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MEDIA

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The prospects for European cinema. This is the title I should like to give this issue, which we present at one of the liveliest cinema events in Europe, the Cannes Film Festival, where MEDIA Salles, faithful to tradition, publishes a preview of the most salient data on cinema-going in Europe in 2004, data that will then be published in a more detailed form in the next edition of the “European Cinema Yearbook”.
Interesting prospects, both because these figures and Elisabetta Brunella’s interpretation of them reveal that the year 2004 was marked by overall growth – although we can also make out some signs of a counter-tendency, widespread in the opening months of 2005 – and because there are numerous, interesting signs of ferment. Amongst these, special attention is deserved by the various forms in which digital distribution is used for a better circulation of European films: they are, in fact, a sign that technology can be of help to the growth of our cinema, if accompanied by valid content and good ideas for giving them visibility. And so, with a view to giving increasing visibility to European cinema, MEDIA Salles continues its efforts on a variety of fronts this year, such as the organisation of courses for exhibitors – and in these pages a summary of the latest, devoted to digital cinema, is to be found – which aim, amongst other things, to provide the competences needed to offer varied and diversified programming that makes room for European cinema; the compilation of studies and research on the cinema industry; the organisation of promotional events. In this connection, together with an invitation to the next Focus on Europe event during Cinema Expo in Amsterdam, next June, I am happy to announce a new initiative, as well. In fact a new project along the same lines as the now well-established Focus on Europe has now been conceived, in which the emphasis lies on a particular aspect of Europe’s rich cinema production: thus, with Italian Cinema Worldwide, and thanks to the support of the Italian Government, over the coming months MEDIA Salles will be present at some of the main professional meetings of exhibitors and distributors, such as Kino Expo in Russia and CineAsia in China, and will be placing recent Italian productions in the foreground in areas of great strategic potential which have traditionally seen a more or less exclusive presence of US films in the past.One more step, then, for helping European film production to acquire the visibility it deserves and which is a necessary element for its development – a development which cannot do without greater support for cinema exhibition. In fact the movie theatre is the essential factor in bringing the film to the audience.

Domenico Dinoia
President of MEDIA Salles

CINEMA-GOING IN EUROPE IN 2004

2004 was a good year for European cinemas: in fact, there was overall audience growth throughout the Continent. In Western Europe – 17 countries – the growth rate was 5.6%, in Central-Eastern Europe and the Mediterranean Rim – 15 countries – as high as 14.4%. Adding up the number of tickets sold in both regions, respectively 959 and 113 million, we have the impressive figure of almost one billion, 72 million. About 65 million spectators more compared to 2003 (+6.5%) but, above all, the best result since the Eighties, the peak of the great crisis in cinemas.

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DIGITAL CINEMA AND MORE

EUROPEAN FILMS: HELP FROM DIGITAL CINEMA?

It started out as a tv film; it became, in its own way, a manifesto of digital cinema. *Saraband*, the latest work by the maestro Ingmar Bergman, shot in HD digital format, appeared on the small screen in Sweden in December 2003. One year later, it was in the cinemas. Now it is on its way across France, thanks to collaboration between the French distribution company Rézo Films and Barco France, which makes a digital projector (D Cine Premiere DP30), linked to an Evs Cinestore server, available to cinemas interested. Because *Saraband* is the only case to date of a film that can be viewed exclusively in digital format: in fact, Bergman has refused to transfer his work onto film, as he does not consider 35mm as good as high definition. And so, after 15 weeks on the programmes of two digital screens in Paris, it began its tour from town to town, creating a circuit that has every appearance of being a sort of “test run” for digital cinema, or rather, as Alain Rémond, General Manager of Barco France stresses, “a catalyst for the development of digital cinema in Europe”.

