UK/European Film Co-productions:

A Model for Creativity?

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Huw D Jones & Andrew Higson

Mediating Cultural Encounters through European Screens (MeCETES) project

University of York

huw.jones@york.ac.uk

andrew.higson@york.ac.uk

www.mecetes.co.uk

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Introduction

This paper focuses on one of key features of contemporary European cinema – international co-productions. These are films produced by two or more production companies from different countries.

Transnational collaborations first emerged with the Film Europe movement of the 1920s and early 1930s (Higson & Maltby 1999). The first official co-production treaty was signed between France and Italy in 1949 (Jäckel 1996: 86). However, transnational co-productions have taken on particular significance since the late-1980s. With the fall of the Berlin Wall and the formal creation of the European Union (EU), they have become bound up with the broader process of European integration. In 1988, the Council of Europe created the Eurimages fund to support European co-productions. A few years later, the European Convention on Cinematographic Co-Production came into force. Meanwhile, the EU established its MEDIA programme (now known as Creative Europe) to support Europe's film and audiovisual industries.

Such schemes can be seen as a pragmatic response to the inherent structural problems within the European film industry. Co-productions allow filmmakers to pool financial resources; apply for incentives and subsidies from partner countries; access partner markets; and exploit lower production costs (Hoskins et al 1995). Yet they also have an important cultural or creative dimension. Co-productions by definition involve transnational co-operation and enable films that transcend national and cultural boundaries to be made and circulate within Europe. As such, they are closely aligned with the wider European project.

With this in mind, our paper focuses on recent British co-productions involving European partners. This makes for an interesting case-study because of all the major European players the UK is perhaps the most ambivalent in its relationship to the rest of Europe but also the most developed in terms of its relationship with the American market. Our focus is limited to majority British co-productions – that is, films in which Britain is the dominant partner financially – including both official and unofficial or informal co-productions. We evaluate the extent to which these co-productions are genuinely creative partnerships and consider how this might affect their circulation within the UK and the rest of Europe. In other words, does the co-production arrangement constitute a model for transnational creativity? Our approach in this particular paper is primarily quantitative, for we deem it is necessary to understand the broader trends in funding, production, distribution and box office before going on to the next stage of our research – the in-depth qualitative analysis of specific case-study films.

The UK film industry and Europe

Let us begin by looking at how the British film industry relates to the rest of Europe. On the one hand, Europe is a major market for British films. In 2012, the UK had a 10.2% share of EU cinema admissions (European Audiovisual Observatory 2013: 19). Six of the EU's top 25 European films that year were British, including films backed by US studios, such as Skyfall (Ibid: 20).

On the other hand, British producers look primarily to the US for revenue and investment. In 2012, UK films earned $1.7bn in the North American box office – more than twice the revenue generated within Western Europe (BFI 2013: 71). 67% of the UK film production spend in 2012 was on films backed by US studios, while less than 3% involved companies based in Europe and the rest of the world (BFI 2013: 185). Meanwhile, 72% of the films watched in UK cinemas are American, compared with 25% for British films (including films backed by US studios) and only 1.5% for non-domestic European films.

UK/European co-productions

Despite this ambivalence towards Europe, many British producers do make films with European partners. According to figures from the European Audiovisual Observatory (2000-12), Britain produced about 17 majority co-productions per year between 2000 and 2012. That represents about 14% of the films produced in the UK each year – slightly below than the European average of 17%. Most of these involved European partners. In terms of UK production spend, majority British co-productions average £43.9m per year (BFI 2013: 184). Thus UK/European co-productions represent a small but important aspect of the British film industry.

What is more, our analysis of European cinema admissions data shows that UK/European co-productions travel better within Europe than films which are 100% British. Firstly, they circulate more widely (figure 1). On average UK/European co-productions are released in 10.2 of the 36 European territories surveyed, compared with 6.1 for domestic features.

