR Features only : 28.8 (17.8 ICN; 11 Opere Prime Seconde)	approx 20 M EUR	90 M EUR Tax credit Production Tax credit Distribution Tax credit Digital Tax Shelter	approx 150 M EUR

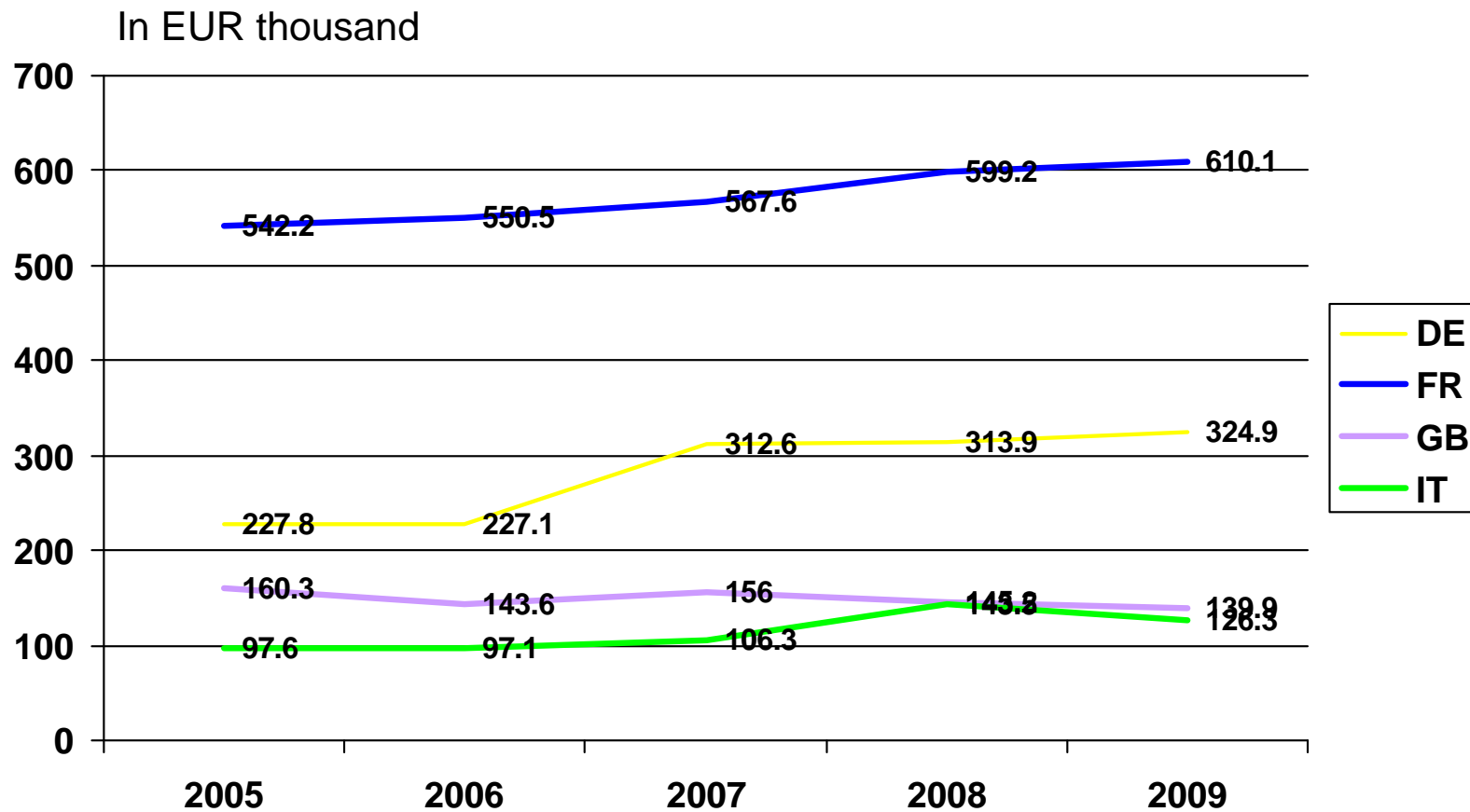
# AMOUNT OF PUBLICLY GENERATED INVESTMENT IN THE FILM INDUSTRY (2011)

Source: European Audiovisual Observatory



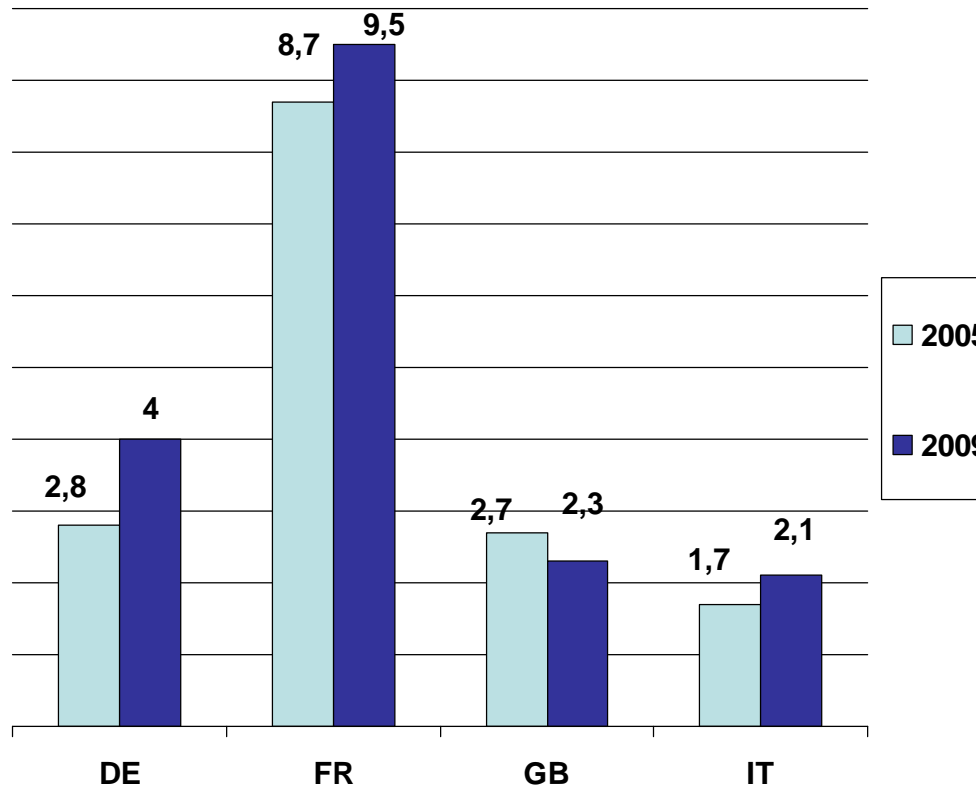
# TOTAL REVENUES FOR PUBLIC FUNDS (2005-2009)

