



The prominence of European works in the catalogues of on-demand AVMS

ERGA Subgroup 3 (Findability)
Introductory remarks, 3 June 2020

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The WHY & The HOW

WHY?

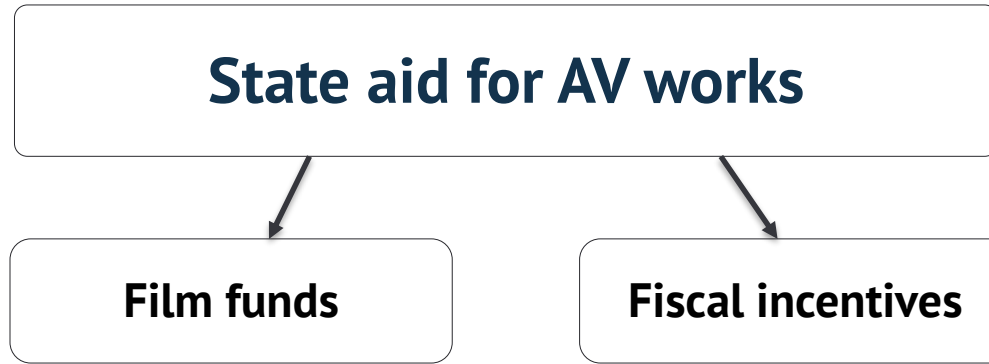
The role of audiovisual works

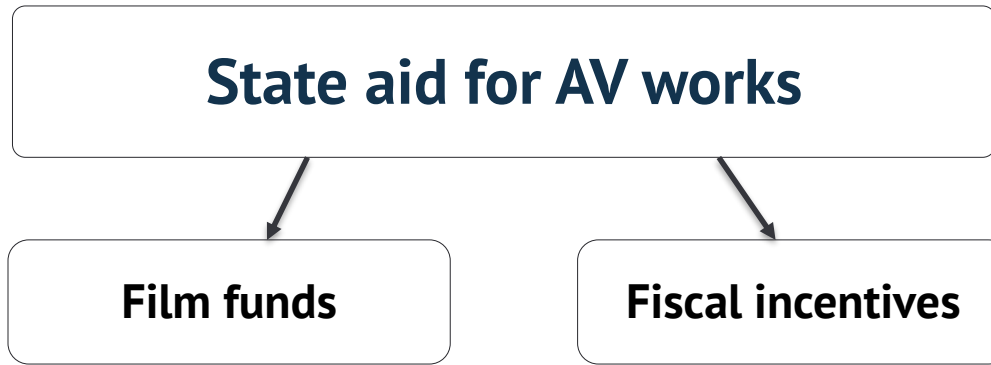
- AV works play an important role in **shaping European identities**.
- are **economic goods**, offering important opportunities for the creation of **wealth and employment**
- are also **cultural goods** which mirror and shape our societies.

The problems faced by AV works

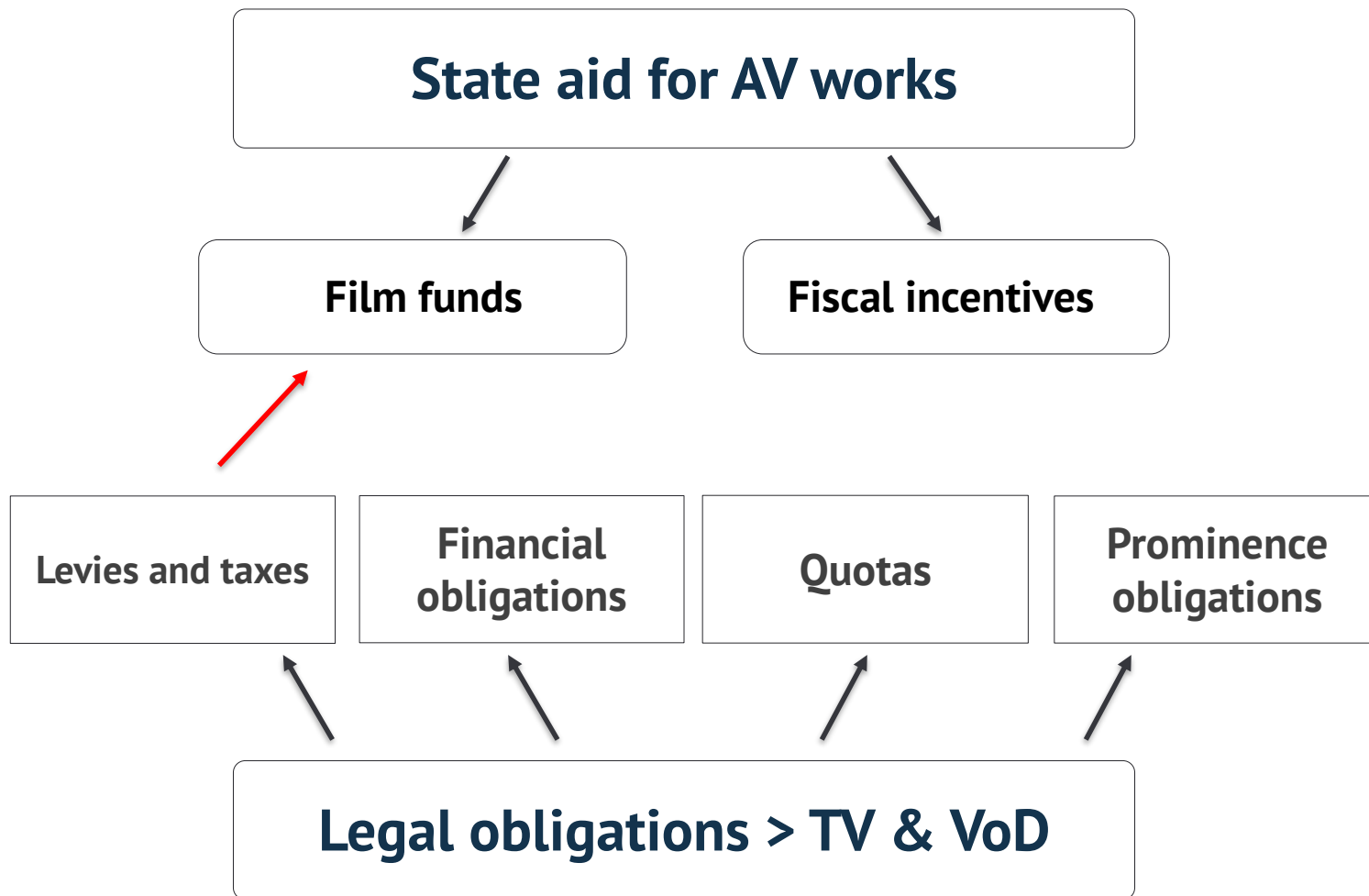
- AV works face **strong competition from outside Europe.**
- there is **little circulation** of European audiovisual works **outside their country of origin.**
- this limited circulation results from the **fragmentation of the European audiovisual sector** into national or even regional markets.