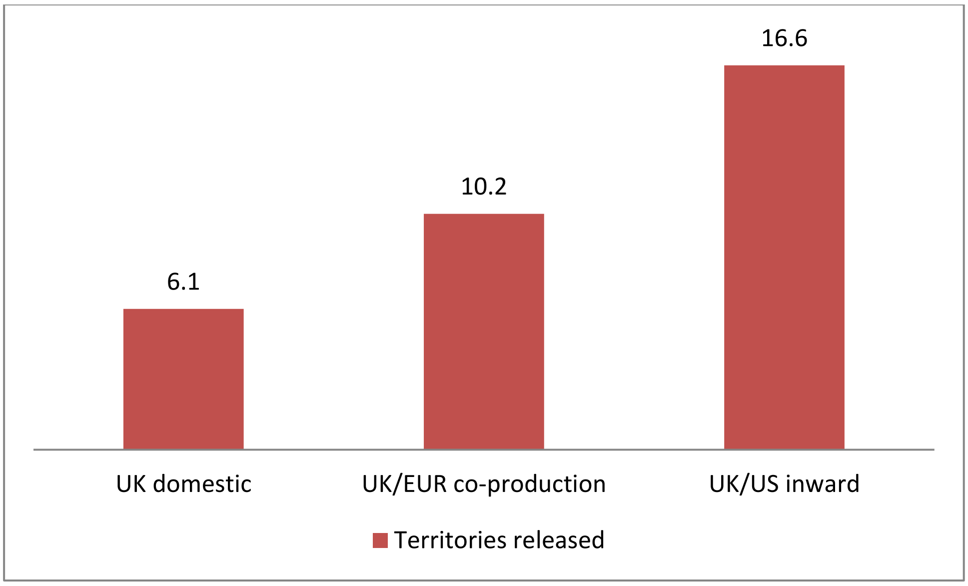

Figure 1. Average (mean) number of territories released. (Source: LUMIERE)

Secondly, UK/European co-productions sell eight times more cinema tickets on mainland Europe than UK domestic features (figure 2). Yet within the UK market, the reverse is true - domestic features sell almost four times more tickets in Britain itself than UK/European co-production. This differs from the findings of a 2008 study by the European Audiovisual Observatory – which found that for most countries European co-productions outperform domestic features both at home and abroad (Kanzler at al 2008).

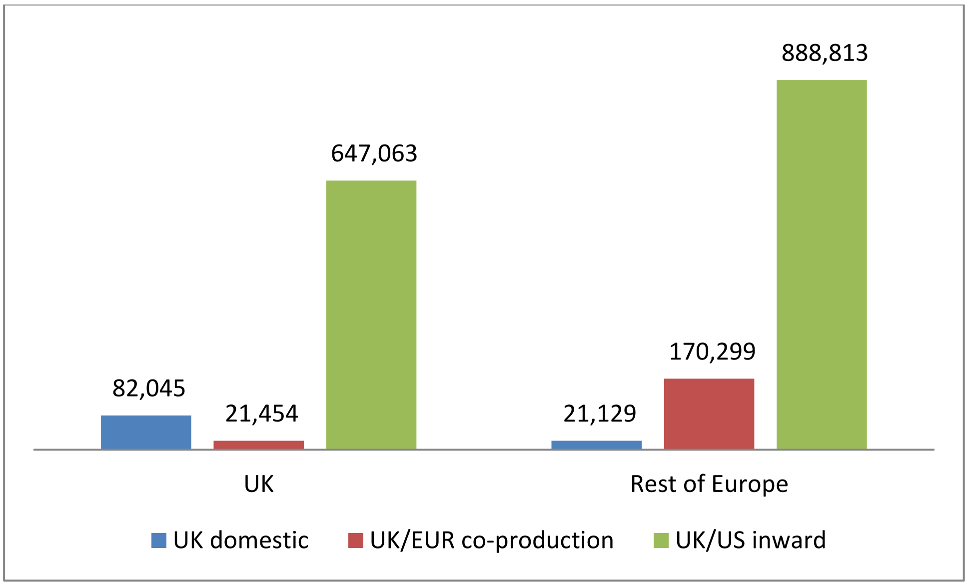

Figure 2. Median average performance of British films in the UK and the rest of Europe, 2005-12. (Source: LUMIERE)

This raises the question of why UK/European co-productions perform so much better than domestic features in mainland Europe yet worse in the UK itself. Is it because such films are more culturally European, or is it because their co-production partners ensure these films have bigger budgets and better access to foreign markets?

