



Report on the UIS Expert Group Meeting on Cinema Paris, 2-3 September, 2009

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1. Introduction

Eleven experts representing key cinema industry stakeholders from around the world, three staff from the Section of Creative Industries for Development of UNESCO Paris, plus two members of the culture unit of the Institute for Statistics (UIS) met from the 2-3 September 2009 to discuss the UIS Survey on feature film statistics. The objectives of the meeting were:

- (a) To better understand the regional characteristics and data challenges of the cinema industry
- (b) To review the UIS Questionnaire on Feature Film Statistics (2007)
- (c) To make recommendations for the next UIS Questionnaire on Feature Film Statistics (2010)

During the first day, the experts shared their experiences and knowledge on the cinema industry of their country and regions as well as the data challenges encountered to collect cinema statistics.

After the opening by Georges Poussin and Jose Pessoa, each participant introduced himself¹.

Nourredine Sail from the *Centre Cinématographique marocain* indicated that his organization is the regulatory body, which provides authorization for any film shooting in his country. Since early 2000, Morocco enjoyed an increased from 4 films to 18 films produced per year in 2008. After the closing of many cinema theatres, there is now a project to develop multiplexes. To increase internal market, the target is now to move from 74 cinema screens nowadays to reach 150 in 2010. The video cinema is not taken into account because this market is illegal.

Teresa Hoefert Terregano is Advisor of Film Funding Department of German institution Medienboard Berlin-Brandenburg. She is also advisor for international coproduction. She worked as a consultant with UNESCO CLT on the drafting of a cinema questionnaire in 2005.

¹ To avoid redundancy, we tried to report each contribution in only one section (introduction or presentations), therefore some experts are only listed in the section 2 regional presentations.

Tekana Benibo from the Nigerian Film Corporation mentioned that the cinema production of Nigeria is only in video format. It is quite cheaper and there is no infrastructure in place equipped for celluloid production.

Silvana Petkovic from UNIJAPAN, which promotes Japan films as well as international co productions. They developed the Asian Film industry network in 2005 for the promotion of Asian films.

Susan Newman Baudais is Film Industry Analyst at the European Audiovisual Observatory. She has long experience in data collection on the film industry and in methodology. She explained briefly the difficulty of getting consistent and harmonized data to obtain European aggregates.

Bill Anderson is Vice President, Research & Strategic Analysis of the Independent film and TV Association. This trade association covers 150 international independent producers in which 40% are non-US companies from HKG, China, Australia, and New Zealand. They sell directly to local distributors. He noted the forthcoming event of American Film Market in November 2009 in California, which is fundamental for the independent film market in US.

Julia Jenks, Director, Worldwide Research & Information Analysis of the MPAA, indicated that her institution covers 6 major producers. MPAA tracks domestic film market and analyze the data. Since April 2009, the size of the unit has drastically reduced, and since then she is the head of the data collection and analysis section.

Georges Poussin head of the Section of Creative Industries for Development of UNESCO, highlighted the key role of the cinema industry at global level. He reiterated the importance of the 2005 UNESCO Convention for the promotion and the protection of the diversity of cultural expressions. He stated that culture conveys creativity and its economic role is growing. He emphasized the diversity of systems in place in the cinema industry, which results in discrepancy of performances by regions. As an example, the model “*Avance sur recettes*” does not work everywhere. He highlighted the importance of contextualizing the data, which should result in analyses that are more accurate. That is why, he advocated for the need of collecting statistics, not only quantitative but as well qualitative information. It is reflected by the success of the 2000 UNESCO survey on international cinema. This survey followed a qualitative approach, which provided contextualization of the cinema sector. He also advocates for the need to test and pilot surveys and to build knowledge on past experiences and mistakes to reach better results.

He also mentioned the creation of an observatory to gather existing measures to fight against piracy.

2. Regional presentations

During this session, each participant provided a summary of key characteristics and data challenges of the cinema industry of their respective region.

Nourredine Sail provided a brief overview on the status of the cinema industry in the Arab States. Only six countries are producing movies including Egypt, the first country that produces films since 1926, Morocco, Tunisia, Lebanon, Algeria and Syria. Egypt is

producing 35 films per year, Morocco 18 films. Most of Algerian directors left Algeria but their production in foreign countries is not accounted for Algerian movies. Outside those countries, there is no film production, which can be “shown” for public view in cinema theatres, and there is little data in other Arab States. Since 1926, 4200 to 4300 films were produced in Arab States from which 3300 to 3200 films are Egyptian. Morocco has produced 258 movies since 1958.

