

The logo features six five-pointed stars arranged in a semi-circular arc. The stars are colored red, green, and blue, with two stars of each color. The text "CinemaNetEurope" is centered horizontally and partially overlaid by the stars.

CinemaNetEuropeTM

CinemaNet Europe

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CinemaNet Europe

Vision behind our digital cinema network

Use digital technology to help new independent film sector

- * *Turn perceived European weakness into a strength*

Strategy for content driven change:

- * *New flexible ways of distribution and exhibition*

Business Model

- * *Equipment in return for guaranteed performances
for smaller art-house films*



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2002: Original DocuZone started in The Netherlands

Concept: *Netherlands Film Funds as intermediary
move money from software to hardware*

- * *10 theatres 'free' DLP projectors & DVD player*
- * *6% of yearly performances for documentaries*
- * *one new documentary title per 2 weeks*
- * *central marketing & publicity strategy*

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Research Netherlands after 3 yrs DocuZone

- * *17% of DocuZone visitors new to documentaries in theatres*
- * *41% goes more to documentaries since start DocuZone*

Preferred subjects/themes

- * *politics, actuality & conflicts*
- * *other countries & cultures*
- * *human interest*
- * *arts & culture particularly music & artists portraits*
- * *nature*

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2005: CinemaNet Europe partners in
(200 theatres)

Austria	10
France	25
Germany	110
Slovakia	5
Spain	5
The Netherlands	30
United Kingdom	10
<i>Belgium</i>	10
<i>Portugal</i>	5



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Our motivation is not technology but content

- * Easy and cost-effective European film exchange
- * Reduced costs for local specialised distribution (incl. features)
- * Platform for new & different filmmakers: new voice
- * Live events (live intro's & Q&As, pan-Euro festivals)
- * Pan-European marketing and exchange of strategies
- * Securing slots for non-mainstream European films



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Why is digital cinema perfect for specialised distribution?

- * European-wide or national release for the price of 3-4 prints
- * Niche audiences now financially viable
- * No extra costs, like blow-ups, for release of video films
- * HD quality is good for most specialised films with original mastering ranging from DV Cam to S16 & HD

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35mm / 2k 1:1,85

HD 1080 x 1920

4 : 3 SD 576 x 720 - 768

letterbox

DigiBeta
DVCam
DVCPro
DV etc

CinemaNetEurope[™]



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Technical model

- * Same IT infrastructure on MPEG2@HD level in 200 theatres
- * Combination satellite and hard disk distribution
- * DLP projector range designed for venues up to 200 seats
- * Central play-out centres in Germany & The Netherlands

Open system in terms of technology & users



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Technical model

Our choice after a year's research
and various tests in Berlin, Vienna, Lisbon & Amsterdam...

Panasonic projectors:	<i>pixels</i>	<i>aspect</i>	<i>ansi-lumen</i>	<i>contrast</i>
* <i>PT-DW7000</i>	<i>1366 x 768</i>	<i>16:9</i>	<i>5000</i>	<i>1:4000</i>
* <i>PT-D7700</i>	<i>1400 x 1050</i>	<i>4:3</i>	<i>7000</i>	<i>1:4000</i>

Main reasons:

- newest TI 3-chip SXGA+ – deeper black*
- high contrast ratio*
- more film look than others*
- good price/quality ratio*

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PT-D7700

DLP™-Based SXGA+ Projector



SXGA+
7000 lm

The World's Lightest 3-Chip SXGA+
DLP™-Based Projector

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Technical model

The GDC servers:

* Customised DSR™ Z Server

Main reasons

Software based solution

Good subtitles

Good user interface

i-frame only, all movements stay true

Output: 1920 x 1080 for good price



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The Business Model

Each country its own business model

Payment equipment:

25 % financed with regional and national funds

50 % financed with programme income & use projectors (3 yrs)

25 % financed with MEDIA (3 yrs)

Payment Infrastructure:

Different per country



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The Business Model

The theatre/distributor deals:

Germany:

- open to all distributors: charge of € 3/hr
- theatres: annual fee € 1300 plus €30/month service
- MG of €100/title for 26 titles
- each week one fixed slot plus free repeat

UK:

- thematic programming: 6 seasons of 5 films
- full show 1 day per week
- each season runs 4 weeks
- 50% box office



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The Business Model – The Netherlands

Theaters:

- Annual charge € 1500 - € 3000
- min. 3 performances CNE releases
- min. 12-18 performances NL art-house genres
- € 14/performance individual rental use

Distributors:

- performance charge € 14 - € 6
- upscaling / encoding € 3500 (NL films free)
- theatre copy € 35
- transport hard disk €15
- result: lower start-up risk



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The Business Model - Cost examples:

Titles:		Theaters	Perf.	Weeks	Costs*	Visitors
06/05	digital	11	194	3	€ 2.261	>10.000
	<i>prints</i>	11			€ 16.500	
White Diamond		19	117	5	€ 5.432	< 2.000
	<i>prints</i>	19			€ 28.500	

* = *excl. transport*

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12th November 2004

Opening Weekend of the network with 8 documentaries

- Gala Opening with 500 strong audience in Amsterdam
- 25 cinemas showing CNE opening film *Peace One Day*
- Satellite introduction by director Jeremy Gilley
- Satellite Q & A between audiences in four countries

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In 2005 *Each month a pan-European documentary release*

Other programming on national level

Weekly & seasonal programming

Satellite links operable by October

Ongoing audience research in all countries



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in collaboration with

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&
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