Source: European Audiovisual Observatory



## AVERAGE PUBLIC FUND REVENUE PER CAPITA – in EUR (2005-2009)

Source: European Audiovisual Observatory

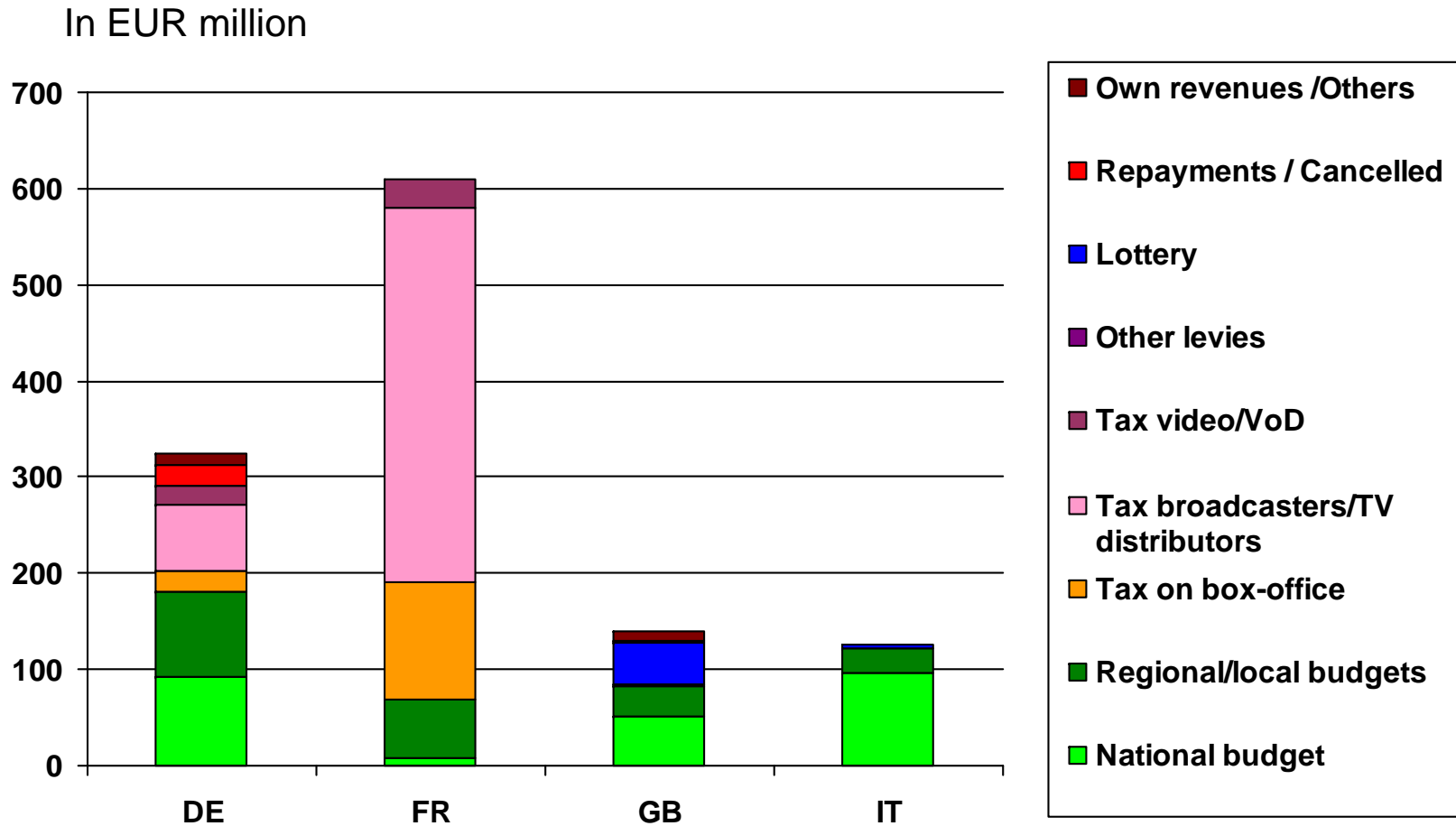


Prudence is necessary in handling this data:

- fiscal incentives are not included
- ‘public funding’ does not necessarily mean ‘State money’
- the activities of the funds are not identical

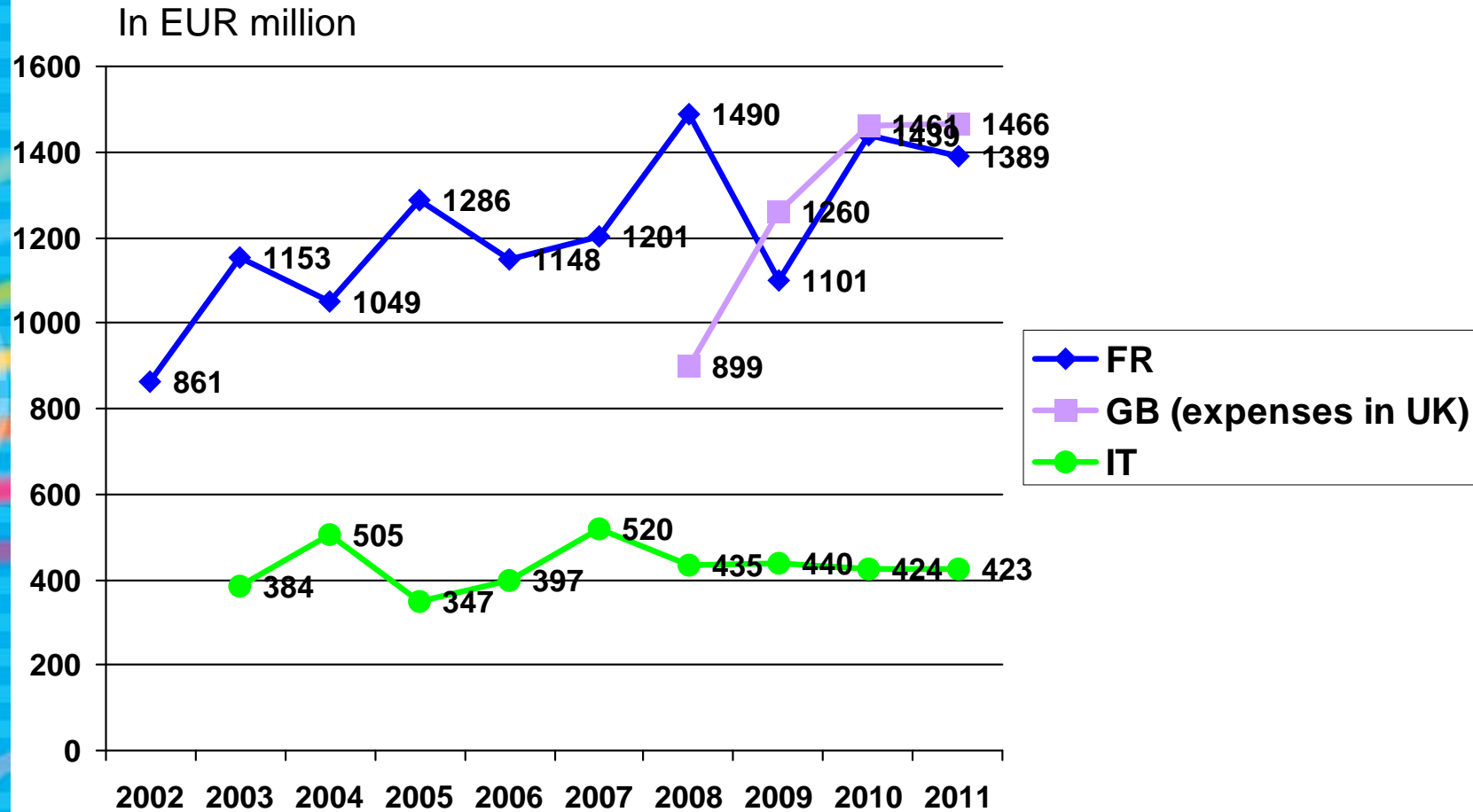
# SOURCES OF FUND REVENUE (2009)

