

Denmark

Denmark: key data

Population	5.6m
TV households	2.5m
DVD households (penetration)	94.2%
Blu-ray households (penetration)	4.9%
Distributors revenues from physical video software	Dkk 880.8m / € 118.3m
Comparison with 2009 (local currency)	-13.1%
DVD/ Blu-ray Disc split	€ 99.3m / € 18.9m
Video software rental/retail split (%)	11/89
Consumer spending on physical video software	Dkk 1.6bn / € 212.9m
Comparison with 2009 (local currency)	-12.3%
DVD/ Blu-ray Disc split	€ 192.4m / € 20.5m
Video software rental/retail split (%)	22/78



DVD and Blu-ray Market

DVD:

- In 2010, retail DVD shipped to trade declined by 24 per cent. This is the first time since 2006 that Denmark saw a decline in numbers of DVDs sold. 18 million DVD's were sold on the Danish market (new-release and catalogue). The reason for the decline was due to Blu-ray Disc (BD) sales and the increase in demand of digital services. Furthermore, the recession resulted in a lower willingness to buy in all areas of retail business.
- The value of the DVDs sold decreased due to very low retail prices, leaving the industry with a decline in revenues of 25 per cent. The total DVD retail market was close to DKK 652 million in 2010.
- The DVD rental market reached DKK 84 million, a decline 14.3 per cent since 2009.
- Revenues from total DVD retail and rental reached DKK 739 million in 2010.
- 50 per cent of all DVDs were bought in supermarket chains.

Blu-ray:

- In 2010, the turnover of Blu-ray was approximately DKK 98 million.
- 1.2 million Blu-ray Discs were sold on the Danish market.
- There were approximately 1800 Blu-ray titles available in the Nordic region.
- At the end of the year 2010, the sales of Blu-ray represented 13 per cent of the total DVD/Blu-ray market – increasing on a monthly basis.

- Retail prices on hardware dropped significantly, leaving the product more aimed at mass market, which of course also stimulated the sales of Blu-ray Discs.

DVD and Blu-ray Disc:

- Revenues from total DVD/Blu-ray rental and retail reached DKK 880 million in 2010 – a decline of 13 per cent compared to 2009.

Online Distribution

- More and more online services became available in 2010.
- The largest players on the market are:
 - TDC Home Trio
 - You See
 - Tv2 sputnik
 - CDON.com
 - Bilka.dk
 - SF Anytime
 - Filmstriben.dk
 - www.waoo.dk
 - Canal Digital GO
 - Viasat On Demand
 - Voddler
 - www.movieurope.dk
 - Film2home.dk
 - www.billigcd.dk
 - www.box.dk

- hollywoodexpress.shop2download.com
- tpmusik.shop2download.com
- dsb.shop2download.com
- Streaming and EST services are still relatively new to Danish consumers. However, the largest player in the market “You See” reached 1 million downloads throughout 2010, and there is no doubt that the use of digital services will increase significantly in 2011.

Other relevant developments

During 2010, right holders, ISPs and also the DVA were represented in a committee established by the Ministry of Culture with the purpose of preparing a report on online piracy and ways to strengthen copyright on the Internet. After some delay, the Danish Government released the report in April 2011 with its recommendations, which are on par with the majority of the committee’s findings. The recommendations imply, inter alia, a system of notice sending to infringers as suggested by right holders.

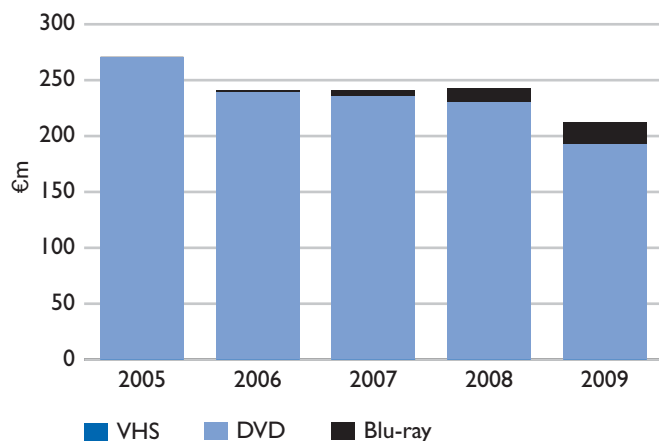
Neutral informational letters will be sent out by the ISPs accompanied by a letter from the Minister of Culture. In case of repeat infringers, right holders can file claims for damages and/or take other forms of legal or non-legal action. Along with the recommendations, the Government published its view on the allocation of costs, which the committee could not agree on. The Government suggested that ISPs and right holders each pay their share of the costs incurred. However, the right holders have to pay in addition the postal costs for sending the notices. The system is expected to commence early 2012.