Evaluating creative input

To answer these questions we selected a random sample of 25 UK/European co-productions. We then quantified how much creative input came from each of the other co-producing countries, using an adapted version of the British cultural test for film as a guide (figure 3). The British cultural test for film is the UK government's official test used to determine whether a film is eligible for UK film tax relief (BFI 2014). Up to 31 points were awarded in each of the following categories:

- Cultural content (18 points) – the setting (4), lead characters (4), subject matter (4) and language of the film (6);
- Cultural hub (5 points) – where principal photography (4) and post-production (1) took place; and
- Cultural practitioners (8 points) – the nationality of the director (1), scriptwriter (1), producer (1), composer (1), lead actors (1), cast (1), key staff (1), and (1) crew.

		Cultural Content (max 18)					Cultural Hub (max 5)					Cultural Practitioners (max 8)					Overall					
Film title (language)	**Partnership**	**UK**	**Co2**	**Co3**	**Co4**	**Other**	**UK**	**Co2**	**Co3**	**Co4**	**Other**	**UK**	**Co2**	**Co3**	**Co4**	**Other**	**UK**	**Co2**	**Co3**	**Co4**	**Other**	**Total**
360 (XX)	UK/Austria/France/Brazil	6.0	4.0	4.0	4.0	0.0	1.5	2.0	1.0	0.0	0.5	3.0	1.5	0.5	2.0	1.0	10.5	7.5	5.5	6.0	1.5	31
Albert Nobbs (EN)	UK/Ireland	0.0	18.0	0.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	2.0	3.5	0.0	0.0	2.5	2.0	26.5	0.0	0.0	2.5	31
Angel (EN)	UK/France/Belgium	18.0	0.0	0.0	0.0	0.0	1.0	1.0	3.0	0.0	0.0	3.8	3.8	0.3	0.0	0.0	22.8	4.8	3.3	0.0	0.0	31
Chéri (EN)	UK/Germany/France	6.0	0.0	12.0	0.0	0.0	2.0	1.5	1.5	0.0	0.0	4.8	0.8	2.3	0.0	0.0	12.8	2.3	15.8	0.0	0.0	31
Copying Beethoven (EN)	UK/Hungary	6.0	0.0	0.0	0.0	12.0	1.5	3.5	0.0	0.0	0.0	3.0	2.0	0.0	0.0	3.0	10.5	5.5	0.0	0.0	15.0	31
Dreams of a Life (EN)	UK/Ireland	18.0	0.0	0.0	0.0	0.0	2.0	3.0	0.0	0.0	0.0	7.0	1.0	0.0	0.0	0.0	27.0	4.0	0.0	0.0	0.0	31
Earth (EN)	UK/Germany/USA	7.0	1.0	2.0	0.0	8.0	1.3	1.0	0.3	0.0	2.3	5.0	1.3	1.3	0.0	0.3	13.3	3.3	3.7	0.0	10.7	31
Flawless (EN)	UK/Luxembourg	18.0	0.0	0.0	0.0	0.0	2.0	3.0	0.0	0.0	0.0	5.0	1.0	0.0	0.0	2.0	25.0	4.0	0.0	0.0	2.0	31