Tekana Benibo indicated that cinema is an important aspect of creative industry. The cinema in Africa has a strong cultural identity. In the 70’s, there was a policy to indigenize the film industry, it allowed Nigeria to own its cinema production known as Nollywood. The production started in 1972 with a production in 35 mm in local languages. The production in videos started in 1992 due to high costs in celluloid production. The Nigerian Film Corporation was created in 1997 providing training activities as well as data collection and analysis. He mentioned that around 1000 films per year, which are going through the censorship process, are going to the market. Nollywood success goes beyond the national frontiers by reaching West and East Africa, UK, USA, South America and the Caribbean. Unfortunately, it is spread outside the country mainly by piracy.

The cinema industry contributes to the economy by generating income and contributing to employment. Nevertheless, the main challenges faces by the industry is poor content, poor technical quality, the informal channels, lack of production and distribution infrastructure, absence of institutional scheme, inadequate professional skills. Collecting data is challenging because there is no legal framework to provide information, there is no databank, refusal to provide data, lack of funding to collect data, lack of skills and expertise. Therefore the data are not reliable. It is not possible to track data on sales due to piracy.

Gaston Kabore, filmmaker, from Burkina Faso mentioned that there is no system in place for data collection. There is no institutionalized cinema industry in Burkina Faso; therefore, it is not possible to identify what has been produced in the country. From 1980 to 1995, there was a supporting mechanism of film production based on 15% of box offices receipt. Unfortunately, it decreased with the disappearance of cinema theatres. They are currently putting in place an archive audiovisual system “*pole d’archives audiovisuelles*” (Audiovisual archives platform).

Exhibitors are now getting together to collect fund to open cinema theatres. In South Africa and Morocco, supporting structure exist to create and train in film production. In Burkina Faso, there is a production in video but it is not exportable on international market.

Georges Poussin questioned on how to convince people to answer the questionnaire Mr Benibo emphasized the need to design the appropriate and short questionnaire, the work of sensitization and advocacy for collecting data. Julia mentioned it is important to target the right person and provide back some information to stakeholders. Silvana suggested gathering data from neighboring countries. Teresa mentioned the lack of expertise of the people in charge of completing the questionnaires and raised the need to train these people.

David Melo director of film department of the Ministry of culture of Colombia provided an overview on cinema data from Latin America. Accurate data for Colombia are available where there is a legal support to build national system. Argentina, Brazil and Mexico have the longest history and strong public support in cinema. Colombia, Chile,

Uruguay, and Venezuela are new countries with public support. Bolivia and Peru have issue of public financing and therefore have scarce data. The OAS has data for digital screen but data need to be compared with national sources. He indicated that there is no trustful information for the other 10 countries of Latin America.

Relevant institutions for Latin America are:

- Ibero-American Audiovisual Observatory: 2 years old
- Conferencia de autoridades cinematográficas: CAACI: includes 18 countries plus Portugal and Spain.
- Corporacion del Nuevo Cine latinoamericano based in Havana
- MERCOSUR Audiovisual Observatorio
- Filme B: private initiative in Brazil

Colombia used a different definition than UIS for feature film by using more than 70min film length.

Mr Lange mentioned that the European Observatory and Mercosur have started some cooperation for the creation of a new Observatory of Audiovisual.

Mr Benibo supports the development of new observatory and suggests UNESCO to encourage such initiatives. Those organisations should support national institutions in data gathering.

Silvana Petkovic presented detailed statistics and methodological issues for the cinema industry and data challenges in East Asia. She presented the wealth of information for the region including Japan, China, South Korea. In the region, she also described the new trends with an increase in 3D cinema, new mobile technologies and young film audience.

Nevertheless, she mentioned that one of the challenges is harmonising the different methodologies. For example, Japan defines Multiplexes as cinema with 2 screens or more which is not compatible with the UIS definition.

Aruna Vasudev, president of the NETPAC, described the difficulties even the impossibility to collect reliable data for the Indian cinema industry. Producers are reluctant to provide data because part of the profits is not declared. She mentioned that there are not enough theatres (5000) in India and that the ticket prices are quite high therefore poor people cannot afford it. She also pointed out the growing number of multiplexes and the great popularity of films on TV.

Andre Lange Head of the Department for Information on Markets and Financing presented the work of the European Audiovisual Observatory. They are working with 36 countries and with private and public networks. They collaborate with different film institutions or networks or buy some data from them such as:

- FIAP: Federation international of Producers,
- FERA: The Federation of European Film Directors,
- EFAD: The European Film Agency Directors group
- European Film Agency Researchers Network
- Mediasalles,
- IVF: International Video Federation
- Screen Digest.

