

Strasbourg, 13/12/2018

## **Regulations 2019 - Distribution Support Programme Support for "marketing and publicity costs" for eligible films destined for distributors selected by Eurimages**

### **Introduction**

The aim of the distribution support programme is to reinforce the distribution of eligible films as defined in these regulations and to increase their audiences.

It is destined for distributors whose head office is in one of the member States of Eurimages, the European Fund for the support of cinema Co-production theatrical distribution and exhibition of Creative Cinematographic and Audiovisual Works of the Council of Europe (hereinafter referred to as "Eurimages") which do not have access to the EU Creative Europe-MEDIA distribution programme <sup>1</sup>.

### **Distributors' eligibility**

Article 1: A **distributor** is defined as a natural or legal person operating under the legislation of one of Eurimages member States whose principal activity consists of distributing cinematographic or audiovisual works and who is wholly independent of any public or private broadcasting organisation.

Article 2: A distributor who meets the following requirements is eligible for financial support:

2.1 whose head office is in one of the Eurimages member States which does not have access to the EU Creative Europe-MEDIA distribution programme, i.e. Armenia, Canada, Georgia, Russian Federation, Switzerland, Turkey, or in the case of a natural person (sole trader), is a resident of one of these countries;

2.2 has fulfilled its obligations to Eurimages for films previously supported by Eurimages;

2.3 wishes to distribute films which do not originate from the country in which the distributor has his head office or residency. Co-productions involving a producer originating from the country where the distributor has his head office are excluded.

### **Film eligibility**

Article 3: **a full-length feature film, animation or a documentary (minimum duration: 70 minutes)**, is eligible for support if it:

3.1 is projected on digital cinema projection in conformity with DCI standards (Digital Cinema

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<sup>1</sup> As of 13/03/2017 these countries are: **Armenia, Canada, Georgia, Russian Federation, Switzerland, Turkey.**

Initiative) or on 35 mm support;

3.2 is produced either by one single producer from a Eurimages member State or with more than 50% by co-producers from Eurimages member States;

3.3 is released on one copy or more for Armenia and Georgia, on a minimum of 5 copies for Canada and on a minimum of 10 copies for the Russian Federation, Switzerland, Turkey;

3.4 if the film is released in DCP, the number of copies means the number of simultaneous digital screenings.

3.5 has not yet been released in the territory covered by the application;

3.6 is released in the country of origin not more than five years before the date of the request for distribution support;

3.7 will be released in at least one of the official languages of the territory for which support is being requested during the calendar year of the application.

Article 4: Films of a blatantly pornographic nature or those that advocate violence or openly incite the violation of human rights cannot be granted support from Eurimages.

Article 5: Co-productions supported by Eurimages, in which the distributor is involved in the financing, are excluded from receiving support from Eurimages.

### **Submission of applications for selection and support**

Article 6: Applications must be submitted to the Eurimages Secretariat on the corresponding official application form available on the internet site [www.coe.int/eurimages](http://www.coe.int/eurimages):

- **Distribution support – Marketing and publicity costs – Distributors request for support: “[Form A](#)”**
- **Distribution support – Marketing and publicity costs – Request for payment of support: “[Form B](#)”**

Article 7: Application deadlines, fixed annually by the Board of Management, are published in the major European trade journals and on the Eurimages web-site.

Article 8: Applications must be received by the Eurimages Secretariat no later than 6pm on the deadline date: **the date of receipt is valid.**

Article 9: Applications, prepared in accordance with these regulations should be completed upon receipt or they may be rendered inadmissible. If necessary, the Secretariat may ask for clarifications and/or complementary documentation.

### **Distributor’s application for selection**

Article 10: Applications for selection are presented once a year, for the deadline corresponding to the second call for projects. For the year 2019, this date corresponds to 11 April.

Article 11: The application form must include, or be accompanied by, the following information/documentation:

- distributor extract from the Register of Commerce;

- distributors CV and/or those of the company directors;
- the catalogue of films distributed during the previous 2 years, completing the table appended to the application form;
- a distribution strategy profile for current year, mentioning co-operation agreements with the exhibitors, and with sub-distributors for releases in multiple territories;
- the list of films released during the first trimester of the application year, for which the distributor intends to request support, as well as the corresponding marketing and publicity costs (table appended to the application form);
- an estimation of the number of films eligible for support for which the distributor intends releasing during the remainder of the year, as well as the marketing and publicity costs incurred for these films.

### **Request for payment of support**

Article 12: The request for payment of support may be presented at the corresponding deadline for each call for projects.

Article 13: Requests for payment must be made using the appropriate form, and for each of the films concerned, accompanied by the following:

- a copy of the acquisition agreement for the exploitation rights;
- documented proof of the theatrical release (posters, press cuttings...);
- an indication (nature and amount in national currency and euros) of the marketing and publicity costs incurred;
- a copy of paid invoices corresponding to the costs.

### **Consideration of applications**

Article 14: The Secretariat will check the distributor's eligibility and include the request on the agenda of the meeting of Eurimages Board of Management.

Article 15: During the meeting of the second call for projects, the Board of Management will decide on the distributor's selection for the calendar year.

### **Selection of distributors**

Article 16: Distributors will be **deemed eligible for support**, according to their profile and their experience. They must meet the usual standards of professionalism, as demonstrated by their company CV, amongst other things.

