# France

**Market Analysis for**
**German Films**
**by Split Screen**

## (1) GENERAL STATISTICS

| | |
|---|---|
| Area (square kilometers) | 547,000 |
| Population (2003) | 60,185,831 |
| Official language | French |
| Currency | Euro |
| Gross Domestic Product | €1.464 trillion |
| IDD Code | 33 |
| Time difference (+/- GMT) | +1 |

## (2) GENERAL FILM STATISTICS

| | 2001 | 2002 | 2003 |
|---|---|---|---|
| Number of screens | 5,242 | 5,280 | 5,295 |
| Annual admissions (millions) | 187.22 | 184.18 | 174.15 |
| Average admission price (Euros) | 5.44 | 5.58 | 5.74 |
| Number of films produced | 200 | 217 | 196 |

'Films produced' includes all films in which a French production company or production fund was involved.

## (3) THEATRICAL DISTRIBUTION

| Statistics | 2001 | 2002 | 2003 |
|---|---|---|---|
| Number of films released | 572 | 537 | 609 |
| US | 210 | 202 | 222 |
| Domestic | 180 | 167 | 191 |
| German | 10 | 10 | 4 |
| Other European | 81 | 77 | 91 |
| Other | 91 | 81 | 101 |
| Total box office (millions Euros) | 1,018.6 | 1,027.7 | 1,000.27 |
| Domestic films' market share (%) | 41.4 | 35.0 | 35.0 |
| US films' market share (%) | 46.6 | 49.8 | 52.9 |
| German films' market share (%) | 0.8 | 0.8 | 0.9 |

'Domestic' includes all co-productions, both majority and minority, with other countries.

## COMMENTARY

France's position is unique in Europe for a number of reasons, the most important of which is the sheer continuity (and, as a result, scale) of its film support mechanisms. First introduced in 1946 and now administered by the Centre National de la Cinématographie (CNC), the aid systems touch every area of the audiovisual business, from feature films in production, distribution and exhibition via television to home video, DVD and the 'new media'.

This continuity has given rise to – and is, of course, also a product of – a strong cultural belief that the audiovisual industries in general, and cinema in particular, are an essential part of the fabric of French life. As a result, they have not been kicked around from one government department to another, depending on whether they were seen as culture or commerce.

The net result of this very proactive support of film production and distribution is that France is the only European country of any size where local product regularly challenges Hollywood movies at the box office (although it hasn't had a majority market share since the early eighties, with the share sinking below 30% in a number of recent years), and where a very broad range of films, including films from other European countries, are widely available to dedicated cinéphiles. Needless to say, this has involved a strong degree of protectionism.

Nor is a broad choice of films available only in Paris (which is, of course, traditionally the cinematic mecca of Europe). The nationwide network of 'Art & Essai' cinemas, generously supported by the CNC, ensures that cinemagoers in the provincial cities are far better served than they are in the UK and, indeed, most other European countries.

France has more cinema seats per capita than most of its European neighbors, partly because the multiplex boom was fairly late in arriving (the major building period was the early to mid-nineties) and was resisted by existing single-screen cinemas. Since these were shut down in much smaller numbers than elsewhere to make way for the multiplexes, the growth of the latter resulted in a net rise in the number of available screens and, briefly, in admission figures.

It could be argued that this situation has been to a certain extent artificially preserved: distribution and exhibition aid is an essential function of the CNC's operations, and may have been used to keep open 'uneconomic' cinemas in the name of cultural policy. But it does mean that France is more 'open' to foreign films than most countries, if only because the number of films released each year is between 10% and 30% higher than in similar-sized territories.

This to some extent helps German films, whose position on the French marker has improved somewhat since the last German Cinema survey was carried out by Écran Total in 2001. Of the (in that survey, rather loosely defined) German movies released in France from 1995-2001, only eight managed to attain more than 100,000 admissions. In the shorter period since then (2001-2004), however, nine have already passed that threshold, with two (*Good Bye, Lenin!* and *Duell*) attracting more than a million cinemagoers. And, while established auteurs have shown that they can still draw French audiences (Wim Wenders' *Land of Plenty* notched up 115,000 admissions in 2004 and Margarethe von Trotta's *Rosenstrasse* 37,000 in the same year), films like *Good Bye, Lenin!*, *Die Geschichte vom weinenden Kamel* and *Gegen die Wand* appear to be reaching a broader and hopefully newer public. Re-releases of German classics from the twenties and thirties, meanwhile, continue to be popular.

Aside from boutique operator K Films, however, no single distributor emerges from the survey as having a predilection or even a continuing degree of openness to German films: most of the distributors profiled below have handled no more than one or two German titles in the past four years.

