

Newsletter # 26 – June 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

News from the Members

Directors UK announces the appointment of Andrew Chowns as its new CEO

Andrew Chowns is currently Chief Operating Officer and Director of Business Affairs at PACT. Andrew was previously Commercial Director of ITV2 and Controller of Legal and Business Affairs at ITV Network. He will be joining Directors UK on 1st September 2010.

Andrew joins Directors UK from PACT, the UK trade association representing and promoting the commercial interests of independent feature film, television, digital, children's and animation media companies. In his role as Chief Operating Officer and Director of Business Affairs, Andrew Chowns was responsible for overseeing the terms of trade with broadcasters, negotiations with unions and collecting societies and other major business affairs matters.

Andrew replaces Suzan Dormer who was CEO of both Directors UK and before it the Directors and Producers Rights Society (DPRS).

Press Release available on Directors UK website:
<http://www.directors.uk.com/images/DirectorsUK/pdf/ceo.pdf>

The Union of Bulgarian Filmmakers elected New President

On 21 May, the Union of Bulgarian Filmmakers (UBFM) has elected Gueorgui Stoyanov as its new President.

Gueorgui Stoyanov, who succeeds Ivan Pavlov, is a prominent film director of feature films and several documentaries as well as a public figure. Mr Stoyanov has been Deputy Chairman of Bulgarian National Television, Deputy Minister of Culture, and Counselor of Culture at the Embassy of Bulgaria in Washington, USA.

This is his second mandate after having also been UBFM President in 1992.

UBFM website (in BG):
<http://www.filmakersbg.org/president-eng.htm>

French SRF elects New President and Board

The French Society of Film Directors held the annual General Assembly on 12 June and elected the Presidents and the new Executive Committee for the year 2010/2011.

The three new SRF Co-Presidents are Fabrice Genestal, Chantal Richard and Christophe Ruggia.

The Executive Committee includes Eric Guirado (Secretary), Michel Andrieu (Treasury), Oriane Polack (in charge of short films), Denis Gheerbrant (in charge of documentary). Other members are Isabelle Broué, Malik Chibane, Hicham Falah, Agnès Jaoui, Pascale Krief, Pierre Lacan, Gilles Porte, Bruno Rolland, Pierre Salvadori, Marianne Visier and Anne Zinn-Justin.

SRF Website (in FR):
<http://www.la-srf.fr>

100 Autori on the State of Italian Cinema

2010 Italian cinema year has been marked by 3D movies and important auteur films loved by the general public and directed by authors such as Gabriele Salvatores, Carlo Verdone, Ferzan Ozpetek, and Paolo Virzì.

A few weeks ago Elio Germano received the award as Best Actor for his role in *La Nostra Vita* at the 63rd Cannes Film Festival.

Nonetheless 100 Autori cannot ignore the fact that for the first time, in 2009, Italian film companies got loss ratio: the closings have been more than the openings.

The number of movies produced has also dropped: 131 films were totally produced, 14.9% less than the previous year. This is caused by the constant reduction of the financial support of the FUS (Fondo Unico per lo Spettacolo).

In the past few weeks 100 Autori has denounced such a situation; in 2008 €11m were assigned for each four-month period by the FUS, in 2009 the sum dropped to €8m and nowadays, in 2010, the board supposed to allocate the funds finds itself with absolutely no funds to assign.

There have been many conjectures on the possibility to take €20m off the Government presidency fund for natural emergencies (Fondo della Presidenza del Consiglio per le emergenze naturali) to have at least €5m to allocate each four-month, but still nothing has changed.

100 Autori wrote a letter disapproving the whole situation, a letter which was read during the ceremony of the National film award "David di Donatello".

Despite the statements made by the David's winners on the bad state of FUS funds appearing in the national news, the appeals were ignored by the Government.

On 7 June, a manifestation against the cuts to Culture took place in Piazza Navona in Rome. Directors, authors, artists from different backgrounds (theatre, music, cinema) participated in the demonstration, which was organised by all the trade unions and 100 Autori.

