

Newsletter # 19 - November 2009

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.

EUROPEAN INSTITUTIONS & POLICIES

Lisbon Treaty

Czech President Klaus signs Lisbon Treaty

On 3 November Czech President Vaclav Klaus signed the Lisbon Treaty few hours after the Czech Constitutional Court had ruled that the Treaty is compatible with national law. The signature of Mr Klaus represented the last step to the ratification of the Treaty which is expected to enter into force on 1 December.

Press Articles:

<http://euobserver.com/9/28927>

<http://www.euractiv.com/en/future-eu/klaus-signs-lisbon-treaty-fully-ratified/article-187007?Ref=RSS>

EU Council of Ministers

EU elects Council President and Foreign Policy Chief

On 19 November in an extraordinary summit, EU Heads of State and Government voted the two new top jobs created by the Lisbon treaty. The Council appointed Belgian Prime Minister Herman Van Rompuy and British Trade Commissioner Baroness Catherine Ashton respectively as first President of the EU and High Representative for Foreign Affairs.

According to the Lisbon Treaty, Mr Van Rompuy will be in charge of preparing and chairing the European Council's meetings and will represent the EU at the international level for two and half years, while Ms Ashton will chair the meetings of the Foreign Affairs Council and will hold the post of Vice-President of the European Commission. She is expected to take up the job on 1 December.

Council of the European Union:

<http://www.consilium.europa.eu/showFocus.aspx?id=1&focusId=418&lang=en>

Press Articles:

<http://www.euractiv.com/en/future-eu/eu-elects-discrete-consensual-leaders/article-187509#>

<http://euobserver.com/9/29030>

<http://euobserver.com/9/29032>

European Commission

New Commissioners-designate revealed by President Barroso

On 27 November, Commission President Jose Manuel Barroso announced his team for 2010-2014. The new Executive will consist of 27 Commissioners including its President and 7 Vice-Presidents lead by newly elected Catherine Ashton as High Representative of the Union for Foreign Affairs and Security Policy.

Ms Neelie Kroes (previously Commissioner for Competition) will be the head of the Digital Agenda which substitutes the DG Information Society while French Michel Barnier will take over Charlie McCreevy on Internal Market and Services. Another big change will involve the transposition of the MEDIA Programme Unit from the former Information Society headquarter to DG Culture, Education, Multilingualism and Youth lead by former Health Chief Ms Androulla Vassiliou. Finally Viviane Reding will direct the newly formed portfolio on Justice, Fundamental Rights and Citizenship as well as being one of the Vice-Presidents. Before starting working, the Commissioners-designate will have to appear in hearings before the European Parliament on 11-19 January. The confirmation vote will be cast on 26 January.

Europa Press Release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1837&format=HTML&aged=0&language=EN&guiLanguage=en>

Commission closes investigation into financing of Austria public service broadcaster

The European Commission has closed its investigation into the financing system of Austrian public service broadcaster ORF concluding that the service is in line with EU state aid rules. Austrian authorities were asked to clarify ORF public service mandate, to clearly differentiate it from its commercial activities and to limit its funding to the minimum necessary for the fulfilment of its public service activities.

The investigation followed complaints from VÖZ, the association of Austrian newspaper publishers, and VÖP, the association of commercial television operators in Austria.

Neelie Kroes (Competition Commissioner) stated that she is "satisfied that the commitments offered by Austria will ensure the right balance between the need to ensure high quality public service broadcasting and the need to maintain a level playing field in the sector".

Europa Press Release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1603&format=HTML&aged=0&language=EN&guiLanguage=en>

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=114453>

Viviane Reding warns against internet cut off without juridical procedure

On 23 November during her speech at the II International Meeting of the Telecommunications Market Commission in Barcelona, Commissioner for Information Society and Media Viviane Reding warned the Spanish Government that cutting internet access "without a procedure in front of a judge, would certainly run into conflict with the European Commission". In fact after France, also the UK and Spain are evaluating the opportunity of introducing legislation that would suspend the internet access of users who illegally download.

