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MEDIA

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A BIGGER EUROPE: OPPORTUNITIES FOR THE CINEMA
Interview with Ms Viviane Reding

1 May 2004: Europe gets bigger. But how will the cinema market change in the 25-nation EU? We asked Viviane Reding, Member of the European Commission, Responsible for Education and Culture, at present in Cannes for the European Cinema Day, of which she herself was a promoter.

Ms Reding, how will the European audiovisual scenario change with the entry of the new member states?

Countries with some major film pasts entered the EU on 1 May. We now have to lead them to a bright future. Unfortunately, their movies were still struggling to find an access to the EU market. In the past six years, movies from those countries have represented less that 0.005% of the total admissions in the former EU15. That is a shame since some excellent movies are produced in those countries which also benefit from long traditions of film-making. The 10 new countries have been participating in the MEDIA Programme for some time, and some of them are now major locations for film shooting. I am convinced that they will take their full role in the shaping up of a pan-European film industry.

What are the greatest limits to making European co-productions at present and what are the possible solutions?

I have always believed that co-productions are one of the key elements in the future of European cinema. Remember the 1960's and 1970's when all the great French and Italian movies of the day used to be – almost automatically – co-productions between the two countries. Some of the most recent successful films are co-productions, like *Amélie Poulain* and *No Man's Land*. The barriers are numerous: national habits, the language, markets which remain too divided, and, from a general point of view, a lack of cooperation between the national industries. We will have to work harder on that in the framework of the coming MEDIA Programme which will start in 2007.

From left, Elisabetta Brunella, Secretary General of MEDIA Salles, Mike Vickers, Treasurer of MEDIA Salles, Viviane Reding, Member of the European Commission, Responsible for Education and Culture, during the presentation of the Newsletter "European Cinema Journal" at the 58th Venice Film Festival (Italy).

Ms Reding, you presented the proposal for the communication adopted by the European Commission last March, which extends the system of public support for the audiovisual sector up until 30 June 2007. The next three years should also serve the Commission to evaluate whether the present system actually does provide an answer to the challenges that the European audiovisual market will have to face...

While extending the validity of current rules, the Commission has decided to launch a study to assess the economic and cultural impact of this system. In general, the current schemes in place throughout Europe form a kind of patchwork, with some countries applying "territorialisation", others using tax systems to boost the shooting of films on their territories... In the medium term we need to have a clear view of what's happening and what the consequences are for the European film industry. For example: does it prevent the film business from taking advantage of the internal market, thus accelerating the circulation of non national European films in the EU? Does it slow down the recovery of the film industry in the new member states?

As from last year you have wanted a Day of European Cinema to be celebrated at Cannes. What is the significance of this event?

Last year's meeting was a big event, and nobody initially believed in its success. For the first time Ministers from almost all the Member states gathered in Cannes to meet on the subject of cultural diversity and how to improve our film industries. This meeting had a great impact on the drafting of the European Constitution. This year for the meeting I have called in Cannes with the Ministers of Culture, the topic of cinema teaching has been chosen, with the aim of helping more young people to become filmmakers in Europe. The results of this initiative, to which Milos Forman has been invited as guest of honour, will help us during the preparations of the future programme of the EU dedicated to the audiovisual sector.

What, in your opinion, is the role of cinema exhibitors in strengthening the European cinema market?

For me, cinema exhibitors are like pathfinders who discover new talents and make them known to the widest audience possible. The knowledge of cinema has to start at an early stage, that is why I am so concerned about audience education in which exhibitors play a major part. Without them, the public could not discover new talents each year and applaud European masterworks.