KORDA is the database for public funding. He indicated that there are 6 big players in film production in Europe France, UK, Germany, Italy, Spain and Russia. They have

issues on how to attribute a nationality to films produced in Europe but with non European funds (mainly US). They are trying to get standardised criteria (e.g. they use inc).

He indicated that data for videos are difficult to get and that Screen digest is the relevant organisation to get these data from.

Mr Benibo interrogated on how to include in the figures a director who lives abroad. It would also be important to track sales on internet.

Julia Jenks mentioned that MPAA is working for a unique market for which they produce an annual report. She indicated that the US market is saturated that is why they are trying to have an international focus and target foreign markets. They are also engaged in local languages films with US investments with a production of 230 films during the last 10 years.

A major issue in the USA is the lack of a governmental national film agency. There is great interest at State level but not at national level. It is difficult to get data on finance like the average price of a film. If a film is produced in different states, it will be considered in each state. It is necessary to define a methodology to avoid double counting. The production of films in US is lead towards business first not into any cultural component.

2. Methodological Issues and clarification of concepts

After the presentations of the different regions, Lydia Deloumeaux presented an overview of the 2007 UIS cinema survey, some results and issues related to the data collection. She finished by presenting the challenges and the objectives for the review of the cinema survey to get more reliable data, to increase data coverage and to improve the methodology.

The rest of the day focused on three methodological issues which require further clarifications and for which debates where initiated. The topics were on the definition of feature films, co-productions and the use of the digital technology.

The first debate was around clarifying key concepts used in the UIS cinema surveys by discussing what was available in each region or country and obtain a consensus.

Documentary

In order to be aligned with the new approach of the EAO, UIS introduced a table which provides a breakdown that differentiates fiction film from documentary and animation. It was agreed to keep the three categories despite the fact that for some countries some data may not be available. EAO also recognised that they do not have a definition on documentary and suggested to be more flexible for some definitions. Other members mentioned that for some films it would be difficult to assign them in one category. Nevertheless, it was agreed that UIS will propose a new definition for “documentary” that will be circulated to the group for review.

National production / co-production

The discussions occurred around the difficulty of assigning nationality of a film in the case of co-production.

It was agreed to

- Keep the term 100% national which was equivalent to entirely national.

- Erase the term national when mentioning coproduction.
- Review the definitions for co-production and erase the reference to 50% and introduce the larger share in order to consider the share productions such as 30/30/30

3. Review of the draft of 2010 UIS Feature film questionnaire.

The second day was dedicated to the review of the draft of the 2010 UIS questionnaire of feature film by section. Each section was discussed individually to agree on a final proposal.

Section 1: National Production of Feature Films

Question 1.1: Criteria to classify countries

Julia mentioned that in MPAA the criteria used to classify a film as reference year is the start date of production. If the criterion is theatrical release, it implies that films which are not released in cinema theatre are not compiled in the data.

EAO mentioned other criteria such as the completion of project and elements ready for theatrical releases.

Decision: The 4 choices provided in the draft questionnaire will remain the same

Question 1.2: Type of films

Decision: A new category Unspecified will be added in table 1.2. Therefore it is covering the case where it is impossible to assign a feature film to one of the three categories Fiction- Documentary-Animation.

Question 1.3 Type of production

Decision: A new category for parity coproduction will be added

Question 1.4: Digital production

It was mentioned that many countries do not collect information or it would be impossible for many countries to make this differentiation.

Decision: the distinction between originally and post produced digitally will be deleted. The use of the term *shot* or *filmed* digitally was suggested instead of produced digitally.

Question 1.5: Original languages

Decision: Add a category multilingual

Question 1.6: Origin of co-production

Decision: Need to extend the list of countries up to 10.

Section 2: Distribution of Feature Films

Question 2.3 Distribution companies

It was mentioned that getting data on revenue would be difficult and not relevant in this context. It was also mentioned to consider joint venture.

Decision:

- It was agreed to add Joint venture in type of distribution companies in 2.3
- It was agreed to put back the original table 2.2 of the 2007 version of the UIS cinema survey and adding a new column about the origin of the companies national/foreign.

Question 2.4: Copies

David Melo highlighted the relevance of getting data on number of copies to analyse the behaviour of the market by studying title by title. It gives an indication on how it was related to box office in order to look at how effective the distributor was. Nevertheless, UIS pointed out that the data faced one of the lowest response rate and many other experts mentioned the lack of data in this field.