In May 2010, the Danish Supreme Court decided upon a case where the Danish major ISP, Telenor, was forced to block access for its customers to The Pirate Bay website. This website facilitates massive infringements of copyright and the owners have previously faced criminal penalties and damage claims from right holders in their native country Sweden. All other significant Danish ISPs have voluntarily followed the Supreme Court’s decision and block access to The Pirate Bay website.

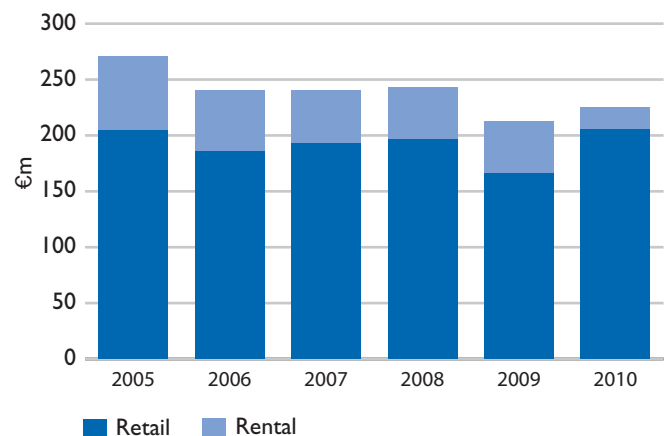
This commentary was provided by the DVA, the Danish Video Association.

Video market: Denmark

Consumer spending by format



Consumer spending by sector



			2005	2006	2007	2008	2009	2010	10/09
EXCHANGE RATES									
Exchange rate: Euro l =	Dkk		7.45	7.46	7.45	7.46	7.45	7.45	
Exchange rate: \$ l =	Dkk		6.00	5.94	5.44	5.09	5.36	5.63	
Exchange rate: \$ l =	Euro		0.80	0.80	0.73	0.68	0.72	0.75	
GENERAL									
Population	m		5.42	5.44	5.46	5.49	5.52	5.55	0.5%
Households	m		2.48	2.49	2.49	2.49	2.50	2.50	0.2%
HARDWARE									
TV households	m		2.4	2.4	2.5	2.5	2.5	2.5	0.1%
DVD sector									
DVD Video player/recorder households	m		1.600	2.018	2.186	2.248	2.299	2.359	2.6%
Penetration of TV households	%		65.8	82.6	89.0	90.3	91.9	94.2	
DVD console households	m		0.508	0.539	0.567	0.632	0.697	0.712	2.2%
Penetration of TV households	%		20.9	22.0	23.1	25.4	27.9	28.4	
BD sector									
BD standalone player households	m				0.001	0.013	0.063	0.123	94.6%
Penetration of TV households	%				0.0	0.5	2.5	4.9	
PS3 console households	m				0.042	0.102	0.168	0.237	40.8%
Penetration of TV households	%				1.7	4.1	6.7	9.5	

Total video software market

			2005	2006	2007	2008	2009	2010	10/09
TRADE LEVEL PHYSICAL VIDEO									
Total revenues from video software	Dkk m		1,041.4	1,111.0	1,118.4	1,088.5	1,013.2	880.8	-13.1%
Total revenues from video software	Euro m		139.7	148.9	150.1	146.0	136.1	118.3	-13.1%
Total revenues from retail video	Dkk m		882.4	961.0	972.0	953.9	904.6	782.9	-13.5%
Total revenues from retail video	Euro m		118.4	128.8	130.4	127.9	121.5	105.1	-13.5%
Total revenues from rental video	Dkk m		159.0	150.0	146.5	134.7	108.6	97.9	-9.8%
Total revenues from rental video	Euro m		21.3	20.1	19.7	18.1	14.6	13.1	-9.9%