CINEMA-GOING IN EUROPE IN 2003

If it was practically impossible to identify a single key for interpreting trends in cinema-going in European cinemas in 2002, the main trend in 2003 emerges very distinctly: admissions are down almost everywhere. Whilst in 2002, both on the larger markets and on the smaller ones, we saw some territories experiencing growth and others experiencing a reversal of this trend, the following year brought confirmation of the forecasts by those who had interpreted the decrease in admissions in Spain or in Germany as something more than an isolated hiccup. In 2003 overall admissions in the 18 countries of Western Europe analysed by MEDIA Salles suffered a drop of 4.8%. Of course this is not an alarming situation, say the experts, in view of the fact that 2003 closes nevertheless with over 920 million spectators, when ten years previously ticket sales had amounted to approximately 690 million. What may be worrying, on the other hand, is the fear that the heavy investments made over this decade in order to renovate and build new screens – which grew, albeit only slightly (+0.3%) in 2003, too – are now exhausting the positive effect they had created in terms of a growth in admissions. There have been negative results on the five main European markets. Germany dropped behind with a heavy -9.1% (that follows the -7.9% of 2002 over 2001) settling at 149 million spectators – the level found in 1998 and 1999 – thus "burning" in the period of two years, nearly 30 million tickets. There was a halt instead in the number of screens, that remains the same as in 2002. There was also a drop in France (-5.6%), losing more than 10 million spectators compared to 2002 and in the United Kingdom, that saw its spectators drop by 4.9%. Those of 2003, remain the second best results (more than 167 million spectators) of the last decade. There were more contained tendencies for the Spanish market (2.3% less than 2002), that in the space of two years lost about 10 million spectators and also for the Italian market. Here the data concerning screens with more than 60 days of activity, which are still provisional, demonstrate a drop of about 3%. Both in Spain and in Italy there remain significant increases in the number of screens, respectively 6.3% and 4.5%. Among the smaller-sized markets, which

(continues on page 2)

MEDIA SALLES AND THE EU ENLARGEMENT

With a letter from the President, Jens Rykaer, and a statistical framework of the cinema market in Cyprus, Estonia, Latvia, Lithuania, Poland, the Czech Republic, the Slovak Republic, Slovenia and Hungary, MEDIA Salles welcomed the entry of the new European member states on 1 May this year. These texts, presented at the Festival "Torn Curtain", organised by Eurovisioni in Rome at the end of April, can be consulted on MEDIA Salles' website (www.mediasalles.it) in the section "MEDIA Salles and the enlargement of the European Union".

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are distinguished by a rather sharp drop, are those of Greece (about -13%, according to the first estimates), Luxembourg (-11.9%), Switzerland (-9.8%), Austria (-7.8%) and Iceland (about -7%, here too based on estimates). There were less severe drops in Belgium (-6.1%) and Denmark (-4.7%) where screens continued to rise in number. Portugal didn't escape the negative tendency (-4.7%), where the drop in admissions had already started in 2002. We find only Norway in countertendency with a flattering +8.4% that overcame the level of 13 million spectators, followed by Finland (+3.7%) and the Netherlands, that with a rise of 3.1% confirms the positive trend that started in 2000 and brought them to overcome for number of spectators, their neighbour, Belgium, who is for certain aspects, similar. There was a slight rise (+0.7%) also for Ireland, the country that holds the European per capita frequency record, of about 4.5. Admissions in Central Europe, Eastern Europe and in the Mediterranean Rim were characterized by a negative trend and closed with a -2.6%. But the 13 territories whose data we possess, register rather contrasting tendencies between each other: the number of spectators in six countries, in fact are undergoing a strong rise, meanwhile thee is a dizzying drop in the other seven. A truly exceptional peak was registered in Bulgaria with more than 3 million presences (+50.9%), in respect to little over 2 million in 2002. Over the period of a year, Cyprus saw its spectators rise in a considerable manner: the increase between 2002 and 2003 was of 21.5%. Another very good result was obtained in the Czech Republic, that in 2003 saw 13.5% more admissions than in 2002. Cinema-going wasn't all that bad in Slovenia, where spectators rose by 7.1%. Positive data also for Latvia and Turkey, that respectively registered a rise of 5.8% and 4%. Countries such as Lithuania and Yugoslavia (Serbia and Montenegro) felt very sharp drops, equal to 27.1% for the former (where spectators passed from 1.9 million to less than 1.4 million) and the latter, by 24.5% (where admissions dropped by more than a million between 2002 and 2003.). There was also a strong drop of spectators in Estonia (-18.2%), Romania (-14.8%) and Hungary (-11.4%). There were also less spectators in Poland (-6.7%) and in the Slovak Republic (-1.5%). So far we have looked cinema-going by analysing the territories according to the traditional groupings of Western/Central and Eastern Europe together with the Mediterranean Rim. But, shifting from this modality, that responds to the criteria of grouping markets with similar and comparable histories and characteristics together, and instead adopting a criteria based on the enlargement of the European Union to the 25 members, we will see that the total number of admissions, considering also Malta's estimates, settles in 2003 at the level of more that 950 million, registering a drop of about 5% compared to 2002, but a flattering increase of nearly 16% in respect to 1997.