In more general terms, though, German films – like Italian and Spanish movies – have fallen victim in France to the trend for films from more exotic locales like Iran, Japan, Korea and Thailand. Indeed, the lesson of *Lenin* and *Gegen die Wand* may well lie in their 'exoticism', the former GDR and Germany's Turkish community being equally strange to French audiences as Thailand and Korea. More realistic films, though, have fared less well.

When this is added to the perception that German films are somehow less cinematically interesting – fostered to a degree in the mind of French critics by their general absence from the Cannes line-up until quite recently – the handicap for any German producer or sales agent trying to launch their films into the French market becomes quite pronounced. However, the recent successes referred to above, together with the very recent performance of *Der Untergang*, does at least provide a foundation on which to build.

**GERMAN FILMS THEATRICALLY RELEASED IN FRANCE (2001-2004)**
**RANKED BY BOX OFFICE**

| Title | Distributor | Release Date | Admissions |
|---|---|---|---|
| *Good Bye, Lenin!* | Océan | 10 Sep 2003 | 1,290,775 |
| *Duell (Enemy at the Gates)* | Pathé | 14 Mar 2001 | 1,108,667 |
| *Samsara* | Océan | 30 Apr 2002 | 310,389 |
| *Die Geschichte vom weinenden Kamel* | ARP Sélection | 6 Oct 2004 | 266,664 |
| *Extreme Ops* | SND | 11 Dec 2002 | 249,210 |
| *Der kleine Eisbär* | Gebeka | 8 Dec 2004 | 145,302 |
| *Gegen die Wand* | MK2 | 21 Jul 2004 | 121,541 |
| *Land of Plenty* | Océan | 22 Sep 2004 | 115,368 |
| *Autobahnraser* | Metropolitan | 21 July 2004 | 106,588 |
| *Anatomie* | Columbia | 16 May 2001 | 92,642 |
| *Das Experiment* | Metropolitan | 21 May 2003 | 75,988 |
| *Nirgendwo in Afrika* | TFM Distribution | 10 Mar 2004 | 51,882 |
| *7 Days to Live* | SND | 9 May 2001 | 48,658 |
| *Rosenstrasse* | CTV International | 9 Jun 2004 | 37,935 |
| *Taking Sides (Der Fall Furtwängler)* | Mondo | 30 Apr 2002 | 32,612 |
| *The Quickie* | Pyramide | 25 Jul 2001 | 27,417 |
| *Metropolis* (re) | MK2 | 14 Apr 2004 | 27,050 |
| *Super 8 Stories* | Epicentre | 10 Oct 2001 | 21,558 |
| *2001 A Space Travesty* | Artédis | 31 Jul 2002 | 18,612 |
| *Berlin Is In Germany* | K Films | 2 Oct 2002 | 12,495 |
| *Milchwald* | ASC Distribution | 4 Aug 2004 | 11,450 |
| *Der Tunnel* | K Films | 7 Nov 2001 | 9,604 |
| *Bella Martha* | Take Off | 21 Jan 2004 | 9,040 |
| *Invincible* | Diaphana | 13 Mar 2002 | 5,054 |
| *Das Testament von Doktor Mabuse* (re) | Connaissance du Cinéma | 12 Feb 2003 | 4,500 |
| *Die Innere Sicherheit* | Cinéma Public | 26 Jun 2002 | 4,456 |
| *Lichter* | Les Films du Safran | 14 Apr 2004 | 4,312 |
| *Die Unberührbare* | Les Films du Paradoxe | 19 Sep 2001 | 3,623 |
| *Halbe Treppe* | Les Grands Films Classiques | 20 Nov 2002 | 3,309 |
| *Die Ehe von Maria Braun* (re) | Carlotta | 6 Oct 2004 | 3,307 |
| *Was nützt die Liebe in Gedanken* | Antiprod | 1 Dec 2004 | 3,000 |
| *Der Krieger und die Kaiserin* | Mars | 8 Aug 2001 | 2,635 |
| *Lieber Fidel* | Colifilms | 14 Nov 2001 | 2,569 |
| *Ein Handvoll Gras* | K Films | 3 Oct 2001 | 2,112 |
| *M* (re) | Connaissance du Cinéma | 24 Mar 2004 | 2,109 |
| *Herr Zwilling und Frau Zuckermann* | Cinéma Public | 6 Mar 2002 | 1,918 |
| *Führer X* | K Films | 15 Oct 2003 | 1,522 |
| *Downhill City* | Cinéma Public | 12 Jun 2002 | 656 |
| *Bear's Kiss* | Pyramide | 31 Dec 2003 | 497 |
| *Viktor Vogel - Commercial Man* | Columbia | 10 Jul 2002 | 236 |

## THEATRICAL DISTRIBUTORS WITH RECENT EXPERIENCE OF GERMAN FILMS

### Antiprod

A production company and prolific releaser of titles on video and DVD, Antiprod caters predominantly to the gay market – to which it tried (without much success) to pitch the only German film it has so far released: *Was nützt die Liebe in Gedanken*.