Guy X (EN)	UK/Canada/Iceland	6.0	0.0	0.0	0.0	12.0	1.0	2.0	2.0	0.0	0.0	4.3	1.8	1.8	0.0	0.0	11.3	3.8	3.8	0.0	12.0	31
I, Anna (EN)	UK/Germany/France	18.0	0.0	0.0	0.0	0.0	3.5	1.5	0.0	0.0	0.0	5.8	1.3	0.8	0.0	0.0	27.3	2.8	0.8	0.0	0.0	31
It's a Free World... (EN)	UK/German/Spain/Italy	15.0	0.0	0.0	0.0	3.0	4.0	0.0	0.0	0.0	1.0	8.0	0.0	0.0	0.0	0.0	27.0	0.0	0.0	0.0	4.0	31
L'illusioniste (FR)	UK/France	9.0	9.0	0.0	0.0	0.0	3.5	1.5	0.0	0.0	0.0	3.0	5.0	0.0	0.0	0.0	15.5	15.5	0.0	0.0	0.0	31
Looking for Eric (EN)	UK/Belgium/France/Italy	16.0	0.0	2.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	6.8	0.3	0.8	0.3	0.0	27.8	0.3	2.8	0.3	0.0	31
Love and Other Disasters (EN)	UK/France	13.0	0.0	0.0	0.0	5.0	3.0	2.0	0.0	0.0	0.0	3.5	2.5	0.0	0.0	2.0	19.5	4.5	0.0	0.0	7.0	31
Mr. Nice (EN)	UK/Spain	16.0	2.0	0.0	0.0	0.0	4.0	1.0	0.0	0.0	0.0	5.5	1.5	0.0	0.0	1.0	25.5	4.5	0.0	0.0	1.0	31
Nightwatching (EN)	UK/Netherlands/Poland/Canada	6.0	12.0	0.0	0.0	0.0	1.3	1.8	1.3	0.5	0.0	3.6	1.4	1.9	1.1	0.0	10.9	15.3	3.3	1.6	0.0	31
Peter and the Wolf (EN)	UK/Poland/Norway/Mexico	0.0	0.0	0.0	0.0	18.0	0.5	4.0	0.5	0.0	0.0	3.5	1.5	0.0	0.0	3.0	4.0	5.5	0.5	0.0	21.0	31
Revolver (EN)	UK/France	11.0	0.0	0.0	0.0	7.0	3.0	2.0	0.0	0.0	0.0	5.5	2.5	0.0	0.0	0.0	19.5	4.5	0.0	0.0	7.0	31
Route Irish (EN)	UK/France/Belgium/ Spain	16.0	0.0	0.0	0.0	2.0	4.0	0.0	0.0	0.0	1.0	8.0	0.0	0.0	0.0	0.0	28.0	0.0	0.0	0.0	3.0	31
Shadow Dancer (EN)	UK/Ireland/France	18.0	0.0	0.0	0.0	0.0	3.0	2.0	0.0	0.0	0.0	6.0	2.0	0.0	0.0	0.0	27.0	4.0	0.0	0.0	0.0	31
Shooting Dogs (EN)	UK/Germany	14.0	0.0	0.0	0.0	4.0	1.5	0.5	0.0	0.0	3.0	5.5	1.5	0.0	0.0	1.0	21.0	2.0	0.0	0.0	8.0	31
Son of Rambow: A Home Movie (EN)	UK/France	16.0	2.0	0.0	0.0	0.0	4.5	0.5	0.0	0.0	0.0	7.5	0.5	0.0	0.0	0.0	28.0	3.0	0.0	0.0	0.0	31
The Mighty Celt (EN)	UK/Ireland	18.0	0.0	0.0	0.0	0.0	4.0	1.0	0.0	0.0	0.0	5.0	3.0	0.0	0.0	0.0	27.0	4.0	0.0	0.0	0.0	31
The Queen (EN)	UK/France/Italy	17.0	1.0	0.0	0.0	0.0	4.0	1.0	0.0	0.0	0.0	7.0	1.0	0.0	0.0	0.0	28.0	3.0	0.0	0.0	0.0	31
The Secret of Moonacre (EN)	UK/Hungary/France	18.0	0.0	0.0	0.0	0.0	3.0	2.0	0.0	0.0	0.0	5.5	2.5	0.0	0.0	0.0	26.5	4.5	0.0	0.0	0.0	31
Tinker Tailor Soldier Spy (EN)	UK/France/Germany	16.0	1.0	0.0	0.0	1.0	2.0	0.0	0.0	0.0	3.0	6.0	0.0	0.0	0.0	2.0	24.0	1.0	0.0	0.0	6.0	31