“At the start it was an obligation, an imposition”, says Laurent Danielou of Rézo Films, “but it soon became a pleasure, because we were able to appreciate the excellent quality of the screenings”. The proof that Rézo Films believe in the new technology’s potential is the fact that, as exporters, they offer two versions – 35mm or digital – of all films where post-production has been carried out digitally. This is also a way of presenting themselves with an advantage on those markets, like China, where digital cinema is already the object of keen interest. But if, due to the radical choice of using digital technology in all phases of the film’s life cycle, from production to theatrical release, Bergman’s film remains an emblematic case, agreements and initiatives for bringing films to cinemas in their digital format, *as well,* are on the increase. In Italy, for example, it is thanks to Lucky Red and Elsacom, the company specialising in the provision of fixed and mobile communications facilities, which has been operating for years on the development of digital cinema in Italy and in Europe, that *Deep Blue* reached as many as 7 cinemas, all equipped with DLP Cinema projectors and Avica servers. This is anything but a minor event, since it is the first time that an independent Italian distributor has embarked on a digital release to theatres.
“A highly successful operation that we are already ready to repeat”, maintains Pierluca Sforza, Sales Manager of Lucky Red, “with the animated film by the Japanese director Hayao Miyazaki, *Howl’s Moving Castle*. But unfortunately we have not yet obtained authorisation from the producer”. Moreover, Elsacom, this time in collaboration with Hollywood Classics and Marinastudios, succeeded, for the first time in European cinemas, in transmitting a “multilingual” film by satellite. Thanks to collaboration with Marinastudios, which, together with Elsacom, dealt with the encoding, encrypting and sub-titling of the films, four screen classics were broadcast to the UCI group’s digital theatres in Europe: they are *The Adventures of Robin Hood*, by Michael Curtiz (1938), *Singin’ in the Rain,* by Stanley Donen and Gene Kelly (1952), *Casablanca*, by Michael Curtiz (1942) and *Blow Up*, by Michelangelo Antonioni (1966). The latter – the only European title on the short list – inaugurated Hollywood Classics’ digital cinema project at the last Cannes Film Festival. If, then, signs of interest in digital cinema are not lacking in the fields of production and distribution, the exhibition sector is the most active. Here “circuit” seems to be the buzz word: from “Digital Screen Network”, the project being devel-

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A good year which, in some cases however, seems to stand as an exception and in any case fails to affect all markets. If, then, a clear sign of growth is to be seen, there are a number of territories affected by the opposite trend. A closer analysis shows that in Western Europe the five big markets – those that generally cross the one hundred million tickets threshold – share this positive tendency. Yet some grow less than the average. The United Kingdom, in fact, grows by 2.4%, failing with its 171 million spectators to better its 2002 record (176 million). The growth rate is 4.7% in Spain, a market that emerges from two bad years, in the same way as Germany which, in 2004, grew by 5.2%, drawing a breath of fresh air and recovering nearly 8 of the 29 million spectators lost over the previous two-year period. Growth in France (+11.9%) and Italy (+13.8%) is considerably above the average. Yet, whilst the Peninsula fails to touch the 113-million record of 1998, despite selling over 13 million tickets more than in 2003, France, with a result of almost 195 million tickets, achieves a memorable result (not since 1983 has there been a better one) and confirms its role as the leading European market. On the smaller markets, the differences are even more marked. Whilst Austria and Luxembourg, with increases of respectively 9.2% and 7%, also grow more than the average for Western Europe, Belgium, Switzerland and Denmark, with rises between 4% and 5%, remain below average.

However, all these markets recover, wholly or partially, the spectators lost in 2003, with Austria even achieving the best result since 1976. Whilst Portugal and Greece (for which the figures are still estimates) record a basically stable result, five territories suffer from a more or less seriously negative trend. They are Ireland, which, after a series of eight positive results, loses 1%, The Netherlands and three northern markets – Norway, Sweden and Finland – all with losses of between 7 and 8.6%.

The discrepancy between markets with a positive result and those that have lost audiences is still greater in Central-Eastern Europe and the Mediterranean Rim. In 2004 a large share of the extra tickets sold compared to 2003, can be attributed to the exceptional trend in Poland, which grows from 25 to 33 million admissions (almost +32%), and Turkey, which gains 6 million spectators (+26.7%). High percentages are also to be seen in the results of two small markets, such as Latvia (+48.3%) and Croatia (+27%). Flattering, but still below the average for the Region, is the increase in Lithuania (+10.2%). Hungary, where around 13.6 million tickets are estimated, and Slovenia, which crosses the 3-million-spectator threshold, grow less.

A negative trend, instead, for seven countries. These include the Czech Republic which, although recording a slight dip, still obtains its second best result of the decade. While the drops in Slovakia and Cyprus remain limited to between 2% and 3%, larger decreases are those in Malta and Estonia (around 6-7%). With the same rate of decrease (around 12%) between 2003 and 2004 are Romania and Serbia-Montenegro, which have also been sharing a more general tendency to lose audiences over the past few years.

In conclusion, it was certainly a good year but not for everyone, confirming the fact that, as already pointed out in the past, the different European markets tend to retain specific characteristics and not to lend themselves to an overall interpretation.

