



# HERA MECETES MEETING

November 7th, 2013



**Prof.dr.Caroline  
Pauwels**

**Ilse Schooneknaep**

# Sub-national, national and European context

# Belgium/Flanders basic data

- Name: Koninkrijk België -The Kingdom of Belgium
- Form of government: Federation monarchy with 2 regions (Flanders – Wallonia) Parties: Liberals, socialist, christen democrats, Flemish nationalist, green
- Capital: Brussels
- Size: 30.528 km<sup>2</sup>
- Population: 11 million inhabitants (6.350.765 in Flanders)
- Major cities: Brussels, Antwerp, Gent
- Official languages: Flemish-French-German
- Religion: mainly catholic
- Currency: Euro
- Cultural funds on regional level
- Film and television culture is region specific, both regions have their own genres and consumption patterns

# Flanders Film data

- Vlaams Audiovisueel Fonds: annual budget of 13.000.000 euro
- Average support pr film:
- Average yearly productions: 10-15
- Average production budget: 1.250.000 euro (maximum was 5 million)
- Number of cinemas: 461 (234 in Flanders), 20 multiplexes
- American share: 70%
- National share: 9,35% ( equals an audience of 1.462.158 )
- Film funds organised on a regional level
  - Vlaams Audiovisueel Fonds / Screen Flanders/Mediafonds
  - Le Centre du Cinéma et de l'Audiovisuel/ Wallimage-Bruxellimage
  - Tax shelter organised on a national level

Source: Vlaams Audiovisueel Fonds, BAM

**Alfie The Little Werewolf** (2011): *BosBros (NL), Ciné Cri de Coeur (BE)*

**The Artist** (2011): *La Petite Reine (FR), Studio 37 (FR), La Classe Américaine (FR), JD Prod (FR), France 3 Cinéma (FR), Jouror Productions (FR), uFilm (BE)*

**Black Venus** (2010): *MK2 (FR), France 2 Cinéma (FR), Ciné+ (FR), Soficinéma 5 (FR), Artémis Productions (BE)*

**Bullhead** (2011): *Savage Film (BE), Eyeworks Film & TV Drama (BE), Waterland Film (NL), Artémis Productions (BE)*

**Come As You Are** (2011): *Fobic Films (BE)*

**Crazy About Ya** (2010): *Eyeworks Film & TV Drama (BE)*

**Double Life** (TV series, 2010): *Eyeworks Film & TV Drama (BE), VRT (BE)*

**The Expatriate** (2012): *Informant Films Europe (BE), Informant Media (USA), Expatriate Films (CA), uFilm (BE)*

**The Girl with Nine Wigs** (2012): *Goldkind Film (DE), Degeto Film (DE), Universum Film (DE), Scope Pictures (BE)*

**The Invader** (2011): *Versus Production (BE), Prime Time (BE)*

**Madly in Love** (2010): *Caviar Films (BE), JWP Scholte Beheer & Incredible Film (NL)*

**Madonna's Pig** (2011): *Caviar Films (BE), Climax Films (BE)*

**Minuscule 2** (animated TV series, 2011): *Futurikon (FR), Vivi Film (BE), Nozon (BE)*

**A Monster in Paris** (2011): *Europacorp (FR), Bibo Films (FR), France 3 Cinéma (FR), Walking The Dog (BE), uFilm (BE)*

**Mr. Morgan's Last Love** (2012): *Bavaria Pictures (DE), Elzevir Films (FR), Kaminski Stiehm Film (DE), Senator Film (DE), Sidney Kimmel Entertainment (USA), Scope Pictures (BE)*

**Oxygen** (2010): *A Private View (BE), Lemming Film (NL)*

**Parade's End** (TV series, 2012): *Mammoth Screen (UK), BBC Wales (UK), HBO Miniseries (USA), Trademark Films (UK), BBC Worldwide (UK), Lookout Point (UK), Anchorage Entertainment (BE), VRT (BE), BNP Paribas Fortis Film Fund (BE), Mollywood (BE)*