Source: European Audiovisual Observatory



# TOTAL INVESTMENT IN FILM PRODUCTION (2002-2011)

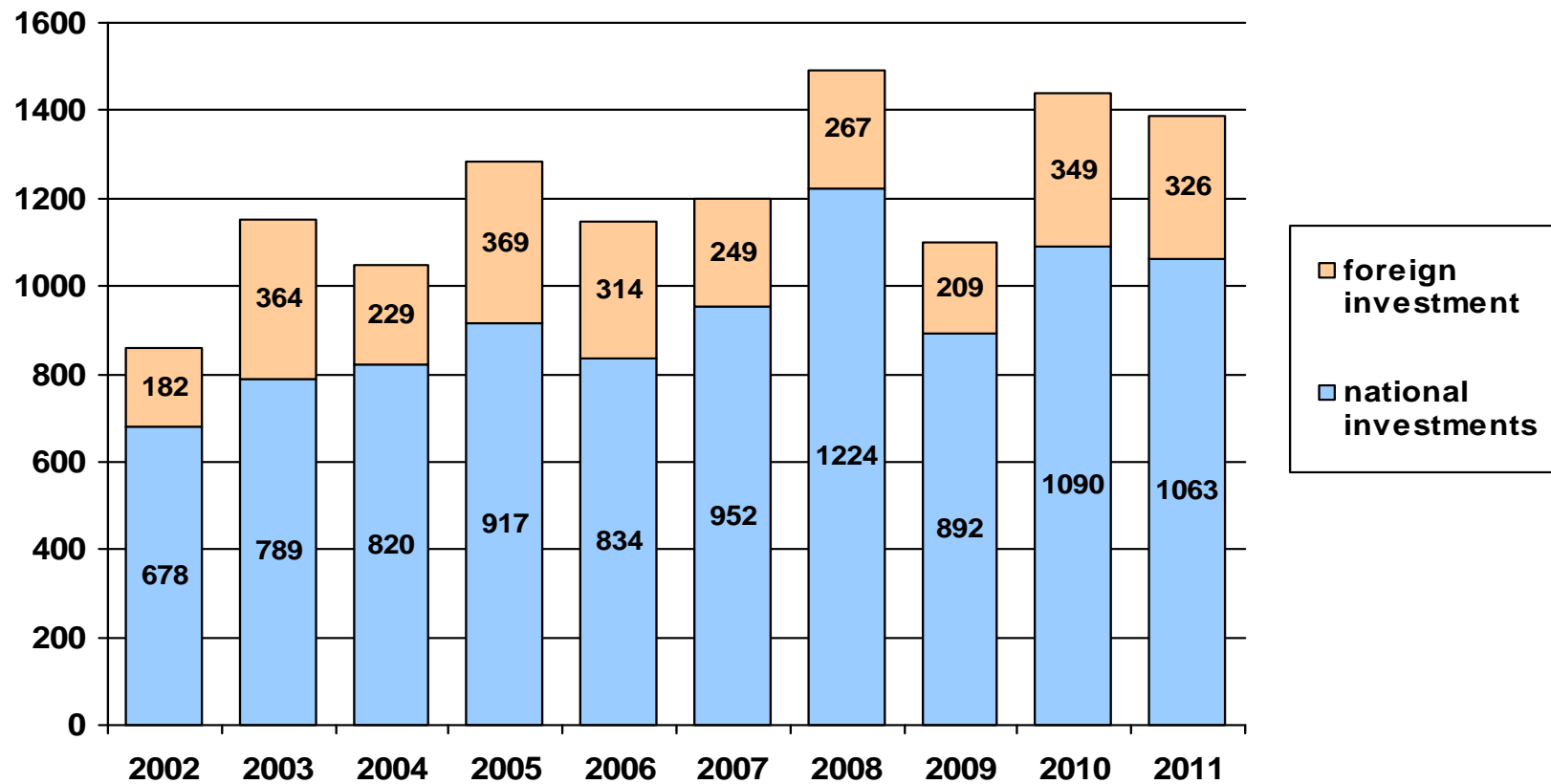
Source: European Audiovisual Observatory