Elisabetta Brunella
Secretary General of MEDIA Salles

Screens and admissions from 1997 to 2004

countries	screens								var %	var %	var %	var %	var %	var %
	1997	1998	1999	2000	2001	2002	2003	2004	1997 1998	1998 1999	1999 2000	2000 2001	2001 2002	2002 2003
A	424	424	503	523	579	566	550	558	-	18.6%	4.0%	10.7%	-2.2%	-2.8%
B	475	497	492	491	493	514	525	515	4.6%	-1.0%	-0.2%	0.4%	4.3%	2.1%
CH	503	518	471	499	508	508	528	540	3.0%	-9.1%	5.9%	1.8%	-	3.9%
D	4,284	4,435	4,651	4,783	4,792	4,868	4,868	4,870	3.5%	4.9%	2.8%	0.2%	1.6%	-
DK	320	331	331	358	361	361	379	380	3.4%	-	8.2%	0.8%	-	5.0%
E	2,584	2,997	3,354	3,556	3,747	4,001	4,274	4,390	16.0%	11.9%	6.0%	5.4%	6.8%	6.8%
F	4,659	4,764	4,971	5,110	5,241	5,257	5,289	5,302	2.3%	4.3%	2.8%	2.6%	0.3%	0.6%
FIN	321	331	362	343	339	342	339	*337*	3.1%	9.4%	-5.2%	-1.2%	0.9%	-0.9%
GR	340	360	*380*	*391*	454	439	450	*450*	5.9%	*5.6%*	*2.9%*	*16.1%*	-3.3%	2.5%
I[1]	2,456	2,619	2,839	2,948	3,112	3,353	3,566	3,593	6.6%	8.4%	3.8%	5.6%	7.7%	6.4%
IRL	228	261	299	313	322	326	329	335	14.5%	14.6%	4.7%	*2.9%*	1.2%	0.9%
L	26	21	21	25	25	25	26	25	-19.2%	-	19.0%	-	-	4.0%
N	395	393	398	391	394	401	401	426	-0.5%	1.3%	-1.8%	0.8%	1.8%	-
NL	499	516	520	562	565	593	603	623	3.4%	0.8%	8.1%	0.5%	5.0%	1.7%
P	410	449	488	495	460	*401*	468	*500*	9.5%	8.7%	1.4%	-7.1%	*-12.8%*	*16.7%*
S	1,164	1,167	1,123	1,129	1,174	1,176	1,170	1,178	0.3%	-3.8%	0.5%	4.0%	0.2%	-0.5%
UK	2,369	2,589	2,826	3,039	3,248	3,402	3,433	3,475	9.3%	9.2%	7.5%	6.9%	4.7%	0.9%
total	**21,457**	**22,672**	***24,029***	***24,956***	***25,814***	***26,533***	***27,198***	***27,497***	**5.7%**	***6.0%***	***3.9%***	***3.4%***	***2.8%***	***2.5%***
BG	121	106	191	202	202	194	208	*180*	-12.4%	80.2%	5.8%	-	-4.0%	7.2%
CS	.	*186*	160	164	215	253	186	200	.	*-14.0%*	2.5%	31.1%	17.7%	-26.5%
CY	23	26	30	28	43	43	47	*47*	13.0%	15.4%	-6.7%	53.6%	-	9.3%
CZ	747	764	740	743	749	794	757	674	2.3%	-3.1%	0.4%	0.8%	6.0%	-4.7%
EE[2]	180	173	174	76	81	81	81	81	-3.9%	0.6%	-56.3%	6.6%	-	-
HR	147	147	141	142	149	146	142	147	-	-4.1%	0.7%	4.9%	-2.0%	-2.7%
HU	580	625	603	562	622	605	589	*589*	7.8%	-3.5%	-6.8%	10.7%	-2.7%	-2.6%
LT	115	105	99	88	84	79	83	75	-8.7%	-5.7%	-11.1%	-4.5%	-6.0%	5.1%
LV	114	116	119	111	126	107	110	*100*	1.8%	2.6%	-6.7%	13.5%	-15.1%	2.8%
MT	.	.	.	.	.	.	41	43	.	.	.	.	.	.
PL	698	714	755	824	852	854	877	870	2.3%	5.7%	9.1%	3.4%	0.2%	2.7%
RO	441	379	316	293	276	247	213	183	-14.1%	-16.6%	-7.3%	-5.8%	-10.5%	-13.8%
SI	93	93	88	*84*	92	88	100	111	-	-5.4%	*-4.5%*	*9.5%*	-4.3%	13.6%
SK	*337*	*337*	342	292	289	308	290	279	-	*1.5%*	-14.6%	-1.0%	6.6%	-5.8%
TR	487	584	694	*770*	921	985	985	1,147	19.9%	18.8%	*11.0%*	*19.6%*	6.9%	-
total	***4,083***	***4,355***	**4,452**	***4,379***	**4,701**	**4,784**	**4,709**	***4,726***	***6.7%***	***2.2%***	***-1.6%***	***7.4%***	**1.8%**	**-1.6%**

[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".