100 Autori Website (in IT):

<http://www.100autori.it/>

Press Article on the Italian cut:

http://www.variety.com/index.asp?layout=print_story&articleid=VR1118020156&categoryid=3599

DIRECTORS

Pawel Pawlikoski won 2010 MEDIA European Talent Prize

At the last Cannes Film Festival Polish director and scriptwriter Pawel Pawlikowski received the 2010 MEDIA European Talent Prize for his *Sister of Mercy*.

The prize was given by Culture Commissioner Androulla Vassiliou who described the film as a "truly European work. Pawel is a director of Polish origin who lives in the United Kingdom and the film is produced by a Danish company, Phoenix Films".

The annual MEDIA European Talent Prize is given to filmmakers with an outstanding European potential.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=145672>

Europa Press Release:

http://ec.europa.eu/commission_2010-2014/vassiliou/headlines/speeches/2010/05/20100517_en.htm

EUROPEAN INSTITUTIONS & ORGANISATIONS

European Commission

Commission requests 12 countries to implement the Audiovisual Media Service Directive

The Commission has requested 12 Member States (Austria, Cyprus, Estonia, Greece, Finland, Hungary, Lithuania, Luxemburg, Latvia, Poland, Portugal, and Slovenia) to urgently update their national broadcasting rules in order to comply with the Audiovisual Media Service (AVMS) Directive.

The AVMS Directive, which creates rules on the use of services like TV over the internet, video on demand and mobile TV, should have been implemented by all EU Member States by the December 2009.

However, only 3 (Belgium, Romania and Slovakia) of the 27 EU countries had fully implemented the Directive by that deadline.

In January 2010, after having received letters of formal notice from the EU, only further 11 countries informed the Commission that they had modified their national rules to comply with the Directive (Bulgaria, the Czech Republic, Denmark, France, Germany, Ireland, Italy, Malta, The Netherlands, Spain, Sweden and the United Kingdom).

Europa Press release:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/803&format=HTML&aged=0&language=EN&guiLanguage=en>

Commission approves new Czech incentive

The European Commission has approved the Czech Film Industry Support Programme which offers grants worth up to 20% of eligible production costs.

In order to receive the support, projects must have at least 75% of their budget secured from other sources and must meet minimum spending level (€582,000 for theatrical features). Additionally, the proposals must pass a test for European cultural criteria (crew and locations) and can be submitted only by Czech tax payer (encouraging in this way co-productions).

The Programme, which goes into effect on 7 July, has €15.5m available for the first year.

Press Article:

<http://www.cineuropa.org/newsdetail.aspx?lang=en&documentID=147624>

Commission gives green light to Belgian film decree

The European Commission has given green light to the draft bill of the film decree presented by the Belgian Francophone Community Ministry of Culture and Audiovisual Policy.

Among the Bill's objectives, the main ones are:

- a) to maintain and improve the film funding system over the long term;
- b) to strengthen the system by expanding funding for screenwriting and pre-production;
- c) to modernise promotion funding by taking into account new distribution media;
- d) to open up the system to new forms of distribution such as VoD and DVD.

The bill, which was submitted to the Commission in December 2008, must now be approved by the State Council, the Francophone Community government, and finally the Parliament.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=146310>

Study on Multi-Territory Licensing for the Online Distribution of Audiovisual Works

The Directorate Information Society commissioned a study on the multi-territory licensing for the online distribution of audiovisual works in the EU.

On 2 June the two consultancies responsible for the reports - KEA European Affairs and CERNA - presented the findings and the first draft of the report to the stakeholders attending a workshop. In underlining some aspects of the online market, its opportunities and challenges, the two consultancies gave also some final policy recommendations. These included: easing licensing process and decrease transaction costs; encouraging investments in culture; reviewing of the EU support; developing the capacity of EU rights holders; harmonising criminal sanctions; and enabling authors for foreign exploitation.

The final draft of the Study should be ready by the end of June.

KEA/CERNA Power Point Presentation is available at:

http://www.keanet.eu/docs/stakeholderworkshopslides2june2010_updated.pdf

European Parliament



European Parliament looks for stronger anti-piracy rules

On 1 June the Legal Affairs Committee at the European Parliament voted on the Gallo report on “enhancing the enforcement of intellectual property rights in the internal market” which advocates a stronger anti-piracy line.

