

Newsletter # 22 – February 2010

FERA represents film and TV directors as the primary creators of audiovisual works. The director, as the creative decision-maker in a collaborative artistic process, has the final responsibility for the aesthetic cohesion and artistic integrity of the work. FERA defends the art and craft, and the creative and economic rights of the director, as essential to the diversity of European audiovisual culture.

FERA

FERA Activities

Final Report FERA Conference “Imagining Cinema in the Digital Age”

FERA has published the Final Report on the Conference “Imagining Cinema in the Digital Age: Creativity and New Ways of Distribution”. The event took place on 28 January at the European Parliament under the patronage of Helga Trüpel (Vice-chairwoman of the Committee on Culture and Education) and Isabelle Durant (Vice-president of the European Parliament).

Final Report available on FERA Website:

<http://www.filmdirectors.eu/?p=921>

FERA writes to Bulgarian Ministries

On 10 February FERA wrote to Bulgarian Ministers of Culture and Finance expressing surprise in the government plans to cut the state support for film production by as much as 60% over the next 3 years.

Another issue of great concern to FERA is the amendments to the Film Industry Act and the Radio and Television Act which are clearly not in compliance with Directive 2007/65/EC articles 4 and 5 regarding quotas for productions made by independent producers and quotas for European works.

Finally, FERA expressed regret that the proposed Motion Pictures Incentive Tax Credit puts Bulgarian films at a further disadvantage, by excluding them from the scheme.

The FERA letters were widely publicised, and after mounting pressures from all concerned parties, the proposed amendment to the Film industry act was withdrawn on February 19. It is expected that an expert working group will be formed to propose alternative legislation.

News from the Members

Directors UK response to UK Film Council Consultation

On February 2010, Directors UK announced its response to the UK Film Council’s consultation document “Digital Innovation and Creative Excellence” on policy and funding priorities for the years 2010- 2013.

Among its 10 key points, Directors UK lamented the marginalised position of directors (and writers) in their access to UKFC funds and strongly disapproved of “the assumption that projects, especially in the development stages, must be attached to a producer before they can be financially supported by the Film Council”. The organisation also expressed disappointment at the new structure of the Production Fund, which will henceforth be under the editorial control of a single individual.

Though welcoming support for first and second time directors, Directors UK emphasised that the primary criterion for funding must be “the excellence of national cinema” and feared that the current economic climate would “induce an added emphasis on commercial success” in the selection of projects.

The contribution concluded with the hope of close dialogue between Directors UK and senior UKFC representatives on all future UKFC initiatives.

Directors UK contribution to the UKFC consultation:

<http://www.directors.uk.com/images/DirectorsUK/pdf/UKFCsubmission.pdf>

Agnes Varda to receive the *Carrosse d'Or*

SRF, the Society of Film Directors, has announced that this year the *Carrosse d'Or* (Golden Coach) will be awarded to Agnes Varda. The ceremony will take place on 13 May and will be followed by the screening of one of her films and a FERA Directors in Dialogue.

The *Carrosse d'Or*, a bronze statuette inspired by the *Commedia dell'Arte* characters of Jean Renoir's 1952 film, *The Golden Coach*, is a tribute paid by the directors of SRF to a fellow filmmaker, chosen from the international motion picture community for his/her innovative qualities, courage and independent spirit of his or her work. The prize's first laureate was Jacques Rozier in 2003. He was followed by Nanni Moretti in 2004, Ousmane Sembene in 2005, David Cronenberg in 2006, Alain Cavalier in 2007, Jim Jarmusch in 2008 and Naomi Kawase in 2009.

SRF Website (in French):

http://www.la-srf.fr/index.php?tpl=actualites&cat_code=ACT&doc_id=3039

French directors *pour les Sans Papiers*

Several French directors, supported by SRF, have created the "Collectif des Cinéastes pour les Sans Papiers", an initiative intended to support undocumented residents. The filmmakers adherent to the initiative, made a short film showing undocumented workers and asking for their regularisation.

The film was screened on 22 February during a press conference at the French Film Centre.

Collectif des Cinéastes pour les Sans Papiers website (in French):

<http://www.collectifdescineastespourlessanspapiers.com/>

20th Dijon Film Forum announced

L'ARP, the Civil Society of Writers, Directors and Producers, announced that the 20th edition of the annual Dijon Film Forum will be held in October 2010 from Thursday 21 to Saturday 23.

Documents of the previous editions can be found on Dijon Film Forum website.

Dijon Film Forum Website (in French):

www.rencontres-cinematographiques-de-dijon.fr

L'ARP Website (in French):

<http://www.larp.fr/>

EUROPEAN INSTITUTIONS

EU Council of Ministers

Culture Ministries meeting on 12 February

The Council meeting on Education, Youth and Culture took place on 12 February in Brussels under the Spanish presidency. In addition to the representatives of the EU governments, Commissioner Androulla Vassiliou represented the Commission.