Figure 3. Creative input into random sample of 25 UK/European co-productions by category.

Our results show that about two-thirds of the creative input that went into UK/European co-productions could be attributed to Britain (figure 4). To put it another way, one-third of their creative input – 31% of their cultural content, 49% of the photography or post-production and 36% of the cultural practitioners who worked on these films – came from outside the UK. However, only 23% of this 'foreign' input could be attributed to the co-production partners – 12% came from other sources. In other words, UK/European co-productions involve relatively little creative input from their European co-production partners.

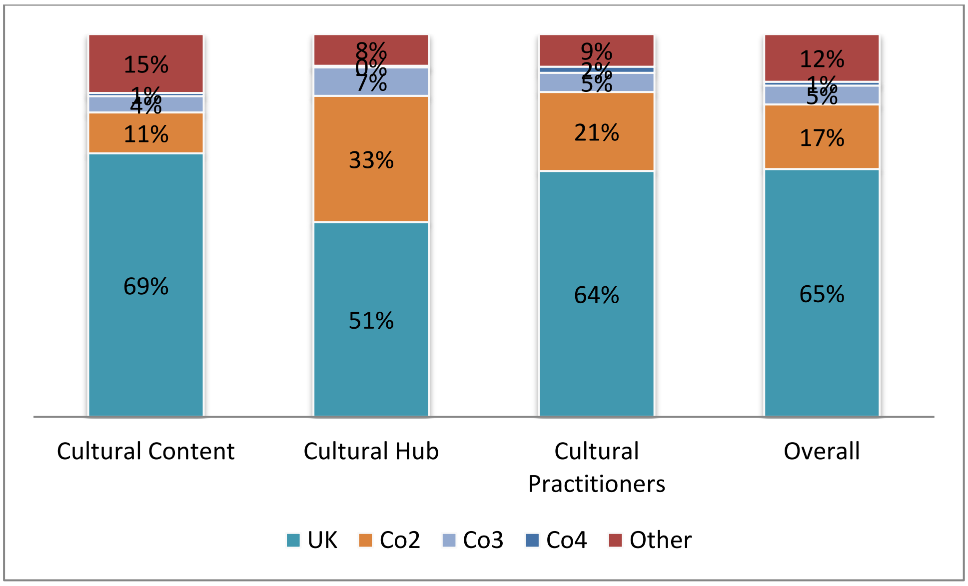

Figure 4. Average creative input into UK/European co-productions by producer country.

That said, the level of foreign creative input varied considerably. About a quarter of the films in our sample involved little or no creative input from any of the co-production partners. This was notably the case with films by the British director Ken Loach, such as *Route Irish*. This may seem surprising, because Loach's production company, Sixteen Films, has mastered the art of putting together transnational co-production deals. However, Loach's predilection for politically contentious subjects means he will only work with partners who trust him as an auteur and allow him absolute creative freedom.

At the other extreme are a small number of films like Peter Greenaway's *Nightwatching* which involve a high level of creative input from the co-production partners. These can be considered genuine creative partnerships, wherein a British filmmaker has specifically looked for a foreign European partner in order to achieve their creative vision. *Nightwatching*, for example, focuses on the life of the Dutch painter Rembrandt. It is therefore understandable that Greenaway would choose a Dutch co-production partner to work with.

A third group of films are those which involve a high degree of foreign creative input which cannot be attributed to any of the co-production partners. *Copying Beethoven*, for example, is a fictionalised account of the relationship between the German composer Beethoven and a female collaborator. It is set in Vienna, but none of the co-production partners are Austrian or German. Instead, the film was made with a Hungarian co-production partner. This is because Hungary has Hapsburg-era buildings which could stand in for Vienna, yet also offers cheaper labour costs and generous tax breaks.

The final and largest group of films are ones which are largely culturally British but involve some creative input from their co-production partner. Sometimes of this involvement is essential to the storyline. *Mr. Nice*, for example, involves scenes where the Welsh drug smuggler Howard Marks flees to Spain. Understandably, then, the film involved a Spanish co-producer. For other films in this group, the co-producer's creative input has more to do with finance than script requirements. Some of the studio scenes for the British crime thriller *I, Anna*, for example, were shot in Germany. Yet this was done purely to obtain subsidies from the Schleswig-Holstein Film Fund. It had no noticeable impact on the film's content.

If we look at how these different types of co-productions perform, we see that films with a low level of creative input from their co-production partners do slightly better ($p=-0.25$) in the UK box office than films with a high level of foreign creative input (figure 5). However, the level of creative input from the co-production partner appears to make little difference ($p=-0.11$) to how the film performs in the rest of Europe. In other words, we cannot say that films which may be described as 'culturally European' appeal to audiences in mainland European more than ones which are 'culturally British'.

		Cinema admissions	
Film Title	**Total creative input**	**UK**	**Rest of Europe**
Albert Nobbs (EN)	85%	62030	383154
Nightwatching (EN)	65%	5288	122084
360 (XX)	61%	16499	170299
Chéri (EN)	59%	75835	631797
L'illusioniste (FR)	50%	156758	480997