Elisabetta Brunella
Secretary General of MEDIA Salles

Participants and experts from 14 countries at the course "DigiTraining Plus"

From 31 March to 4 April "DigiTraining Plus: New Technologies for European Cinemas" was held – a brand new course promoted by MEDIA Salles and specifically devoted to digital cinema. Amongst the topics of the course, which was held at the headquarters of Barco in Kuurne, Belgium, an analysis of the technical aspects of digital screening, a presentation of the opportunities opened up by electronic cinema and an overview of the market for digital cinema, comparing Europe and America. Ample time was allowed for the exchange of experiences and for first-hand acquaintance, at Barco and at the Kinepolis, with the most advanced technical equipment for digital screening. For an overview of the course, please consult the "Training" section on www.mediasalles.it

Screens and admissions from 1997 to 2003

countries	screens							var %	var %	var %	var %	var %	var
	1997	1998	1999	2000	2001	2002	2003	1997 1998	1998 1999	1999 2000	2000 2001	2001 2002	20 20
A	424	424	503	523	579	562	553	-	18.6%	4.0%	10.7%	-2.9%	-1
B	475	497	492	491	493	514	525	4.6%	-1.0%	-0.2%	0.4%	4.3%	2
CH	503	518	471	499	508	508	528	3.0%	-9.1%	5.9%	1.8%	-	3
D	4,284	4,435	4,651	4,783	4,792	4,868	4,868	3.5%	4.9%	2.8%	0.2%	1.6%	
DK	320	331	331	358	361	361	379	3.4%	-	8.2%	0.8%	-	5
E	2,584	2,997	3,354	3,556	3,747	4,001	4,253	16.0%	11.9%	6.0%	5.4%	6.8%	6
F	4,659	4,764	4,971	5,110	5,241	5,257	5,295	2.3%	4.3%	2.8%	2.6%	0.3%	0
FIN	321	331	362	343	339	342	*344*	3.1%	9.4%	-5.2%	-1.2%	0.9%	*0*
GR	340	360	*380*	*391*	*454*	439	*450*	5.9%	*5.6%*	*2.9%*	*16.1%*	*-3.3%*	*2*
I[1]	2,456	2,619	2,839	2,948	3,112	3,346	3,498	6.6%	8.4%	3.8%	5.6%	7.5%	4
IRL	228	261	299	313	322	326	329	14.5%	14.6%	4.7%	2.9%	1.2%	0
IS	50	45	46	47	50	51	.	-10.0%	2.2%	2.2%	6.4%	2.0%	
L	26	21	21	25	25	25	26	-19.2%	-	19.0%	-	-	4
N	395	393	398	391	394	401	399	-0.5%	1.3%	-1.8%	0.8%	1.8%	-0
NL	499	516	520	562	565	593	602	3.4%	0.8%	8.1%	0.5%	5.0%	1
P	410	449	488	495	460	*401*	.	9.5%	8.7%	1.4%	-7.1%	*-12.8%*	
S	1,164	1,167	1,123	1,129	1,174	1,176	1,170	0.3%	-3.8%	0.5%	4.0%	0.2%	-0
UK	2,369	2,589	2,826	3,039	3,248	3,402	3,433	9.3%	9.2%	7.5%	6.9%	4.7%	0
total	**21,507**	**22,717**	***24,075***	***25,003***	***25,864***	***26,573***	***26,652***	**5.6%**	***6.0%***	***3.9%***	***3.4%***	***2.7%***	***0***
BG	121	106	191	202	202	194	194	-12.4%	80.2%	5.8%	-	-4.0%	
CY	23	26	30	28	43	43	37	13.0%	15.4%	-6.7%	53.6%	-	-14
CZ	747	764	740	743	749	794	756	2.3%	-3.1%	0.4%	0.8%	6.0%	-4
EE[2]	180	173	174	76	81	81	81	-3.9%	0.6%	-56.3%	6.6%	-	
HU	580	625	603	562	622	605	*500*	7.8%	-3.5%	-6.8%	10.7%	-2.7%	*-17*
LT	115	105	99	88	84	79	83	-8.7%	-5.7%	-11.1%	-4.5%	-6.0%	5
LV	114	116	119	111	126	107	106	1.8%	2.6%	-6.7%	13.5%	-15.1%	-0
PL	698	714	755	824	852	854	880	2.3%	5.7%	9.1%	3.4%	0.2%	3
RO	441	379	316	293	276	247	213	-14.1%	-16.6%	-7.3%	-5.8%	-10.5%	-13
SI	93	93	88	*84*	92	88	100	-	-5.4%	*-4.5%*	*9.5%*	-4.3%	13
SK	*337*	*337*	342	292	289	308	287	-	*1.5%*	-14.6%	-1.0%	6.6%	-6
TR	487	584	694	*770*	921	985	1,147	19.9%	18.8%	*11.0%*	*19.6%*	6.9%	16
YU	.	*186*	160	164	215	253	186	.	*-14.0%*	2.5%	31.1%	17.7%	-26
total	***3,936***	***4,208***	**4,311**	***4,237***	**4,552**	**4,638**	***4,570***	***6.9%***	***2.4%***	***-1.7%***	***7.4%***	**1.9%**	***-1***

[1] MEDIA Salles' elaboration on SIAE data referring to screens with more than 60 days of activity.
[2] 1997, 1998 and 1999 data include "village cinema clubs".