The report, written by French centre-right MEP Marielle Gallo, passed with 15 votes in favour (European People Party and Liberals) to 9 against (Socialists & Democrats).

S&D MEPs criticised the option to give national governments the mandate to introduce the controversial three strikes rule as planned by MEP Gallo's national party in France. However Ms Gallo stated to favour more the Spanish proposal

according to which a judge would shut down the websites providing illegal downloads to users. FERA is closely following the report development.

During the plenary session in Strasbourg, the MEPs also requested the European Commission to address “the issue of the balance between free access to the Internet and the measures to be taken to combat this scourge effectively” and to set up more IPR helpdesks in third countries (such as India and Russia) “to help European entrepreneurs enforce their intellectual property rights more actively and to combat the entry into the EU internal market of counterfeit goods from such countries”.

Press Article:

<http://www.euractiv.com/en/infosociety/european-parliament-paving-way-tougher-anti-piracy-rules-news-494753>

European Parliament Press Release:

http://www.europarl.europa.eu/news/expert/infopress_page/019-75314-151-05-23-902-20100531IPR75276-31-05-2010-2010-false/default_en.htm

Green/EFA Party looks into new Business Models in Debate on EU Culture and Copyright

On 8 June, the Green/European Free Alliance political group at the European Parliament organised a conference titled “Financing Culture in the Digital Era”.

The event, hosted by MEPs Eva Lichtenberger and Karima Delli, focused on the possibilities to create public access to culture while guaranteeing artists a decent living from their works.

Volker Grassmuck, Media researcher at the University of Berlin, stated that whoever benefits of the creative work should pay and recent surveys has shown that over 80% of the users is willing to pay for certain services.

He added that a flat-rate system does not represent a good solution as it may create problems of transparency between the parties involved (such as the Collective Management Societies).

Philippe Aigrain, a founder of the French civil liberties group La Quadrature du Net, supported Grassmuck proposal of charging users with a monthly fee of 5 to 7 Euros, but he underlined that the main premise for such solution would be to recognise the basic right to share between individuals without profit.

Maja Bogataj Jancic from the Institute of Intellectual Property in Ljubljana introduced the Creative Common (CC) system which is “built on top of copyright law” and allows authors and artists to circulate their works on a non-commercial basis. Currently there are 52 jurisdictions world-wide to use CC and more than 350 million CC items has been licensed last year.

Peter Sunde, a spokesman for the file-sharing website Pirate Bay, presented FLATTR, a micropayments system project.

According to the project, an internet user would donate between 2 and 100 Euros per month and could then reward works that they liked. He highlighted that 20.000 users joint the project last month.

Ofelia Tejerina, representative of the Spanish Association Los Internautas, criticised the lack of transparency of European societies representing the entertainment industry and stated that royalties should be managed by users’ organisations.

Cay Wesnigk, film director, pointed out that for an author to communicate with their audience is fundamental; in the past year the audiences have lost confidence because it is difficult for people to understand the rationale behind copyright and illegal downloading.

Austrian MEP **Eva Lichtenberger** highlighted that copyright is at the very centre of the EU debate as shown by the creation of the working group “Internet Core Group” which belongs to the legal affairs committee of the Parliament. Ms Lichtenberger announced that the group will deliver a report on this topic.

MEP **Karima Delli** underlined that 1.6 billion people worldwide have the means to copy files. In such “a shared culture [...] the internet should be the means by which we democratise culture”. The French MEP concluded by saying that there is not an easy solution and that the decision makers will “[...] have to try out new economic models to fight against the concentration of powers in many commercial systems applying to cinema and books, etcetera”.

Intellectual Property Watch Article:

<http://www.ip-watch.org/weblog/2010/06/09/new-business-models-proposed-in-debate-on-eu-culture-and-copyright/>

Video with the highlights of the conference:

<http://www.greenmediabox.eu/archive/2010/06/08/culture/>

LUX prize 2010 official selection announced

On 28 June, the European Parliament unveiled the 10 films pre-selected to compete for the LUX Prize 2010 at the Brussels European Film Festival.

The shortlisted films, to be announced on 27 July 2010 at the “Venice Days” press conference, will first be screened in Venice, and will then be shown in the European Parliament in Brussels from 26 October to 19 November.