**Zigzag Kid** (2012): *BosBros (NL), N279 Entertainment (NL), Prime Time (BE)*

## Examples of coproduction with Belgium

# Flanders Television data

- TV industries: also organised regional ( two PSB, commercial broadcasters)
- Public Service Channel: VRT
  - 3 channels: Eén, Canvas, Ketnet/OP12
  - Yearly budget: 293, 4 million euro
  - Market share: 42,8 % = absolute dominant position of PSB
  - Inhouse productions + cooperation with external productions firms
- Commercial channels
  - Medialaan: VTM, 2BE, Vitaya (biggest commercial channel:24, 6%)
  - SBS: VIER, VIJF
  - Wide range of small digital niche channels: Acht, Ment, Lifetv
- Wallonia: reverse situation
  - Commercial broadcaster RTL holds biggest market share:
  - PSB :RTBF

# European audiovisual policy: pending issues

- Creative Europe
- Greenpaper connected TV
- Copyright
- Windows

...

Pending issues difficult to settle before the European election 25/05/2014 !

# Creative Europe

- Final stage of voting: Parliamentary Cultural Commission approved, final vote November 19<sup>th</sup>
- 2014-2020: 1,5 billion euros
- Seize the opportunities of globalisation, digitalisation, difficult access to finance and market fragmentation.
- 56% MEDIA , 31% Culture, 13% Cross-Sectoral
- NEW: support for audience development, support for stand alone video games
- Leading role for media literacy



# Greenpaper Connected TV

- On-going transformation of the audiovisual media landscape: increased convergence TV/Internet
- Seize the opportunity of this changing technological environment to ensure the widest possible access to EU diversified content for all Europeans: Legally accessible
- Need for a big enough market to grow, competitive environment, a willingness to change business models, interoperability and adequate infrastructure
- EU needs to put these elements into place while fostering values underpinning the regulation

# Greenpaper Connected TV

- Technology can overcome obstacles of national restrictions
- Changes to copyright, competition, standardization, infrastructure, media pluralism
- Need for new advertising rules, regulatory framework, new methods to protect minors and provide accessibility for persons with disabilities
- Need for new business models that foster export of national products
- Also exploring new financing mechanism for audiovisual content

# Copyright

- Digitalisation puts copyright on the frontline

Who holds the rights ? What about the intermediates?

- Clash between guaranties for consumer access and protection of right holders
- Piracy causes global discussions (e.g SOPA, ACTA)
- Rapid adaptations of legislation needed for cross-border portability of content, user-generated content, data- and text-mining, private copy levies, access to audiovisual works and cultural heritage.
- The task of the European Commission:
  - enforce the “acquis” on copyright and related rights
  - to advance it further and to modernise
  - adapt it to new developments in technology or the markets concerned as this is an evolving scenario

# Copyright

- Issues that are being discussed
  - mitigating the effects of territoriality in the Internal Market
  - agreeing appropriate levels of harmonisation, limitations and exceptions to copyright in the digital age
  - how best to reduce the fragmentation of the EU copyright market
  - how to improve the legitimacy of enforcement in the context of wider copyright reform.

# Windows

- Across the EU (+ US), trend towards windows of shorter length, esp. theatrical window:
  - ⇒ VoD platforms: more attractive offer (in particular vs. piracy)
  - ⇒ Rights holders: increase market impact
  - ⇒ Consumers: increase choice
- Yet shorter windows clash with:
  - Optimal situation for some of the stakeholders (e.g. cinemas, TV)
  - Existing (pre-)financing relations

# The Reshuffle of the release windows system in the EU

- Different definitions and level of detail across the EU
  - Length of exclusive theatrical window circa 3-5 months, generally followed by DVD window
  - Transactional VoD coincides with DVD
  - SVoD/Free VoD:
    - Often not explicit in framework
    - Much later in time
- ⇒ Not so much room for manoeuvre to apply release windows in a flexible way

# Windows need for policy interventions

- Interventions to provide a better environment for VoD services
  - Fight against piracy, provide legal and user friendly offers
  - Development of physical infrastructure
  - Support for technical standards
  - Support for the acquisition of content
    - E.g. digitisation of (archive) titles
- Interventions in terms of the EU's competitive environment for VoD
  - Ambiguous and/or contradictory statements
  - National media chronology systems tied closely to national traditions
    - Ability of the market to adapt to new consumer demands
    - A few interviewees propose to increase flexibility through a gradual approach
    - Some players affected by too long holdbacks