1997-2002 figures: MEDIA
(www.mediasalles.it).

DECREASE IN THE POWER OF MULTIPLEXES TO DRAW SPECTATORS AWAY FROM OTHER CINEMAS

The growth in the number of screens in multiplexes – as already stressed in the previous issue of our Newsletter "European Cinema Journal" – has slowed down significantly in Western Europe over the past five years: in fact the average growth rate recorded on 31 October each year amounted to 26% in 2000, falling to 20% in 2001, 15% in 2002 and 9% in 2003. This slowdown has affected both complexes with up to 15 screens, for which the growth rate fell from 22.5% in 2000 to 9.3% in 2003, and the megaplexes, for which the annual growth in screen numbers dropped from 26.3% in 2000 to 8.1% in 2003.
The decreasing growth rate has also regarded ticket sales on some of the leading markets: multiplexes, whilst continuing to gain spectators compared to other cinemas, have seen a slower growth rate in their admissions.
In France, for example, the ratio between admissions recorded by multiplexes and those recorded by other cinemas increased (compared to the year before) by 27.7% in 1999, by 23.3% in 2000, by 17.8% in 2001 and by only 9.8% in 2002. Similarly, in Germany the ratio between admissions recorded by multiplexes and those in other cinemas, which grew by 17.4% between 1998 and '99, and by 23.1% in 2000, grew by only 9.8% in 2001, remaining stable in 2002 as well.
Italy is an exception to some extent, where the ratio between admissions in multiplexes and those in other cinemas reached 0.30 in 2002 with an increase of 45.7%, higher than that recorded the previous year (+33.3%), but lower than the figure in 2000 (+89.5%).
In the context of a rather discouraging general trend on the cinema market, in which, over the past five years, cinemas with fewer than 8 screens have lost 28% of their spectators in Spain, 27.2% in Belgium, 24.4% in Finland, 20% in Italy, 17.8% in France, 5.9% in Germany and 1.5% in Denmark, multiplexes nevertheless seem to be gradually losing their power to draw spectators away from other cinemas.
This result becomes even more evident when analysing the average number of admissions per screen for multiplexes which, in 2002, recorded significant losses compared to the previous year in several countries, such as Germany (-10.3%), Spain (-10.2%), Norway (-5.7%), Belgium (-3.7%), France (-3.1%) and Italy (-1.6%), the latter being the country in which a far more significant drop (-20.1%) occurred in 2001.
On some markets reductions in the average number of admissions per screen in multiplexes were higher than they were in other types of cinemas, recording figures of -8.9% in Germany, -4.8 % in Norway and -2.7% in France.
Lastly, the most significant figure regards the average number of spectators per cinema, on which the overall profitability of a multiplex depends, since this type of cinema is based on income deriving from the high number of screens.
In 2002 admissions per cinema for multiplexes dropped, compared to the previous year, on some important markets, such as Germany (-10.3%), Spain (-4.6%), Italy (-3.3%) and France (-2.9%).