1997-2003 figures: MEDIA
(www.mediasalles.it).

Comparison of the situation of multiplexes at 31st October (2000-2004)

	8 screens	9 screens	10 screens	11 screens	12 screens	13 screens	14 screens	15 screens	16 screens	>16 screens	total
31/10/00	1,256	1,053	1,030	429	912	208	560	270	128	473	6,319
31/10/01	1,456	1,233	1,200	528	1,104	312	616	300	192	633	7,574
31/10/02	1,576	1,395	1,420	649	1,212	351	714	300	320	756	8,693
31/10/03	1,736	1,485	1,480	759	1,320	377	840	360	368	794	9,519
31/10/04	1,848	1,566	1,570	759	1,464	429	924	420	400	780	10,160
var % 04/03	6.5%	5.5%	6.1%	–	10.9%	13.8%	10.0%	16.7%	8.7%	-1.8%	6.7%

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oped by the UK Film Council, which should eventually reach around 250 screens in 150 theatres and which proposes adopting "the highest standards currently foreseen for digital cinema", to the 270 screens of the Swedish network "Digital Houses", almost entirely situated in country areas and with the desire to break free of traditional distribution, to the international CinemaNet Europe (see article published in issue no. 2/2005 of the Newsletter), the shared need appears to be that of taking quality films outside biggest cities.

As regards to networks, there are those who attempt to make good use of the virtual type: the Norwegian Film Archive, for example, has created a catalogue of domestic films on the Internet, linked to a "video-on-demand" service. It would seem that experimentation has really got off the ground.

SCREENS IN EUROPE

Meanwhile the overall number of spectators in Europe has grown by about 6.5%, the number of screens in 2004 showed a slight overall increase – passing the milestone of 32,000 – but in a less significant manner in Central-Eastern Europe and in the Mediterranean Rim. A look at the five most populated territories demonstrates that, in the early years of this decade, the growth of the number of screens has seemed to have halted in Germany, meanwhile it continues at a slow rhythm in France and the United Kingdom, and is proceeding with a certain speed in Spain and Italy. In particular, in the latter market, between October 2003 and the same month in 2004, the number of complexes with at least 8 screens passed from 63 to 71, while the total number of their screens went from 647 to 724. At the end of 2004 almost a third of the European screens were located in multiplexes. Since 2000 they increased by 60%.