1, rue de Metz, 75010 Paris
phone +33 1 40 22 63 03
fax +33 1 42 46 13 89
email: patrick@antiprod.com
www.antiprod.com

### ARP Sélection

ARP is one of France's most distinctive production and distribution companies. Active since 1993, distribution arm ARP Sélection earned a small fortune with Luc Besson's *Taxi* blockbusters, which ARP produced and released prior to the establishment of EuropaCorp Distribution in 2001. The rest of the line-up consists of in-house productions, plus a number of non-French titles, ranging from the obscure to the *OSCAR*-nominated (*Far From Heaven*). *Die Geschichte vom weinenden Kamel* – the only German film so far released by ARP – is typical of the company's taste, and did very well in France, with over a quARTEr of a million admissions.

11, rue Lincoln, 75008 Paris
phone +33 1 56 69 26 00
fax +33 1 45 63 83 37
www.arpselection.com

### Artédis

A production, distribution and sales company formed in 1983, Artédis releases between four and six films theatrically a year with no apparent speciality (titles range from recent French films via Italian and Spanish acquisitions to re-releases). Artédis also has a thriving non-theatrical catalogue of titles by Claude Chabrol, André Téchiné, Claude Sautet, Michel Deville, Just Jaeckin and Henri Verneuil from which it draws much of its revenue. Among this varied array is the German-made Leslie Nielsen comedy *2001 A Space Travesty*, which Artédis released in the summer of 2002, scoring one of its best box office results of recent years (18,612 admissions).

12, rue Raynouard, 75016 Paris
phone +33 1 53 92 29 29
fax +33 1 53 92 29 20
email: ARTEdisf@aol.com
www.cinemaarts.com

### ASC Distribution

A boutique operator even by French arthouse standards, ASC Distribution releases one or two films a year from a wide variety of sources, including Argentina, the Czech Republic, Japan, Spain and the US. The company's sole German release to date, *Milchwald*, was its second most successful of the past five years. The fact that this translated into only 11,500 admissions gives some idea of the scale of the company's operations.

52, rue de Montreuil, 75011 Paris
phone +33 1 43 48 65 13
fax +33 1 43 48 65 49
email: ascdis@club-internet.fr

**Carlotta Films**
Carlotta is a highly successful re-release house specializing in films from the fifties to the eighties rather than the Hollywood 'golden age'. The company has a back catalogue of over 200 titles, and releases anywhere up to 15 of them a year. Mixed in with the re-releases are the occasional theatrical premieres, but Germany is represented in the company's line-up by a re-release of Fassbinder's *Die Ehe von Maria Braun* in October 2004.

53, boulevard de la Grenelle, 75015 Paris
phone +33 1 42 24 10 86
fax +33 1 42 24 16 78
email: vpb@carlottafilms.com
www.carlottafilms.com

**Cinéma Public Films**
Cinéma Public is a specialist production and distribution company supplying the arthouse circuit with an eclectic mix of titles from a variety of sources, including a disparate trio of German titles: comedy *Herr Zwilling und Frau Zuckermann*; political coming-of-age drama *Die Innere Sicherheit*; and German-Finnish co-production *Downhill City*. All opened in 2002, when German films accounted for the majority of the company's releases.

84, avenue Président Wilson, 92300 Levallois-Perret
phone +33 1 41 27 01 44
fax +33 1 42 70 06 65
email: c.p.films@wanadoo.fr
www.cinemapublicfilms.com

**Colifilms Distribution**
Run by Mima Fleurent, Colifilms is France's leading distributor of Spanish-language films, and only rarely spreads the net to include films from other territories. A Spanish connection accounts for Colifilms' release of the German-made documentary *Lieber Fidel* in November 2001. The company's releases are barely more than a dozen prints and impact is accordingly limited.

17, rue de Chéroy, 75017 Paris
phone +33 1 42 94 25 43
fax +33 1 42 94 17 05
email: colifilm@club-internet.fr

**Columbia TriStar Films**
Now operating as part of Gaumont Columbia TriStar Films, Columbia in France has handled almost exclusively Sony titles from the US, with the exception of four UK movies in 2000; Légende's *Le pacte du silence*, which did average business in 2003; and two films from Columbia's German production subsidiary.

The first, *Anatomie*, did solid business (92,000 admissions) in 2001, but *Viktor Vogel - Commercial Man*, released the following year, made no impact at all. And, with the German production experiment now ended, Columbia is unlikely to release any more German films in France.