HOW?

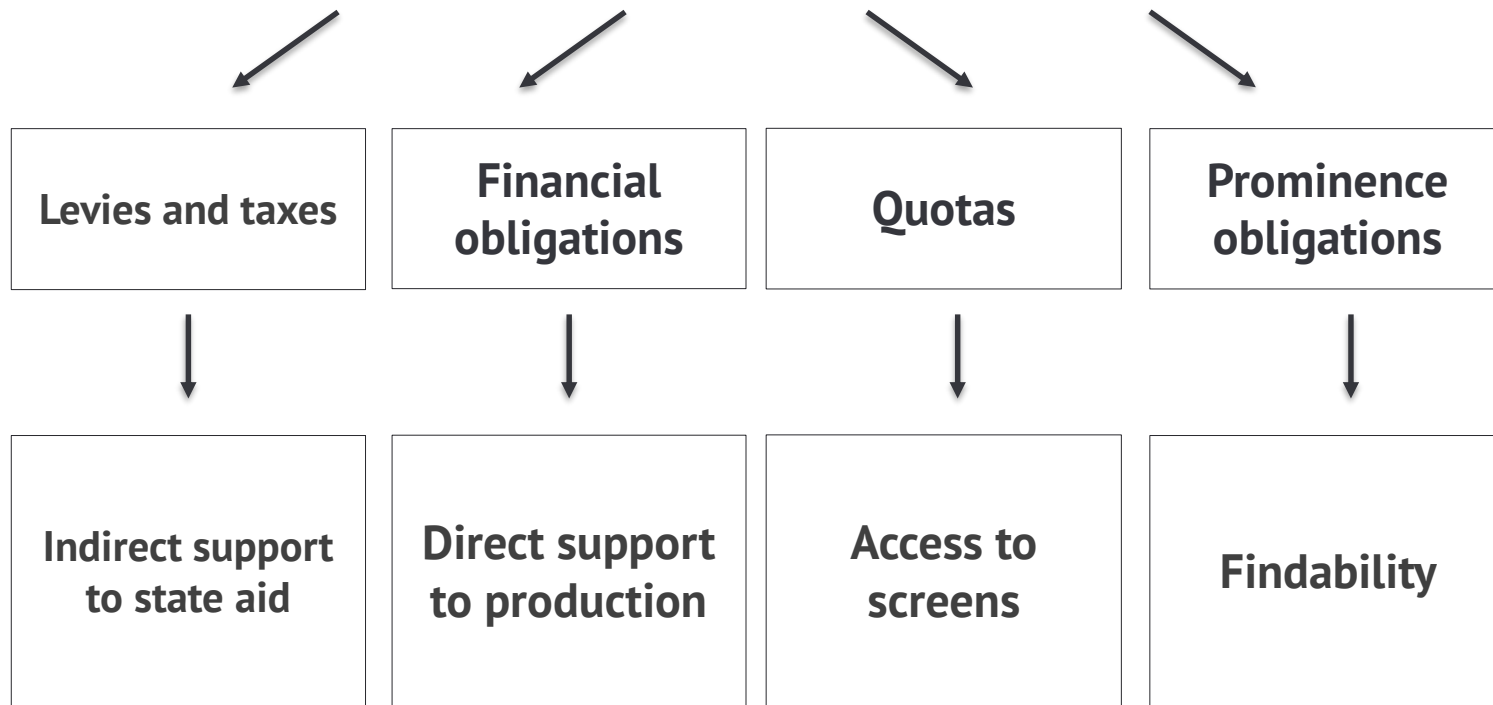




...not enough!