ar % 2003 2004	admissions (x 1,000) 1997	1998	1999	2000	2001	2002	2003	2004	var % 1997 1998	var % 1998 1999	var % 1999 2000	var % 2000 2001	var % 2001 2002	var % 2002 2003	var % 2003 2004
1.5%	13,717	15,219	15,024	16,299	18,985	19,245	17,738	19,377	10.9%	-1.3%	8.5%	16.5%	1.4%	-7.8%	9.2%
-1.9%	22,073	25,386	21,869	23,548	24,035	24,379	22,713	23,799	15.0%	-13.9%	7.7%	2.1%	1.4%	-6.8%	4.8%
2.3%	15,552	15,918	15,428	15,592	17,113	18,811	16,963	17,706	2.4%	-3.1%	1.1%	9.8%	9.9%	-9.8%	4.4%
-	143,122	148,876	148,996	152,533	177,925	163,910	148,957	156,709	4.0%	0.1%	2.4%	16.6%	-7.9%	-9.1%	5.2%
0.3%	10,843	11,011	10,915	10,691	11,921	12,911	12,297	12,787	1.5%	-0.9%	-2.1%	11.5%	8.3%	-4.8%	4.0%
2.7%	105,045	112,143	131,348	135,391	146,810	140,716	137,472	143,932	6.8%	17.1%	3.1%	8.4%	-4.2%	-2.3%	4.7%
0.2%	148,935	170,110	153,570	165,957	185,816	184,461	174,147	194,804	14.2%	-9.7%	8.1%	12.0%	-0.7%	-5.6%	11.9%
-0.6%	5,943	6,395	7,035	7,091	6,539	7,424	7,633	*7,000*	7.6%	10.0%	0.8%	-7.8%	13.5%	-2.8%	*-8.3%*
-	*11,600*	*12,400*	*12,000*	*12,700*	*13,200*	*12,600*	*11,000*	*11,000*	*6.9%*	*-3.2%*	*5.8%*	*3.9%*	*-4.5%*	*-12.7%*	-
0.8%	98,191	112,900	98,772	97,819	105,538	103,768	98,037	111,589	15.0%	-12.5%	-1.0%	7.9%	-1.7%	-5.5%	13.8%
1.8%	11,491	12,387	12,390	14,886	15,942	17,319	17,432	17,262	7.8%	-	20.1%	7.1%	8.6%	0.7%	-1.0%
-3.8%	1,186	1,415	1,316	1,362	1,414	1,432	1,262	*1,350*	19.3%	-7.0%	3.5%	3.8%	1.3%	-11.9%	*7.0%*
6.2%	10,948	11,526	11,351	11,586	12,477	12,041	13,049	11,966	5.3%	-1.5%	2.1%	7.7%	-3.5%	8.4%	-8.3%
3.3%	18,934	20,094	18,647	21,581	23,787	24,119	24,863	23,044	6.1%	-7.2%	15.7%	10.2%	1.4%	3.1%	-7.3%
6.8%	14,163	17,327	18,758	19,224	20,940	19,480	18,723	18,798	22.3%	8.3%	2.5%	8.9%	-7.0%	-3.9%	0.4%
0.7%	15,210	15,819	15,982	16,978	18,101	18,297	18,172	16,606	4.0%	1.0%	6.2%	6.6%	1.1%	-0.7%	-8.6%
1.2%	138,922	135,217	139,059	142,507	155,911	175,903	167,256	171,252	-2.7%	2.8%	2.5%	9.4%	12.8%	-4.9%	2.4%
1.1%	***785,875***	***844,143***	***832,460***	***865,745***	***956,454***	***956,816***	***907,714***	***958,981***	***7.4%***	***-1.4%***	***4.0%***	***10.5%***	-	***-5.1%***	***5.6%***
13.5%	2,685	2,333	2,484	2,217	2,007	2,016	3,041	3,120	-13.1%	6.5%	-10.7%	-9.5%	0.4%	50.8%	2.6%
7.5%	.	7,222	3,475	4,096	4,806	4,769	3,415	2,998	.	-51.9%	17.9%	17.3%	-0.8%	-28.4%	-12.2%
-	931	1,013	842	1,012	858	854	1,034	*1,000*	8.8%	-16.9%	20.2%	-15.2%	-0.5%	21.1%	*-3.3%*
11.0%	9,815	9,252	8,371	8,719	10,363	10,693	12,140	12,046	-5.7%	-9.5%	4.2%	18.9%	3.2%	13.5%	-0.8%
-	974	1,060	875	1,084	1,304	1,558	1,274	1,187	8.8%	-17.5%	23.9%	20.3%	19.5%	-18.2%	-6.8%
3.5%	3,233	2,738	2,295	2,743	2,935	2,766	2,343	2,976	-15.3%	-16.2%	19.5%	7.0%	-5.8%	-15.3%	27.0%
-	16,443	14,570	14,388	14,287	15,693	15,278	13,541	*13,600*	-11.4%	-1.2%	-0.7%	9.8%	-2.6%	-11.4%	*0.4%*
-9.6%	566	1,594	1,780	2,103	2,367	1,916	1,396	1,538	181.6%	11.7%	18.1%	12.6%	-19.1%	-27.1%	10.2%
-9.1%	1,268	1,406	1,375	1,457	1,152	1,071	1,133	1,680	10.9%	-2.2%	6.0%	-20.9%	-7.0%	5.8%	48.3%
4.9%	.	.	.	.	.	.	1,106	1,039	.	.	.	.	.	.	-6.1%
-0.8%	24,330	20,318	27,516	20,892	27,650	27,091	25,264	33,268	-16.5%	35.4%	-24.1%	32.3%	-2.0%	-6.7%	31.7%
14.1%	9,456	6,799	4,192	5,112	5,726	5,316	4,527	4,002	-28.1%	-38.3%	21.9%	12.0%	-7.2%	-14.8%	-11.6%
11.0%	2,503	2,569	1,965	2,077	2,466	2,776	2,972	3,004	2.6%	-23.5%	5.7%	18.7%	12.6%	7.1%	1.1%
-3.8%	4,041	4,082	3,030	2,646	2,848	3,013	2,968	2,902	1.0%	-25.8%	-12.7%	7.6%	5.8%	-1.5%	-2.2%
16.4%	17,765	22,641	24,843	26,040	26,008	22,229	22,331	28,304	27.4%	9.7%	4.8%	-0.1%	-14.5%	0.5%	26.7%
0.4%	**94,010**	**97,597**	**97,431**	**94,485**	**106,183**	**101,346**	**98,485**	***112,664***	**3.8%**	**-0.2%**	**-3.0%**	**12.4%**	**-4.6%**	**-2.8%**	***14.4%***

