# 4th Europa International Annual Conference
# " Set The Trend ! "

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***Moderated by Brian Newman***

## Claire Weingarten (Director of New Media @ Film Movement, NY US)

### Film Movement in the VoD Space

**Background**: Film Movement is an art house distributor, beginning in 2002. Started as DVD-of-the-month subscription program. Acquires all the films at International films festivals (Berlin, Toronto, Cannes). Started working in VoD in 2007. Expanded to work with: DVD sales, Libraries, airlines, hotels, cruiseships etc.

**Current transactional partners**: iTunes, Amazon, Vudu, Xbox, Playstation, Google. We also have our own transactional service on our website.

1. **Transactional VoD Services:**
Advantages: Able to reach range of customers across dozens of services on any site they prefer.
Drawback: Such a large amount of content, it can be hard to stand out.

2. **Subscription VoD services:**
Advantages: They often pay attractive licensing fees, becomes a nice source of reliable revenue.
Drawbacks: Some partners want exclusivity, so some not able to do TV sales even if you do a non-exclusive sale. Once a film reaches SVoD window - other transactional platforms may not be so eager to promote it as much.

3. **Ad-supported VoD Services:**
Advantages: High views.
Disadvantages: Lack of audience investment, low retention.

**WINDOWING**

*Traditional model*
- 90 days exclusive theatrical window
- Followed by 60-90-days exclusive cable VoD simultaneous with Digital/Transactional VoD
- Followed by DVD release (160-180 days from theatrical)
- Followed by SVoD exclusive or non-exclusive (190-210 days from theatrical)

*Interesting new model*
Distributors in the US are experimenting with collapsing these windows. One of the advantages is you will get more recognition from the platforms, and they will be more interested in promoting your films. Netflix, for example, has collapsed the window entirely and doing SVOD and Theatrical releases at the same time.

**DVoD On-platform marketing/ placement is key:**

- Some platforms program through careful curation - gatekeeper selection
- Some platforms rely virtually exclusively on algorithms (Netflix)
- Some platforms rely almost exclusively on paid placement
- Social media promotion and Talent promotion

**Folder placement and mapping is very important.** If you can get a film placement in a "Just in" or "New Movie" folder, there will be a lot more discoverability, the key to connect with the audiences!

## Question and Answer

Q: When going onto cable VOD and looking in "New releases," "Just in" section, do you need to fight to get your film categorized in this folder?
A: Yes, and you need to talk to each cable VOD partners individually, what is in new releases in Comcast will be different for what is in Time Warner Cable.

Q: What is a Barker Channel?
A: Type of digital signage, looping advertisement that plays at the top of the screen. Shows clips from films. Free placements and good to have because it can show clips from your movies.

## Challenges in Digital Distribution

1. **Differentiating your films**
   - Stand out through merchandising
   - Cohesive brand identity and social media promotion

2. **Tailoring Programming**
   - What films are the best fit for download-to-own, download-to-rent, ad-supported streaming, SVOD
   - What material is generally well-suited for:
     - Netflix: Doc's
     - iTunes: Movies/ Music filmsa
     - Amazon Video: Television

3. **Cannibalizing windows**
   - Determining where a film will find its audience. Different digital platforms are looking for different digital content.

***"1,000 Times Goodnight"* - VoD Case Study**

**Release Windows**

- Modest North American Film Festival release
- Day & Date Theatrical/VoD Release

Theatrical run over two months in 50+ US markets
On Cable footprint is about 90MM+ & Digital TVoD (All major platforms).
DVD available 2 months after theaters/ TVoD
Netflix exclusive SVoD sale 3 months after theaters/ TVoD
Netflix will pay a lot more for a film if they receive it earlier on.

**Approximate Revenue**

- Theatrical - broke even
- Cable -25% overall sales (including TVoD)
- DVD - 25% overall sales
- **Strong SVoD sales - 50% overall**

**Inside Scoop on some SVoD preferences**: Netflix likes to offer movies that have not opened in a lot of markets, because they want to offer something to their customers that they won't always have the option to see in theatres. Alternatively, Amazon Prime really appreciates a film opening in a lot of markets.