# FRANCE – INVESTMENT IN FILM PRODUCTION (2002-2011)

Source: CNC

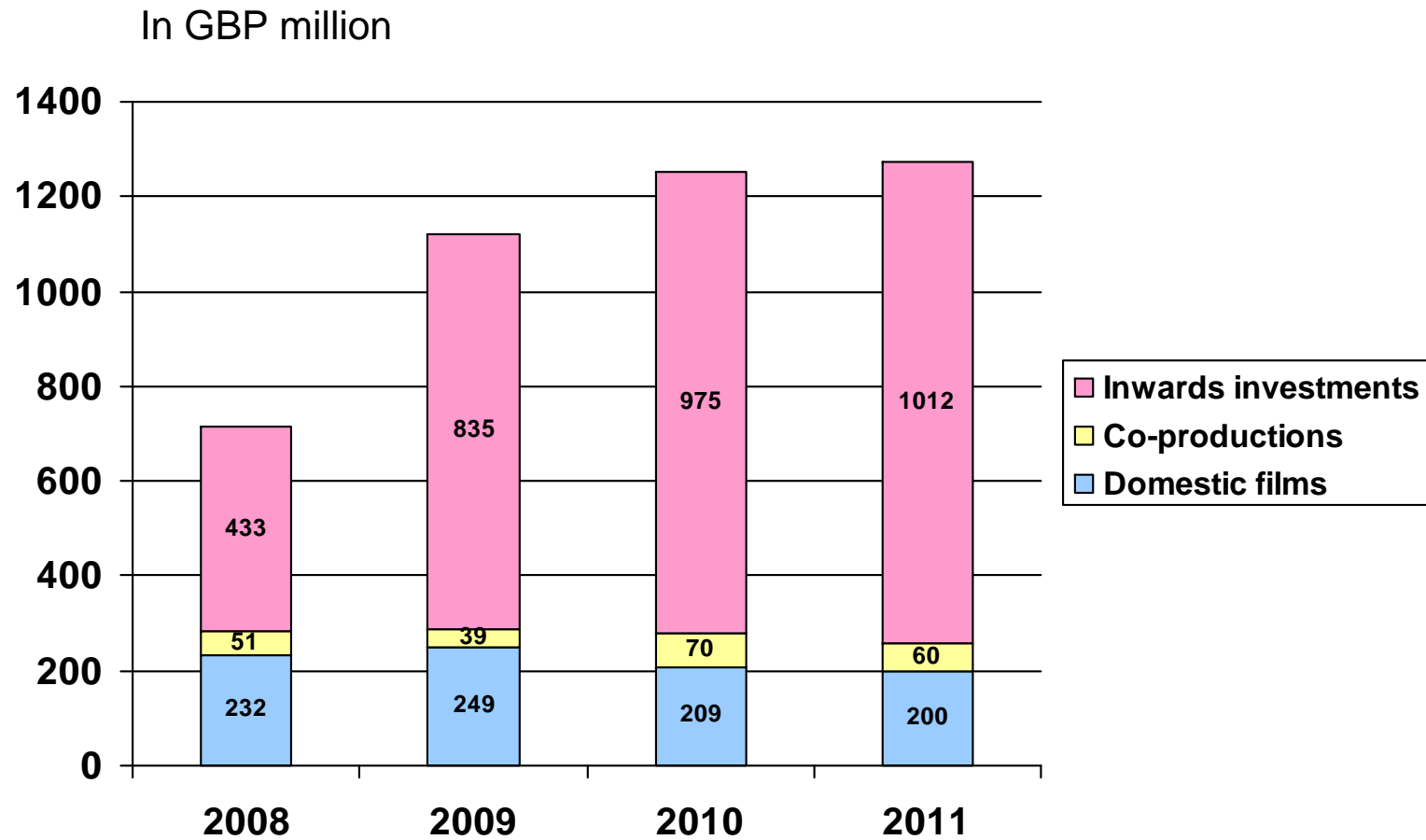
In EUR million





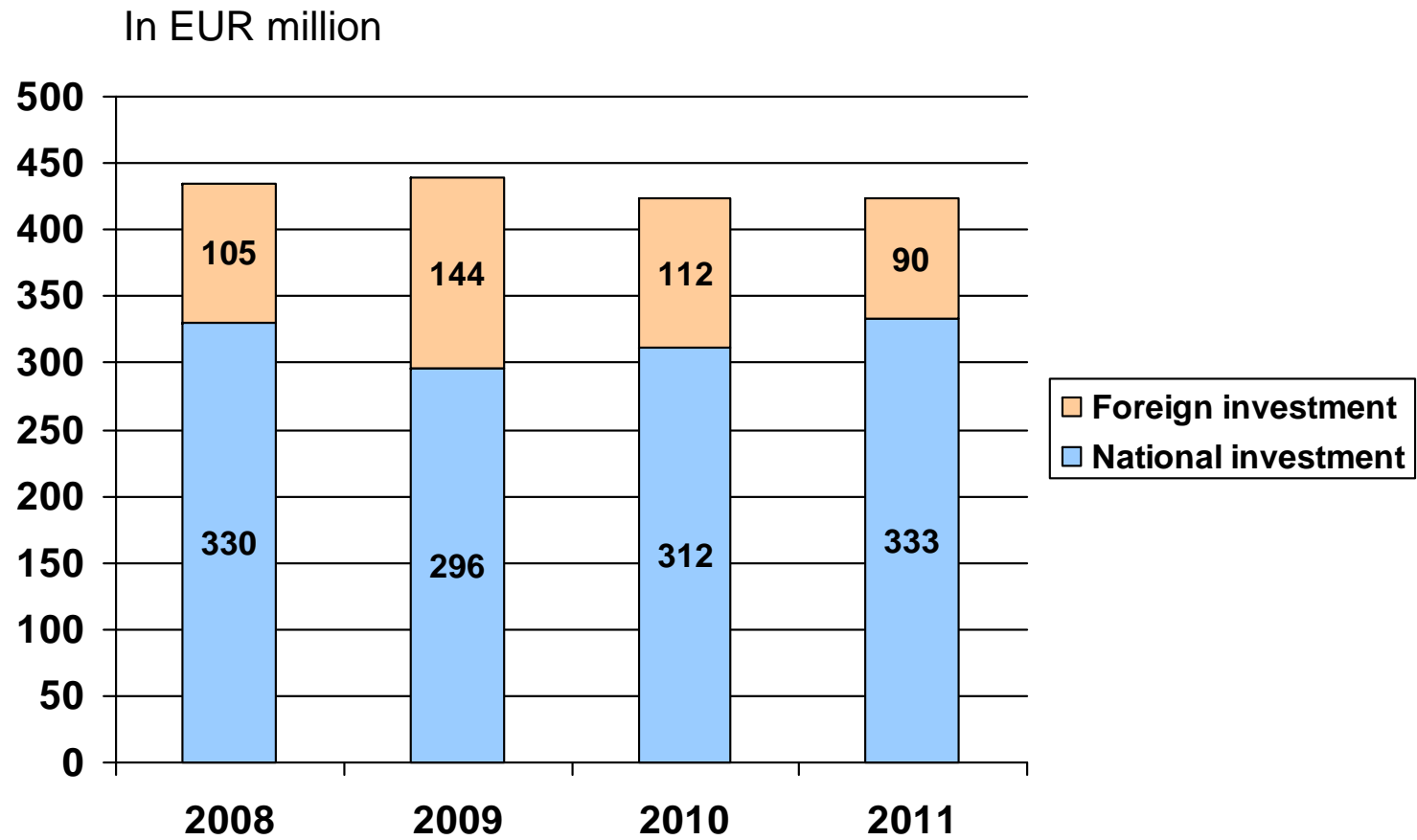
# UK SPEND ON FEATURES PRODUCED IN THE UK (2008-2011)