131, avenue de Wagram, 75017 Paris
phone +33 1 44 40 60 00
fax +33 1 44 40 62 01

email: webmaster@columbiatristar.fr
www.columbiatristar.fr

**Connaissance du Cinéma**
A prototypical French arthouse distributor operating since (at least) the mid-eighties, Connaissance du Cinéma releases an average of four titles a year. Its only German titles in the past four years have been re-releases of Fritz Lang's *Das Testament von Doktor Mabuse* in February 2003 and *M* in March 2004.

122, rue La Boétie, 75008 Paris
phone +33 1 43 59 01 01
fax +33 1 43 59 64 41

**CTV International**
CTV – launched in 1992 – is a significant mid-rank player on the French distribution scene, with a flourishing DVD, video and TV sales business. With a focus on independent movies with mainstream aspirations, CTV has seen its theatrical slate shrink over the past three years, as that breed of film becomes not so much harder to find as more difficult to make any money out of. The company has released two German films in the past five years, both from 'New German Cinema' directors: Volker Schlöndorff (*Die Stille nach dem Schuss*, 2000) and Margarethe von Trotta (*Rosenstrasse*, 2004). Both did reasonable business.

5, rue du Coq-Héron, 75001 Paris
phone +33 1 44 76 07 27
fax +33 1 44 76 07 93
email: ctvint@ctvinternational.com
www.ctvinternational.com

**Diaphana Distribution**
France's highest profile and most adventurous distributor of 'mainstream arthouse', Michel St Jean's Diaphana is still, unlike its former rival Bac, an independent operation. The company is relatively unusual among French distributors in its commitment to European (and especially British) co-productions at script stage. This accounts for Diaphana's only recent German release: Werner Herzog's *Invincible*, which the company co-produced with Herzog and the UK's Film Four. Unfortunately, the film performed poorly in France (as it did elsewhere), notching up just over 5,000 admissions.

155, rue du Faubourg-Saint-Antoine, 75011 Paris
phone +33 1 53 46 66 66
fax +33 1 53 46 62 29
email: diaphana@diaphana.fr
www.diaphana.fr

**Épicentre Films**
Formed in the late nineties, Épicentre is a distributor of arthouse titles from all sources, releasing between five and seven films a year. The company's only German release has been Emir Kusturica's German-produced documentary *Super 8 Stories*.

80, rue de la Mare, 75020 Paris
phone +33 1 43 49 03 03
fax +33 1 43 49 03 23
email: epicentrefilms@club-internet.fr

**Les Films du Paradoxe**
Les Films du Paradoxe – which releases titles theatrically and has a video and DVD division on which it relies for much of its revenue – lives up to its name with a wide range of releases. The company, run by Jean-Jacques Varret, acquired *Die Unberührbare* – its only recent German title – at Cannes and released it in the autumn of 2001.

BP 47, 2 bis, rue Mertens, 92270 Bois-Colombes
phone +33 1 46 49 16 93
fax +33 1 46 49 32 23
email: contact@filmsduparadoxe.com
www.filmsduparadoxe.com

**Les Films du Safran**
Launched as a distributor in 2002 with its own production, the Senegalese drama *The Price of Forgiveness*, Les Films du Safran went on to initiate an active acquisitions policy, which led, in 2004, to Berlinale entry *Lichter*. To date, this has been Les Films du Safran's only German title, and the results – a little over 4,000 admissions – were below average.

40-42, rue de la Réunion, 75020 Paris
phone +33 1 45 39 51 43
fax +33 1 45 39 49 72
email: films.safran@wanadoo.fr
www.lesfilmsdusafran.fr

**Gebeka Films**
Lyon-based Gebeka specializes in films for children, often animated but not necessarily so, and has tapped into some fairly impressive audiences (200,000-300,000) with several of them. The company has opened only one German film, *Der kleine Eisbär*, which it released in France in December 2004, some three years after production company Warner opened it in Germany.

46, rue Pierre Semard, 69007 Lyon
phone +33 4 72 71 62 67
fax +33 4 37 28 65 61
email: info@gebekafilms.com
www.gebekafilms.com

**Les Grands Films Classiques**
Founded in 1958 by two cinéphiles, Jacques Maréchal and Jean Gaborit, Les Grands Films Classiques specializes (as its name implies) in classic European and Hollywood movies, which it frequently releases in programs (Bergman and Woody Allen are popular sources). Andreas Dresen's *Halbe Treppe* – released in France in 2002 – has been among the company's occasional acquisitions. It did below-average business (3,300 admissions).

