

OUTLOOK ON DISTRIBUTION IN FRANCE

1/ DISTRIBUTION / EXHIBITION

- How many distributors are they in your country : **around 100**
- How many are independent : **around 90**
- What is the typology of distributors in your country:
 - **Integrated groups: linked to TV networks, to national exhibitors, American majors: around**
 - **Medium Independent distributors (Release of around 10-15 arthouse movies pro year, significant market share): around 20**
 - **Small independent distributors who do a research and discovery job**
- What are the top-20 distributors in your country :

Distributor	Market share in %
UIP	12,5
Warner	12,5
20th Century Fox	8,6
Buena Vista	8,6
TFM (linked to TF1)	8,1
Gaumont Columbia	7,6
Pathé	6,9
Mars Films (linked to Canal +)	6,9
Metropolitan Filmexport (Independent)	4,3
SND (linked to M6)	4,1
UGC	3,6
Europa Corp	2,6
ARP	2,5
Pan Européenne	1,7
Diaphana	1,5
Bac Films	1,2
Gebeka	1
Pyramide	1
Losange	0,8
Rézo	0,6

- Market share of the 10 first distributors : **around 80%**
- Number of independent distributors in the top 20 : **around 10**
- Market share of independent distributors : **around 20%**

The 20 first distributors release:

- **58% of the movies**
- **54% of the French movies**
- **41% of the other European movies**
- **84% of the American movies**
- **39% of the movies of the rest of the world**

They realize 97% of the admissions and release 93% of the prints.

- Horizontal / vertical integration: is this phenomenon advanced in your country ? Which form(s) do(es) it take ?
There's a growing concentration in France: television networks are more and more present in the film industry, creating their own distribution companies, which gives

them an easier and better access to films – not for movie theatres, but for their own antenna;

- National exhibitors : have they their own distribution and production companies?
UGC, Pathé and Gaumont have their own distribution and production company (vertical integration)
Pathé and Gaumont have now a common exhibition group (horizontal concentration)
- American majors: Have they created joint ventures with national distributors ?
National companies form partnerships with American majors to reinforce their economic power: Gaumont with Columbia for example (and earlier with Buena Vista)

2/ RELEASE OF MOVIES

- Number of screens : **5366 screens and 2143 Cinemas in 2005**
- Number of independent screens among them : **around 1100 Cinemas**

- Number of films released in 2005 : **530 films in first exclusivity**
- Is it more than 10 years ago ? in 1996 : **387 movies (+ 37% in 10 years)**
- Number of arthouse movies: **323 in 2005 (61% of all movies)**
- How many films are released each week (average)? **Between 10 and 15 each week**
- How long do they stay on screens (average)? **Around 2-3 weeks**

- Number of prints circulating in 2005 : **around 75000**
- Is it more than 10 years ago ? **it has doubled.**

- Market share of the American cinema / national cinema / European cinema in 2005 :
US: 46%
F: 37%
Eur: 15%

3 / PROMOTION

- Promotion costs : what do they represent in the release budget of a movie ?
50% for promotion, 30% for prints and laboratories costs, 20% for other costs.

- Average cost of promotion for a blockbuster : **2M€**
- Average cost of promotion for an independent distributor : **for 100 prints, around 400 000€ - 500 000€**
- Have you noticed an inflation in the last ten years ? **+ 125% between 1998 and 2004**

4 / TV

- TV broadcasters: what role do they have in the industry ? Have they created any joint venture in order to release films?
The role of TV in the French cinematographic system is enormous. TV networks have to invest a certain % of their incomes in French and European Cinema.
TV networks have created joint ventures in order to release movies and it has strengthened vertical integration because they sell can sell the rights of the movies they are releasing to their own antenna which undermines clearly the risk of the theatrical release.

- How is the policy of TV broadcasters towards national and European cinema?
Very shy. There's a lot of formatting due to the TV who only finance movies that have a great casting and federative subjects.
TV channels have got the obligation to broadcast 60% of European and French movies.

But most of the French and European cinema is broadcasted during summer, there's no more cinema on prime time, and there's a decrease of recent European movies.

- Do TV broadcasters buy European movies for TV diffusion?
Due to output deals with American majors, there is not much place left for European Cinema on TV. That's a real problem because many independent distributors find their balance thanks to the financial actives due to the sales of European movies ' TV rights.

5 / PUBLIC SUPPORT

- What is the public office responsible for the cinema in your country? **CNC**
- Is there any public subsidies for the independant distributors?
 - ***Selective Support from the CNC: 6M€***
 - ***Automatic support from the CNC :15M€***
 - ***Distribution Support from Canal +: 6M€***