Article 17: The distributor must have a theatrical distribution strategy and, where possible, a multi-platform release strategy, adapted to the situation in his/her country. Furthermore, they should have co-operation agreements with exhibitors and, preferably, with the exhibitors of the Eurimages theatrical network.

Article 18: The presentation of a varied catalogue of films from different Eurimages member states of and/or co-productions financed by Eurimages (films released during the two years preceding the application), is an added advantage for being eligible for support.

Article 19: A coordinated distribution marketing campaign in multiple territories is an added advantage for being eligible for support.

### **Determining the "right to support"**

Article 20: The Board will decide on the number of films it intends to support for each of the selected distributors, taking into account the number of eligible films each distributor intends to release during the year, the corresponding estimated marketing and publicity costs, as well as the financial envelope available for the programme. Following this decision, a final agreement will be drawn up defining, for each of the distributors selected, his "right to support" for a certain number of eligible films.

### **Payment of support**

Article 21: At the end of each call for projects, distributors will send to the Secretariat, in conformity with the requirements laid down in Article 13, requests for payment of support for the films they released during the previous trimester. The first request for payment of support should be presented for the deadline of the 3<sup>rd</sup> call for projects, by the distributors who were selected during the June Board of Management meeting, and this request will be relative to films released during the period 1 January to 30 June (inclusive) of the same year.

Article 22: The Secretariat will verify the eligibility of the films distributed, including items of evidence proving their theatrical release as well as checking the eligibility of marketing and publicity costs presented by the distributor, and proof of actual expenditure.

Article 23: For each of the Eurimages Board of Management meetings, the Secretariat will establish a resume of the amount owing to each distributor, for eligible projects, within their "right to support" as defined in the support agreement.

Article 24: Payment for support will be made by the Secretariat after approval of the sum by the Eurimages Board of Management.

### **Renewal of the support agreement**

Article 25: A distributor wishing to renew his agreement should send the Secretariat, before the deadline of the second call for projects, a request for renewal accompanied by:

- a catalogue of films distributed during the previous 2 years completing the information requested in the table appended to the application form;
- a distribution strategy profile for the current year, mentioning co-operation agreements with exhibitors;
- the list of films released during the first trimester of the application year, for which the distributor intends to request support, as well as the corresponding marketing and publicity costs (table appended to the application form);
- an estimation of the number of films eligible for support for which the distributor intends releasing during the remainder of the year, as well as the marketing and publicity costs incurred for these films.

### **Amount and nature of support**

Article 26: maximum amount of support:

- 70% of marketing and publicity costs incurred by the film, up to a limit of €10 000 per film, for all eligible films distributed in Armenia, Georgia;
- 50% of marketing and publicity costs incurred by the film, up to a limit of €10 000 per film for all eligible films distributed in Canada, the Russian Federation, Switzerland, Turkey ;
- a supplementary bonus of €1 000 may be paid for films having received Eurimages' support for co-production.

Article 27: Financial support is awarded in the form of a grant and paid in one single payment per film.

### **Eligible costs**

Article 28: Only marketing and publicity costs incurred by the release of the film are eligible. These include the following (non-exhaustive list):

28.1 Communication:

- mailings,
- publicist/press officer,
- premieres and events.

28.2 Advertising and publications:

- graphic design for posters, press book and advertising,
- printing costs,
- creation and adaptation of a local web site for the film,
- creation and implementation of a campaign through social media,
- booking fee for advertising space (posters, radio, TV spots),
- radio and TV spots.

28.3 Travel costs:

- Director's travel and accommodation (including a local promotional tour),
- Main actors' travel and accommodation (including a local promotional tour).

Article 29: the Secretariat reserves the right to assess the eligibility of costs presented and to request complementary information and/or items of evidence.

### **Distributor's obligations**

Article 30: The distributor must release the film as indicated in the application form; any substantive changes in the distribution arrangements are subject to written approval by the Executive Director of Eurimages.

Article 31: The DISTRIBUTOR shall immediately declare for every film for which they ask for the support any other financial support received, or that they reasonably expect to receive in the future, for the same purpose from sources other than Eurimages. Should Eurimages and other support funds cover the same kind of expenses, the total support received by the DISTRIBUTOR cannot exceed the total costs incurred. Therefore, when Eurimages' support is used to cover expenses funded or to be funded under other support schemes, Eurimages' support shall be reduced so as to ensure that under no circumstances shall the total support received exceed the total costs incurred.

Article 32: The distributor must refer to Eurimages support on publicity material used to promote his/her company (website, press releases, etc.).

Article 33: The distributor must keep analytic accounts for each film, in such a way that expenses financed by Eurimages' support may be verified through an external audit. He must provide, if necessary and in a timely manner, any information or accounting records that may be requested as proof of costs financed by Eurimages.

Article 34: The distributor authorises Eurimages, at any time, to proceed with or to instigate an audit of the accounts to verify the correct use of the support granted, the accuracy of information provided at each stage of the support process, respect of the regulations and obligations of the support agreement.

### **Termination of the support agreement**

Article 35: The grant shall be cancelled and any sums already paid shall become immediately repayable if the distributor:

- fails to meet his/her obligations under these regulations or any other obligations upon him/her under the terms of the agreement;
- has made false or misleading statements in his/her application or other relevant correspondence;
- becomes bankrupt or insolvent.