Ms Reding, who said she was closely following the Spanish situation, invited Spain's government to collaborate with the Commission in finding "more modern and more effective ways in Europe to protect intellectual property and artistic creation" and wished for "a more profound harmonisation of copyright laws" at European level as an ambitious but not impossible plan.

Press Article:

<http://euobserver.com/9/29041>

Full speech of Viviane Reding at the II International CMT meeting: "Regulation in a convergent environment" Barcelona, 23 November 2009:

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/09/551&format=HTML&aged=0&language=EN&guiLanguage=en>

European Parliament

LUX Prize winner announced in Strasbourg

On 25 November during the plenary session in Strasbourg the European Parliament has announced the winner of the LUX Film Prize 2009. This year award went to *Welcome* by French director Philippe Lioret.

The prize, worth €87.000, will finance the subtitling of the film in the 23 EU official languages; the grant will also include the adaptation of the original version for visually- or hearing-impaired people, and the production of a 35-mm print or a contribution to the DVD release in each Member State.

LUX Prize website:

http://www.lux-prize.eu/news/news_251109_en.htm

Telecoms Package

European Parliament approved the Telecoms package

On 24 November the European Parliament approved with 510 votes to 40 and 24 abstentions the Telecoms reform package proposed by the European Commission in 2007. The positive vote is a consequence of the political agreement reached on 5 November between Parliament, Council and European Commission.

Under the new rules, internet access may be cut off only if “appropriate, proportionate and necessary within a democratic society” and only after “a prior, fair and impartial procedure” assuring users with the principle of presumption of innocence and the right to privacy.

The reform will enter into force in December 2009; then Member State will have to transpose the rules into national laws by 2011.

European Parliament Press Release:

http://www.europarl.europa.eu/news/public/focus_page/008-64472-320-11-47-901-20091113FCS64439-16-11-2009-2009/default_p001c002_en.htm

Europa Press Release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1812&format=HTML&aged=0&language=EN&guiLanguage=fr>

Swedish Presidency:

http://www.se2009.eu/en/meetings_news/2009/11/24/the_european_parliament_approved_the_telecoms_package?localLinksEnabled=false

Copyright

Google removes European titles from digital books deal

On 13 November Google, book publishers' and authors' representatives presented a modified version of their controversial digitisation deal. The main criticisms to the agreement concerned the potential violation copyright law by setting up a monopoly to electronic versions of older books and by denying authors of a fair compensation. The changes mainly affect the so-called orphan works whose digitisation would be allowed only by independent fiduciary or trustee. The revision also restricts the Google catalogue to books published in the USA, UK, Australia or Canada. After the objections of France and Germany, European works will in fact be excluded from the settlement.

According to the deal, Google library would be searchable online and would give free access to users to 20% of the text in each book while Universities and other institutions could subscribe to the entire collection. Google, authors and publishers would split all revenue generated through the system.

Finally the giant would establish a Books Rights Registry, to be run by representatives of authors and publishers that would administer payments.

Press Articles:

<http://www.eubusiness.com/news-eu/us-it-company-books.cj>

<http://www.nytimes.com/2009/11/14/technology/internet/14books.html>

EU Audiovisual Programmes

Greenhouse development project for Documentary

Greenhouse is an international development project for documentary filmmakers from European countries (including Albania, Belarus, Bosnia & Herzegovina, Croatia, Kosovo, Liechtenstein, Macedonia, Moldova, Norway, Republic of Montenegro, Russia, Serbia, Switzerland, and Ukraine) and MEDA countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Syria, Tunisia and Turkey) supported by the European Union in the framework of the MEDIA International and Euromed Audiovisual II.

Greenhouse opened a new call for development of Documentary films on the theme of Racism & Human Rights. The selected filmmakers will be invited to participate in three seminars during which they will work on the development of the script until a comprehensive production file is completed including a trailer. The final proposals and trailers will be presented in a Pitching Forum Event in front of leading forces of the international film industry. Deadline on 2 February 2010.