Legal obligations > TV & VoD





René Goscinny & Albert Uderzo, *Astérix et Cléopâtre*.

AVMSD 2010

VOD services (AVMSD recitals)

- “**TV**-like”
- “...potential to **partially replace** television broadcasting”.
- “...where **practicable**, promote the production and distribution of European works...”

AVMSD 2010

VOD services (Art. 13 AVMSD)

- Financial contribution / Rights acquisition of European works
- Share in VOD catalogues, and/or
- **Prominence of EU works in VOD catalogues**



AVMSD 2010

VOD services (Art. 13 AVMSD)

- Financial contribution to rights acquisition of European works
- Share in VOD catalogues, and/or

Prominence of EU works in VOD catalogues

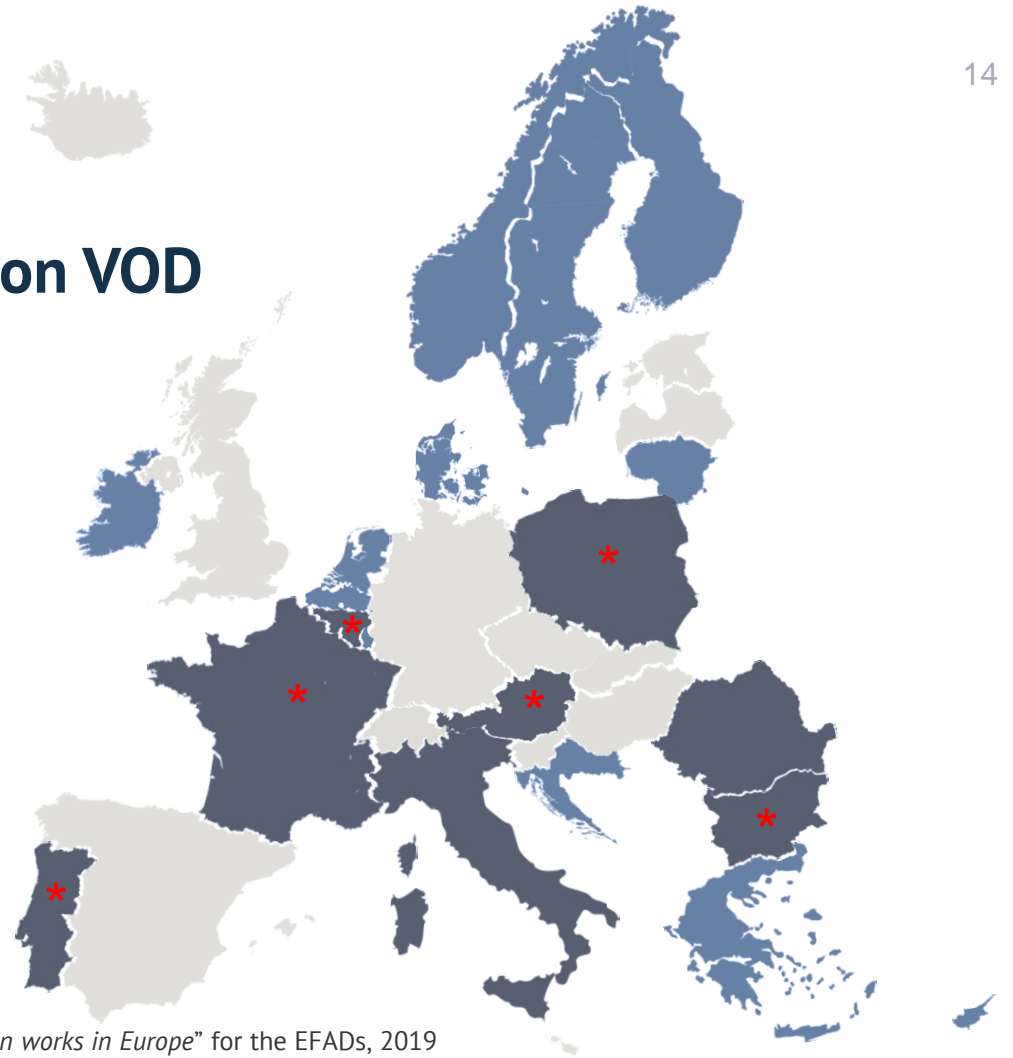
NOT CUMULATIVE



AVMSD 2010

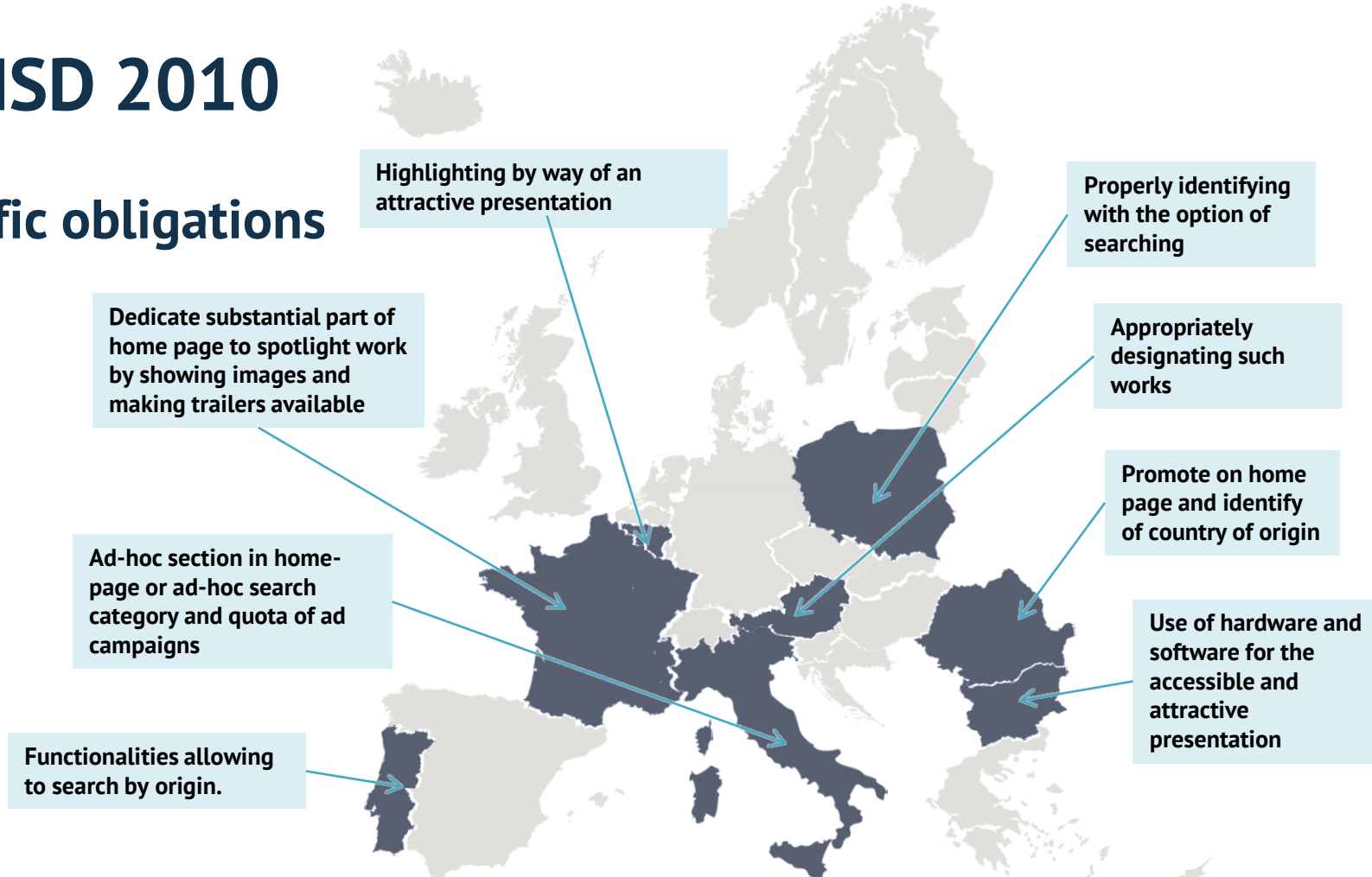
Prominence obligation on VOD services

-  Specific obligation
-  General obligation
-  No obligation
-  Mandatory



AVMSD 2010

Specific obligations