<< **A new strategy/business model** starting to be used by independent film makers to combat piracy, is the idea to give the film completely for free with a 'tip jar' that you can give funding to. These filmmakers in the US are usually not working with traditional distributors; they are typically boarding their own self-distribution plan and experimenting.
Ex. *We are Legion* audience is very hacktivist oriented, and they found that people were tipping more than expected for the film >> **Brian Newman**

Maddy Probst (Program Producer @ Watershed, Bristol UK / VP of Europa Cinemas)

*"Watershed is one of the most culturally upbeat and lively venues in the UK"*

## New Approaches to Engaging Audiences in Diverse cinema: On and Offline

**Who we are and what we do**: We are a small independent cinema. We care very much about depth of engagement of the audience. Interested in building a community of filmmakers, cinephiles, programers and working with a younger generation and to embed them in our business. This scheme is called future producers, a talent development programme for 18-25 year olds. Sold out a 200 seater at dead slot, with photobooths and an accordionist to make the night a feast for the senses. The figures were astounding. It was sold out every night for films such as "*Amelie*" and "*Punch Drunk Love*". We realized that there is an appetite for rediscovering heritage cinema from young people.

**Key to our success**: 30 years of audience development. **We have a strong brand**.

Recent Europe wide audience **research study** concludes there is a real appetite for watching films, 97% of respondents said they watched films.
Physical presence in our cinemas and brand is driving the demand for diverse cinema
Report: http://europa.eu/rapid/press-release_IP-14-120_en.htm

**Take a lot of inspiration from:**

1. **The Publishing world**. They are advanced in finding ways for people to try something they have never heard of before. Risk is important.

2. **Young people** working in the office for Rife Magazine, Bristol's youth led online platform. Real revelation to see how they access content and share stories/films. Following their Vine, Youtube. Have become more motivated to be more present there through peer sharing. This has resulted in us launching a new Youtube channel, as well as them becoming ambassadors for the venue. We care about reaching a younger audience.

Bristol has a growing population of diverse, young people. But it is becoming harder for them to access opportunities. Watershed is using a new ticket offer for £4.50 for those 24 years old and under. This is in hope of resolving the financial barriers to attendance. Effective results!

**Film - the start of a conversation.** Making audiences more visible in our venues and online creates opportunities for conversations. Tried to amplify conversation around a set menu of titles. Trying to use the word-of-mouth that is happening in the cinema and screening rooms online and use that as an extra push for marketing.

### Conversations about Cinema

1. **Impact of Conflict Theme**. Jan - July 2015, Lead partners: Watershed (+ Bristol University), Chapter (Cardiff, Wales), QFT (Belfast, N. Ireland). 25+ organizations (cultural, social, political, academic), 25K+ admissions, 80 films and 57 special events.

**The aim was to:**
- Open up and widen engagement with diverse films UK-wide around the universal theme of the 'Impact of Conflict.'
- Make those conversations more visible on and offline.
- Create the demand for films that might be perceived as 'challenging' from the ground up.
- Ultimately, impacting on the sector's confidence in taking cultural 'risks'...

2. **Academic Engagement** - not just film but language, philosophy and history. https://www.youtube.com/watch?v=1p1ibqJqhCA

3. Organized **school screenings** the day before theatrical release for free. Got some students to share their reaction about the film. Allows us to create an interesting buzz in the target community. https://www.youtube.com/watch?v=Bg6ULhRXtNo

*<< Let's take a risk, be distinctive, be different and offer something that is different than the more commercial offer.*
*Access doesn't matter if no one knows it exists. Curation and editorialization is where we should all be focusing on, whether you are a VoD platform or a cinema >>*

**Russ Collins (CEO @ Michigan Theatre, Ann-Arbor Michigan US / Founder @ Art House Convergence, Midway Utah US)**

**Why film theatres are important for the cinema business:**

1. **Aesthetic mandate:** to have full impact or be fully appreciated, many films should be perfectly presented on a BIG screen in a beautiful darkened room full of strangers - strangers full of artistic anticipation and cultural curiosity.