49, avenue Théophile Gautier, 75016 Paris
phone +33 1 45 24 43 24
fax +33 1 45 25 49 73
email: grands.films.classiques@wanadoo.fr

**K Films**
A boutique production and distribution company run by Klaus Gerke, K Films' specialty as a distributor is niche titles from less-traveled territories such as Venezuela and Egypt. To these are added the occasional documentary and a number of films from Gerke's native land (a third of all K Films' releases since the start of 2000 have been German). K Films

has a 100-film library, a 500-film video catalogue and is also a publisher of books about films.

7, rue Commines, 75003 Paris
phone +33 1 42 74 70 14
fax +33 1 42 74 70 24
email: kfilms@noos.fr
www.k-films.fr

**Mars Distribution**
Created in 1998 by Jean Labadie of Bac Films, Mars Films (as it was then called) was originally intended to handle arthouse titles while Bac itself concentrated on more mainstream fare. The company was subsequently sold, along with 80% of Bac, to Canal+ in May 1999. When that deal was dissolved in 2002, the company – now Mars Distribution – remained with Canal+, and essentially became the distributor of major non-studio movies that Bac had once been, releasing between 25 and 30 films theatrically a year, with a market share of between 2.2% and 5.7%. Its only German release since the start of 2000 has been Tom Tykwer's *Der Krieger und die Kaiserin*, which produced distinctly lackluster box office results in France.

1, place du Spectacle, 92863 Issy les Moulineaux Cedex 9
phone +33 1 71 35 11 03
fax +33 1 72 35 11 88
email: webmaster@marsdistribution.com
www.marsdistribution.com

**Metropolitan Filmexport**
Already a major player on the French independent scene with a market share of around 3%, Metropolitan Filmexport moved into the big time in 2001, thanks to its release of the *Lord of the Rings* trilogy, which gave the company a bigger market share (an average of 7.9% over the cycle) than several of the majors. In 2002, the company – run by the Hadida brothers – signed a three-year output deal with New Line which kept it supplied with mid-to-high budget indie titles between the Tolkien adaptations. The deal was renewed for a further four years in 2005. Among Metropolitan's limited foreign-language acquisitions, German teen action movie *Autobahnraser*, released in 2004, did good business with just over 100,000 admissions, while *Das Experiment* – released the previous year – also did well (75,000 admissions).

29, rue Galilée, 75010 Paris
phone +33 1 56 59 23 00
fax +33 1 56 59 23 10
email: info@metro-films.com
www.metrofilms.com

**MK2 Diffusion**
Formed in 1974, Marin Karmitz's vertically integrated MK2 empire – which encompasses production, distribution, exhibition and foreign sales – has had considerable success with a number of top auteur directors, notably Claude Chabrol, Michael Haneke and Abbas Kiarostami. But whereas French product used to dominate the slate, films from elsewhere have recently come to play a much greater role, especially in 2004, when movies from Korea, the US, Iran, Germany and Uruguay made up the majority of its releases. MK2 did particularly well with Berlinale-winner *Gegen die Wand* (121,000 admissions) in 2004 and has recently established a profitable sideline in re-releases of early classics, which have included Fritz Lang's *Metropolis*.

55, rue Traversière, 75012 Paris
phone +33 1 44 67 30 80
fax +33 1 43 44 20 18
email: distribution@mk2.com
www.mk2.com

**Mondo Films**
A distribution and production company which originally planned to release around eight auteur-based titles a year, Mondo Films had scaled back its activities by the turn of the decade, with the last remaining acquisitions released in the summer of 2002. Ironically, its one German title – Istvan Szabó's *Taking Sides* (aka *Der Fall Furtwängler*) – was one of its most successful releases, albeit it with only just over 32,000 admissions. Mondo Films now appears to be inactive.

42 bis, rue de Lourmel, 75015 Paris
phone +33 1 45 78 07 07
fax +33 1 45 78 46 03
email: mondo-films@wanadoo.fr

**Océan Films**
Set up as an independent distributor in the nineties by industry veterans Alain Vannier, Marc Sillam and Eric Heumann – with another movie veteran, Jean Hernandez, as head of distribution – Océan is a prolific releaser of arthouse crossover titles, around half of them French, with the remainder coming from all over Europe and, more recently, the Far East. The company had a major hit with *Good Bye, Lenin!* – one of the most successful German films of recent years in France, with almost 1.3 million admissions – and did quite well the following year with Wim Wenders' English-language movie *Land of Plenty*.

40, avenue Marceau, 75008 Paris
phone +33 1 56 62 30 30
fax +33 1 52 62 30 40
email: ocean@ocean-films.com
www.ocean-films.com

**Pathé Distribution**
One of France's oldest film companies, Pathé (formed in 1896) has gone through many different phases since its early heyday. The current phase, dating from the mid-nineties, has seen it emerge once more as a force in French exhibition and distribution, with a 2003 turnover of €631 million. In amongst the obvious hits, it is worth noting the very strong performances in France of Jean-Jacques Annaud's *Duell* (*Enemy at the Gates*), which totaled 1.1 million admissions. This is, however, probably more because Annaud is French than because the film is German.