Questionnaire on the tools used in the application of Article 13 AVMSD (Promotion of European works in on-demand services)

Prominence tools: efficiency / advantages

- **Stronger effect on consumption** of European works than a share in the catalogue
- **Not too burdensome for operators** / does **not imply excessive costs** (can be well integrated within normal promotion / marketing activity of operators)
- Most appropriate tool **for smaller markets**
- Providers should be **free to choose the prominence tools to achieve the result**
- Can be **combined with requirements regarding the catalogue** itself: (e.g. having a substantial offer of European works; ensuring the diversity within EU works; maintaining works in the catalogue for extended periods)

Prominence tools: Disadvantages

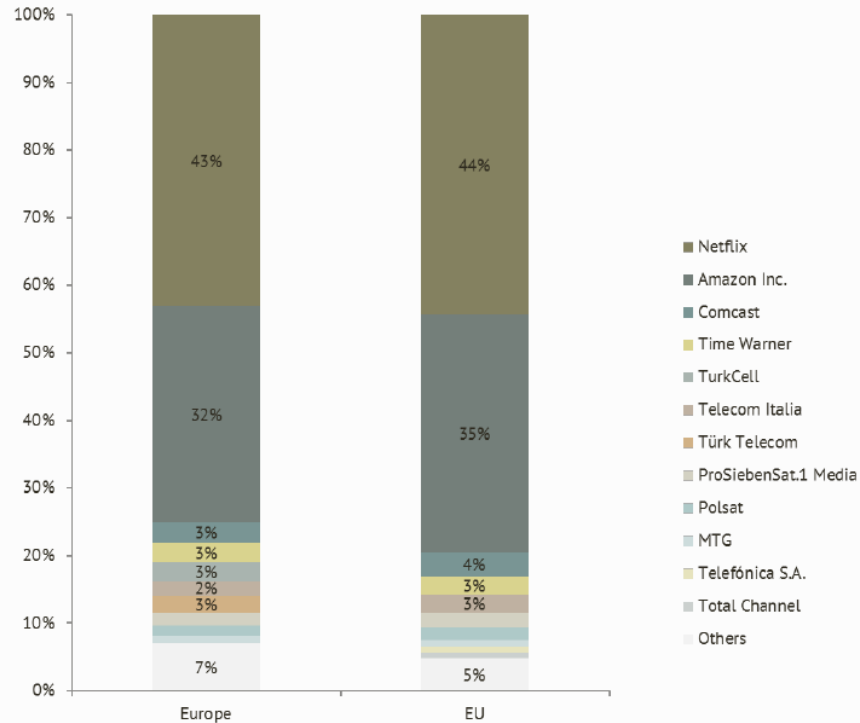
- **Interference into editorial freedom**
- **Difficult to measure** impact (while some MS with such a system report that the effect of promotion tools can be measured)