2. **Fulfilling the primordial campfire desire** - fulfilling the human urge to experience a story in community, in the dark; masterfully told by flickering light.

- If there is a theatre locally, the interest in cinema is higher because even if the theatre does not do as good a job as Watershed, Bristol UK, they are putting an effort into getting folks to their theatre, even if its ads in the local newspaper and a Facebook post.

- The best thing for a commercial theatre in a community is to have an independent Art House Theatre because they are invested in engaging them in the art craft and passion cinema.

The types of people that go to cinema watch all types of cinema.

**Why film theatres are sustainable for the indefinite future:**

It was long ago that movie audiences were overwhelmingly negatively affected by media based technology alternatives.

- Between 1948 and 1964, annual movie attendance in the USA fell from 5 billion admissions per year to 1 billion per year.
- For 50 years (since 1965) movie attendance stabilized and has grown steadily since.
- Today on average attendance is about 1.3 billion per year in the USA.
- Subsequent technologies have NOT had a hugely appreciable effect on the USA theatrical market.

**Alexia Krief (Coordinator Walk This Way& TIDE projects @ Under The Milky Way, Paris FR)**

**Background:** MEDIA subsidy program that brings concrete opportunities to exploit European movies and new distribution channels, such as VoD platforms.

**Context**: There are about 1,600 movies produced every year in Europe. Only a small minority of these films is distributed outside of their country of origin. Can digital distribution help?

**Objectives:**

1. Aggregate a **diversified slate of films** and create attractive collections.
2. Provide VoD Platforms with **ready-made encoding** and subtitled packages.
3. Coordinate **digital marketing** and promotion campaigns to maximise revenues.

**Assets:**

1. **Digital Shift:** Bringing concrete opportunities to exploit content on new distribution channels.
2. **Economies of scale:** Reducing the financial risk of making content technically available on VoD platforms.
3. **Benchmarking:** Increasing the availability of European films and conducting case studies of cross border digital distribution.
4. **Visibility:** Generating awareness and prominence for European films on global platforms.

**Walk this way's team:**
Partners: Under the Milky Way, The Film Agency, Europa International
International Sales: Pathé, Gaumont, Reel Suspects, The Yellow Affair, Film Distribution, Autlook Film Sales, Films Boutique, Fortissimo Films, Memento Films

**Management Process:**

1. All the sales agents that provide us with a batch of movies.
2. We select them then the coordination team meets and tries to build a coherent lineup of movies and create a packages.
3. Under the Milky Way takes on the digital distribution process (sourcing, encoding, subtitling, and delivery on the platforms).
4. The Film Agency coordinates the film promotion and strategy on the platform.

**Main Challenges:**

1. Building a coherent **editorial line-up** from scratch.
   a. Eligibility Criteria: film cannot be older than 2 years old, but have been sold in at least 5 territories and must be made available in 5 other territories.
   b. Packaged them into collections (Men on the Edge, Docs from around the world, Unexpected Love Stories, French Comedies, Scandinavian collection, Stand Alone).

2. Managing the **Digital Supply Chain** for multi-territorial distribution.
   a. Had to adapt to each cultural network.
   b. Sourcing, production, encoding, supply chain.
   c. Have our own room in iTunes store in each territory.