The 2010 LUX Prize will be awarded on 24 November by the President of the European Parliament during the plenary session in Strasbourg.

European Parliament Press Release:

http://www.europarl.europa.eu/news/expert/infopress_page/037-77109-179-06-27-906-20100628IPR77108-28-06-2010-2010-true/default_en.htm

Council of Europe - Eurimages

Eurimages supports 14 European co-productions

During the 119th meeting the Board of Management for the Council of Europe's Eurimages Fund agreed to support the co-production of 14 feature films for a total amount of €4.780.000.

In the framework of its digitisation support scheme, the Board has also decided to award aid for the production of digital masters for the following 10 co-productions supported by Eurimages.

The list of the works supported is available at:

<https://wcd.coe.int/ViewDoc.jsp?id=1639407&Site=COE&BackColorInternet=DBDCF2&BackColorIntranet=FDC864&BackColorLogged=FDC864>

IN EUROPE

Cinema Box Office & Figures

Italy expecting record admissions in 2010

Italian audiovisual association ANICA estimated that this year would beat 2009 figures in terms of tickets sold, revenue from tickets sold, and the market share for Italian-made productions.

ANICA President Rocco Tozzi stated that with an estimation of 125 million tickets, the total 2010 ticket sales would rise by around 25% compared to 2009, with revenue from ticket sold increasing at least by 30%. It was also estimated that domestic films would amass around 30% of total sales.

Press Article:

http://www.hollywoodreporter.com/hr/content_display/world/news/e3id8c41c83918d33811a7efd30f96bf4d0

Younger and elder audiences fill Norwegian theatres

TNS Gallup published a new analysis of cinema audiences commissioned by the Norwegian Association Film & Kino.

According to the findings, younger and elder people go to the cinema more often than the last decade; on an average of 2.7 visits per capita audiences aged 15-19 had 4.9 visits per capita in 2009 against 1.7 visits for spectators over 60. Over the last decade, cinema-going registered peaks of 71% of which 95% among 15-19 year-olds and 50% among the over 60.

According to TNS Gallup, this increase in cinema-going habits is due to the wider choice of films and the event movies which attracted the audiences.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=147358>

Swedish cinema Facts and Figures 2009

The Swedish Film Institute (SFI) published its annual report on 2009 film year in Sweden (admissions, production, distribution and festival news).

In the report introduction, SFI CEO Cissi Elwin Frenkel stated that 2009 was "a unique and exceptional year" for Swedish cinema, with one in three tickets sold for a Swedish film, thanks largely to the Millennium trilogy.

In 2009, 42 national films (including 14 first-time directors) were released in theatres. Swedish films got 32.7% market share with 5.69 million admissions while US movies had a market share of 53.9%, followed by the UK (7.3%), Australia (2.2%), France (1.4%) and Italy (0.5%).

The distributor with the largest market share was Nordisk Film (26.2%), followed by 20th Century Fox (13.3%), UIP (12%), SF Film (10.1%), Sony Pictures Releasing (9.7%) and Walt Disney (9.4%).

Despite this success, Ms Elwin Frenkel reminded that the national film industry sector is still underfinanced and asked for an additional state support of nearly €10.4m which should go to the Institute's share in financing and documentaries.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=146933>

Complete SFI Report 2009 available (in SE and EN) at:

<http://www.sfi.se/Documents/Dokument%20fr%c3%a5n%20Svenska%20Filminstitutet/Verksamhetsber%c3%a4ttelser/Verksamhetsber%c3%a4ttelse%202009.pdf>

Cultural and Audiovisual Policies

Albania is the 32nd European Film Promotion member

At its last General Assembly, the European Film Promotion (EFP) welcomed the Albanian National Centre of Cinematography (ANCC) as the 32nd member of its network.

In greeting the new member, EFP President Éva Vezér stated that “the ANCC will enrich the discussions within our European network and also benefit from the knowledge accumulated by EFP international marketing platform over the past 13 years”.

The Albanian film centre was founded in 1997 and since then it has supported around 167 different projects including 37 feature films, 20 short films, 63 documentaries, 39 animated films, and eight film festivals.