Prominence tools – how could the system be improved

- **Co-operation** (between EU audiovisual regulators / national film promotion/ film funding bodies)
- **More access to data / more transparency regarding data on consumption & distribution** – collected by public bodies

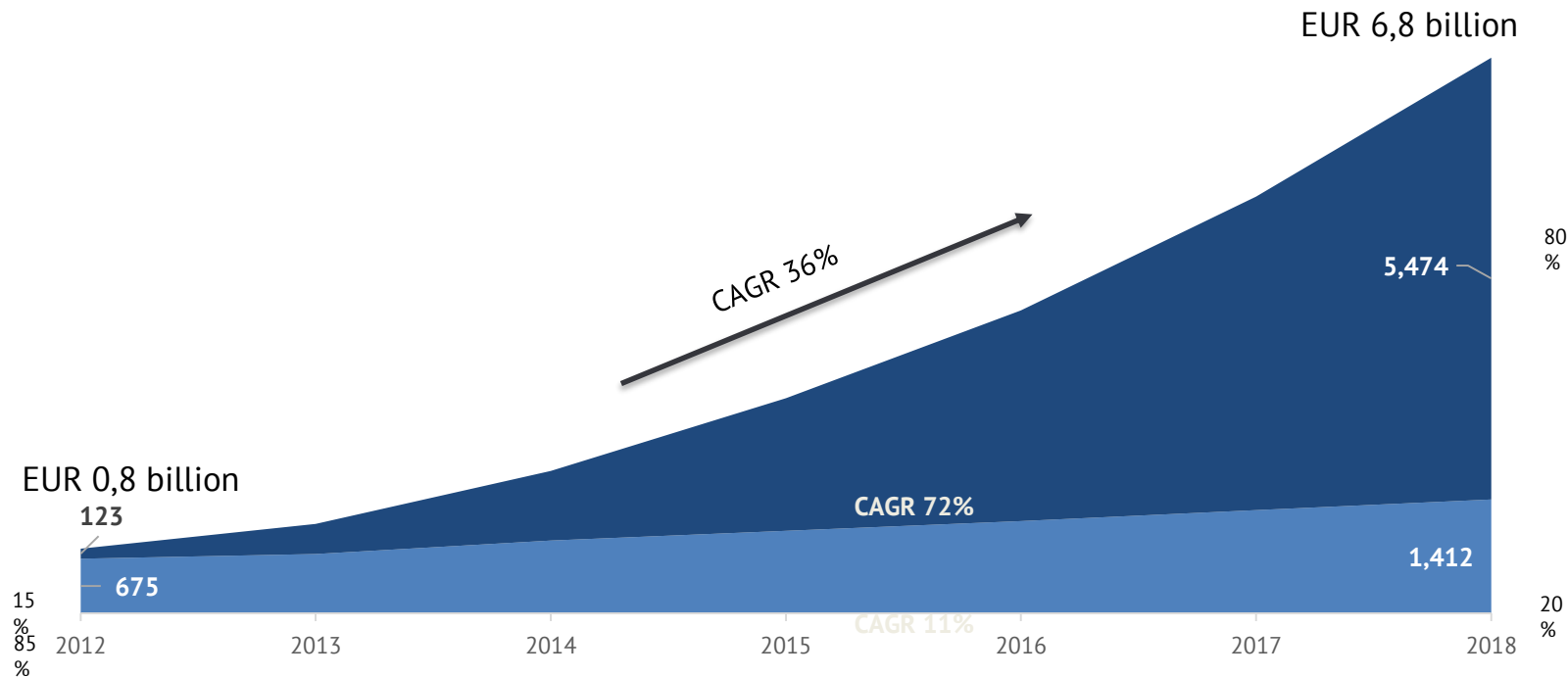
Netflix and Amazon account for almost 80% of the SVOD subscriptions in the EU