3. Defining an **efficient transversal and local marketing** strategy.
   a. Each market(s) has their own preference (ex. Scandinavia; thrillers sell very well)
   b. Think Global, act Local attitude - to mix international, transversal and local tools
   c. Promote each of the collections as a whole rather than titles individually
   d. Involve a digital PR/Publicity agency that has offices across Europe - *Way to Blue*, Digital PR and *Cineuropa* (Blog powered by the EU focusing on European cinema)
   e. Mix tools such as Facebook and Twitter, Youtube reviewblogs in a unique way adapted to VoD-efficiency

**Walk this Way in figures**

- 34 films selected
- 180 subtitles created
- 20 territories involved
- 180K marketing budget
- 15 languages addressed
- >100K trailer views in a month
- > 180 articles & interviews produced in a year
- > 6,000 units sold on the first collection in the first 3 weeks

<< *Platforms prefer that you pitch them groups or collections of films, rather than individual relationships for each film. We also take on films from smaller companies and package those with ours. Programming collections around specific sales points (Festival favorites, winners at Cannes)* >> **Claire Weingarten**

## Jaume Ripoll (Co-Founder & Head of Content and Development @ FilmIn, Madrid, ES)

**Background**: Created in 2008 in Spain. Trying to fill the need for strong local platforms to promote, support and enhance the 1,000's of European films released every year. The goal is to have the largest library as possible. We are available in: Spain, México, Portugal, and we are part of EuroVoD.

**Our Audience (Spain)**
- 300,000 Registered users
- 300,000 Videos streamed per month
- 90,000 Followers on Social Media

**Largest online catalogue (Spain)**
- 6,200 films
- 2,200 TV Episodes
- 1,500 Shorts

**Where can you find FILMIN?**: PC, Mac, Iphone, Ipad, Android, Chromecast, SmartTV Samsung, LG, Phillips, Sony, Panasonic, Apple TV, Playstation

- Have invested a lot of money to be available on these platforms
- 15-20% of our budget
- Constant Evolution, changing

**Innovation**
- SVoD: 70% of incomes
- App on Ipad: First VoD company to have it in 2008
- Participated in >40 Film Festivals
- Producing own content: "*Barcelona, winter night*"

### Content Curators

Different approaches to raise interest for different types of films.

- **Blogs**: Festival coverage, News about all kinds of films
- **Inside Character's minds**: Don Draper, Jon Snow, Walter White, Tarantino
- **Collections**: Painters, Short Films
- **Prescribers Selections**: - Top Directors pick their favorite films, Top Musicians
- **Current Topics**: Greece, Russia, General Elections
- **Short Film Contest**: Users upload own creations

**New Audience, Old Movies**
- Work with Cinema schools in Spain with initiative, like *Cinema en Curs, Drac Màgic* since '12
- Give access to kids aged 12-16
- By the end of the school year, they make a short film
- Some of these students are now our clients

**2015 Numbers**

| User Demographics | Long Tail | Origin | Film Streams per Device |
|---|---|---|---|
| 35% 25-35 yo<br>25% 35-44 yo<br>13% 18-24 yo<br><br><br>49% Males<br>51% Females | 35% 2010-2014<br>27% 2010-1980<br>25% 2015<br><br><br>67% watch the film<br>33% Abandon | 71% EU<br>- 37% UK<br>- 22% Spain<br>- 20%France<br><br>18% USA | 23% TV Series<br>77% Films<br><br>70% Computers<br>11% Tablet<br>15% Smart TV<br>4% Mobile |

**Future Goals**

- Looking to bring Journalists on our site. When we release a film at FilmIn, it is hard to get a press review, or a review on a newspaper, radio station and this is vital.
- Strongly believe in SVoD for independant art house European with a large library. We should try to establish FILMIN as a strong brand. Some of our European partners are supporting this approach.

**Closing Comments from the 1st panel. What does the future hold?**

*<< The market isn't changing significantly in the big picture. We are in a workout period to find out what the relationship is with VoD, and the various formats that VoD is available. How are people going to access it, and how it impacts theaters.*
*For the last 40 years, theatres are great community organizations, but in the industry, they are essentially a marketing tool to establish a brand so that a film can find its place in the market. >>* **Russ Collins**

*<< The traditional distribution model will change but I don't think it will take traditional theatrical models, I think it is up to the sell agent or the distributor to see what is the best scheme to release their movies, according to their revenues, expectations .>>* **Alexia Krief**