For more information visit the website:

<http://www.ghfilmcentre.org/Sitefiles/1/220/4968.asp>

IN THE MEMBER STATES

Cinema Box Office

French figures in good shape

According to the figures published by the National Film and Moving Image Centre (CNC), October saw an increase in French admissions (15.44 million) for the seventh consecutive month marking the best result in the past five years for this period. Market share did also rise to 34.3% at the end of September and it is expected to grow up to 36.8% in October. US films got 44.3% market share while features from the rest of the world accounted for 14.8%.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=114410>

Italian films struggles for market share

Italian market share for the first nine months of 2009 dropped to 21% (down 6.8% over the same period in 2008). In total only three domestic films (*Italians*, *Ex* and *Baaria*) were in the top 10 dominated by US-funded films. Nevertheless, the overall box office is up by 3.5% with €464m and with non-USA features up by 4% in 2009.

Press Article:

<http://www.screendaily.com/news/box-office/europe/local-titles-vie-for-market-share/5008290.article>

Cultural and Audiovisual Policies

Orange signs deal with French film bodies

French Telecom mobile operator Orange has signed a deal with several national film bodies to invest a minimum of €80m in French and European Cinema over the next three years by allocating 60% of the total sum to pre-buy works of French films and to co-productions investment. 25% of the budget will be invested in Francophone films with a budget lower than or equal to €5.35m.

Orange will also compensate rights holders for the use of content on the interactive feature of its service Orange Cinema Series (OCS). OCS, launched last November, is available on TV, PC and mobile phone and offers programmes and a large selection of films on a five dedicated channels.

The agreement was signed by ARP – Civil Society of Authors, Directors and Producers, the Bureau de Liaison des Industries Cinematographiques (BLIC) and the Bureau de Liaison des Organisations du Cinema (BLOC) while SRF – Society of Film Directors and the Union of French Producers (UPF) did not sign.

Press Articles:

<http://www.screendaily.com/news/production/europe/orange-signs-1202m-deal-with-french-film-bodies/5007999.article>

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=114449>

UKFC plans to merge funding schemes

The UK Film Council has presented its plan to redraw the existing Premier, New Cinema and Development Funds into a single Film Production Fund worth £15m. The proposal came as answer to the threats of the recession and the 2012 Olympics, which would reduce the state fund of £25m. The scheme will be active only after three months of public consultation and will focus on first and second time directors. The plan will also introduce a new £5m Innovation Fund, aiming at promoting new business models and ensuring successful transition into a fully digital age.

The reactions to the plan were generally positive and especially producers welcomed the decision.

In addition to the chief of the fund, there will be three senior executives with creative roles. All the positions will be filled by April 2010.

Press Articles:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=115039>

<http://www.screendaily.com/5008316.article>

French directors join debate between producers and exhibitors

French film directors joined the debate initiated by the National Federation of French Cinemas (FNCF) and followed by producers represented by DIRE (United European Independent Distributors), APC (Film Producers Association) and SPI (Independent Producers Union).

Earlier in November, with the symbolic act of inviting 2.100 theatres to switch off their neon signs, FNCF started a strong campaign against the new legislation on the distribution windows which reduces the period of release on DVD, VoD and TV after the film theatrical release.

In a joint statement SPI and APC criticised the move and asked the Culture Minister Frédéric Mitterrand "to maintain the level by which rights-holders are paid a minimum of 50% of takings generated by theatres, as well as enforce better exhibition of films in cinemas". Meanwhile a group of 200 film directors addressed an open letter to the Mr Mitterrand strongly criticising the exhibitors' aggressive lobbying and rejecting the FNCF proposal of a reduction in the film rental rate.

Filmmakers called for special measures for small and medium-sized theatres and encouraged the FNCF to consider redistributing exhibition support towards more fragile theatres.

Press Articles:

<http://cineuropa.org/newsdetail.aspx?documentID=114315>

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=114400>

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=115022>

Distribution Support allocated €67.000 for international releases of German films

The Distribution Support awards committee will grant €67.000 among seven foreign theatrical releases of national films.