r %	admissions (x 1,000)							var %	var %	var %	var %	var %	var %
002 003	1997	1998	1999	2000	2001	2002	2003	1997 1998	1998 1999	1999 2000	2000 2001	2001 2002	2002 2003
.6%	13,717	15,219	15,024	16,299	18,985	19,245	17,738	10.9%	-1.3%	8.5%	16.5%	1.4%	-7.8%
.1%	22,073	25,386	21,869	23,548	24,035	24,379	22,900	15.0%	-13.9%	7.7%	2.1%	1.4%	-6.1%
.9%	15,552	15,918	15,428	15,592	17,113	18,811	16,963	2.4%	-3.1%	1.1%	9.8%	9.9%	-9.8%
-	143,122	148,876	148,996	152,533	177,925	163,910	148,957	4.0%	0.1%	2.4%	16.6%	-7.9%	-9.1%
.0%	10,843	11,011	10,915	10,691	11,921	12,911	12,300	1.5%	-0.9%	-2.1%	11.5%	8.3%	-4.7%
.3%	105,045	112,143	131,348	135,391	146,810	140,716	137,472	6.8%	17.1%	3.1%	8.4%	-4.2%	-2.3%
.7%	148,935	170,110	153,570	165,957	185,816	184,461	174,147	14.2%	-9.7%	8.1%	12.0%	-0.7%	-5.6%
.6%	5,943	6,395	7,035	7,091	6,539	7,424	*7,700*	7.6%	10.0%	0.8%	-7.8%	*13.5%*	*3.7%*
.5%	*11,600*	*12,400*	*12,000*	*12,700*	*13,200*	*12,600*	*11,000*	*6.9%*	*-3.2%*	*5.8%*	*3.9%*	*-4.5%*	*-12.7%*
.5%	98,191	112,900	98,772	97,819	105,538	112,165	*109,000*	15.0%	-12.5%	-1.0%	7.9%	6.3%	*-2.8%*
.9%	11,491	12,387	12,390	14,886	15,942	17,319	17,432	7.8%	-	20.1%	7.1%	8.6%	0.7%
.	1,477	1,516	1,531	1,569	1,508	1,620	*1,500*	2.6%	1.0%	2.5%	-3.9%	7.4%	*-7.4%*
.0%	1,186	1,415	1,316	1,362	1,414	1,432	1,262	19.3%	-7.0%	3.5%	3.8%	1.3%	-11.9%
.5%	10,948	11,526	11,351	11,586	12,477	12,041	13,047	5.3%	-1.5%	2.1%	7.7%	-3.5%	8.4%
.5%	18,934	20,094	18,647	21,581	23,787	24,119	24,858	6.1%	-7.2%	15.7%	10.2%	1.4%	3.1%
.	14,163	17,327	18,758	19,224	20,940	19,480	18,556	22.3%	8.3%	2.5%	8.9%	-7.0%	-4.7%
.5%	15,210	15,819	15,982	16,978	18,101	18,297	18,172	4.0%	1.0%	6.2%	6.6%	1.1%	-0.7%
.9%	138,922	135,217	139,059	142,507	155,911	175,903	167,256	-2.7%	2.8%	2.5%	9.4%	12.8%	-4.9%
.3%	***787,352***	***845,659***	***833,991***	***867,314***	***957,962***	***966,833***	***920,260***	***7.4%***	***-1.4%***	***4.0%***	***10.5%***	***0.9%***	***-4.8%***
-	2,685	2,333	2,484	2,217	2,007	2,016	3,042	-13.1%	6.5%	-10.7%	-9.5%	0.4%	50.9%
.0%	931	1,013	842	1,012	858	854	1,038	8.8%	-16.9%	20.2%	-15.2%	-0.5%	21.5%
.8%	9,815	9,252	8,371	8,719	10,363	10,693	12,140	-5.7%	-9.5%	4.2%	18.9%	3.2%	13.5%
-	974	1,060	875	1,084	1,304	1,558	1,274	8.8%	-17.5%	23.9%	20.3%	19.5%	-18.2%
.4%	16,443	14,570	14,388	14,287	15,693	15,278	13,541	-11.4%	-1.2%	-0.7%	9.8%	-2.6%	-11.4%
.1%	565	1,594	1,780	2,103	2,367	1,916	1,396	182.1%	11.7%	18.1%	12.6%	-19.1%	-27.1%
.9%	1,268	1,406	1,375	1,457	1,152	1,071	1,133	10.9%	-2.2%	6.0%	-20.9%	-7.0%	5.8%
.0%	24,330	20,318	27,516	20,892	27,650	27,091	25,264	-16.5%	35.4%	-24.1%	32.3%	-2.0%	-6.7%
.8%	9,456	6,799	4,192	5,112	5,726	5,316	4,527	-28.1%	-38.3%	21.9%	12.0%	-7.2%	-14.8%
.6%	2,503	2,569	1,965	2,077	2,466	2,776	2,972	2.6%	-23.5%	5.7%	18.7%	12.6%	7.1%
.8%	4,041	4,082	3,030	2,646	2,848	3,013	2,968	1.0%	-25.8%	-12.7%	7.6%	5.8%	-1.5%
.4%	17,765	22,641	24,843	26,040	26,008	22,229	23,127	27.4%	9.7%	4.8%	-0.1%	-14.5%	4.0%
.5%	.	7,222	3,475	4,096	4,806	4,769	3,600	.	-51.9%	17.9%	17.3%	-0.8%	-24.5%
.5%	**90,776**	**94,859**	**95,136**	**91,742**	**103,248**	**98,580**	**96,022**	**4.5%**	**0.3%**	**-3.6%**	**12.5%**	**-4.5%**	**-2.6%**

Salles, "European Cinema Yearbook – 2003 final edition"

2003 data is provisional, figures in italics are estimates.
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Comparing the admissions per cinema recorded over the past five years by multiplexes with those obtained in other types of cinemas, there emerges a trend that, apart from the peak of 2000, proves to be poor on all the European markets.