Among the topics, the Council discussed the role of education and training as main vehicle for job creation and economy growth. The Council also adopted the directive concerning the provision of audiovisual media services.

Europa Press Release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/10/36&format=HTML&aged=0&language=EN&guiLanguage=en>

EU Council Press Release:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/educ/112903.pdf

Audiovisual Media Service Directive:

<http://register.consilium.europa.eu/pdf/en/09/st03/st03683.en09.pdf>

European Commission

Commission gives green light to Microsoft - Yahoo! deal

On 18 February the European Commission approved a deal worth \$44.6bn between Microsoft and Yahoo!, stating that the agreement will not break the European antitrust rules.

According to the EU competition authorities, in the European Economic Area, "Microsoft and Yahoo! activities in online search advertising are very limited with combined market shares generally below 10%. Google, by contrast, generally enjoys market shares above 90%".

During the first five years of the deal, "Microsoft will retain 12% of the search revenues generated on Yahoo! and its partners' websites paying 88% to Yahoo! as a traffic acquisition cost".

Last July, Microsoft and Yahoo! signed a 10-year search partnership which needed EU and US approval. The States are likely to give the green light in March.

Press Articles:

<http://www.euractiv.com/en/infosociety/microsoft-bid-yahoo-new-competition-challenge-eu/article-170072>

<http://www.euractiv.com/en/infosociety/eu-clears-way-microsoft-yahoo-bid-news-262207>

Commission launches Euromed Audiovisual III

The European Commission has opened the call for proposals for the Euromed Audiovisual III. With a budget of €5m, the call, which aims to develop and strengthen the film and audiovisual sectors in southern Mediterranean countries, covers three areas: professional training; supporting distribution; and developing Euro-Mediterranean audiences.

Non-governmental organisations, audiovisual organisations/societies, intergovernmental organisations, public sector operators, and regional authorities are eligible to submit a project proven the collaboration with at least two ENPI-South countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Occupied Palestinian Territory, Syria, and Tunisia). The initiatives must be implemented in at least three ENPI-South countries/territories.

The deadline for submissions is 1 June 2010.

Press Article:

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=136176>

European Parliament

Parliament elects new Commission

On 9 February, the European Parliament elected the new European Commission by 488 votes to 137, with 72 abstentions. The new Executive, the second headed by Jose Manuel Barroso, will stay in office for five years until 31 October 2014.

Among the priorities, Mr Barroso underlined the necessity of "a successful exit from the crisis; leading on climate action and energy efficiency; boosting new sources of growth and social cohesion to renew our social market economy".

European Parliament Press Release:

http://www.europarl.europa.eu/news/expert/infopress_page/008-68681-039-02-07-901-20100209IPR68680-08-02-2010-2010-false/default_en.htm

Press Article:

<http://www.euractiv.com/en/future-eu/european-parliament-gives-green-light-barroso-ii>

MEDIA Programme

Preparatory action MEDIA International

The preparatory action MEDIA International aims to boost cooperation between European and third-country audiovisual professionals and to encourage a two-way flow of audiovisual works.

In February 2010 the Commission has launched a new call for proposals, with a budget of €1 million, for projects taking place between 1 August 2010 and 31 March 2011, in the fields of training and market access. The deadline for the submission of projects is 31 March 2010.

MEDIA Programme website:

http://ec.europa.eu/information_society/media/overview/international/index_en.htm

MEDIA International Guidelines:

http://ec.europa.eu/information_society/media/overview/international/funding/index_en.htm

MEDIA invests in European VoD services

MEDIA has published the results of its scheme (worth €6.5m) supporting 16 applicants of Video on Demand (VoD) services and digital cinema distribution.

The majority of projects are VoD services; among the awarded, there are two specialist services for documentary film and two offering cinema classics.

MEDIA Desk UK:

<http://www.mediadeskuk.eu/news/550/>

Copyright

EESC holds public hearing on copyright

On 9 February 2010, the European Economic and Social Committee (EESC) held a public hearing on copyright, with special emphasis on music.

The hearing was part of an EESC own-initiative on Copyright and addressed several areas including remuneration, the meaning of “public performance”, the sanctions for illegal exploitation and the functioning of the collecting management societies.

Participants included experts from the European institutions; national ministries; representatives of the EU Member States as well as of publisher houses, music federations, collecting societies, consumer organisations and universities.

Further information will be published within the next few weeks on EESC website (<http://eesc.europa.eu>).

Europa Press Release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=CES/10/16&format=HTML&aged=0&language=EN&guiLanguage=en>

Policymakers protest against secretive nature of the trade agreement on copyright

According to a European Commission official, the Anti-Counterfeiting Trade Agreement (ACTA) will not change EU rules on the responsibility of internet service providers as reported by the Medias.