*<< The main problem is the subscription model, it is the key to the future but right now, at least in Spain, we want to pay 3€-7€ to watch an unknown film, and the only solution is subscription (8€/month). It does not give enough money to the producers and sales agent to continue their production. >>* **Jaume Ripoll**

*<< As a cinema, we are focused on experience, economy and eventizing. It's a mix of community of interest and on the other side, it's the brands. If we can develop the culture of watching independent and European films, then we will win. Then we might grow up in the algorithms of Netflix, who knows! >>* **Maddy Probst**

*<< A lot of the big players that I work with are moving into the same space and trends, everyone is becoming like one another. Original programming has become a focus. Many are looking into the US-based VOD space toward international expansion .>>* **Claire Weingarten**

## 2nd Panel: TV Sales and Digital World Panel

**Ross Biggam (Former International TV and Media Business Advisor @ ACT Association of Commercial Television, Brussels BE)**

**Past and Future of TV Channels: Changes and Challenges.**

**Background:** Been in the European Media Sector for over 20 years. Until recently, ran a Pan-European Trade Organization, the Association of Commercial Television (ACT).

**Television is the new Cinema**

Today, cinema and television are swapping roles, creatively and financially, driven by:

1. Globalization
2. Audience Expectation
3. Budget Expectations

These are driving European producers and broadcasters to look again at their business model.

**Europe is not the US!** Why cord-cutting will not cross the ocean

- Europe has more **competitive prices**. For Americans, it can be cheaper to pay for online subscriptions.
- **A single time zone**: European countries are more homogenous: free to air channels and still create moments around scheduled programming.
- **Ad saturation in the US**: In Europe the historic role of wealthy, ad-free public TV sets a baseline of consumer experience that the commercial channels must compete with.
- **Platforms/Pay vs. Free**: There is a different relationship between free and pay TV in Europe. European pay TV has always been subscribed because of additional content. In the US markets, it has more to do with the poor quality of the terrestrial signal.
- **TV viewing has grown** over the last 10 years. In the first half of 2015, the average daily TV viewing has risen by 4 minutes a day across Europe.

**Bottom Line:** US and European markets are not directly comparable.

*<< Should rethink ourselves as not so much being Broadcasters but Media Content Providers. If those consumers want to watch that content on smartphones, 32-inch TV, tablets… or on various platforms - it is up to us to make sure they can do that >>* **Ross Biggam**

**Content Today -Partial Globalization?** Some content remains national/regional/local. Media will never achieve the same degree of globalization as the tech sector.

- Rise of European success story. The format business (TV learning the art of the Hollywood Remake).
- Arrival of the super-indie.
- Some consolidation on the content market (Sky merger, Liberty Global and significant consolidations/globalization in neighboring markets (Advertising agencies, sports rights).
- Explosive growth in distribution (from 300 in 1992 to 11,000+ today in broadcast alone + online)
- **Consequence**: experimentation in broadcasting, which wasn't the case previously example- The Film, *Borgen*.

**Today's Audience and their Expectations on Platforms**
Linear TV: Still strong. But also **catch up** in vital.
SVoD/TVoD: Act as 'Audiovisual Insurance' - If the consumer is not attracted to anything coming up, they have the insurance of having more available on a VoD service.

**Challenges that Broadcasters face**:

1. Now there is a NEED to have cinema quality, HD series to watch on their HD flatscreens. If European producers don't satisfy that demand, then HBO or Netflix will do so.

2. The days of 100% financing are over. The budgest of $12MM/hr are beyond the reach of European producers or broadcasters. We as broadcasters are now becoming much more like the cinema, exploring new ways of financing. Now we are looking at tech shelters, pre-sales, co-productions, public financing, MEDIA. TV advertising still remains a strong market. However, of all genres, high-end drama series are more susceptible to DVR playback (ad-skipping).