The Distribution Support was created in 2005 with the aim of funding theatrical release of German films abroad. Titles selected included *Buddenbrooks: The Decline of a Family* (to be realised in Taiwan), *Harlan: In the Shadow of the Jew Suess* (USA), *Jasper: Journey to the End of the World* (France), *John Rabe* (Belgium), *Soul Kitchen* (Greece), *Vision* (Switzerland/Liechtenstein) and *Desert Flower* (Greece).

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=115024>

Greece State film awards cancelled

The new Minister of Culture Pavlos Geroulanos was forced to cancel the annual Greek State Film Awards due to lack of competitors, after that a group of more than 200 directors, producers and screenwriters withdrew 52 films from the Thessaloniki Film Festival to protest against the national film funding law.

The newly formed group of professionals FoG (Filmmakers of Greece) claimed that the public money has not been fully directed to them and accused the government of failing to introduce production tax incentives as established in other countries of the European Union.

Konstantinos Kontovrakis, head of the Greek film program at the Thessaloniki Film Festival, stated that the boycott represented a missed opportunity for filmmakers who would have had the opportunity to address international press and television and discuss the national situation.

Meanwhile a new initiative of the Ministry of Culture set up last year and headed by director Costa Gavras identified a need for reform of public film subsidy and the introduction of production tax incentives.

Press Articles:

<http://www.variety.com/article/VR1118011501.html?categoryid=13&cs=1>

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=114338>

Balkan Fund grants three features

The Balkan Fund was launched at the Thessaloniki Film Festival in 2003 as part of the European Film Funds Coordination scheme, which distributes funds provided by the Greek Ministry of Culture and the French National Film centre (CNC). The three projects selected by the international jury will receive €10.000 in grants for script development and include Croatian *Mother of Asphalt*, German-Romanian co-production *Romanian Spring* and Turkish *Orange Gardens*.

Press Article:

<http://www.screendaily.com/festivals/other-festivals/thessaloniki/thessalonikis-balkan-fund-honours-three-films-with-screen-development-grant/5008225.article>

Maltese new audiovisual fund created

Malta Film Commission (MFC) and the Ministry for Education, Culture, Youth and Sport launched a new film fund that will allocate €233.000 for shorts, documentaries and feature films.

The application deadline is 1 March 2010 with the results to be announced in April.

Press Article:

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=115082>

Cinema, Audiovisual and Digital Trends

Arts Alliance Media signs deal with UK Reel Cinemas

Arts Alliance Media (AAM), the European digital provider, which covers six European territories with over 650 digital screens, has signed a deal with British exhibitor Reel Cinemas to digitise all its 60 screens plus 60 affiliated screens. The agreement, based on the Virtual Print Fee (VPF) model, will subsidise the installation of 3D in 20 screens and will provide satellite systems for each theatres, enabling them to show live events and to receive feature and trailer content via satellite.

Press Article:

<http://www.screendaily.com/news/digital/arts-alliance-media-signs-uk-digital-deal-with-reel-cinemas/5008254.article>

Germany fails digitisation plan

A plan to digitise German theatres collapsed after cinema chain UCI Kinowelt (owned by UK-based Terra Firma Capital Partner and belonging to Odeon & UCI cinema group) refused to withdraw its legal action against the German Federal Film Board (FFA) freezing the FFA offer to grant €40 million for the digitisation of national theatres.

The Film Board asked UCI Kinowelt to drop its opposition against the film subsidy law which obliges exhibitors and distributors to pay levies to finance German film subsidy programme while making TV broadcasters' contributions voluntary. As a protest against the current law, UCI Kinowelt and the exhibitors' association HDF decided to pay 25% of the ticket tax only with reservations, thus preventing FFA from using that money until an agreement is found.

A federal court has already ruled that the current law on levies is unconstitutional, and the hope is now that the German government will revise the national film subsidy law.

Press articles:

<http://www.screendaily.com/news/digital/europe/german-nationwide-digital-exhibition-plan-in-tatters/5008266.article>

<http://www.variety.com/article/VR1118011532.html?categoryid=1444&cs=1>

Copyright

UK Digital Economy Bill proposes fight to piracy and Channel 4 film investment

On 18 November, speaking to the Houses of parliament, Queen Elisabeth introduced the Digital Economy Bill expected to become law in the next few months.