10, rue Lincoln, 75008 Paris
phone +33 1 40 76 91 00
fax +33 1 56 43 63 57
email: pathe@pathe.com
www.pathe.com

**Pyramide Distribution**
Long part of the vertically integrated Pyramide group, Pyramide has been one of France's leading distribution companies for well over a decade. The relationship with Flach (in Flach Pyramide International) ended in 2004, but the company remains linked with like-minded producer/distributors Diaphana, Rezo Films, Haut et Court and Les Films du

Losange in Le Club des Cinq. Pyramide's only two German releases, *Bear's Kiss* and *The Quickie*, seem to be products of a similar relationship: with Karl Baumgartner's Pandora, which produced both films, directed by Sergei Bodrov. Their performance however was very weak.

5, rue du Chevalier de Saint George, 75008 Paris
phone +33 1 42 96 01 01
fax +33 1 40 20 02 21
email: distribution@pyramidefilms.com
www.pyramidefilms.com

**SND**
Set up in 1997 and now the all-rights acquisitions department of French cable broadcaster M6, SND handles predominantly mainstream English-language independent titles and mass-market French movies. The company's main business may be assumed to be in the area of DVD, video and television. German releases have consisted of two mainstream international English-language co-productions aimed precisely at companies like SND: *Extreme Ops* and *Seven Days to Live*.

89, avenue Charles de Gaulle, 92575 Neuilly-sur-Seine Cedex
phone +33 1 41 92 66 66
fax +33 1 41 92 79 09
email: nmalenica@snd-films.fr
www.m6.fr

**Take Off**
A Paris-based production and distribution company, Take Off has so far released only two titles, both in the first half of 2004: US documentary *Liberty Bound* and German *OSCAR*-nominee *Bella Martha*. The latter was a disappointment, with less than 10,000 admissions, compared with around 30,000 in the UK.

16 bis, rue Jouffroy d'Abbans, 75017 Paris
phone +33 1 56 33 10 10
fax +33 1 40 53 82 88
email: takeoff-editions@wanadoo.fr
www.takeoff-editions.com

**TFM Distribution**
The distribution arm of independent broadcaster TF1 – which also owns France's leading cable and satellite broadcaster TPS – TFM Distribution has been in the theatrical distribution business since October 2002, since when it has released an average of one-and-a-half films a month. The company is a joint-venture with Miramax (the 'M' in its name), and was set up in the wake of Miramax's troubled output deal with Bac. It is not yet clear how the restructuring of Miramax will affect TFM. Not surprisingly, Miramax productions have dominated the TFM release schedule and have given the company its major hits. But in-house co-productions like *Le dernier trappeur* and *Agents secrets* have also performed well. The company also makes acquisitions, such as German *OSCAR*-winner *Nirgendwo in Afrika*, which did not emulate the success of other recent German films with French cinemagoers, managing just over 50,000 admissions.

Immeuble Central Park, 9, rue Maurice Mallet, 92130 Issy Les Moulineaux
phone +33 1 41 41 35 88
fax +33 1 41 41 16 59
email: tfmdistribution@tfmdistribution.fr
www.tfmdistribution.com

## (4) TELEVISION

| Statistics | 2002 | 2003 |
|---|---|---|
| Number of broadcast channels | 6 | 6 |
| Number of cable and satellite channels | 90 | 103 |
| Number of homes able to receive cable and satellite (millions) | 12.5 | 13.9 |
| Number of homes subscribing to cable and satellite (millions) | 3.1 | 4.3 |
| Films broadcast | 973 | 1,007 |
| French films broadcast* | 346 | 363 |
| European films (exc. French) broadcast* | 92 | 95 |
| German films broadcast | n/a | n/a |
| US films broadcast* | 257 | 261 |
| Other films broadcast* | 3 | 9 |

* TF1, France 2, France 3 and M6 only

French television is, like the French film industry, highly regulated; but, unlike in the film industry, the regulation tends to hamper rather than facilitate its financial well-being. This is, in part, because many of the rules and quotas which sometimes make the French TV industry seem like a branch of the bureaucracy originate from its role as a prime provider of finance for the cinema, both in terms of funding production and of acquiring and broadcasting the finished product.

All broadcast channels (with the exception of Franco-German cultural channel ARTE) are obliged to invest 3.2% of their turnover in feature films, yielding some €120 million for the film industry in 2004: €44.5 million from market leader TF1; €20 million from France 3; €19.5 million from France 2; and €16.5 million from M6. The much smaller ARTE – which, despite not being obliged to do so, has an extremely active policy of promoting less commercial films – invested €8.5 million.