Angel (EN)	26%	6934	333297
Guy X (EN)	25%	11075	477
Earth (EN)	23%	14357	6374680
Peter and the Wolf (EN)	19%	0	206913
Copying Beethoven (EN)	18%	7387	421444
Love and Other Disasters (EN)	15%	0	462726
Mr. Nice (EN)	15%	132192	148438
Revolver (EN)	15%	446521	263930
The Secret of Moonacre (EN)	15%	173592	468185
Dreams of a Life (EN)	13%	29087	0
Flawless (EN)	13%	5680	278980
Shadow Dancer (EN)	13%	126060	23584
The Mighty Celt (EN)	13%	11504	0
I, Anna (EN)	12%	8491	11510
Looking for Eric (EN)	10%	241634	1087149
Son of Rambow: A Home Movie (EN)	10%	808788	76575
The Queen (EN)	10%	1617836	3917877
Shooting Dogs (EN)	6%	33202	83694
Tinker Tailor Soldier Spy (EN)	3%	2343577	2679032
It's a Free World... (EN)	0%	0	877047
Route Irish (EN)	0%	11009	161991
Pearson's rank		*-0.25*	*-0.11*

Figure 5. Correlation betwen co-producer's creative input and cinema admissions. (Source: LUMIERE)

Financial and other inputs

This suggests other factors must explain why UK/European co-productions perform better than purely domestic films in the European market. One key factor is certainly budget. Big budget films can attract larger audiences with higher production values, better-known stars and greater publicity. Our own analysis of European cinema admissions shows a strong positive correlation (p=0.81) between budget size and how a film performs in the box office. The UK/European co-productions in our sample have a median average budget twice that of UK domestic features (figure 6). This is presumably because the different partners are able to pool their financial resources and obtain subsidies and tax credits from their respective national territories. For instance, two-thirds of UK/European co-productions received some form of public investment, compared with only half of domestic films. 42% had two or more public investors.

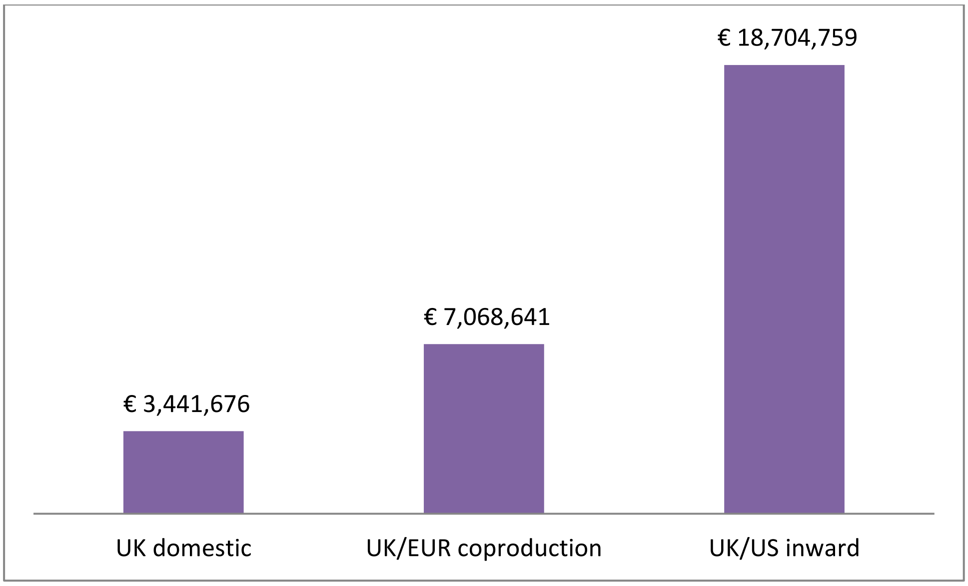

Figure 6. Average (median) budget of British films, 2005-12. (Source: IMDb)

Nevertheless, while a bigger budget might explain why UK/European co-productions outperform domestic features overall, it doesn't explain why they have lower average admissions in the UK itself. This is where genre may come in. Our analysis of European cinema admissions shows that action/adventure, fantasy/sci-fi, family and documentary are all genres of British film which tend to perform better on mainland Europe than within the UK itself (figure 7). By contrast, British comedies do significantly better in the UK than in the rest of Europe, presumably because their humour is often culturally-specific. This is corroborated by a recent European Commission (2014: 183) report on European film audiences, which found that animations, family and adventure films travelled best within Europe, whilst comedies travelled worst.