In particular, the average number of admissions per cinema recorded by multiplexes compared to other cinemas, which appears to be growing in France and Spain, is in constant decline in Germany (-13.8% in 2002 compared to 1998) and has been declining in Italy over the past two years. It is interesting to note that in Belgium, Spain, and France there is a far higher percentage of megaplexes (respectively 3.3%, 1% and 0.5%) than in Germany (0.2%) and Italy (0.1%).

In Spain, in particular, the increase in megaplexes does not seem to be slowing down, as it is tending to do in Europe, which seems to suggest that in Spain exhibiting companies are looking for an economic system based on size.

As regards prospects for the future, it seems possible that in some European countries, as has already happened in the United States, greater efficiency is being pursued in the multiplexes, with increases in the number of screens per cinema, thus focusing not so much on the profitability of individual screens, but on the cinema's power to draw a larger overall number of people, as consumers not only of films but also of a range of other facilities, according to the logic of integrated entertainment.

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EUROPEAN FILMS FOR CHILDREN AND YOUNG PEOPLE

The experts' choice

MEDIA Salles' **Focus on Europe – Kidflix Special** event, addressing European exhibitors committed to programming films for children and schools, is about to begin. Through this initiative, which will be held from 3 to 6 June in Prague and Zlín, in collaboration with the Zlín Film Festival for Children and Youth, MEDIA Salles confirms its attention to the promotion of films for young people at a European level and its commitment to facilitating the work of exhibitors in this field. With this objective in mind, MEDIA Salles has contacted the directors of Festivals with an international reputation and other experts in the field, in order to offer readers a selection of films particularly successful in representing the interests, daily life and dreams of young people in the new Europe. According to **Claudio Gubitosi**, Director of the Giffoni Film Festival (Salerno – Italy), of the great rose of European films released in 2003 and the first few months of 2004, there are three films that should be brought to the attention of pre-adolescent and adolescent audiences: the English film *Wondrous Oblivion* by Paul Morrison, because of the screenplay, which manages to deal with racism, loyalty and friendship without becoming commonplace; the Spanish film *El Viaje de Carol* by Imanol Uribe, which presents the Spanish civil war seen through the eyes of an 11-year-old girl coming to grips with her first experience of love and the tragedy of losing the people she loves; and lastly *Les Choristes* by Christophe Barratier, which recalls the story of *Dead Poets Society* in a new version interpreted in terms of the passion for music. *Les Choristes*, which is light-hearted and moving at the same time, is suitable for both younger and adult audiences. According to **Petr Koliha**, Artistic Director of the Zlín Festival, of the 270 films from as many as 35 countries, that will be offered in the 2004 edition of the Festival, the following are of particular interest: the Czech film *The Farmhouse Janitor,* the Spanish *4th Floor*, significant amongst films for teenagers because of the attention it devotes to the emotions of young people in this age group, and the Norwegian *Just Bea*, also mentioned by **Lennart Ström**, Director of BUFF – Malmö International Children and Young People's Film Festival. Ström also advises the Swedish production *Immediate Boarding* by Ella Lemhagen, on the gender difference, the Danish *Scratch* by Anders Gustafsson, focusing on the mysterious and complex sentimental choices made by a young girl. *Polleke*, produced in the Netherlands, on the other hand, tells a story that bears a strong resemblance to that of Romeo and Juliet. Ström also points out the Swedish documentary *Johanna, Yohanna!* by Thomas Danielsson, where the main character is a 19-year-old girl who has always been made fun of, ever since she started school, but who manages to share her suffering with many other young people. **Tonje Hardersen**, children's films adviser with Film&Kino, suggests the Norwegian *Beast of Beauty* by Hilde Heier, a horror film for children, and the heart-rending *Disa Moves to Japan* by Benedicte M. Orvung, the story of a 4-year-old girl and her long journey with her mother from Norway to Japan. Hardersen singles out the Swedish film *Elina* by Klaus Härö**,** about the daily life of a young girl torn between grief for the loss of her father and her hostile feelings towards an obstinate teacher, and, for younger children, *Tootletubs & Jyro*, a short Finnish film on the friendship between two insects, their adventures whilst searching for food and new ways of using objects from the world of human beings, as well as *Someone Like Hodder*, a Danish film whose main character is a lonely young boy with a rich imagination. **Giancarlo Zappoli**, Artistic Director of the Castellinaria Festival (Bellinzona – CH), suggests the German film *Das Fliegende Klassenzimmer* by Tony Wigand, the Swiss *Little Girl Blue* by Anna Luif and the Danish productions *Elina*, also mentioned by Hardersen, and *Kald Mig Bare Aksel*: in general, these are films suitable for children between 11 and 14 years of age. **Mia Lindrup**, President of ECFA (European Children's Films Association), advises *Back to Gaya*, a spectacular, recently-made, German cartoon film about friendship, suitable for 8-year-olds. As well as *Just Bea*, already mentioned by Koliha and Ström, *Immediate Boarding* and *Polleke* (also suggested by Ström), Lindrup suggests *The Blindgänger*, a moving German production about the everyday problems of two 13-year-olds, and the Norwegian *Fia!*, about a young girl who thinks that almost everyone is a clown. The suggestions from **Klas Viklund**, Head of the Skolbio project of the Swedish Film Institute, move on to films already presented with success in cinemas at the 117 centres that support the project: in the 2003 top-ten we find two Swedish films, *We can be heroes!* and *Lilya 4-ever*, appearing respectively in first and third place; in second position comes the English production *Bend it like Beckham*, and in seventh place an Italian cartoon film, *La Gabbianella e il Gatto*.