Salles, "European Cinema Yearbook – 2004 final edition"

2004 data is provisional, figures in italics are estimates.
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ITALIAN FILMS THROUGHOUT THE WORLD

On 5 May 2005 the board of directors of **AIP-Filmitalia**, a company which is the result of the joint venture between Fiera Milano and Cinecittà Holding, unanimously appointed **Adriana Chiesa Di Palma as its new Chief Executive Officer**. Adriana Chiesa, who immediately announced her intention of resigning as sole C.E.O. of the company Adriana Chiesa Enterprises, in order to avoid any possible conflict of interests, is a leading figure on the cinema scene, in particular as an exporter of Italian films abroad. At present she is Vice President of the EFEA (European Film Exporters Association), on the board of directors of EFA (European Film Awards) and a member of the board of directors of the UNEFA (National Union of Film and Audiovisual Exporters). We publish the following short statement by her, together with our best wishes for the important work ahead of her. "I am happy and honoured to take up this new post. I bring to it my professional experience and the desire to open up dialogues with all those who wish to collaborate on circulating Italian films internationally. I firmly believe that collaboration and synergy between different situations and competences – amongst which I remember MEDIA Salles, which for years has been committed to promoting Italian and European films in the specific sector of exhibition – is capable of making an enormous contribution towards helping our cinema to regain the worldwide affirmation and appreciation that it deserves".

THE EU ENLARGEMENT: CINEMA-GOING IN SLOVENIA

GROWTH IN ADMISSIONS

After independence, obtained by Slovenia in 1991, global restructuring of the economy also affected the cinema market. A very limited market, as the whole population does not amount to more than two million. The new distributors (6-8 companies) mostly became branches of the big American majors with headquarters in London for whom they negotiate the rights in Slovenia and, in some cases, also in Croatia. All this has determined the strong prevalence of Hollywood productions on the Slovenian market. At the beginning of the Nineties only two state companies also brought in European or non-Hollywood films but distribution was limited to the Capital and made little impression on the market. The Hollywood films succeeded in covering up to 98% of the market, one of the highest percentages in Europe. And it is not surprising that an American blockbuster drew the largest number of spectators: in 1998 *Titanic* sold over 400,000 tickets and became the film totalling the highest admissions in absolute terms. There was a decline in Slovenian audiences between 1988 and 1992. In 1993 admissions gradually began to rise, recording the highest figures for the whole decade in 1995 (over 2,900,000 spectators), although 45% lower than in 1988. After 1995 admissions decreased again, not recovering growth until after 2000, when the exhibitors started to modernise their now out-of-date premises and when, in May 2001, the first 12-screen multiplex was opened in Ljubljana. In 2002 the Capital city accounts for around 61% of all admissions, a share that subsequently falls with the opening of new complexes in other towns. At present 6 multiscreen complexes exist (3 of which are multiplexes) in five towns. Ownership is in the hands of two Slovenian companies, of which one (Kolosej) owns the first and only multiplex in Ljubljana. A branch of the same company operates as a distributor (Ljubljanski Kinematografi), creating a very strong monopoly which conditions choices of programming. For a long time the owners of the Ljubljana multiplex have been hindering any initiatives that would lead to competition in the capital. Moreover they possess two structures with no competition in another two towns (Maribor and Koper-Capodistria), whilst in a third location (Celje) their competitors are the only other company managing multiplexes (Tuš), which, however, owns a smaller structure and is only free of competition in one town (Novo Mesto). Although on the one hand the multiscreen complexes have led to an increase in admissions, on the other they have radically changed cinema viewing. Small productions have been particularly affected, including Slovenian films, which have achieved success in world festivals over the past few years but have not earned much box office at home (*Guardian of the Frontier* by Maja Weiss, *Blind Spot* by Hanna Antonina Wojcik-Slak, *Suburb* by Vinko Moderndorfer). Fortunately an idea for a circuit of art-house cinemas, planned at the end of the Nineties, was put into practice in 2003 with the opening, in Ljubljana, of the Kinodvor, the first cinema in the art-house circuit which, after two years, has found twin spirits in different structures in other Slovenian towns. There has been no lack of difficulties and audiences remain limited but there is a strong belief that this type of circuit is more than necessary. With the help of the MEDIA Programme, to which Slovenia has belonged since 2003, Slovenian distributors have been able to benefit from financial support for the distribution of European films such as *Evil* by Mikael Håfström, *Lilya 4-ever* by Lukas Moodysson, *Five Times Two* by François Ozon, *The Edukators* by Hans Weingartner and *The Triplets of Belleville* by Sylvain Chomet. In 2004 a total of 276,905 euro was assigned to several Slovenian distributors for the distribution of European films. And whilst American films remain the most widely seen, their absolute supremacy is now over. In 2003 the most widely seen film was *The Lord of the Rings: The Two Towers* with 122,609 admissions, but in third place came the Slovenian comedy *Cheese and Jam* with 155,043 spectators – a great success that is to the taste of spectators in the rest of Europe. In 2004 admissions in Slovenian cinemas, which comprise a total of 111 screens, bettered the 1995 record with 3,003,616 tickets sold.