Source: BFI



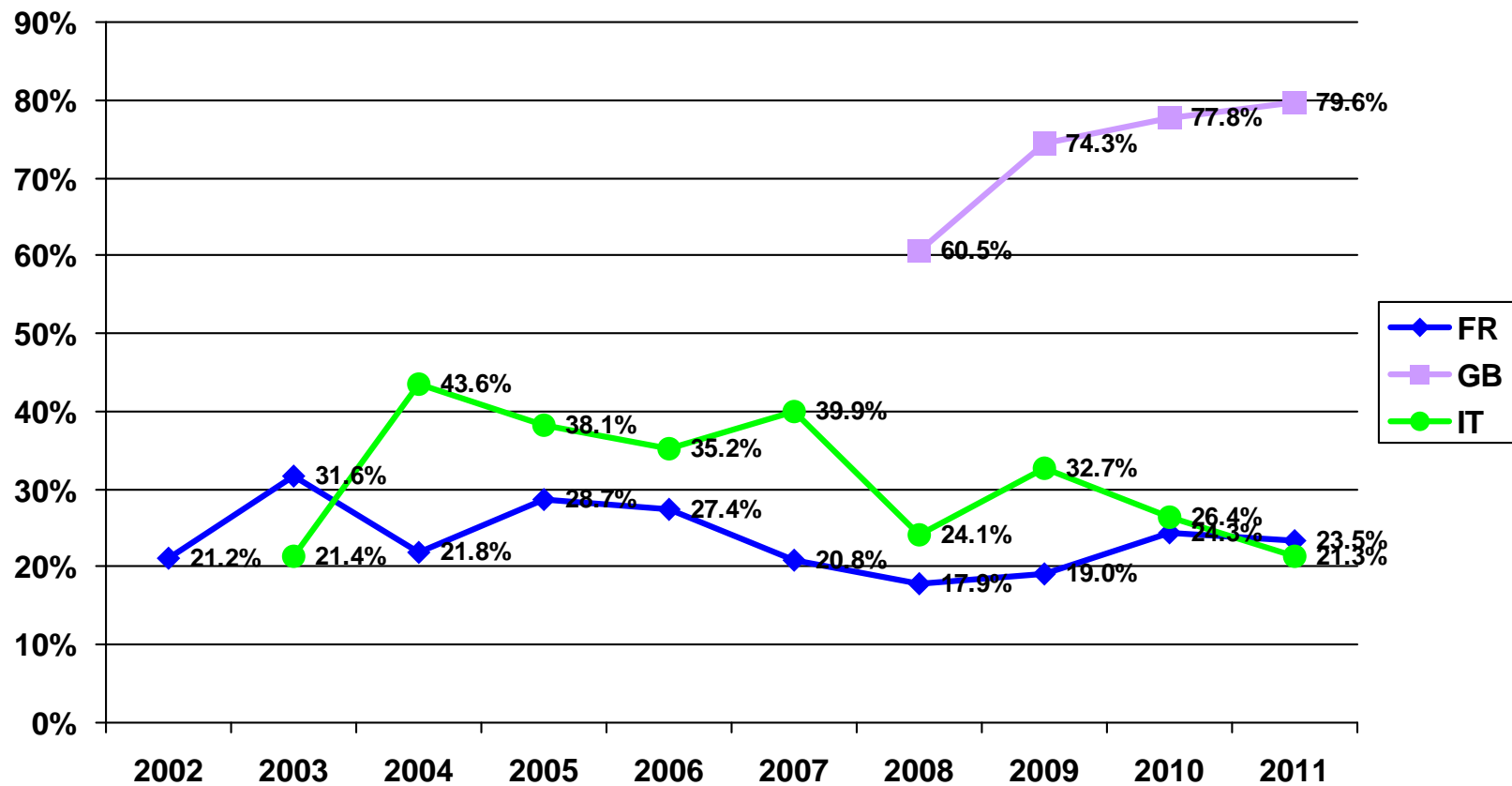
# ITALY – ORIGIN OF INVESTMENT IN PRODUCTION (2008-2011)

Source: ANICA / MiBAC



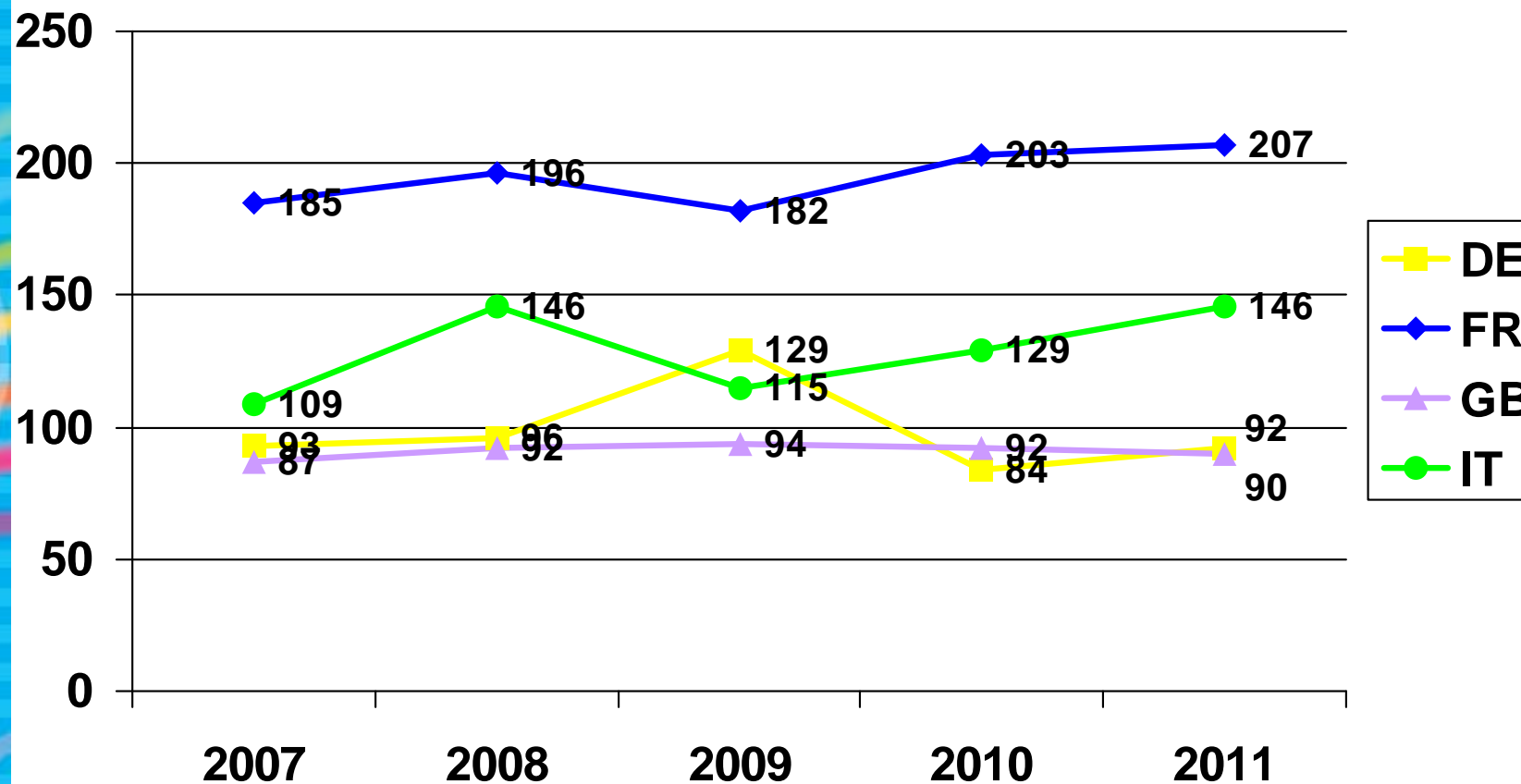
# SHARE OF FOREIGN INVESTMENT IN TOTAL FILM INVESTMENT (2002-2011)

