

Spain

Spain: key data

Population	45.7m
TV households	16.4m
DVD Video player/recorder	75.6%
Blu-ray Disc player/recorders penetration	3.5%
Distributor revenues from physical video software	€ 80.7m
Comparison with 2010	-43.2%
DVD/ Blu-ray Disc split	€ 61.7m / € 19m
Video software rental/retail split (%)	10 / 90
Consumer spending on physical video software	€ 259.2bn
Comparison with 2010	-23.1%
DVD/ Blu-ray Disc split	€ 223.2m / € 36m
Video software rental/retail split (%)	29 / 71
Consumer spending on digital video and TV VOD	€ 52.3m
Comparison with 2010	0.8%
Digital video/TVVOD split (%)	89 / 11



DVD and Blu-ray market

In 2011, the Spanish total video market generated a value of EUR 80.7 million, a decrease of 43 per cent compared with 2010. The number of units shipped dropped by 34 per cent, 4.1 million units less than in 2010.

The Spanish DVD retail market decreased drastically in turnover as well as the number of units shipped. The number of units shipped decreased by around 40 per cent.

This was the eighth consecutive year that the Spanish rental market decreased in terms of revenues. In 2011, the turnover of DVD rental market dropped by 28 per cent. The number of units shipped also decreased by 33 per cent. The number of new release titles dropped by 11 per cent.

The Spanish Blu-ray market generated a value of EUR 18.5 million, a decrease of 17 per cent. The numbers of units shipped increased by 7.4 per cent, 1.7 million units were distributed.

In 2011, the Blu-ray rental market had a turnover of EUR 480,800, an increase of 27 per cent, compared to 2010. In 2011, 59 new titles were released and 22,000 units were shipped to trade.

The Blu-ray retail market decreased by 17 per cent or EUR 3.8 million in terms of revenues compared to the previous year. The number of units shipped grew by 7 per

cent and the number of new release titles increased by 22 per cent.

Online services

The online distribution market in Spain is still nascent. Market players are finding it difficult to establish themselves in the current economic climate while also facing high levels of illegal content available on the Internet.

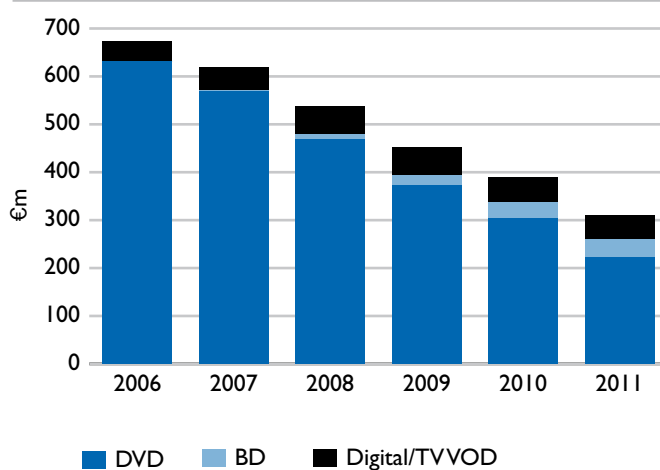
Other relevant developments

Over the last couple of years, Spain has been very badly affected by piracy and the severe economic situation. Spain has been slow in taking legal actions against piracy, but recently the newly elected government (November 2011) approved the “reglamento” (implementation of rogue site blocking legislation). The Spanish home entertainment industry is hopeful that the implementation of the law will help reduce piracy and will open the opportunity to develop a legal online market.

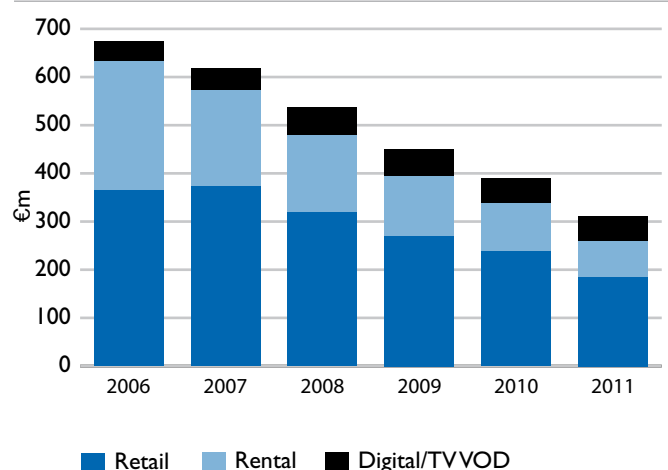
This commentary was provided by UVE, the Spanish Video Association.

Video market: Spain

Consumer spending by format



Consumer spending by sector



		2006	2007	2008	2009	2010	2011	10/11
EXCHANGE RATES								
Exchange rate: \$1 =	Euro	0.80	0.73	0.68	0.72	0.75	0.72	
GENERAL								
Population	m	43.6	44.1	44.5	44.9	45.3	45.7	0.9%
Households	m	15.0	15.3	15.6	15.9	16.1	16.3	1.2%
HARDWARE								
TV households	m	15.3	15.6	15.8	16.0	16.2	16.4	1.1%
DVD sector								
DVD Video player/recorder households	m	10.8	11.6	12.3	12.1	12.3	12.4	1.0%
Penetration of TV households	%	70.5	74.3	77.8	75.6	75.6	75.6	
DVD console households	m	4.3	4.5	4.2	4.1	4.0	3.8	-4.1%
Penetration of TV households	%	28.2	28.6	26.5	25.6	24.7	23.5	
BD sector								
BD standalone player households	m	0.000	0.002	0.02	0.11	0.27	0.58	114.4%
Penetration of TV households	%	0.000	0.013	0.1	0.7	1.7	3.5	
PS3 console households	m		0.4	0.8	1.3	1.8	2.2	25.3%
Penetration of TV households	%		2.7	5.0	8.1	10.8	13.4	

