A lot of films!

211/300 French production and coproductions
Need to reach the market
Need to maintain diversity

In a crowded national market
213 k tickets in 2016
700 new releases = more than 12 every week
7000 releases including heritage

In an uncertain international market: 111M tickets 2015 / 34M 2016 for French films

In a changing market: new players

In a fragile ecosystem: independent distributors under pressure
The CNC in brief

• Support to the entire cinema chain (creation, distribution, export, heritage)

• Independence from the State Budget

• Taxes levied on companies profiting from the distribution of works: theaters (10.72% of the ticket price), television (5.5% of their sales), distributors of television services (0.5 to 3.5% of sales), physical and on-demand video services (2% of the sale price)

2015 supports €765.2 m

- Cinema €332.5 m
- Television €289.1 m
- Digital cinema €26.5 m
- Transversal support €117.1 m

About one third of the CNC budget is dedicated to supports to distribution, exhibition and promotion in France or abroad.

We provide direct and indirect support for distribution and promotion.
- on a national level
- on an international level
- through promotion agencies
- through experimental schemes

We identify a growing need for works to reach new markets, in France and abroad.

We both support the distribution companies and the arthouse films, which means we conduct together an economic and a cultural policy.
Support for national distribution in theatre:

**Automatic support:** about 34M€ in 2017
Support based on previous success
For French films but any company (French or local branch of foreign company)
Distributors can use that money to invest in MG (Minimum Guarantee) and P&A (Press & Advertising)

**Selective support:** about 15M€ in 2017
Support based on the quality of the films
For French companies but any film (including foreign films)
Selected distributors can use that money for P&A for theatrical release
- For « big » independent distributors, the support is based on a need for a slate of 4 to 9 films (for P&A) or a need of company support to help it scale up (up to 33k€/y/company); 1 commission per year, provides predictability to the distributor
- For small distributors: the support is targeted on a film by film basis

Support through an entire ecosystem:
- support to theatres (arthouse network);
- quotas applicable both for TV and VoD platforms: 60% European and 40% French speaking;
- TV markets ensured through channels investment and prebuy obligations;
- support to VOD platforms;

Arthouse cinema is also supported through dedicated bodies:
**AFCAE** (Association for Arthouse Cinema):
- organise screenings of « arthouse films » in France for small theatre,
- publish promotional documents

**ADRC** (Association for the Regional Development of Cinema):
- support the circulation of arthouse films in small towns
- pays a part of the VPF to the theatres
Results

The best market share for national films in Europe: around 35%
Average EU: around 25%

The best market share for non-american foreign films in Europe: between 10 and 15%
Average EU: about 3%

The 3 main schemes dedicated to fostering the distribution and promotion of works abroad are:

-Supports to international promotion of cinematographic and audiovisual works

-ACM Distribution Scheme dedicated to international promotion of cinematographic works that received the support of Aides aux cinemas du monde

-Support to digitisation of theaters abroad
Supports to international promotion of cinematographic works and of audiovisual works

The CNC supports the international promotion and distribution of cinematographic and audiovisual works (French works and European and international coproductions with France)

- Eligible beneficiary are production companies or sales agents which have the exploitation rights.
- Eligible costs are dubbing and subtitling, script translation, manufacturing of demonstration production, conception, manufacturing and dissemination of promotion tools, the costs incurred for a press agent, minimum guarantees, etc.
- In 2016 have been supported: 541 audiovisual programs & 284 movies.

This selective scheme has been reformed and augmented in 2017.

ACM Distribution Scheme is dedicated to international promotion of cinematographic works that received the support of Aides aux cinemas du monde

500 000 euros per year - partly funded by MEDIA

- launched in 2016 to support and promote the distribution and international circulation of ACM films co-produced with a non-European country.
- open for rights-holders (sales agents, distributors, producers) based in Europe, who want to coordinate an innovative distribution strategy (VOD, festivals, theatres, TV, etc.; special marketing campaign) in at least 3 countries worldwide.
- Eligible costs are technical costs (subtitling, encoding, digitization, manufacturing of DCPs) and promotional costs (prospecting, marketing, advertising campaign, organization of events, etc.).
- Two selection committees are organized per year.
A total envelope of 540,000 € is available in 2017 to support between 4 and 12 projects (2 to 6 for each call).

Subsidy capped at 50% of eligible expenses (80% for low-budget films).

No maximum amount per project.

Average amount: 42,000 €. The selected projects received a grant starting from 25,000 € up to 81,000 €.

3 selection committees have been organized so far and 15 films were granted support.

Thanks to the grant, those 15 films were released (or are to be released) in 92 extra countries overall.

10 of these films were first feature films.

Already over 70,000 admissions and 4,000 VOD views were generated so far in these extra countries.
New ACMD (december 2017) scheme open to:

- Any co-production between a MEDIA and a non-MEDIA country

- MEDIA Coproducer must have between 25% and 70% for fiction and animation films, or between 20% and 75% between documentaries

- No need to be part of the ACM catalogue
On top of that, we support national agencies which help sales agents, distributors and talents:

**Unifrance:**
- 9M€ budget mostly subsidised by the CNC
- Brings talents to the foreign festival
- Brings sales agents to film markets
- French Film Festival in NY, Tokyo...
- Rendez-vous d’Unifrance (meeting of talents in Paris)
- MyfrenchFilmFestival online

**TVFI:**
- 4M€ budget mostly subsidised by the CNC
- Brings sales agents and producers to TV markets
- Screenopsis, an online platform for buyers

The CNC also funds the IFCIC (Institut pour le Financement du cinéma et des industries culturelles) to provide direct loans to sales agents

**« FARAP » fund**
- A fund of 12M€ for direct loans for sales agents
- Loans are based on a slate of projects, French and foreign
- For expenses in MG and PP
- Based on estimative sales
- Up to 25% subsidy clause
New challenges: reach more foreign markets

An exportation plan has been launched in 2017

⇒ A new support scheme / average 8.5M€ /y
- Automatic scheme, based on previous success
- Finances MG and P&A
- Experimental, monitored on a yearly basis
- Increase the influence of the sale agents on the producer.
- The producer is also interested in the success of its film abroad through a bonus on his automatic support

Other aspects of the plan

- The scheme for audiovisual works remains selective but its total funding has been doubled (from 1.7M€ to 3.4M€) because the market gets more fragmented and needs more investments from small producers and sales agents (more travels, more dubbing and subtitling etc.)

- Increased support to agencies: TVFI gets an experimental plan to build promotional events on the markets on French tv series.
Experimentation:
a new way to conduct more efficient reforms in a period of budgetary uncertainty, based on evaluation and adaptability

Improvement points:
-the automatic scheme is only based on the box office, because of the difficulty to get full and transparent information about TV and VOD audience
-An experimental scheme for 3 years that would actually need 5 years to measure the full impact on new films