The Bill provides a two-step strategy to fight online piracy including legal action and consumer education about online copyright (first stage) and a second stage that could introduce technical measures such as internet disconnection.

The bill also plans a renewal of the remit of Channel 4 to include the provision of public service content on all media platforms and a creation of a legal framework that allows the broadcaster to invest in film.

Press Articles:

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=115062>

<http://www.screendaily.com/production/digital-economy-bill-proposes-legal-mandate-for-channel-4-film-investment/5008304.article>

OUTSIDE EUROPE

Mexico maintains film funding

After a strong campaign of the national film professionals against the cuts to the film budget for 2010, Mexican Congress has announced that it will not reduce the national film fund programme.

The budget proposed by President Felipe Calderon, if passed, would have hit the film commission hard with a cut of 46% and a 20% cut to the tax incentive scheme.

Press Article:

<http://www.variety.com/article/VR1118011529.html?categoryid=3284&cs=1>

KOFIC reform plan announced

On 11 November Korean Film Council has announced a plan for internal structure reform to the Minister of Culture, Sports and Tourism, Yoo In-chon. The plan includes a "pay after" policy for distributors and the creation of a €12m account to guarantee loans to national films and their development in foreign countries as well as to co-productions. Concerning the fight against piracy, KOFIC will create an online market for films called Korean Open Movie Exchange (KOME) which should help the online market to grow from €9m to €167m in three years.

Finally KOFIC will move its office from Seoul to Busan by 2012, leaving only the Korean Academy of Film Arts (KAFA) in the capital.

Press Articles:

http://www.screendaily.com/news/corporate/asia-pacific/kofic-presents-reform-plan-to-culture-ministry/5008073_article

Korean producers support web filtering system

The Korean Film Producers Association (KFPA) will support the installation of a new filtering system that will stop online illegal uploading. KFPA together with the Digital Content Network Association announced that P2P websites refusing to adopt the new system by the end of 2009 will face "severe measures".

So far 78 P2P sites agreed to install the software which tracks illegal files on the web by using an audio encoding system.

Press Article:

http://www.hollywoodreporter.com/hr/content_display/news/e3i090c88a5a8798507e2fc9767ed320d75

Japan test piracy protection

TV Asahi in association with three corporate partners (Mediaplex, Internet Initiative and Skillup Japan) is testing a new Flash Video streaming technology that would prevent illegal copies of creative content. The new technology integrates digital rights management (DRM) data with the Flash Video file; in this way if the file is copied illegally, it will be impossible to play back the video. The test, done on a popular TV Asahi travel show called *Car Graphic TV*, will run until December 15 on the TV Asahi website.

Press Article:

<http://www.variety.com/article/VR1118011413.html?categoryid=14&cs=1&nid=2562>

FERA

FERA Activities

Seminar on Audiovisual On-demand Services in the EU: Market Analysis and Regulatory Issues

On 3 November the European Commission and the European Audiovisual Observatory jointly organised a seminar on the Audiovisual On-demand Services in the EU. The seminar presented the legal framework of the "non-linear" services included in the Audiovisual Media Directive and its transposition in national laws as well as introducing the first census of audiovisual on-demand services in Europe.

Elisabeth O. Sjaastad attended the seminar representing FERA.

For more information:

http://www.obs.coe.int/about/oea/conf03112009_contributions.html

International Documentary Film festival Amsterdam (IDFA)

Elisabeth O. Sjaastad represented FERA at the IDFA festival in Amsterdam on 22-25 November. She was an observer at the Forum for Co-financing of Documentaries, and attended a cocktail hosted by the Dutch Director's Guild.

Cay Wesnigk was elected new chairman of the board of the European Documentary Network (EDN) at their meeting in Amsterdam. Ms Sjaastad and Mr Wesnigk will explore ways in which the two organisations can cooperate to voice the concerns of European documentary filmmakers.