Most widely seen Slovenian films

Title	Director	Year of distribution	Admissions	% of total admissions
1. KAJMAK in MARMELADA (Cheese and Jam)	Branko Djurić	2003	155,043	5.2%
2. OUTSIDER	Andrej Košak	1997	90,954	3.6%
3. NIKOGARŠNJA ZEMLJA (No Man's Land)	Danis Tanović	2001	86,887	3.5%
4. ZADNJA VEČERJA (The Last Supper)	Vojko Anzeljc	2001	63,173	2.6%
5. V LERU (Idle Running)	Janez Burger	1999	55,988	2.8%

Nerina Kocjančič
Head of Promotion and Sales – Slovenian Film Fund

EVALUATING THE STANDARD OF SERVICE OFFERED BY THE THEATRE

Planning of both the *core and the peripheral elements* constituting the theatre offer must correspond to the web of the spectators' needs and expectations, a system that is influenced by relational, social and psychological dimensions of a subjective nature. On the basis of these dimensions, spectators attribute a *value* to the theatre offer, according to the *benefits* they receive from experiencing the service delivered. When presenting its offer, it is therefore essential for the theatre to make spectators aware of the *advantages* they gain from it. The advantages offered can be divided into three categories, referring to the different types of needs and expectations expressed by the spectators: ***technological*** advantages and ***functional*** advantages, which correspond to the need for *physical accessibility*. These regard expectations to do with the reception provided by the structure and the staff, the safety of the theatre, the technical quality of viewing; ***social*** and ***cultural*** advantages. These benefits are related to the satisfaction of different spectators' needs: the *need for personal contact* between the spectators and the staff and amongst spectators, the *need for reassurance* in terms of the affective, personal dimension sought in a theatre that places the emphasis on habit and a feeling of familiarity and, lastly, the *need for information* that may increase the knowledge of the content and stars of the cinema's programmes. A closer analysis of the standard of service expected by audiences should thus take into consideration the different phases of the 'service cycle' by which audiences establish contact with the theatre and evaluate the *quality of the service* provided. In particular, the phases in the 'service cycle' and the different components of the offer that distinguish it are as follows: ***attraction*** (the theatre's image, promotional initiatives, provision of services such as places to eat, shopping); ***location*** (road directions, visibility of theatre); ***access*** (public transport, availability of parking space, opening hours and days); ***reception*** (furnishings, tidiness and cleanliness, clear indications to the different theatres, entertainment in the foyer, availability of printed information); ***sales*** (efficiency and helpfulness of front-line staff, lack of queues, possibility of booking a seat, possibility of paying by both debit and credit card); ***enjoyment of film*** (theatre accessibility, comfort of seats offering a good view of the screen, technical quality of sound and vision); ***exit*** (security, gadgets and merchandising, shopping facilities).

With reference to each component identified in the different phases of the 'cycle of service', the cinema should analyse the *contribution made to audience satisfaction*.

More specifically, the theatre might provide spectators with a simple *questionnaire*, asking them to express their *opinion* on the following factors: ***importance rating*** for the specific elements of the service; ***level of service*** currently provided by the cinema in relation to each element.

By carrying out a *cross analysis* of the *importance/service factors*, the theatre would be able to identify a *critical area* consisting of those factors pertaining to service considered highly important by spectators but where the service provided by the theatre is mediocre, and, on the other hand, a *maintenance area*, consisting of aspects of service considered highly important by audiences and where the theatre's offer is definitely satisfactory. The elements in the *critical area* are *weak points* in the theatre's offer, which demand efforts to improve the quality perceived by the public, whilst the elements in the *area of maintenance* represent *strong points* in the theatre's offer, which must be reinforced over time.