CINEMA-GOING IN THE CZECH REPUBLIC

The Czech exhibition market is undergoing a new phase in its development. This affects not only programming in cinemas but also the way they operate.
Before the fall of communism in 1989, a cinema existed in every large village and to have three cinemas operating in a midsize town was not exceptional. Attendance was accordingly high. Social changes brought different leisure activities to the audience, more sophisticated equipment in households, with video recorders, and a much broader range of programmes offered by private broadcasters. This had a significant effect on the Czech cinema. Besides affecting cinemas, the decrease in attendance influenced producers and distributors. What EU countries faced gradually, the Czech Republic had to face all at once.
The situation was particularly difficult for cinemas. At first, small cinemas started to close down. This began especially in 1992, when the local, municipal and regional cinema administrations were abolished. The closing down of cinemas gradually started to affect cinemas in bigger towns. Most cinemas started to be operated by municipal bodies, which found the cinema a burden on their budget and a non-profitable business.
Only later, in the second half of the Nineties were the cinemas privatized. At present, the cinemas in the Czech Republic are operated in the following ways: directly by the municipal bodies (e.g. Culture Dept.), as a so-called "subscription organization" (the municipal cinema, municipal cultural center) or by a private exhibitor who has a contract with the municipality/owner of the cinema.
At the end of the Nineties, several foreign companies entered our market and built modern multiplexes, which significantly influenced the development of the market. More small and mid-size cinemas were closed down. There were several causes for this – the limited number of prints, worse technical equipment, less comfort for the audience, etc. All this caused audiences to move from the old cinemas to the new ones.
As in other European countries, the audience is most interested in American productions (70%-80% market share). The competition of multiplexes has forced the smaller cinemas to pay closer attention to their programming. Several interesting projects have been created – such as the cinema Evald or Aero in Prague, cinema Art in Brno. These cinemas focus on more difficult European and other films, which are not programmed by multiplexes. We expect that this trend will be adopted by more cinemas, especially in regions where more multiplexes are going to be built. However, these art cinemas can exist only in places with audience potential – such as university cities.
Only two Acts deal with the cinema in the Czech Republic, both of which were passed in 1992-3. Act no. 241/1992 established a State Fund for support and development of the Czech cinema. The main source of the Fund´s budget is 1 CZK from each cinema ticket sold and revenues from rights to films made from 1965-1991. It is possible to submit an application for a contribution or loan for the reconstruction of the cinema, technical equipment or special projects. However, as the Fund's budget is quite limited, this support is infrequent. Changes are generally expected to take place in the Fund's financing. The new proposal is for a 3% contribution from cinema admissions, then from DVD and video sales and from tele-sales and TV advertising revenues. This new system should bring in about 10 million euro compared to the current 2.6 million. This should make more funds accessible to cinemas and help them to renovate technical equipment.
The second, Act no. 273/1993, abolished the state monopoly of the audiovisual industry and founded the National Film Archive. Cinemas which have film clubs cooperate with the Archive. Although their number has decreased significantly as well, it seems that now the situation is stable and the interest of audiences in film heritage and art films is constant.
The interests of cinemas are represented by the Association of Exhibitors (APK), which is, together with Union of Film Distributors (UFD) and the Association of Audiovisual Producers (APA), a founding member of the Czech Film Chamber (CFK).
The mission of APK is to support cinema operators in their relations with film distributors and other bodies in the audiovisual industry, the state administration and other partners. Together with its partners in CFK, APK works on the preparation of audiovisual legislation. APK comprises all types of cinema operators and as the number of APK members increases, we can say that its work can be regarded as positive. After many years it is certain that each part of the audiovisual industry needs its own representation in order not only to be able to propose new solutions, but also to support them.