Video market: Denmark

		2005	2006	2007	2008	2009	2010	10/09
CONSUMER LEVEL PHYSICAL VIDEO								
Total spending on video software	Dkk m	1,915.7	2,019.9	1,793.4	1,794.7	1,807.5	1,585.8	-12.3%
Total spending on video software	Euro m	257.0	270.8	240.7	240.7	242.7	212.9	-12.3%
Total spending on retail video	Dkk m	1,383.7	1,526.3	1,382.9	1,436.1	1,460.4	1,234.8	-15.5%
Total spending on retail video	Euro m	185.6	204.6	185.6	192.6	196.1	165.8	-15.5%
Total spending on rental video	Dkk m	531.9	493.5	410.6	358.6	347.1	351.0	1.1%
Total spending on rental video	Euro m	71.4	66.2	55.1	48.1	46.6	47.1	1.1%

		2005	2006	2007	2008	2009	2010	10/09
CONSUMER LEVEL DIGITAL VIDEO*								
Total spending on digital video	Dkk m	0.6	1.7	3.0	5.2	5.5	9.2	66.6%
Total spending on digital video	Euro m	0.1	0.2	0.4	0.7	0.7	1.2	66.6%

		2005	2006	2007	2008	2009	2010	10/09
CONSUMER LEVEL TVVOD**								
Total spending on TVVOD	Dkk m	28.8	37.5	43.1	46.2	16.3	32.2	97.0%
Total spending on TVVOD	Euro m	3.9	5.0	5.8	6.2	2.2	4.3	97.6%

*The purchase or rental of movies and TV series delivered over the open internet through transactional models (also known as EST, DTO, Internet VOD) or on a subscription basis.

**The delivery of movies and TV content on a transactional (VoD/NVoD/PPV) basis via cable/satellite/IPTV services.

Retail video market

		2005	2006	2007	2008	2009	2010	10/09
Outlets stocking retail video	no	2,100	2,100	2,100	2,100	1,900		
Retail chains with 10 or more outlets	no	19	19	19	19	17		
Kiosks stocking retail video	no	1,000	1,000	1,000	1,000	1,000		

Trade level: DVD retail

Revenues from retail DVD	Dkk m	871.1	961.0	962.7	925.2	850.8	651.2	-23.5%
Revenues from retail DVD	Euro m	116.9	128.8	129.2	124.1	114.3	87.4	-23.5%
Retail DVD shipped to trade	m	15.6	19.7	21.6	22.6	23.8	18.1	-24.1%
Average trade price	Dkk	55.80	48.78	44.50	40.94	35.71	36.00	0.8%
Average trade price	Euro	7.49	6.54	5.97	5.49	4.80	4.83	0.8%
Number of titles released	no	843	1,022	1,388	1,290	1,388		-100.0%

Trade level: BD retail

Revenues from retail BD	Dkk m			7.8	28.7	53.8	131.8	145.0%
Revenues from retail BD	Euro m			1.0	3.8	7.2	17.7	145.0%
Retail BD shipped to trade	m			0.06	0.24	0.56	1.39	150.0%
Average trade price	Dkk			138.69	121.77	96.45	94.53	-2.0%
Average trade price	Euro			18.61	16.33	12.95	12.69	-2.0%

Consumer level: DVD retail

Spending on retail DVD	Dkk m	1,360.8	1,526.3	1,375.1	1,401.0	1,380.0	1,120.1	-18.8%
Spending on retail DVD	Euro m	182.6	204.6	184.6	187.9	185.3	150.4	-18.8%
Retail DVD sold to consumers	m	15.5	17.3	17.4	19.1	19.3	13.3	-31.1%
Average consumer price	Dkk	88.05	88.41	79.03	73.35	71.64	84.39	17.8%
Average consumer price	Euro	11.81	11.85	10.61	9.84	9.62	11.33	17.8%

Consumer level: BD retail

Spending on retail BD	Dkk m			7.6	35.0	80.4	114.7	42.6%
Spending on retail BD	Euro m			1.0	4.7	10.8	15.4	42.5%
Retail BD sold to consumers	m			0.02	0.18	0.39	0.72	86.2%
Average consumer price	Dkk			339.93	200.00	208.90	159.97	-23.4%
Average consumer price	Euro			45.62	26.82	28.05	21.48	-23.4%