The talks on this global trade agreement started two years ago in Geneva and include Australia, Canada, the EU (represented by the European Commission), Spain (holder of the EU presidency), Japan, South Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland and the USA.

Stakeholders are protesting against the secretive nature of the negotiations affirming that the parties involved are trying to avoid the normal political decision process. Meanwhile, MEPs requested immediate information on the state of the negotiations; the European Parliament in fact, will not be able to influence the policy process but could impose the veto should the deal be inadequate.

The next talks are scheduled to take place in April, in Wellington, New Zealand.

Press Article:

<http://www.euractiv.com/en/infosociety/brussels-denies-rumours-secret-anti-piracy-treaty>

Summary of ACTA:

http://trade.ec.europa.eu/doclib/docs/2009/november/tradoc_145271.pdf

IN EUROPE

Cinema Box Office & Figures

EU admissions approach the 1 billion in 2009

According to the first estimations of the European Audiovisual Observatory, in 2009 about 985 million tickets were sold, representing an impressive 6.5% growth and the highest results since the record year 2004.

The estimations show that the admissions increased in 18 out of 24 EU member states (for which data were available) with Germany registering the most significant growth (+16.9 million, +13.1%), followed by France (+10.9 million, +5.7%), the United Kingdom (+9.3 million, +5.6%) and Poland (+5.4 million, +16.1%). Despite the cinema attendance growth in most EU member states, in 2009 national market shares decreased in 19 of the 24 countries due to the success of US blockbusters.

The Observatory will publish a complete overview of 2009 European cinema market trends in early May 2010.

European Audiovisual Observatory Press Release:

<http://www.obs.coe.int/about/oea/pr/berlinale2010.html>

Press Article:

<http://www.variety.com/article/VR1118015063.html?categoryid=1278&cs=1>

Italy: Drop in films produced and public funds

ANICA (the National association of Audiovisual and Film Industries) revealed that in 2009 the number of films produced plunged; last year, 131 titles (including co-productions) were produced, 23 less than in 2008 (which still represents a record year).

Among 100% Italian films, the 97 features produced in 2009 (26 less than in 2008) were mostly low-budget films (with budgets of up to €1.5m). The 44 films with budgets over €1.5m recorded an increase in average costs with €4.5m against €4.3m in 2008 and €4.2m in 2007.

Public investment has also dropped to nearly 50% with an annual budget of €38m while private investments remained stable with €258m (against €259 in 2008).

The overall investment in 100% Italian films rose from €2.1 to €2.3m; private investments also grew, especially in minority co-productions; while public funding dropped by nearly 60%.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=134979>

Cultural and Audiovisual Policies

Spanish Film Institute announces film funding for 2010

On 4 February the ICAA (Film and Audiovisual Institute) announced that it will allocate €83.85m for 11 funding areas. The largest grant is for the refund of films (€52.4m). Other funding areas include the development of feature film projects and the distribution of Spanish, European and South American films (€5m each); the production of films and documentaries in development (€3.5m); the production of animated series in development (€2.3m); the production of shorts (€1.9m); the presentation of films at festivals (€1.25m); grants for completed shorts (€1.15m); film festival organisation (€1.1m); the production of audiovisual works using new technologies (€800,000); and screenplay development for features (€600,000).

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=135099>

Bulgaria proposes 30% refund on foreign films

Bulgaria has planned a film and TV incentive that will refund up to 30% of the costs of films shot in the country. The plan is intended to compete with other Eastern European countries such as Hungary and Czech Republic which will announce a new scheme within the year.

The scheme could be launched in March after the approval of the EU.

Press Article:

<http://www.screendaily.com/festivals/berlin/european-film-market/bulgaria-lures-films-with-30-rebate/5011007.article>

Germany Distribution Support allocates €83,500 in first sitting of 2010

On 2 February, the German Distribution Fund Programme agreed to support the theatrical releases of 10 national films abroad with €83,500 in the first period of 2010.

The grant reaches a maximum of €50,000 and is given to additional measures over and above the release already planned by the foreign distributors in the form of a temporarily repayable loan.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=134872>

New Nordisk Film & TV Fond grant for international distributors

At the Berlinale, Hanne Palmquist, head of Nordisk Film & TV Fond, announced a new support of €250,000 for 2010 to non-Nordic distributors for the release of Scandinavian films in their territories.

The new fund - worth €250,000 - is part of an additional grant of €940,000 given out by the Nordic Council of Ministers to Nordisk Film & TV Fond for global initiatives from 2010-2012.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=135658>

French competition authority gives negative opinion to CNC digital support

At the beginning of February, the Competition Authority delivered a negative opinion on the National Film and Moving Image Centre (CNC) plan on a mutualisation fund which should finance theatres' transition to digital projection.

