



European network of independent distributors

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Creative europe – Open Public Consultation

ED answers to the online questionnaire

14. trends and drivers that will shape the future of cultural and creative markets

When it comes to film, in theaters or online, the atomisation of the audience will probably increase: there is always more (cultural) activities offered to consumers and the competition is not only between films but with all these other possibilities. An extra effort will be needed to reach out to that public, especially when it comes to European films that generally can't have a huge promotional & marketing budget. Promotion will be key and schemes that support promotion and marketing like the Selective and Automatic Distribution schemes and the Audience development one will be essential to allow further experimentations to reach out efficiently to audiences.

If one looks today at the box office, it is clear that more films are released but for less admissions each than before, especially the European ones. The consequence is less and less income for a film, especially the independent European ones. It could lead to a polarisation on the most commercial films, the US and EU blockbusters, in the theaters, online and on tv. As one of the goals of the programme is to protect cultural diversity, a lot more will have to be done to support the **promotion and exploitation** of these works in cinemas and on VoD.

The European AV industry is essentially composed of SME's, working in a fragile and risky environment. Along the whole value chain professionals are struggling to create, market and exploit European films and have a fair remuneration for their work. It will be essential for the programme to continue and increase its support to have a vivid and solid AV sector, able to create and circulate European works.

15. Most important issues/opportunities/priorities for the CC sector to be addressed by the programme?

- A strong European audiovisual sector

Skills are essential to navigate into our ever-changing market, and when it comes to the audio-visual industry, many functions are to be learnt "on the spot". Europe needs a strong audiovisual industry, from the creative side to the exploitation one. Access to training should be enhanced, and a "Erasmus" for professionals could even be created. The training programme as an important role to play in this perspective to allow professionals all along the value chain to access new skills.

- Enhance the circulation of films on all supports (theaters, VoD, TV)

It will be critical in the next few years to create a "want to see" for European films, starting with



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cinemas and then around the other supports (VoD, TV). The theatrical release has always been the driver for the other platforms, and it will be important to concentrate first on films that were already promoted (new and old ones), then to extend to unsold films and heritage. The main effective schemes for the circulation of films are the Selective and Automatic schemes and the expenses may cover the theatrical as the online release. They are meant to help the films to access the market and be promoted to reach out to the consumers and raise their interest. It would be appreciable to raise the budget on these schemes to extend their scope and really enhance the promotion of films on all supports.

IAs stated above, it is essential to improve the offer of European content available for consumers on various distribution channels. This would have positive impacts on cultural diversity and European cultural identity. This is why we suggest to take new measures to ensure the share and/or prominence of European works in the catalogues of programmes offered by broadcasters and on-demand audiovisual media service providers. We would like to suggest to have additional budget to support the creation of a VOD automatic support based on the VOD downloads similar to the automatic scheme that already exists for the theatrical distribution of European works. We believe that such a scheme would support efficiently the competitiveness of the audiovisual content industry in Europe and encourage the presence of European works on European VOD platforms.

- Audience development

As mentioned before, it will be crucial to reach out to consumers in an always more competitive environment. The "Audience development" scheme is in this view a very interesting one that enables to test and experiment on new ways to reach an audience, one of the main preoccupation when it comes to a film release. Support to the promotion and marketing costs related to the release of a film should be stronger to allow European films to be noticed among all films released each week (which has grown exponentially in the last 15 years)

16. Priorities to be maintained and new priorities

Theatrical distribution schemes:

- The distribution support schemes have proved over the last years their efficiency and have enabled European films to circulate more and European distribution companies to become more competitive. In a time of transition and digital challenges where distributors are facing a lack of return on their investment, it is important to increase the global budget dedicated to the Selective and the Automatic schemes to develop the competitiveness of European films.

This budget increase is especially important for the MEDIA Selective support. The MEDIA Selective supports "groupings" composed of the European distributors and the sales agent of a specific film. The most the film has been sold in European countries, the most it has a chance to be selected which



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means that the film has a strong appeal to many European local markets. By allowing the distributors "lumpsums" related to the size of their release, the support help them to invest in the marketing and release of these non-national European films.

The scheme is working very well but with a small budget (9,75M€), which makes it a lottery as only few films get the support every year (about 20). Nowadays, with more than 1500 films produced every year in Europe, it doesn't represent much and we think that this effective support should be accessible to more than 1,5% of the total the 1500 films produced. It would have a positive impact on the circulation of films and allow stronger promotion campaigns.