Concentration of SVOD subscriptions by ownership | 2017 - In %



EU - Consumer revenues OTT SVOD & TVOD

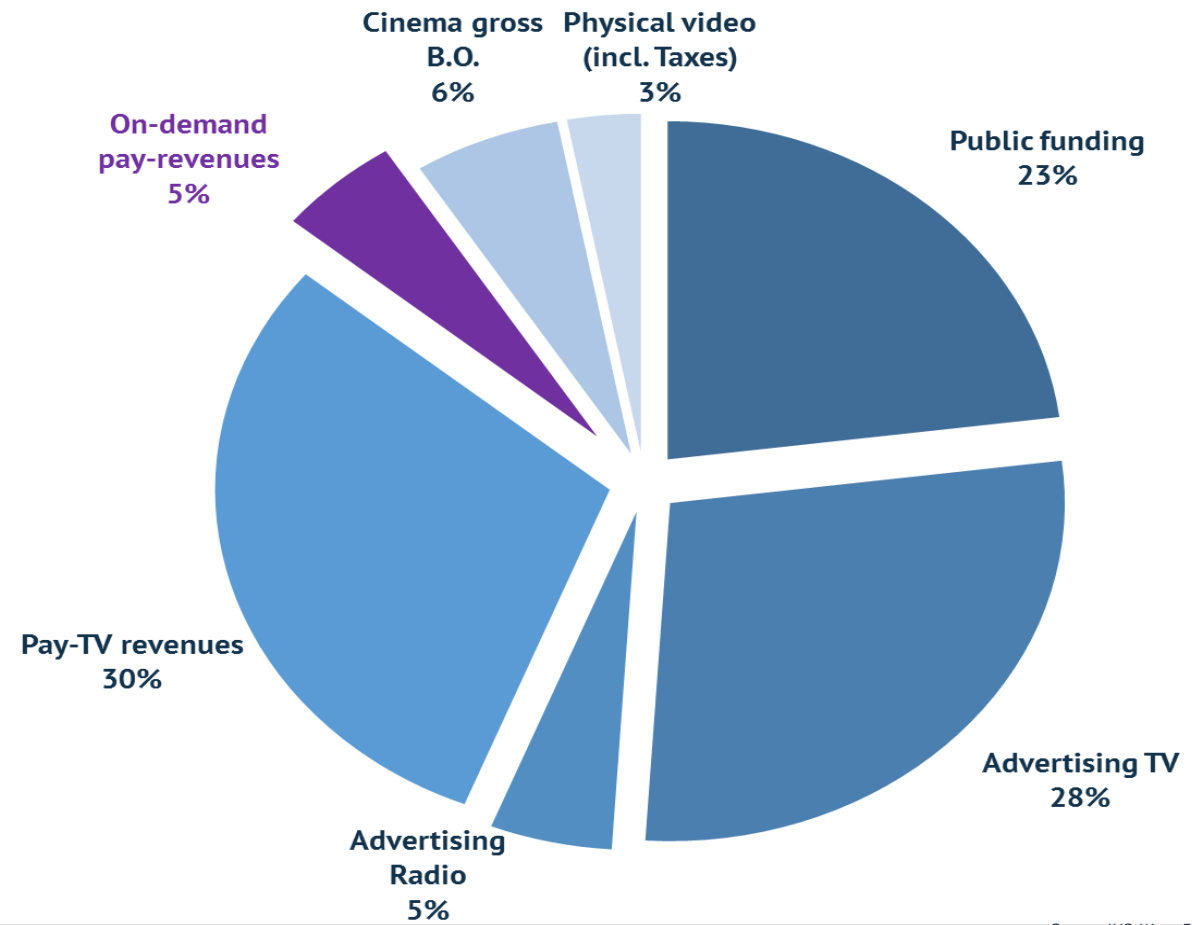
in EUR million



Source: Ampere Analysis

■ TVOD revenues ■ SVOD revenues

EU AV market in 2017: EUR 111,5 billion

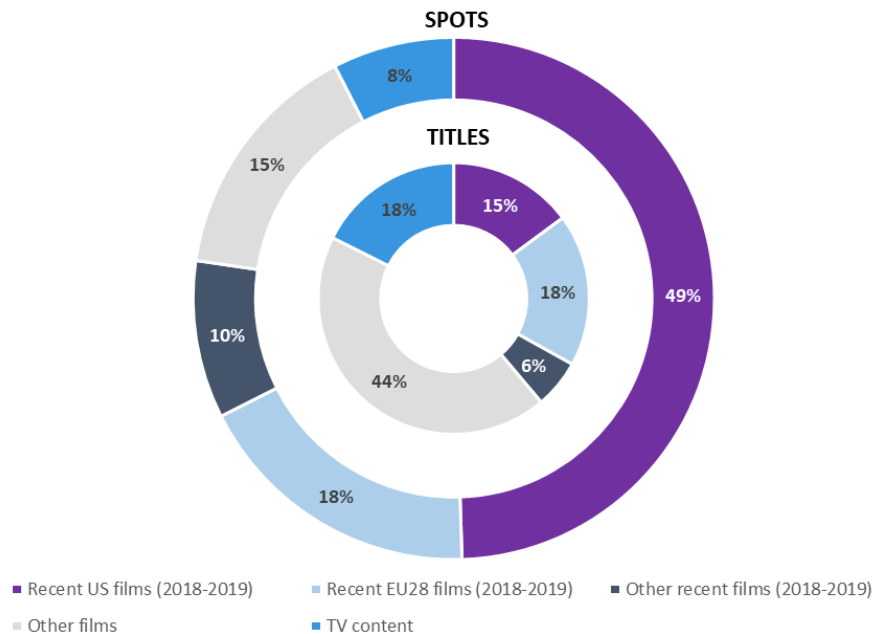


What is the origin of the content promoted?