Total video software market

		2006	2007	2008	2009	2010	2011	10/11
TRADE LEVEL PHYSICAL VIDEO								
<i>Total market figures include revenues from legacy formats not broken out separately (eg, VHS, HD-DVD, UMD) where relevant.</i>								
Total revenues from video software	Euro m	300.7	297.6	249.1	166.1	142.0	80.7	-43.2%
Total revenues from retail video	Euro m	221.8	243.6	210.5	144.0	131.0	72.6	-44.6%
Total revenues from rental video	Euro m	78.9	53.9	38.6	22.1	11.0	8.1	-26.4%

Video market: Spain

		2006	2007	2008	2009	2010	2011	10/11
CONSUMER LEVEL PHYSICAL VIDEO								
<i>Total market figures include spending on legacy formats not broken out separately (eg, VHS, HD-DVD, UMD) where relevant.</i>								
Total spending on video software	Euro m	631.1	572.2	479.2	394.3	337.1	259.2	-23.1%
Total spending on retail video	Euro m	364.5	372.4	318.6	270.3	236.8	184.8	-22.0%
Total spending on rental video	Euro m	266.5	199.8	160.6	124.0	100.3	74.4	-25.8%

		2006	2007	2008	2009	2010	2011	10/11
CONSUMER LEVEL DIGITAL VIDEO								
<i>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.</i>								
Total spending on digital video	Euro m	0.0	0.1	0.4	1.0	2.1	5.9	177.1%

		2006	2007	2008	2009	2010	2011	10/11
CONSUMER LEVEL TV VOD								
<i>The delivery of movies and TV content on a transactional (VoD, NVoD/PPV) basis via cable/satellite/IPTV services.</i>								
Total spending on TV VOD	Euro m	42.3	46.5	57.6	55.9	49.8	46.4	-6.7%

Retail video market

		2006	2007	2008	2009	2010	2011	10/11
Outlets stocking retail video	no.	7,250	7,250	7,250	7,250	7,000	5,740	
Retail chains with 10 or more outlets	no.	16	16	16	16	16	13	
Kiosks stocking retail video	no.	20,000	20,000	20,000	19,000	19,000	15,580	

Trade level: DVD retail

Revenues from retail DVD	Euro m	221.8	237.2	199.6	131.4	108.6	54.1	-50.2%
Retail DVD units shipped to trade	m	33.5	30.4	27.1	21.1	17.6	9.5	-46.0%
Average trade price	Euro	6.62	7.80	7.36	6.24	6.16	5.68	-7.7%
Number of titles released	no.	3,396	4,151	2,343	1,569	948	1,124	

Trade level: BD retail

Revenues from retail BD	Euro m	0.016	5.6	10.9	12.6	22.4	18.5	-17.4%
Retail BD units shipped to trade	m	0.001	0.30	0.65	1.0	1.6	1.7	7.4%
Average trade price	Euro	17.64	18.55	16.59	12.01	14.38	11.07	-23.0%
Number of titles released	no.		179	204	248	304	334	

Consumer level: DVD retail

Spending on retail DVD	Euro m	364.5	367.9	307.2	249.2	204.5	150.0	-26.7%
Retail DVDs sold to consumers	m	31.1	29.8	24.6	19.9	16.0	12.8	-20.1%
Average consumer price	Euro	11.73	12.33	12.48	12.51	12.82	11.76	-8.2%

Consumer level: BD retail

Spending on retail BD	Euro m	0.012	3.9	11.1	21.0	32.3	34.8	7.6%
Retail BDs sold to consumers	m	0.000	0.14	0.4	0.9	1.6	2.0	27.7%
Average consumer price	Euro	28.00	28.72	29.13	23.63	20.60	17.37	-15.7%

Rental video market

		2006	2007	2008	2009	2010	2011	10/11
<i>Rental video market data includes both store-based rental and physical rent-by-mail operations where relevant.</i>								
Video rental outlets	no.	5,800	3,700	2,500	2,000	1,500	1,125	
Rental chains with 10 or more outlets	no.	11	11	11	10	10	9	

Trade level: DVD rental

Revenues from rental DVD	Euro m	78.9	53.9	38.6	22.1	10.6	7.6	-28.3%
Rental DVD units shipped to trade	m	3.2	2.0	1.4	0.9	0.5	0.3	-33.0%
Average trade price	Euro	24.71	27.34	26.80	25.25	20.46	21.88	6.9%
Number of titles released	no.	649	547	373	242	212	189	

Trade level: BD rental

Revenues from rental BD	Euro m				0.001	0.38	0.48	26.6%
Rental BD units shipped to trade	m				0.000	0.02	0.02	28.6%
Average trade price	Euro				12.01	21.55	21.22	-1.5%
Number of titles released	no.					21	23	

Consumer level: DVD rental

Spending on DVD rental	Euro m	266.5	199.8	160.6	124.0	99.3	73.2	-26.3%
DVD rental transactions	m	114.9	85.6	69.1	53.4	44.3	34.7	-21.7%
Average rental price	Euro	2.32	2.33	2.32	2.32	2.24	2.11	-5.8%

Consumer level: BD rental

Spending on BD rental	Euro m				0.003	1.0	1.2	18.3%
BD rental transactions	m				0.001	0.4	0.5	18.3%
Average rental price	Euro				2.32	2.32	2.32	

Source: IHS Screen Digest/IVF/UVE

Population and household figures: IHS Global Insight

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