Source: European Audiovisual Observatory



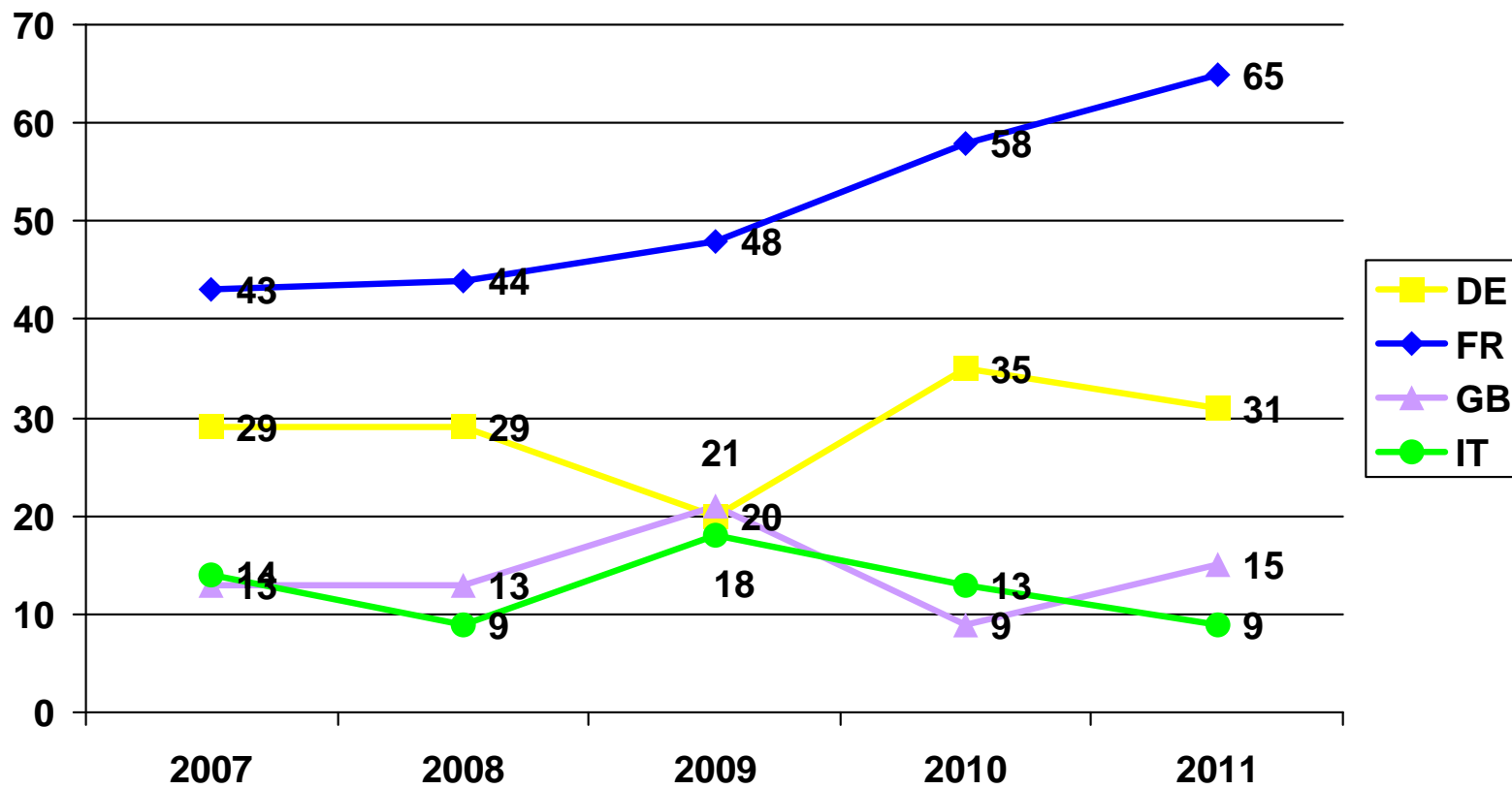
## NUMBER OF FILMS PRODUCED (2007-2011) (100% national + majority co-productions)