**What are broadcasters looking for (in a coproduction)?**
- Universal stories but in a local setting ex. Cyberbullying, migration
- A historical dimension drama
- Politics and crime usually work, comedy rarely does

**Open Questions for the Future**

- How **risk averse** are "broadcasters"? Where can innovation thrive?
- Can buyers and sellers think beyond the 20h00 '**peaktime**' slot? Need to think in new TV landscape way. There are other ways around the 9pm slot, like pay-platform, VoD.
- Future of **exclusive windows** under pressure from regulators and consumers?
- Consumers are constantly pushing the system of exclusive windows. We have to be as flexible as the market allows us to be.
- What if the 'series' boom ends … and why and when might it do so?
- US is producing 400 long form drama series this year.
- Everything 7 years ago was reality TV, docu-soaps, in a few years time it will be something different again.
- Every change that we have in the sector creates new slots and space for experimentation.

**Bettina Brinkmann (Head of TV @ Eurovision operated by the EBU European Broadcaster Union, Geneva CH)**

**About the European Broadcasting Union**

- The world's leading alliance for Public Service Media (PSM)
- Serve 73 active members in 56 countries with over 780 TV and 1040 Radio Services
- Broadcast in 123 languages
- An additional 21 associate members operate in Asia, Africa and US
- Strong in lobbying

**Sports:** Active in networking, Sports Rights Acquisition with 25 federations (FIFA, UEFA, IAAF) on a portfolio that includes around 120 events (Major/Minor sports activities).

**Music:** Active in music, involved in co-production and acquire a lot of music rights
Ex. Vienna Filharmonic Orchestra, New Years Concert. We acquire on behalf of members, package deal with 45 members.

**TV - New Experience!**

- Involved in a series. Never before involved in a TV co-production. We were asked to support and help develop/finance a series. We were 8-9 coproducers together.
- Only facilitated the process, we didn't produce or broadcast.
- Filmed in English then broadcasted in all co-producing countries in a Dutch version.
- The English original was broadcasted online 1 week prior to linear broadcasting.
- This managed to get a lot of young people hooked… Interesting marketing tool!

**Filmweek**

- European movies are not that prominent on public service broadcasting channels.
- We agreed with a number of members, we are 25 broadcasters, to compose a Filmweek.
- We dedicated 1 week in November 2013. Collaboration with EFA & Creative Europe.
- The goal: Celebrated European film and the film-making industry in Europe.
- It wasn't easy: Had to ask the members to clear all the European rights to the film for 1 week.
- Largest multimedia film festival ever staged, had never been done before.
- 26 Members cleared rights to one film for viewing across Europe during the week.
- It takes a lot of branding to be successful - *"European movies as a brand"!*
- **Promotion**
  - Interviews with prominent filmmakers & actors
  - Common branding including logo and trailers
  - Footage of winners on stage at the European Film Awards
  - Behind-the-scenes material from the sets of these films
  - Social media promotion & National campaigns

*<< It's not so much that broadcasters are neglecting European cinema in favor of other cinema. As the industry has matured, there has been a shift of value from cinema into producing more stuff directly for Television...Have become much more self sufficient... There is a fundamental disconnect that the European consumer may prefer to watch Hollywood content in the cinema, but local content at home on the sofa. The question is why does the consumer want something so different, depending on the environment? >>* **Ross Biggam**

**The Present and Future of TV**

**The Algorithm**: Lots of innovation coming from the technology companies (Google, Amazon, Netflix), launching a range of new products. Traditional broadcasters have limited resource for research. The new buzz-word: << Algorithm to understand the consumer >>
Ex. "*House of Card"s* was a success, but we know it was not very original. Something like this was already done earlier. They had the proof that it was a good concept.

**TV vs VoD**. VoD is typically a compliment and rarely a substitute. Audience would rather accumulate rather than choosing between services.
BUT the battle for the audience will have an increasing impact on the rights situation.

**Traditional TV and pay-TV** operators want to own content for future use (rights buy out). They want to build their own new brands. Unique content creation and acquisition becomes increasingly important.

**TV remains strong**: TV is still the home of premium sports events, entertainment shows, event programming. TV is still the lead of long-form story-telling. << TV is a true curator >>