Rental video market

		2005	2006	2007	2008	2009	2010	10/09
Video rental outlets	no	1,400	1,500	1,567	1,645	1,880		
Rental chains with 10 or more outlets	no	1	1	1	1	1		
Trade level: DVD rental								
Revenues from rental DVD	Dkk m	155.1	150.0	146.3	131.6	101.9	88.7	-13.0%
Revenues from rental DVD	Euro m	20.8	20.1	19.6	17.6	13.7	11.9	-13.0%
Rental DVD shipped to trade	m	1.07	1.13	1.13	1.02	0.95	0.83	-12.6%
Average trade price	Dkk	144.53	132.97	129.52	129.01	107.30	106.88	-0.4%
Average trade price	Euro	19.39	17.82	17.38	17.30	14.41	14.35	-0.4%
Number of titles released	no	748	810	606	619	558	558	
Trade level: BD rental								
Revenues from rental BD	Dkk m			0.208	3.081	6.6	9.2	38.2%
Revenues from rental BD	Euro m			0.028	0.413	0.9	1.2	38.2%
Rental BD shipped to trade	m			0.002	0.025	0.1	0.2	103.0%
Average trade price	Dkk			139	122	96	95	-2.0%
Average trade price	Euro			18.61	16.33	12.95	12.69	-2.0%
Number of titles released	no			160	280	498	498	
Consumer level: DVD rental								
Spending on DVD rental	Dkk m	525.8	493.5	410.6	357.0	333.9	312.8	-6.3%
Spending on DVD rental	Euro m	70.5	66.2	55.1	47.9	44.8	42.0	-6.3%
DVD rental transactions	m	15.0	14.1	11.7	10.2	9.5	9.0	-5.7%
Average rental price	Dkk	35.00	35.00	35.00	35.00	35.00	34.75	-0.7%
Average rental price	Euro	4.70	4.69	4.70	4.69	4.70	4.67	-0.7%
Consumer level: BD rental								
Spending on BD rental	Dkk m				1.6	13.2	38.2	189.5%
Spending on BD rental	Euro m				0.2	1.8	5.1	189.5%
BD rental transactions	m				0.045	0.377	1.093	189.5%
Average rental price	Dkk				35.00	35.00	35.00	
Average rental price	Euro				4.69	4.70	4.70	0.0%

Source: IHS Screen Digest/IVF

Population and household figures: Economist Intelligence Unit

Note: Distributor level excludes and consumer level includes VAT/sales tax

Blu-ray Disc disc retail top 10

Rank	Title	Distributor
1	Avatar	Twentieth Century Fox
2	Inception	Warner Bros.
3	Iron man 2	Paramount Pictures
4	Alice in Wonderland	Walt Disney
5	2012	Sony Pictures
6	Pigen der Legede Med Ilden	Nordisk Film
7	Luftkastellet Der Blev Sprængt	Nordisk Film
8	Sherlock Holmes	Warner Bros.
9	Op	Walt Disney
10	The Expendables	Mis. Label

Source: Danish Video Association (DVA)

Notes: 1. Ranking based on retail sales by volume
2. Units sold based on available data

DVD retail top 10

Rank	Title	Distributor
1	Avatar	Twentieth Century Fox
2	Pigen Der Legede Med Ilden	Nordisk Film
3	Luftkastellet Der Blev Sprængt	Nordisk Film
4	New Moon	Nordisk Film
5	Op	Walt Disney
6	Eclipse	Nordisk Film
7	Bytte Bytte Købmand	Artpeople
8	Toy Story 3	Walt Disney
9	Inception	Warner Bros.
10	Far Til Fire På Japansk	Scanbox Entertainment

Source: Danish Video Association (DVA)

Notes: 1. Ranking based on retail sales by volume
2. Units sold based on available data

Retail market split

Retail channels	% share DVD	% share Blu-ray Disc
Audio-visual specialists	17.5	16.8
Video rental stores	3.9	14.5
Supermarkets	18.0	16.4
Consumer electronics stores	12.7	19.6
Internet	3.5	3.1
Wholesale	27.5	24.2
Other (Incl. Book stores, clubs)	16.9	5.4

Source: Danish Video Association (DVA)