EFP Press Release:

http://www.efp-online.com/download/pdf/pr_albanian_national_center_01062010_en.pdf

UK Film Council report warns against government film tax cuts

The UK Film Council (UKFC) has submitted to the government the report “The Economic Impact of the UK Film Industry” on the importance of the film sector to the national economy with the aim of dissuading the cuts planned by the new coalition’s emergency plan.

According to the report published by Oxford Economics, British film industry contributes to the national economy with €5.4 billion every year and directly employs around 36,000 people.

The research shows also that film tax relief is essential for maintaining current levels of global competitiveness and job creation. The new government is in fact paving to cut the tax relief system in order to bring down the national debt; however such a decision, according to the study, would reduce the British GDP (Gross Domestic Product) by €1.7 billion a year.

Ed Vaizey, Minister for Culture, Communications and the Creative Industries, welcomed the report and noted that the creative industries “[...] continue to grow, and the government sees the real potential they have to help our economy in the coming years”. He stated that the report “is evidence of how important British film is to [the country] economy as well as promoting cultural life, identity and diversity on the international stage”.

The report, commissioned by UKFC, Pinewood Shepperton plc, Framestore, Cinesite and Double Negativ, takes into account the contribution from the film industry across employment, production, distribution and the supply chain as well as tourism.

Full Report available at:

http://www.ukfilmcouncil.org.uk/media/pdf/i/r/The_Economic_Impact_of_the_UK_Film_Industry_-_June_2010.pdf

Press Articles:

<http://www.reuters.com/article/idUSTRE6563LE20100607>

http://www.hollywoodreporter.com/hr/content_display/world/news/e3i6a088b54b00be868ba7d9e8627a181f7

Cinema, Audiovisual, Digital and Online Trends

Cineworld signs digital deal with Arts Alliance Media

British Cineworld has announced its plan to convert all its 77 screens to digital within three years. After having spent already around €12m between 2009 and beginning of 2010, the cinema chain has now concluded an agreement worth about €36m with Arts Alliance Media (AAM), the leading European provider of digital cinema technology and distribution services.

Cineworld, which has a third of its 790 screens digitised, will get back the costs over 10 years through a Virtual Print Fee (VPF) deal, which AAM will collect from film distributors on behalf of the company.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=147109>

Kinepolis to implement MasterImage 3D systems

Cinema chain Kinepolis has installed MasterImage digital 3D cinema systems in its screens in France, Spain and Switzerland.

According to Nicolas Hamon, Kinepolis' projection and sound manager, MasterImage system represents a very good business model for the audiences as "there's no seat tax to pay as we'll own the systems outright, and we won't need to manage the loss of expensive glasses, since MasterImage offers one-time and reusable glasses, both at a fraction of the cost of other providers".

The system, which is supported by European and six major Hollywood studios and many independent distributors, is installed in 38 countries in Europe including the UK, France, Denmark, and Italy and across the world (USA, China and Australia).

Press article:

http://www.filmjournal.com/filmjournal/content_display/news-and-features/news/digital-cinema/e3ic25a0caf931c8924195b8f2e2be12ee3

Copyright

UK-USA offer free downloads to fight piracy



Major Hollywood studios (such as Paramount, Sony Pictures, Universal, 20th Century Fox and Warner Bros) and UK technology company Blinkbox has promoted a scheme which would offer £20 free credit to film fans from June 7-13 to download films of their choice.

The "Full Stream Ahead" campaign, backed by UK Film Council and the British Film Institute, wants to educate and encourage the consumers to legally watch films online. According to a new study, 45% of users file-sharing stated that they would download films legally if easily accessible.

Blinkbox has 1.2 million subscribers who watch five million streams per month.

Press Article:

<http://cineuropa.org/newsdetail.aspx?lang=en&documentID=146638>

In Spain 40.000 protest delay of piracy law

A new study, carried out by IDC Research Iberia, estimated that in Spain pirated online contents were worth €5.1 billion in the second half of 2009.

The survey on 5,911 nationals showed that piracy accounted for 83.7% of all online audiovisual works consumption and 95.6% of that for music. Additionally the research reported that 58.4% of Spanish users would pay for music and 54.8% for films.