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NEWS FROM MEDIA SALLES

EXHIBITORS MEET DIGITAL CINEMA: KUURNE 2005

The experiments and strategies of European exhibitors, the creation of networks for the circulation of digital content, an exchange of views between exhibition and distribution: these were the main themes dealt with during **"DigiTraining Plus: New Technologies for European Cinemas"**, the second edition of the MEDIA Salles' training course on digital cinema. The course was held at the headquarters of Barco in Kuurne, Belgium, from 6 to 10 April and involved around forty professionals from eleven European countries – from Portugal to The Netherlands, from Finland to the Czech Republic. In this way participants were able to gain "hands-on" experience of the equipment needed for digital screening. For example, the Kodak CineServer MN2000 and Barco's DP100, 2K resolution digital projector, the installation and management of which, as well as an analysis of their functions, were presented by Nicolas Hamon, Service Operation Manager for Barco Digital Cinema Services, Paul Clark, who holds the same position for Kodak Digital Cinema and Denis Kelly, who is Director for Europe of Eastman Kodak Digital Cinema Activities. Amongst the topics were an analysis of the markets for E- and D-Cinema, presented by Glenn Wastyn, Business Development Manager for Barco Digital Cinema, the main novelties and future prospects for digital cinema, analysed by Angelo D'Alessio, International Manager of SMPTE (Society of Motion Picture and Television Engineers), the strategies for digital screening adopted by two European cinema chains (the Danish Nordisk Film Biograf and Utopia, active in Belgium, the Netherlands and Luxembourg). David Monk presented an overview of Hollywood's prospects in relation to digital films and their new frontier, 3D, whilst, in connection to alternative content, Ángel Fernández Pineda, IT Manager of the Gran Teatre del Liceu of Barcelona, presented the project "Opera Digitale", based on the broadcasting of operas not only in Spain (in the project France, Portugal, Mexico, Chile, Germany, Sweden, Canada, the USA, Morocco, Brazil, Argentina and Italy also appear). The role of national and international circuits in circulating digital content was the focus of talks by Steve Perrin (UK Film Council) and Kees Ryninks (Nederlands Fonds voor de Film), responsible respectively for the initiatives Digital Screen Network, whose objective is to make niche productions, such as foreign-language films, more accessible throughout the UK, and CinemaNet Europe, an international network for the circulation of documentaries.

From content to business models: Bernard Collard, General Manager of XDC, outlined the solution proposed by the Evs group to facilitate the transition to digital technology: renting cinemas the different hardware available according to the size of their screens (from DLP 7,000 Lumens to DLP Cinema™ 2K 12,000 Lumens) for a monthly figure of between 500 and 1,500 euro.

A separate chapter regards digital advertising, which Patrick von Sychowski, Business Development Manager of Unique Digital, defined "the greatest success, to date, in the race towards digitalisation", thanks to the number of screens equipped for the screening of digital commercials, which has reached 10,000 worldwide. During the course, participants had the opportunity of visiting two cinemas of the Kinepolis chain equipped for digital screening: "Château du Cinéma", situated at Lomme, near Lille, which has a grand total of 23 screens and 7,500 seats, and the Kortrijk complex, with a grand total of 10 screens and more than 2,500 seats. Here the course participants attended the digital screening of *Robots*, preceded by a simultaneous comparison of the same film in 35mm and in digital format, as well as a live television connection in standard and in high definition, again with a comparison on a split screen. There followed a presentation of the 2K version of Stem – Standard Evaluation Material – produced by DCI (Digital Cinema Initiatives) with the collaboration of several cinematographers who tested images with colours particularly difficult to reproduce faithfully. Lastly, the short but captivating film with which Kinepolis aims to involve spectators in the technological advancement of the cinema: just a few minutes showing, by means of breathtaking shots and a few rapid explanations, the advantages of digital technology compared to 35mm.

MEDIA SALLES' COMING EVENTS

FOCUS ON EUROPE
AT CINEMA EXPO INTERNATIONAL
Amsterdam, 27-30 June 2005

The MEDIA Salles' event promoting European cinema will open on the morning of 27 June with the **seminar** "Will Digital be the Saviour of European Film?"

The Focus on Europe programme includes **screenings of European films and trailers** with high potential for international circulation and a **stand** where material on the most recent European productions will be available to participants.

During the closing gala, MEDIA Salles will present the **"European Producer of the Year" Award**.

ITALIAN CINEMA WORLDWIDE

A new MEDIA Salles' event for promoting and giving visibility to Italian film productions during the most important professional gatherings of exhibitors and film distributors on markets of particular interest in terms of their size and potential, such as Eastern Europe and the Far East.