# Windows need for policy interventions

- Interventions to promote cross-border activities
  - Further regulatory harmonisation
  - Financial support for VoD offers
    - The MEDIA programme
    - Support for marketing purposes
    - Targeted support for subtitling and dubbing

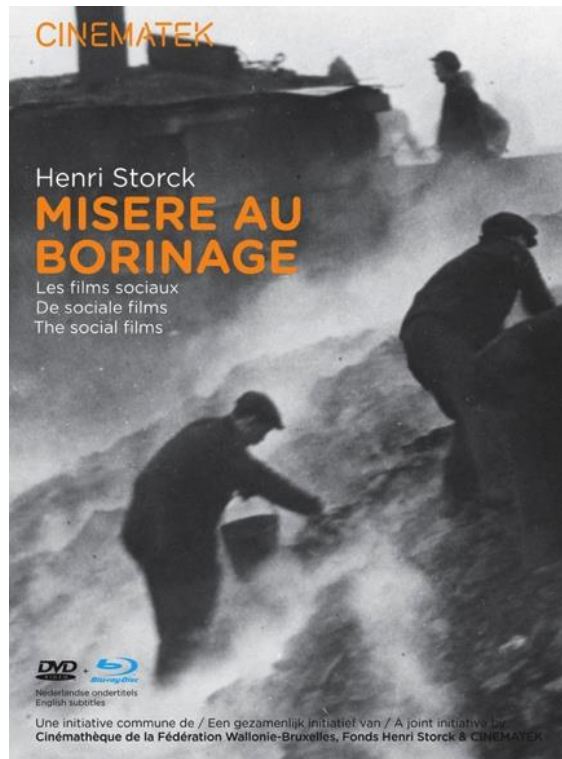


# Flemish Film and television fiction: short historical overview

# Early days of cinema

Focus on documentary

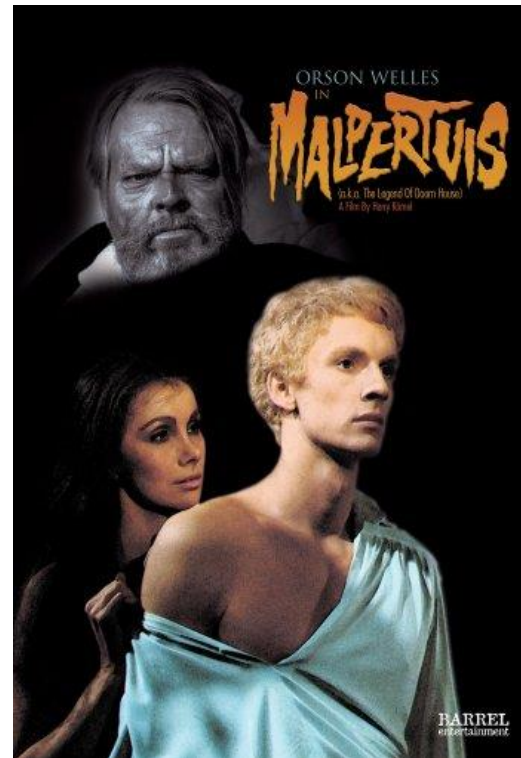
Fictions mainly dealing with rural life