In addition to IDC study, Jose Luis Carrera – President of the Association of Spanish Video Companies (AEVIDEO) – has claimed that piracy cost the government about €500 million in uncollected taxes in 2009. Strong of these data, on 15 June Mr Carrera presented 40,000 signatures in the parliament as protest the delay of vote on the Law of Economic Sustainability, which would allow judges to close websites offering illegal contents.

However, the so called "anti-downloading" law is not expected to be passed until late October or early November 2010.

Press Articles:

http://www.variety.com/index.asp?layout=print_story&articleid=VR1118020035&categoryid=3599

http://www.hollywoodreporter.com/hr/content_display/news/e3i90084bf05b70386f6ae662fcb17541e7

Court linked P2P sharing to the practise of lending books

In early 2005, after an investigation by the authorities and the audiovisual rights collecting society EGEDA and Columbia Tristar, Spanish police had arrested four people for illegally file sharing.

After years of trial the case has been finally closed with the three judges of the Provincial Court of Madrid ruling that no offense had been committed. The Court in fact stated that the site did not host the actual copyright files and no profit was generated directly from any infringements of copyright.

Furthermore, the three judges linked the file-sharing activity to the practice of sharing books as, on their word, “the difference now is mainly on the medium used – previously it was paper or analogue media and now everything is in a digital format which allows a much faster exchange of a higher quality and also with global reach through the Internet”.

The Court decision cannot be appealed.

Article:

<http://torrentfreak.com/judges-liken-p2p-to-the-ancient-practice-of-lending-books-100608/>

OUTSIDE EUROPE

Hurt Locker producers to sue illegal file-shares

US company Voltage Pictures has brought to court suspected illegal file-sharers of Kathryn Bigelow's *The Hurt Locker* in the US.

After having identified 5,000 connections involved in sharing the film via P2P networks, the production company will now seek the names of the owners from the ISPs to sue them.

Press Article:

<http://news.bbc.co.uk/2/hi/technology/10212679.stm>

Canadian government presents new copyright bill



On 2 June, Industry Minister Tony Clement and Heritage Minister James Moore introduced the new Bill on copyright protection which would make it illegal to break the digital encryption on software or DVDs (even if personal use) and would make it easier for the studios to take action against whoever engages in illegal file-sharing.

Furthermore, the new legislation would make illegal the sale or importation of tools designed to break digital locks, and allow rights' holders to sue websites designed to encourage violations and piracy.

The Bill C-32 proposed by the Conservative government will have to pass through the House of Commons in Ottawa before becoming law.

Press Articles:

http://www.variety.com/index.asp?layout=print_story&articleid=VR1118020151&categoryid=1009

<http://www.cbc.ca/technology/story/2010/06/02/copyright-bill-clement-montreal.html>

Korean distributor to set up film fund

Korean distributor Next Entertainment World (NEW) and Gyeonggi Performing & Film Commission are setting up a film fund worth around €13 million.

Gyeonggi province and Goyang City will invest around €2.63 million while NEW will submit nearly €2 million; this is the first time that a local government organisation invests in films directly.

Press Article:

http://www.variety.com/index.asp?layout=print_story&articleid=VR1118020387&categoryid=1442

EVENTS & DEADLINES

Power to the Pixel announces open call for submissions for first ever “Pixel Market”



The groundbreaking marketplace takes place on 13 & 14 October 2010 in London and will showcase 20 of the world's best cross-media projects at Power to the Pixel's Cross-Media Forum.

The Pixel Market will be a natural progression for the Forum, introducing cross-media project producers to top international financiers, commissioners, tech companies, online portals and media companies during the two-day event.

Up to half of the selected projects will be presented In Competition at The Pixel Pitch, a public event on the first day of the market on 13 October 2010 at NFT1, BFI Southbank. These project teams will compete for the £6,000 ARTE Pixel Pitch Cash Prize. All application forms and supplementary materials must be received by **6 August 2010** at

market@powertothepixel.com.

Further information can be found at:

<http://www.powertothepixel.com/events-and-training/pttp-events/london-forum-2010/pixel-market-13-14-october-2010>