- Work towards fewer contracts and simpler procedures. This would also enable to shorten the period between application date, delivery date of the MEDIA agreement and date of concrete payment and avoid cash flow issues for distributors.

Audiences development

The distributors who have launched the Scope 100 project under the audience development scheme are for their vast majority members of the association. The support received is essential for them to be able to experiment around ways to reach to an audience without bearing all the risks alone. Experimentation is essential to find innovative ways of promoting the films, and this scheme is helping really well.

Access to Market

For Europa Distribution as an association, this scheme is essential to allow us to develop several activities that have a positive impact on independent distribution, and by consequence on the circulation of independent films.

In our case we organise workshops in the scope of films festival. They are encourage experience sharing, between distributors and other professionals and experts of the value chain. The local experience of a professional may inspire another professional, based in another country: gaining more knowledge and skills is basic in all our activities.

We are very lucky to have access to this scheme to help us to achieve a lot more that we could do without the support. But there is a huge competition and many projects are not selected because of it. Here also an increase of the budget would be important to have a stronger industry, with the knowhow, network and access to information that would allow these professional to compete in the XXI century AV market.

Training

Skills are essential to navigate into our ever-changing market, and when it comes to the audio-visual industry, many functions are to be learnt "on the spot" as there is not always schooling available. The training programme allows professionals to get access to new skills and become real experts and is therefore very important. Here also competition to access the grant is huge, and some increase of the budget would help to give access to training to more professionals

Media Mundus

Unfortunately, the Media Mundus support scheme disappeared with the previous programme. The scope for this scheme was to strengthen the cultural and commercial relations between European



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and non-European professionals. It supported -among others- trainings, markets and networking, the release of non-European films in Europe and European films outside Europe, enhanced cultural diversity and had a positive impact on the offer of qualitative independent films to the audience in Europe and outside Europe. Some lines of the old programme can still be found in the different schemes of the current one, but it is not as structured and sometimes it is really difficult to match the different requirements and be eligible for the grant. This could be easily improved and would have positive consequences.

17. multiple choice

18. Comments on other issues seen as important

In order to make the schemes as efficient as possible, we would suggest to put invite professionals and experts at the Creative Europe Committees. These experts would bring their expertise and allow to draft the guidelines with a direct feedback "from the field". We believe that to have effective schemes that bring the best impact possible, a real dialogue between the commission, the executive agency, the member states' representatives and the industry is essential to fine-tune certain guidelines and create a level-playing field, without impacting negatively elsewhere.

A deep analysis of the results of the different schemes would also show their impact and how the budget could be better allocated. On this we are very curious to have access to the results of the study that was carried the last months on the lumpsums system of the Selective scheme.

19. Other points

Europa Distribution would like to underline the impressive achievements of the MEDIA Programme over the last 25 years, which has enabled to build a strong and competitive European film industry with large cultural influence. These achievements show how important, efficient and impactful the MEDIA support has been for the audiovisual sector.

Since its beginning, the MEDIA Programme has promoted favourable financial environment for European distributors to maintain their structures, hire staff, acquire and release films that combine market ambition with cultural diversity.

If national production supports have enabled Europe to produce a large number of varied European films, which reflect Europe's cultural diversity within and outside the European Union, the MEDIA **Distribution supports schemes have been essential to ensure that these works get distribution outside their home country and reach audiences via both traditional (theatres) and new platforms.**

Thanks to these two schemes, non-national European works have been released in more countries with better promotional campaigns. All funds received have been reinvested in coproducing and buying other European movies or invested in bigger marketing campaign in order to grant them a better level of advertising in a market strongly dominated by US products. Moreover, the MEDIA Programme has always encouraged the emergence of European networks like Europa Distribution



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which are today a reality of the market and embody the very idea of Europe. In this period full of challenges brought by the digital switchover, the exchange of competences and experiences at European level becomes more important than ever.

In a highly competitive audiovisual market, we strongly believe that the presence of the Media Programme is one of the essential tools that European independent companies can use to compensate the inequalities present in the market, together with their creativity which is the basis of Europe's cultural diversity, the quality of their job, the flexibility of their structure and many other elements.

It is also thanks to the continuous support we receive through the Access to Market scheme that we are able to offer a large range of activities to our independent distributors. Training, information, networking, inter-professional exchanges, markets, are now part of the daily life of our members and other professionals thanks to the support of the scheme. We hope that in the future the scheme will be stronger and that many more European professionals will be able to access it.

This is why Europa Distribution fully supports the Creative Europe programme and believes the cultural and creative sectors should benefit from a budget increase.