Synthesis: close to half of promotion spots go to recent US films

- ▶ Combining the age and origin of titles shows the prominence of recent US films.
- ▶ Difference in the share of titles promoted and share of promotion spots reflects the fact that the same US films are present and therefore promoted in several territories.

Origin of promotion spots by age and origin (% , October 2019)



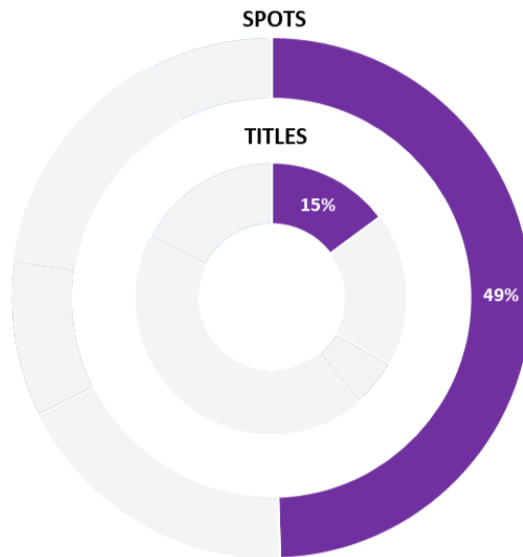
Source: European Audiovisual Observatory analysis of AQOA data

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Recent US films (2018-2019)

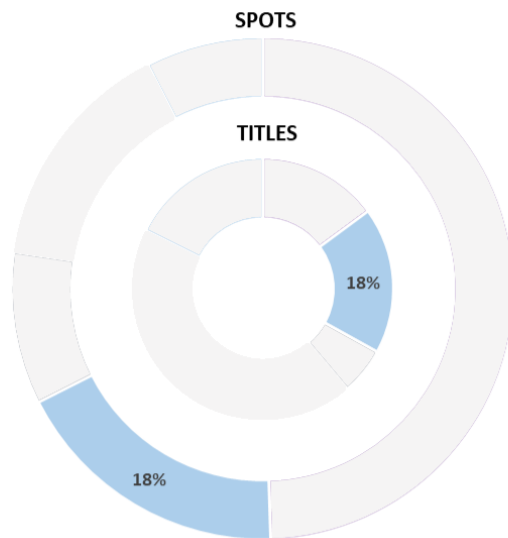
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Origin of promotion spots by age and origin (% , October 2019)



Recent EU28 films (2018-2019)

Source: European Audiovisual Observatory analysis of AQOA data

AVMSD 2018

VOD services (Art. 13.1 AVMSD)

- **30% Share in VOD catalogues**
- **Prominence of these works in VOD catalogues**



AVMSD 2018

VOD services (Art. 13.1 AVMSD)

- 30% Share in VOD catalogues, and
- Prominence of these programmes in VOD catalogues