# Start of Government support

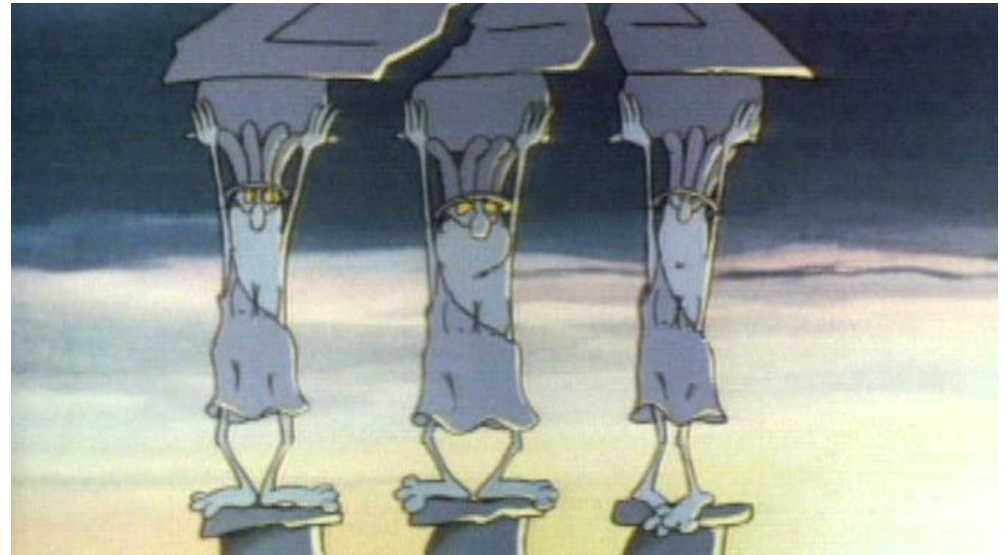
◦ 60's, small budget

Political struggle Flanders -Wallonia





Qualitative  
production of  
animation (Servais,  
Van Goethem,  
nWave)

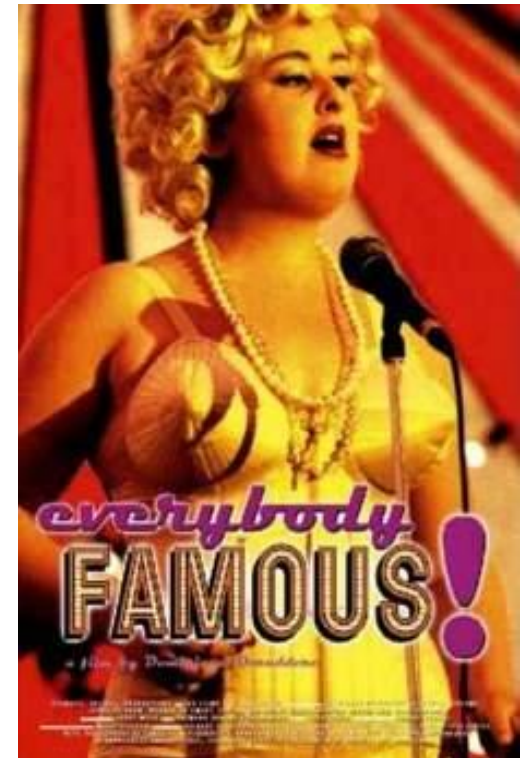


# The Eighties and Nineties

Still political struggle 2 regions

Films are mainly comedies, peasant stories

Politics hold grip on film funds



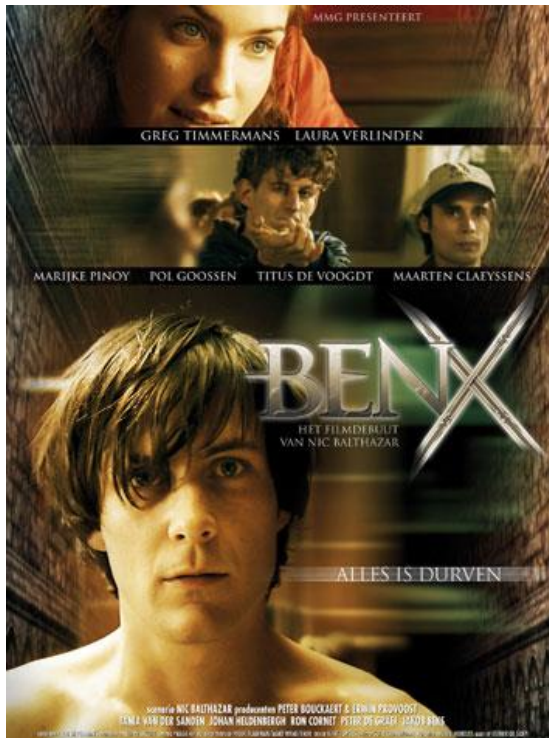
# Redefinition of the film fund (VAF 2003)