Decision: it was decided to delete the question related to number of copies.

Section 3: Cinemas

There was a debate on the need to differentiate indoor cinema from outdoor cinema, cinema dedicated to feature films from facilities which are showing only videos.

Suzanne mentioned that cine clubs are not permanent “installations”, an association can rent a place on a temporary basis to project a film.

Question 3.1: Cinema size

Sylvana mentioned that in Japan a multiplex is defined as 2 screens or more.

Julia mentioned that MPAA do not have seat data for fixed indoor commercial. It was also mentioned if it would be possible to merge this table with table 3.1

Decision:

- To exclude cine clubs.
- To split the table into 2 different tables differentiating indoor fixed cinema theatre from other facilities

Question 3.2: Cinema capacity

Decision: Focus on indoor cinema theatre only

Question 3.3: Digital cinema

It was mentioned that digital cinema needed to be defined by using the reference to 2K technology. It would help differentiating with video technology. Mr Sail mentioned that some cinema theatres using beta-digital technology are legal in Africa.

Decision:

- 2K and above will be used as threshold
- Add a table on exhibition companies by origin

It was also mentioned the need to carry out piracy survey in countries to study its direct impact on the cinema industry.

Section 4: Exhibition of feature films

4.1 and 4.2: No change

4.3 Origin of feature film exhibited

The choice between using admissions or films should be based on what is the purpose of this table. If films are chosen, it gives information on what is available to the audience. In the case of admissions, the result will look at preference of the audience. It was also suggested to keep both.

EAO collect this information only by main film producers and others.

It was suggested to look at region rather than by country but it was considered as too sensitive politically and will result in less accurate information.

Decision: Choose number of admissions

4.4 Top ten feature films exhibited by admissions

Many discussions occurred around the usefulness of asking for the nationality of the director. It was considered as relevant indication for looking at cultural content of a movie. Nevertheless, a major concern was on how to determine the criteria of nationality. Should it be the country of birth or first nationality? The issue is as well the difficulty of the respondent to be able to attribute the nationality of director for a foreign film.

The possibility of adding a new table on top 10 national movies was introduced. Even if it was considered to be relevant to capture the impact of national movies on the audience, the idea was finally rejected.

It was also mentioned that some countries like USA can report only by box offices rather than number of admissions.

Decision:

- It was decided to delete the notion of nationality of director
- It was decided to keep admissions in the table, but to propose for the countries which have box offices data to be able to report it by indicating so.

Section 5: Distribution of home videos

There was a large consensus for not collecting global data on home videos for several reasons

- Most national agencies do not collect these data
- Screen digest is the specialized agency, which collects these data for many years. They are associated with distributors
- There is no alternative methodology
- Data on videos transactions include all genres such as fitness, sports, TV series, videos etc. Therefore, the data are not relevant for assessing feature film distribution.
- Difficult to differentiate first release in DVD, data capture as well films, which are already in DVD and then moved to HD DVD. It can lead to double counting.
- Issue of piracy (e.g. Morocco)

In the same time, it was also highlighted the need to capture the phenomenon such as Nollywood with a film production only available in DVD.

Decision:

- Delete the existing sections focusing on Home videos
- Replace this section with video production

Section 6: New section

It was agreed that collecting data on finance would be difficult and thus not advised. Several proposals listed below were discussed:

- Source of funding: type (Distributor, public, broadcast, sale agents)
- International circulation of national films: festivals, videos, TV or on line
 - i. Number of origin of film distributed
 - ii. Number of paid televisions stations
 - iii. Videos on demand specialized in cinemas
- Number of film festivals in country
- Existence of film training institutions
- Existence of film agency in country
- Existence of census board

Decision: It was agreed to focus section 6 on measuring the distribution of films outside cinema theatres including new forms of distribution.

2. Conclusions

Based on the overall discussions, it was acknowledged that the current questionnaire does not need major changes and should focus on feature films only.

UIS clarified the purpose of the questionnaire, which is mainly to cover the major trends on key characteristics of the cinema industry but as well to try to capture some elements of cultural diversity by adding questions such as languages. The survey even if is focusing on economic dimension of cinema; it also tries to look at its cultural dimension.

3. Next steps

- The recommended modifications to tables and definitions will be integrated into the proposed 2010 questionnaire and the draft will be circulated to the Expert group for review and final comments.
- UIS and EAO will propose several questions (data tables) on the topic of distribution of feature films by mode of distribution (TV, Pay-TV and VOD) for the consideration of the Expert Group.