Several professional organisations, including SRF (Society of Film Directors) and L'ARP (Civil Society of Writers-Directors-Producers), wrote an open letter to the French Prime Minister and Minister of Culture asking to urgently adopt alternative measures and underlining the "serious consequences it would have for films access to movie theatres, movie theatres' access to films and the widespread circulation of films if digital growth was left at the mercy of market laws alone".

CNC claimed the necessity of an additional public funding which should support theatres not financed by distributors. Additionally, the National Film Centre is planning a scheme of direct subsidies for exhibitors; big national loan for rural theatres; and a possible tax on digital prints.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=135887>

Swedish court rules against commercial breaks

Swedish Supreme Administrative Court ruled that broadcaster TV4 violated the "integrity and the value" when interrupting the films *Leon* and *Clear and Present Danger* with a commercial break. The sentence followed a claim of the national authority Swedish Broadcasting Commission (SBC).

Despite the appeal of TV4, the Court ruled in favour of SBC and the broadcaster will now have to pay a fine of €2,500.

Press Article:

<http://www.variety.com/article/VR1118015523.html?categoryid=19&cs=1>

Cinema, Audiovisual, Digital and Online Trends

Sony signs VOD deal with Spanish ONO

Sony Pictures TV International has signed a distribution deal with Spanish cable operator ONO. According to the deal, Sony will offer films for ONO's video-on-demand service Videoclub which already provides more than 700 film titles, TV dramas and videoclips.

ONO is the second biggest pay TV operator in the country with 25% market share and 977,042 subscribers as of September and it has already agreements with local independent distributors such as Aurum Producciones, Filmax Ent., DeAPlaneta, Wide Pictures, Cameo, Flins & Piniculas and Vertice Cine.

Press Article:

<http://www.variety.com/article/VR1118014861.html?categoryid=13&cs=1&nid=2562>

Europa Distribution launches online database

At the last Berlinale, Europa Distribution announced the creation of CIDINET, a new online database which will provide information and experiences to distribution companies.

Available to the members of the network, CIDINET will be daily updated and will cover data including release date, box office, number of prints and release strategies in all European territories.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=135266>

Studiocanal signs 3D deal with nWave

French Studiocanal signed an exclusive partnership with 3D production and distribution company nWave. The deal includes development, co-financing and distribution of nWave's films in France, the UK and Germany and will have an equal stake in nWave's feature productions.

Press Article:

http://www.hollywoodreporter.com/hr/content_display/news/e3i2fac53d5f65010f7850505afa325c3b9

OUTSIDE EUROPE

Chinese Cinema on the move

China Film Group Corporation (CFG), the State film enterprise, announced its expansion in the global distribution and production market. The giant's plan may allow US films to have an easier access to the country after the World Trade Organisation (WTO) ruled against China's restrictions in Hollywood movies imports.

Last year CFG, which has already concluded deals with US giants Disney and Warner Bros, counted on an annual profit of €11m with an increase by 566%. CFG Vice-president Shi Dongming estimated a 40% annual income growth.

Only in 2009, 11 national films collected €11m revenues and 6 of those were produced by CFG.

Press Article:

<http://www.variety.com/article/VR1118015686.html?categoryid=19&cs=1>

Australian Copyright Federation appealed against Court decision

The Australian Federation Against Copyright Theft (AFACT) appealed to a Federal Court which dismissed AFACT claims against the Internet service Provider iiNet.

According to Neil Gane, Executive Director of AFACT, the Court decision was in contrast with Australian copyright law since "the court found large-scale copyright infringements, that iiNet knew they were occurring, that iiNet had the contractual and technical capacity to stop them and iiNet did nothing about them". Mr Gane added that such a decision would create a dangerous precedent and would damage "not just the studios that produce and distribute movies but also Australia's creative community and all those whose livelihoods depend on a vibrant entertainment industry".

On the contrary, iiNet managing director Michael Malone affirmed that legal actions would not stop illegal downloading and only the creation of new models such as Hulu and partnerships among ISPs, legal sites and rights holders could reduce the piracy.

Press Article:

http://www.hollywoodreporter.com/hr/content_display/film/news/e3ic240d24d6004058d1f3af62800df81f0

AGENDA

European Forum on Cultural Industries on 29-30 March in Barcelona, Spain

The Spanish Ministry of Culture and the European Commission, in collaboration with the Chamber of Commerce of Barcelona, are organising the European Forum on Cultural Industries, the most important meeting planned by the Spanish presidency in the field of culture. Directed to professionals from European cultural companies and industries, the Forum is structured around five panel discussions and the event will present the outlines of the Green Paper on cultural and creative industries prepared by the European Commission.

The Forum will precede the informal meeting of ministers of Culture of the EU that will take place on 31 March in Barcelona.

More information available at:

http://ec.europa.eu/culture/news/news2473_en.htm

<http://www.eu2010feic.org/>