MANDATORY

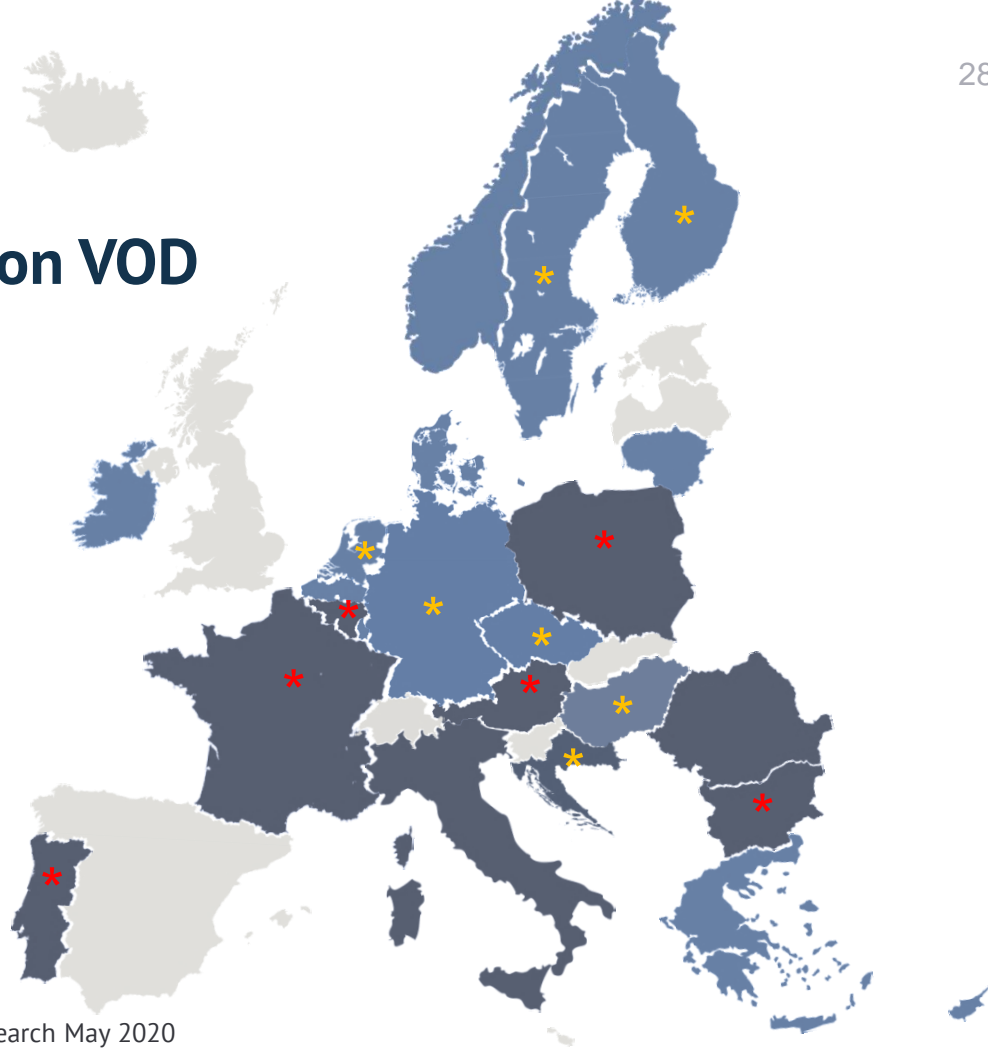


AVMSD 2018

(status May 2020)

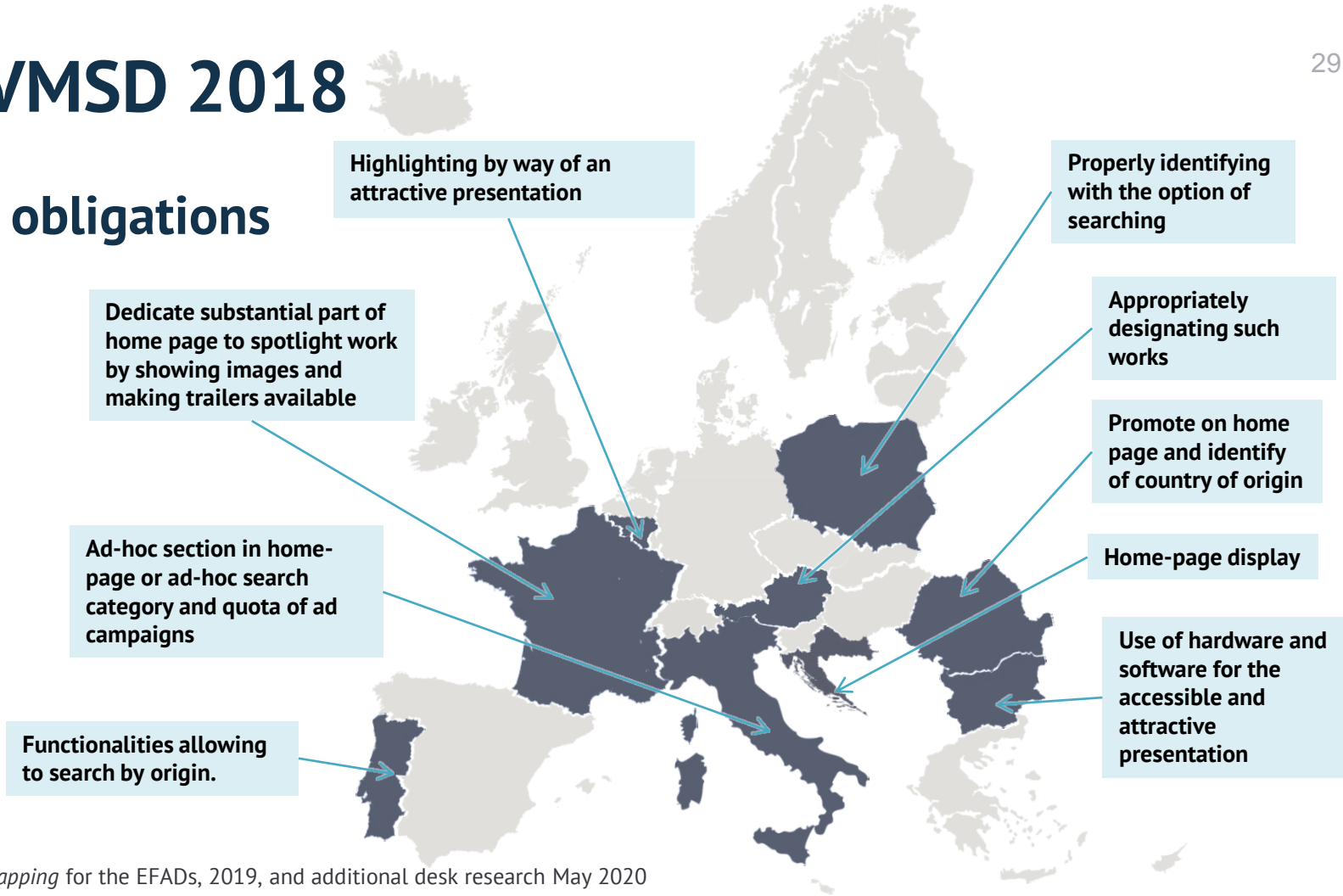
Prominence obligation on VOD services

- Specific obligation
- General obligation
- No obligation so far
- * Mandatory
- * Not adopted yet



AVMSD 2018

Specific obligations



Thank You!

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