Source: European Audiovisual Observatory



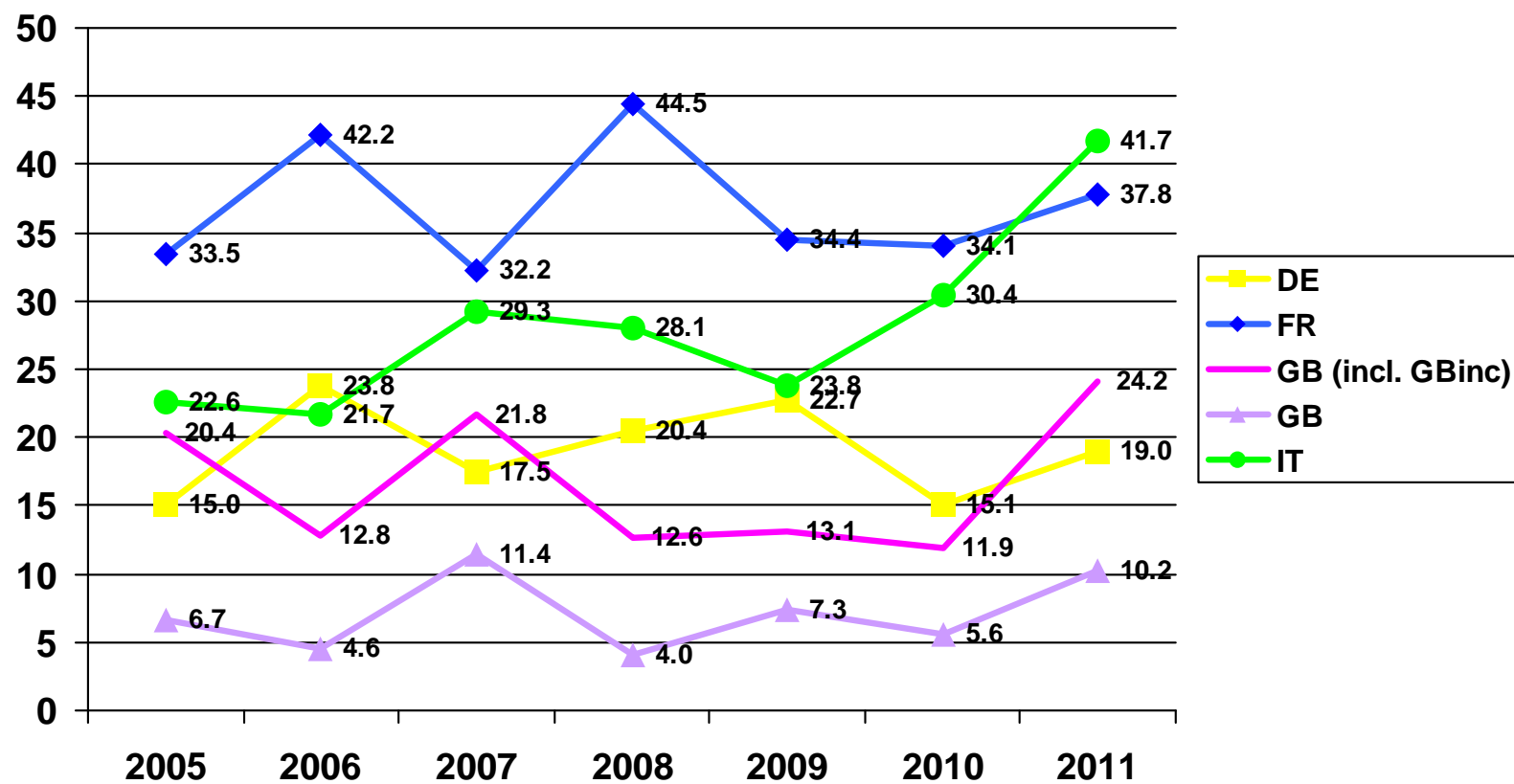
# NUMBER OF MINORITY CO-PRODUCTIONS (2007-2011)

Source: European Audiovisual Observatory



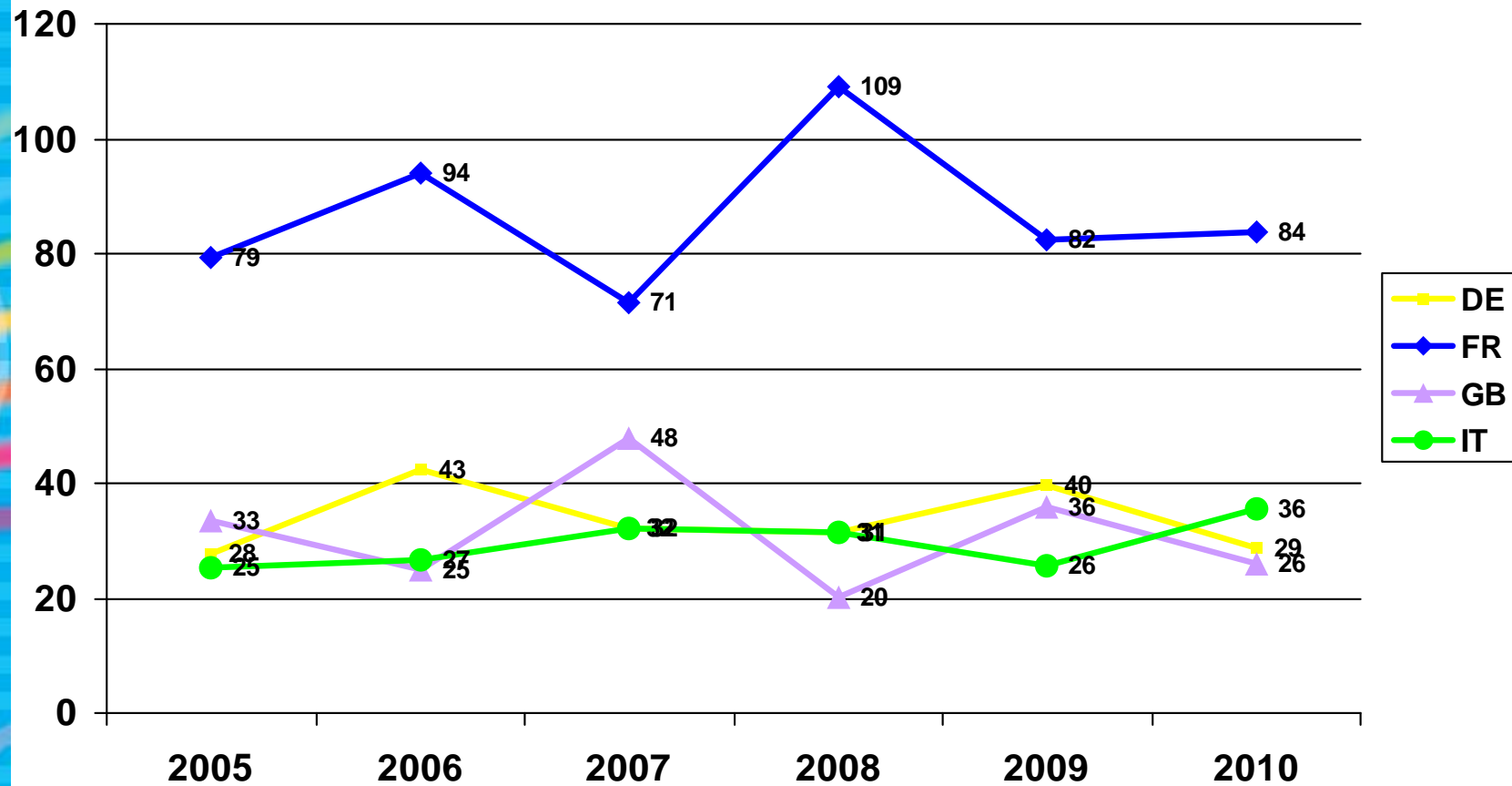
# MARKET SHARE OF NATIONAL FILMS (2005-2011)