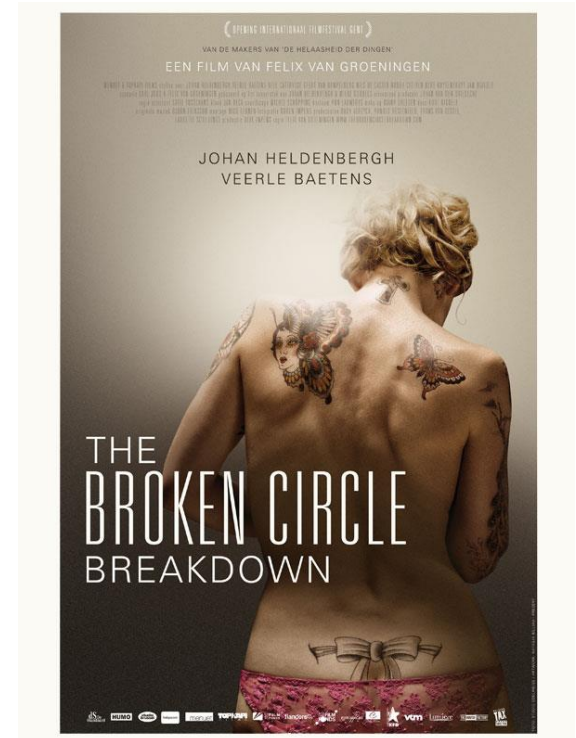
Increasing market share 6% -> +- 20%

Professionalism on all levels, education, coproductions

Policy provides necessary funds and framework

Improvement of market conditions: tax shelter



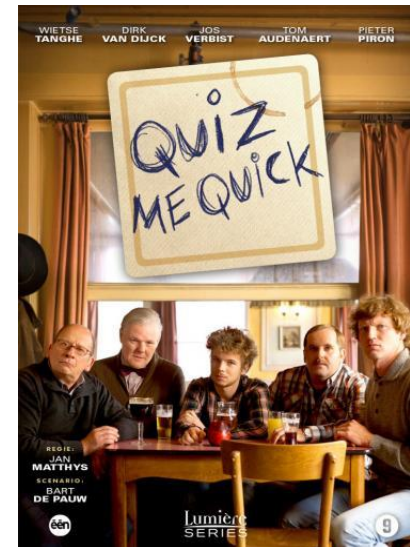
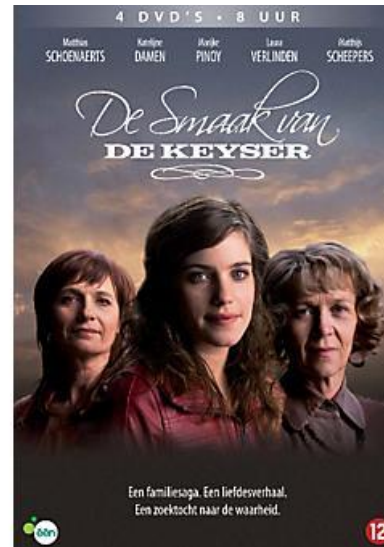


# Television fiction

Quality improvement

Positive influence on Flemish Film

Exchange of professionals





# Phd Outline Ise

# Phd Outline Ilse Schooneknaep

“When the distribution channels improve,  
cross-border circulation and cultural  
encounters improve”

- Policy driven research
- Dealing with the “digital story”:
- Focus on the windows, copyright and competition policy

# Methodology

- Literature Review
- Desk research e.g differentent VOD options
- Interviews with stakeholders and policy makers
- Analysis of policy texts
- ...

# First draft of the framework

- Chapter 1
  - Historical viewpoint, the priorities of the policy makers in history
  - European objectives to obtain cultural encounters
- Chapter 2
  - New technologies same European dream
  - Digital distribution anno 2014: what can the consumer chose from?
  - Different methods, systems, barriers,...
- Chapter 3
  - Digital European policy
  - How are situation like Netflix are dealt with