Television is the largest single source of production funding for the French film industry and, as a result, while producers in most other European countries tend to lobby for a less-regulated television industry (which would, the argument goes, give them more access as program-makers), those in France frequently press for more rather than less government control of television. Currently, the quota requirement is that 60% of all programming must be from the EU, of which at least 40% must be in French.

Paradoxically, however, some of this regulation is now beginning to work against the film industry's interests. The requirement that films be shown uninterrupted by commercial breaks, for instance, restricts the advertising potential for the slots in which they screen – a significant factor for the broadcast channels in deciding whether or not to program films as they struggle to hold onto their market share against competition from the cable and satellite channels. Recent reports by the CNC note an overall decline in the number of films shown on broadcast television, and their virtual disappearance from primetime slots.

A survey by French government statistical body the Conseil Supérieur de l'Audiovisuel (CSA) of the individual subscription film channels for which figures are available revealed that the 60/40 quota of European films/French-language films was met in a surprisingly large number of cases, with sanctions procedures undertaken only against specialist channels Action and Frisson.

The huge surge in cable and satellite subscriptions – France may lag behind European market leaders the UK and Germany, but subscriptions are currently increasing at 20-30% per year – has been built around a strong feature-film component. But, as elsewhere, the driving force behind this is Hollywood, with the two main contenders, Canal+ and TPS, vying for the rights to packages of studio films. Following the problems experienced by Canal+'s parent, Vivendi, with its North American adventure, TPS is currently doing rather better. But, unlike Canal+, TPS has no particular commitment to 'European cinema'.

Of the 102 channels available at the end of 2003 – the date of the most recent in-depth CSA survey – the available non-broadcast channels broke down as follows:

| | |
|---|---|
| Film | 19 |
| Youth/Children | 13 |
| Music | 12 |
| Documentary | 11 |
| Lifestyle | 11 |
| General programming | 10 |
| Sport | 8 |
| Community | 7 |
| Information | 6 |
| Shopping | 3 |
| Pay-TV* | 2 |
| Adult | 1 |

*Of the two Pay-TV operations, Kiosque broadcasts on 13 or 14 channels and Multivision on seven.

The first digital licenses were awarded, again through a process of central regulation, in 2003, with some six million French homes currently able to receive 'TNT' (Télévision Numérique Terrestre). High-definition services (HDTV) and broadband delivery of television, meanwhile, are still in their infancy but are expected to develop significantly over the next few years.

One peculiarity of the French cable-and-satellite situation is the unusually firm dividing line between program suppliers (channels) and service providers (cable and satellite companies), with something close to battle-lines being drawn up between the two camps in recent years over the cost of carrying particular channels. This has given the edge to the larger program suppliers, particularly those – like the Lagardère group's Multithématiques – which bundle channels for their subscribers and thus have enhanced bargaining power.

No separate statistics are available for the number of German films broadcast on French terrestrial television. Of the 973 films broadcast in 2002, 346 (35.6%) were French and 92 (9.5%) 'other European'; for 2003, the figures showed little change: 1,007 total, 363 (36%) French and 95 (9.5%) other European. Since a large proportion of the 'other' are likely to have been US-financed UK movies, it seems reasonable to conclude that the number of German films shown in either year will have been very small (one informed observer contacted for this survey offered the not-very-scientific guess of "tiny"). Indeed, if one applies an adjusted version of the theatrical release pattern – on the assumption that the commercial lifecycle of a film starts with theatrical, then goes through DVD and video, pay-TV and cable and satellite to broadcast television (with the numbers reducing each time, especially for the less obviously commercial films) – this would give an estimated total of between five and 10 German films per year.

On non-broadcast channels, the total could be even lower: a sample survey by the CSA of films programmed over three randomly selected weeks did not reveal a single German title. A survey of films broadcast on cultural channel ARTE by German industry organization SPIO, meanwhile, revealed that 134 program slots were filled by German films in 2002 and 174 in 2003. There is no way of knowing whether this represented 134 (or 174) separate films, or multiple broadcasts of a smaller number of films.

The conclusions which any feature film producer or sales agent can draw from this is that the French television market is a very weak ancillary to a volatile theatrical market. Since, however, this latter market has recently shown itself increasingly receptive to German films such as *Good Bye, Lenin!* and *Der Untergang*, the potential for the future may be slightly better.

## FRENCH TELEVISION CHANNELS

French television is divided up into broadcast channels (*chaînes hertziennes*), those which are broadcast in an encrypted format viewable only by subscribers, and those available by subscription on cable and satellite (*chaînes thématiques*).