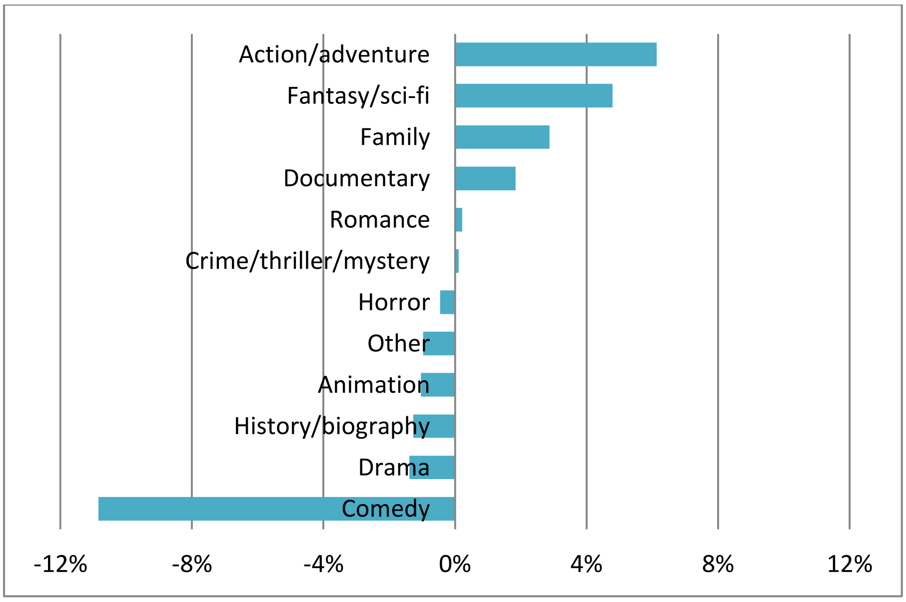

Figure 7. Percentage difference in the overall performance of British films in UK and rest of Europe by genre. (Source: LUMIERE/IMDb)

Now if we compare the genre profile of UK/European co-productions against purely domestic features, we see that the latter produces twice as many comedy films (figure 8). This goes some way to explaining why British domestic films perform better in the UK box office than UK/European co-productions, yet worse in mainland Europe.

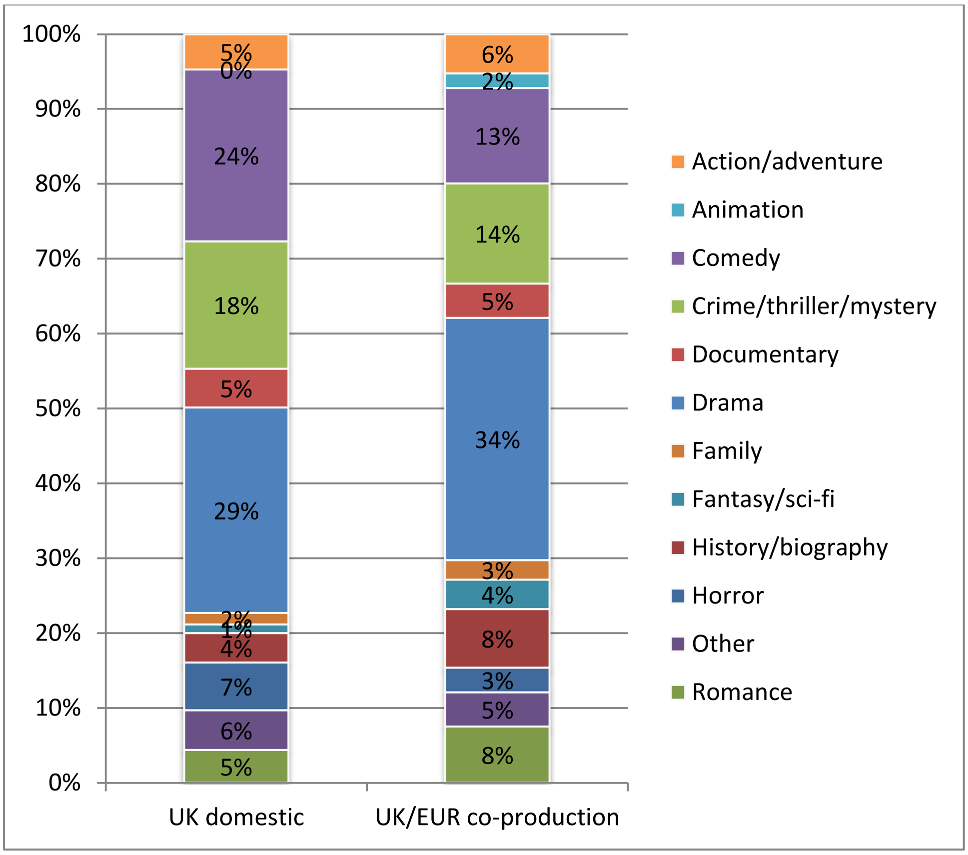

Figure 8. Genre profile of British films produced 2005-12. (Source: IMDb)