Source: European Audiovisual Observatory using the LUMIERE database



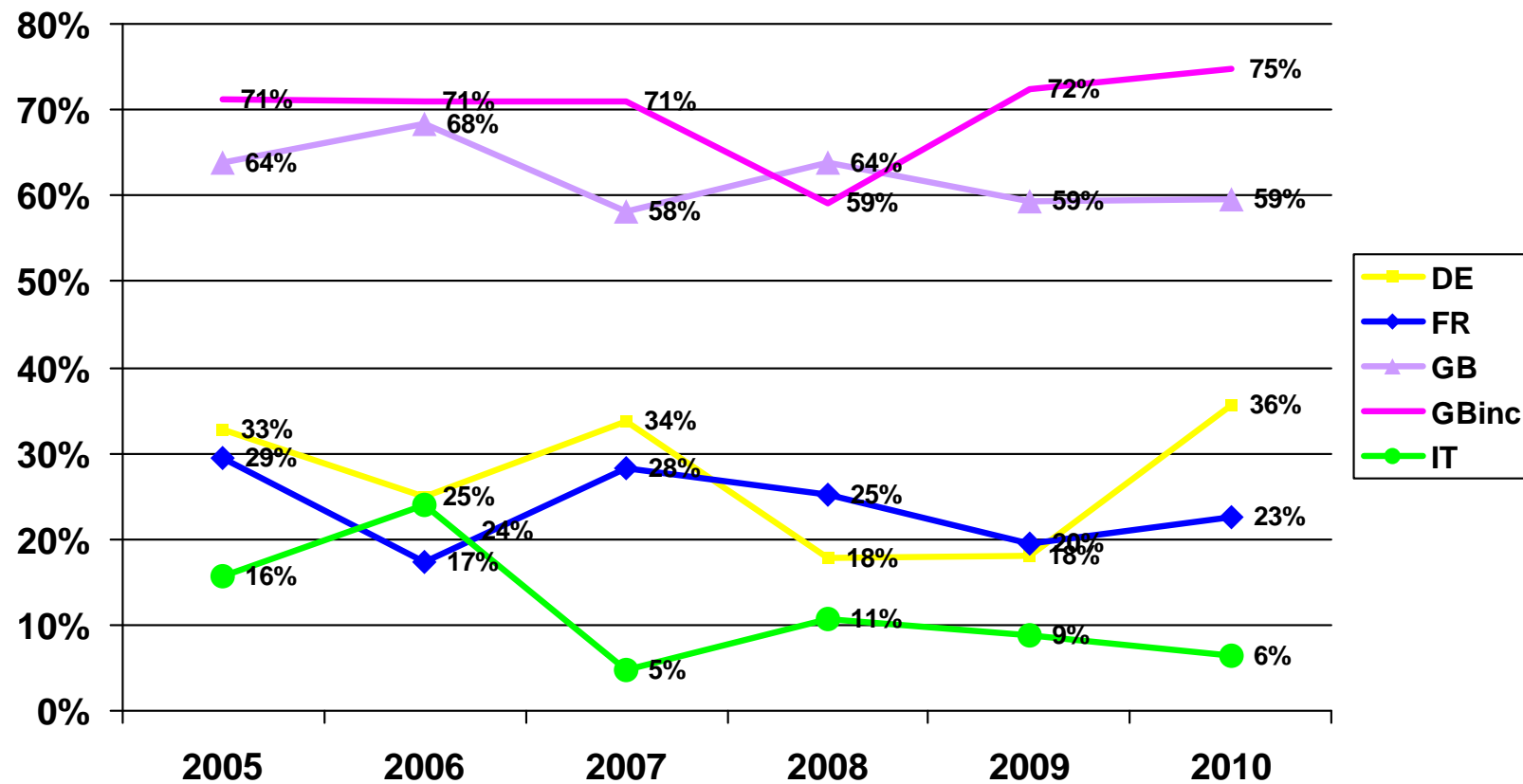
# NUMBER OF ADMISSIONS IN THE EU FOR FILMS ORIGINATING FROM THE FOUR COUNTRIES (2005-2010)

Source: European Audiovisual Observatory



# IMPORTANCE OF NON-DOMESTIC ADMISSIONS IN THE EU FOR FILMS ORIGINATING FROM THE FOUR COUNTRIES (2005-2010)

Source: European Audiovisual Observatory





## EXPORT OF EUROPEAN FILMS IN 10 NON-EUROPEAN MARKETS (2010)

Source: European Audiovisual Observatory

Markets are USA/CA, 6 South American countries, South Korea, Australia, New Zealand

<i>Films from:</i>	Number of films in release	Admissions (millions)	Share of non-EU markets in total admissions
<b>GB</b>	100	25	42 %
<b>DE</b>	48	17.3	34 %
<b>FR</b>	150	16.1	15 %
<b>SE</b>	10	4.5	37 %
<b>ES</b>	38	3.1	17 %
<b>BE</b>	10	2	25 %
<b>IT</b>	30	1.7	5%



## CONCLUSIONS

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- Statistics are useful for benchmarking but should be used with care (differences of systems, seasonal effects, importance of the artistic and cultural dimension of films,...)
- The four leading European countries have different structural characteristics both in national markets, financing, capacity of export
- Data show that the level of production in Italy remains strong: Italian films have improved their national market shares but at the same time there is a trend to a relative autarcy (less foreign investment, few minority co-productions, relatively low level of export)
- Creation and implementation of a European policy remains a challenge given the diversity of national systems.
- Long term threath for the redistribution models : globalisation of online distribution and connected TV will make the principle of contribution levies difficult to implement for foreign services (in particular when based in US).

# DATABASES AND PRINT PUBLICATIONS

## Databases

### 1 LUMIERE ([lumiere.obs.coe.int](http://lumiere.obs.coe.int))

... on annual film admissions for films released in Europe

### 2 KORDA ([korda.obs.coe.int](http://korda.obs.coe.int))

... on public funding programmes for the audiovisual sector in Europe

### 3 MAVISE ([mavise.obs.coe.int](http://mavise.obs.coe.int))

... on TV channels and companies in Europe

### 4 IRIS MERLIN ([merlin.obs.coe.int](http://merlin.obs.coe.int))

... legal information relevant to the audiovisual sector

## Publications





For further information:

**[www.obs.coe.int](http://www.obs.coe.int)**

**andre.lange@coe.int**

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