Milos Navratil
Chairman of the Czech Association of Cinema Exhibitors

CINEMA-GOING IN THE CZECH REPUBLIC – MAIN FIGURES

	1995	1996	1997	1998	1999	2000	2001	2002	2003
Number of cinemas	800	750	730	745	710	686	660	665	.
Number of screens	817	765	747	764	740	743	749	794	*c. 829*
Admissions (x 1,000)	9,253	8,854	9,815	9,252	8,371	8,719	10,363	10,693	12,140
Frequency per head	0.90	0.86	0.95	0.90	0.81	0.85	1.01	1.04	.
Gross box-office (national currency – x 1,000)	255,000	303,499	437,000	509,000	496,000	593,000	817,700	946,000	.
Average ticket price (national currency)	27.56	34.28	44.52	55.02	59.25	68.01	78.90	88.47	.
Gross box-office (euro – x 1,000)	7,333	8,877	11,349	14,485	13,762	17,148	24,576	30,623	.
Average ticket price (euro)	0.79	1.00	1.16	1.57	1.64	1.97	2.37	2.86	.
Films produced in the country	23	20	20	14	17	14	18	19	.

NEWS FROM MEDIA SALLES

"EUROPEAN CINEMA EXHIBITION": BUDAPEST IS THE VENUE FOR NEW LESSONS ON THEATRE MANAGEMENT

This year Budapest will be hosting the course **"European Cinema Exhibition: A New Approach"**. Now firmly established thanks to the success of the four previous editions, this training initiative will be held from 22 to 26 September and, as usual, entirely devoted to marketing and theatre management. This year the event will once again offer European exhibitors a particularly important opportunity to exchange experiences, visit cinemas and take part in group work, debates and seminars led by professionals and experts of different nationalities.
Amongst the speakers on this particular course, Tony Meehan and Rob Arthur, of RAAM Management Limited (UK), will explain the role of communication strategy and promotional events in the success of cinemas, as well as the new developments in the management of the exhibition sector.
For **Tony Meehan**, in particular, "communication is a central aspect of exhibition. Listening to your customers, for example, allows you to improve your services; talking to your staff, allows you to improve the professional services of each individual. In addition, exhibitors should extend the activities in their cinemas, not limit themselves to the screening of films".
According to **Rob Arthur**, "it is essential to have a clear and precise reference plan on which the management work can be shown, and to empower cinema management to deliver excellent customer service. These objectives can be reached by means of closer attention to customers, by making a more careful selection of the best films out, as well as by committing money and culture to training and development".

Enrolments for the course must reach MEDIA Salles no later than **2 August**.
Application forms are available in the "Training" section of the following website: www.mediasalles.it

MEDIA SALLES' COMING EVENTS

FOCUS ON EUROPE – KIDFLIX SPECIAL
Prague and Zlín (CZ), in collaboration with the "Zlín Film Festival 2004"
3–6 June 2004
Enrolments by **24 May**.
"Euro Kids" awards for the best children's film and for theatre programming.
Enrolment forms on www.mediasalles.it

FOCUS ON EUROPE AT CINEMA EXPO INTERNATIONAL
Amsterdam (NL), 21–24 June 2004
A seminar on cinema exhibition in Europe devoted to the opening of theatres on new markets will inaugurate the event organised this year again by MEDIA Salles to promote European films.

EUROPEAN CINEMA EXHIBITION: A NEW APPROACH
Budapest (HU), 22–26 September 2004
Promotion and marketing, analysis of film genres for different audience sectors, theatre management, digital cinema.
Enrolment forms on www.mediasalles.it
Deadline: **2 August 2004**.