Finally, there is the role of sales agent and distributors. These 'gatekeepers' play a key role in determining the distribution of films in European cinemas. 33% of the UK/European co-productions in our sample had a French or German sales agent, compared with only 12% of UK domestic films (figure 9). Such agents are likely to have better links with distributors on mainland Europe, though may be less well-connected in British market. This may help explain why UK/European films perform better on the Continent than in UK itself. However, to truly answer this question, we need to build upon our statistical evidence base by interviewing some of the key industry players involved in the production and distribution of these films as well as get the perspective of audiences – which will be the next stage our research.

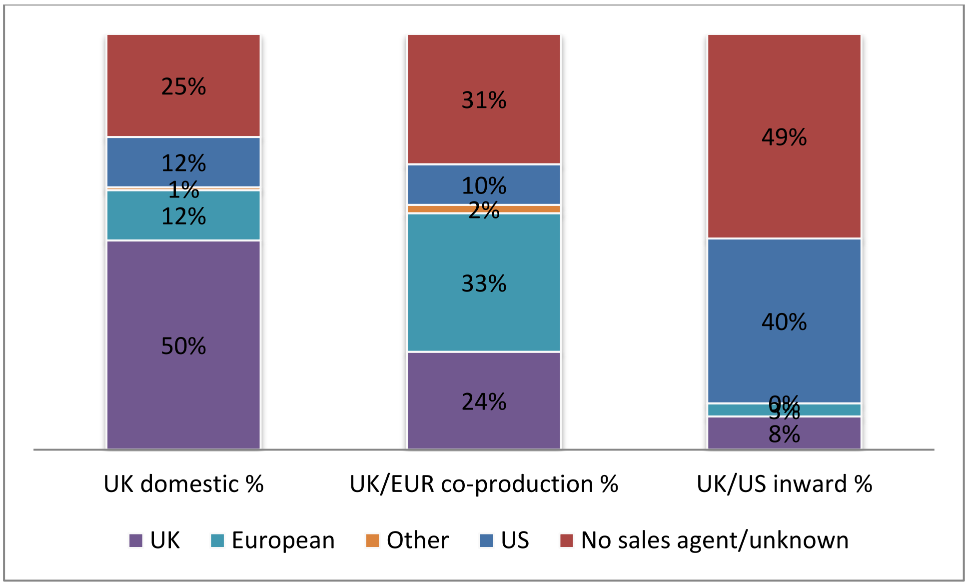

Figure 9. Nationality of sales agents attached to British films, 2005-12. (Source: BFI)

Conclusion

Despite Britain's ambivalence towards Europe, UK co-productions with European partners represent a small but important part of the British film industry. Such films perform better in the European market than purely domestic features – they circulate to more territories and have higher average box office admissions. Yet this has little to do with the creative input of the UK's European co-production partners – only about 23% of the creative input which goes into these films can be attributed to the co-producing country, in so far as one can quantify creativity and cultural practice. Where co-production partners make most difference is in terms of finance and distribution – they allow films with bigger budgets to be produced and ensure good mainland European distribution. This aligns closely with the direction and emphasis of contemporary audio-visual policy, so much of which is about enhancing the creative economy with the emphasis on the economic over the cultural value of particular creative practices. The stress on the economic value of the creative industries means that the sort of investment in the local economy that occurs when production or post-production takes place in a particular location is often seen as more important by policymakers and politicians than the cultural dimension. And for producers, co-production arrangements are just one way of raising the finance that is necessary to get a film made. In this context, it is perhaps not surprising that UK/European co-productions contribute little to the goal of European cultural unity in terms of enabling genuine creative partnerships and exchange. Nevertheless, our research shows that European investment does enable British films to travel further, so allowing other Europeans to encounter culturally British stories, characters and identities.

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IMDb: http://www.imdb.com/

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