



Independent ■
Film & Television
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PRESS STATEMENT

DELIVERING THE DIGITAL SINGLE MARKET

IN PARTNERSHIP WITH THE FILM AND AUDIOVISUAL SECTOR IN EUROPE

On 9 February 2016, a delegation representing film and TV producers, world sales companies, distributors, and publishers active in the film and audiovisual landscape in Europe met with European Commission Vice President Ansip to discuss how best to deliver the Digital Single Market while ensuring that it is mutually beneficial to consumers and those whose livelihoods depend on creating, producing, marketing and distributing film and television content in Europe.

Europe has a strong film and audiovisual sector which generated a contribution of EUR 107 billion to the European economy and 1.2 million jobs in 2012. The cornerstone of this sector is the freedom to finance and license works in a mix of different models, partnering with future distribution partners and platforms of different sizes, scope and geographical footprint, adapted to the diverse consumer tastes and preferences across Europe. The ability to deploy the best possible business model for each film or television programme is essential to recoupment of investment and to sustainable film and television production and distribution going forward.

Börje Hansson, FIAPF Vice-President Europe and President/CEO of Bright Pictures:

“Europe’s policy framework should encourage creativity and cultural diversity, both in terms of content offer and in terms of distribution platforms - this is the best solution for European consumers and for the economy. In order to achieve this goal, Europe’s policy framework should promote investment in the production and distribution of creative content, and ensure the best possibilities for recoupment of investment and a fair and adequate reward to all right holders and parties.”

Anders Kjærhauge, Zentropa, Head of Administration and Legal Affairs:

“It is important to understand the finance model of the industry. Pre-sales of future exclusive distribution rights can be as important as 30 to 47% of the total budget of a film or TV production budget. This is money that we have to secure upfront before we can even begin making the actual film.”

Michael Ryan, Chairman of IFTA and partner of GFM Films:

“We support balanced and market-led solutions for portability. However, the draft Regulation - as proposed by the Commission - undermines its own purpose by failing to establish the necessary legal certainty. We are now looking to the Member States and the European Parliament clearly to define the circumstances in which portability is legally available and to ensure that the Regulation does not throw

the licensing and distribution system that is at the core of film and audiovisual financing into confusion so that we can continue to provide European audiences with high quality, diverse and culturally relevant films and television programmes."

Vincent de la Tour, CEO of Twentieth Century Fox of Germany GmbH:

"I want to stress that this isn't a purely European or independent film production issue. Commercial freedom is equally crucial for our local productions and international co-productions. European audiences enjoy having access to a diverse choice of content which is tailored to their specific viewing patterns and preferences."

Background:

Securing the financing needed to even begin making a film relies heavily on commercial freedom: the freedom to co-produce between different countries and to pre-sell future distribution rights on an exclusive basis (platform, time and language versions). To see how important that contribution often is, look at the compilation of case studies of recent European films and TV series such as *The Lobster*, *Amour* and *The Railway Man* – see also www.ivf-video.org.

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