



PRESS RELEASE

April 20 2020

European film distributors, represented by Europa Distribution - the Network of independent Publishers and Distributors and FIAD - the International Federation of Film Distributors' Associations, need urgent support during the Covid-19 crisis to avoid a long-term catastrophe, not just for the film industry and employment as a whole but for the EU's commitment to cultural diversity.

Distributors represent the critical link between production and audiences and the closure of cinemas has forced the cancellation and postponement of film releases at a key time with consequences for the entire industry.

The lockdown has already tragically undermined the reach of some potentially important works, and those held back for release post-crisis will have to take their chances in an overcrowded and disrupted market.

The lockdown has seriously impacted distribution companies and has implications for the entire film ecosystem, putting at risk:

- Investment in existing and future productions
- The marketing and profile of culturally diverse film, across all platforms
- And the international circulation of films

The much-hyped increase in online film audiences has created a route to release for some films but it only represents a fraction of the revenues generated by a full theatrically-led campaign. Indeed, online success is still heavily linked to successful physical release.

Distributors stand together with the whole value chain to ensure that the film industry survives one of the greatest challenges in its history. Distributors are calling for support at national and European level that will benefit all parts of the film value chain and ecosystem, from employment support measures, tax alleviation measures and anti-piracy action.

However, specific support is required for distributors, including an Emergency Fund and immediate access to the Creative Europe-MEDIA Automatic and Selective schemes grants. The call for such support needs to be understood from a broad perspective, that goes far beyond business since the national and non-national circulation and effective promotion of European films is the keystone of cultural diversity.

Europe's film distributors, in their role of publishers and promoters, will be among the most important assets in that mission. They are in the front line of sharing and promoting the values and

culture of Europe, that will play a crucial role with the recovery. Distributors will also help ensure that European values of diversity, integrity and tolerance can overcome other threats, including a narrow nationalist populism, which may try to exploit a narrative of hate during a difficult recovery.

As citizens emerge from isolation in need of psychological well-being, the European Union will need to promote the great strengths of Unity in Diversity and cultural and social cohesion. The essence of European distribution is cultural diversity, connecting and engaging audiences with stories, ideas and values that bring us together and create a better world. That must not be allowed to be a casualty of the Covid-19 crisis.

NOTES TO EDITORS:

The following are specific calls for support:

MEMBER STATE LEVEL

(Most of these measures are inspired by what has already been put in place by some Member States, and considered as best practices that could be extended to all Member States)

- All existing subsidies should be paid earlier to support cash flow.
- Increase dedicated support to cultural industries, and targeted subsidies for distribution companies, not only the ones releasing local films.
- Support to cover losses on films, whose theatrical release was cancelled, and support for a future re-release, where possible.
- Allow short-term flexibility in media chronology to allow the distributors to release some of their existing films on VoD.
- Stronger measures are needed to fight the disgraceful exploitation of the Covid-19 crisis by copyright pirates.
- Support across all countries for maintaining full-time, part-time and freelance employment, including support for furloughs of 70-80% of salaries.
- Government-backed support to ensure banks offer liquidities at minimum interest.
- Measures on deferment or cancellation of taxes, such as VAT or fringes

EUROPEAN LEVEL

- Immediate access to the generated grants for reinvestment in the scope of the distribution support schemes, with higher level of co-financing, and flexibility in their attribution.
- Extension of the eligibility period for the reinvestment of generated funds
- A dedicated emergency fund should be created alongside the MEDIA programme to help the professionals such as the distributors who are making films circulate and reach an audience.
- Budget increase in the next Creative Europe programme 2021-2027 as part of the EU recovery strategy to tackle the economic fallout of the coronavirus through the EU's long-term budget for the period 2021-2027.
- Prioritise regulatory framework on tackling illegal content online and avoid any measures that could weaken the distribution sector

Europa Distribution is the association of independent film publishers and distributors, created in 2006. With more than 115 leading independent distributors representing 31 countries in Europe and beyond, it serves as the voice of the sector and acts as a network and a think tank.

For about 15 years, Europa Distribution has been creating new bridges for its members to share knowledge and mutualise experience. Through dedicated brainstorming and training sessions and informal gatherings, the Association constantly works to enhance the circulation of information and ideas and to improve the curation, promotion and distribution of independent films. Besides offering an insight on the world of independent film distribution to other sectors of the film industry, through its open panels Europa Distribution also aims at helping its members to take a step back and look at the bigger picture of the constantly evolving Audio-visual sector.

The association also acts as the voice of the sector in Brussels and regularly participates, in its capacity as a recognised spokesperson for independent film distribution, in round tables and consultations with the main European associations and institutions involved in the audio-visual sector, to ensure that the priorities and concerns of its members are taken into consideration by policy makers.

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The International Federation of Film Distributors' Associations (FIAD) gathers national organisations of film distribution companies. Film distributors are the intermediates between film producers and cinema exhibitors and cover the entire range of companies: small and medium-sized companies specialized in art house films, as well as larger companies focused on mainstream films. FIAD's members operate in 14 countries where they cover 90 to 100 percent of the theatrical market.

Film distributors' main activity is the release of cinematographic works in cinemas. Distributors give films the profile they deserve with the release in the first - theatrical - window of rights exploitation. Depending upon the contracts they have with the producers, the distributors may have rights for part or all of the following markets: cinemas, physical video, video on demand, television (free or pay television) and internet (streaming).

FIAD was founded to represent the interest of distributors and provide them with a voice at the European and global stage. The activities include helping to formulate policies, provide information on policies and distribution activities and coordinate political action when necessary. FIAD has established itself as a recognized stakeholder in policy debates and is also a member of the Advisory Committee of the European Audiovisual Observatory and holds observer status with the World Intellectual Property Organisation in Geneva, and the Council of Europe in Strasbourg.

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