Of the broadcast channels, three – France 2, France 3 and France 5 – are publicly owned; one – ARTE – is a cultural channel operated jointly by the French and German governments; and two – TF1 and M6 – are privately owned. All (with the exception of ARTE) are part-funded by advertising. TF1 is the clear market leader.

**Table 4: Broadcast channels' market share, 2002-2003**

| | 2002 | 2003 |
|---|---|---|
| TF1 | 32.7% | 31.5% |
| France 2 | 20.8% | 20.5% |
| France 3 | 16.4% | 16.1% |
| M6 | 13.2% | 12.6% |
| France 5 | 5.1% | 6.4% |
| ARTE | 3.0% | 3.4% |

Source: CNC

Satellite viewers are served chiefly by CanalSatellite, which had 2.8 million subscribers at the end of 2003 (latest available figures), and TPS (Télévision Par Satellite), with 1.5 million subscribers. Cable currently has a potential reach of 8.8 million homes, of which 3.5 million (40%) subscribe to a television service.

Since their launch in the early 1990s, the cable and satellite channels have steadily increased their share of the audience, and now have a market share of just over 34%.

### (a) BROADCAST CHANNELS

**ARTE**
4, quai du Chanoine Winterer, BP 20035, 67080 Strasbourg Cedex
phone +33 388 14 22 22
fax +33 388 14 22 00
communication@ARTE-tv.com
www.ARTE-tv.com

**France 2**
7, Esplanade Henri de France, 75907 Paris Cedex 15
phone +33 1 56 22 42 42
www.france2.fr

**France 3**
7, Esplanade Henri de France, 75907 Paris Cedex 15
phone +33 1 56 22 30 30
www.france3.fr

**France 5**
8, rue Marceau, 92785 Issy-les-Moulineaux Cedex 9
phone +33 1 56 22 91 91
fax +33 1 56 22 95 95
www.france5.fr

**M6 Métropole Télévision**
89, avenue Charles de Gaulle, 92575 Neuilly Cedex
phone +33 1 41 92 66 66
fax +33 1 41 92 66 10
www.m6.fr

**TF1**
1, quai du Point du Jour, 92656 Boulogne Cedex
phone +33 1 41 41 12 34
fax +33 1 41 41 28 40
www.tf1.fr

**Canal+**
1, place du Spectacle, 92863 Issy les Moulineaux
phone +33 1 71 35 35 35
www.canalplus.fr

## (b) SERVICE PROVIDERS

**CanalSatellite**
1, place du Spectacle, 92863 Issy les Moulineaux
phone +33 1 71 35 35 35
www.canalsatellite.fr

**TPS - Télévision Par Satellite**
145, quai de Stalingrad, 92137 Issy les Moulineaux Cedex
phone +33 1 41 33 88 00
fax +33 1 41 33 88 01
www.tps.fr

## (c) TOP 10 CABLE AND SATELLITE CHANNELS*

**13ème Rue**
c/o Universal Studios Channel France, 47, quai Carnot, 92210 St Cloud
phone +33 1 55 57 35 00
fax +33 1 55 57 35 01
email: 13rue@unistudios.com
www.13emerue.fr

**Canal J**
78, rue Olivier de Serres, 75739 Paris Cedex 15
phone +33 1 56 36 55 55
fax +33 1 56 36 55 99
www.canalj.net

**Eurosport**
3, rue Gaston et René Caudron, 92798 Issy les Moulineaux Cedex 9
phone +33 1 40 93 80 00
fax +33 1 40 93 81 00
www.Eurosport.com

**LCI - La Chaine Info**
54, avenue de la Voie Lactée, 92656 Boulogne Billancourt Cedex
phone +33 1 41 41 23 45
fax +33 1 41 41 23 00
email: comm-lci@lci.fr
www.lci.fr

**Paris Première**
14, place des Vins de France, 75012 Paris
phone +33 1 53 44 82 82
fax +33 1 53 44 82 49
www.paris-premiere.fr

**RTL9**
132, avenue du Président Wilson, 93213 La Plaine St Denis
phone +33 1 49 22 20 01
fax +33 1 49 22 22 75
www.rtl9.com

**TF6**
120, avenue Charles de Gaulle, 92522 Neuilly Cedex
phone +33 1 55 62 66 66
fax +33 1 55 62 66 10
www.tf6.fr

**TIJI**
78, rue Olivier de Serres, 75739 Paris Cedex 15
phone +33 1 56 36 55 55
fax +33 1 56 36 55 09
www.tiji.tv

**TMC**
241, boulevard Péreire, 75017 Paris
phone +33 1 58 05 58 05
fax +33 1 58 05 59 95
www.montecarlo-tmc.com

**TPS Star**
145, quai de Stalingrad, 92137 Issy les Moulineaux Cedex
phone +33 1 41 33 88 00
fax +33 1 41 33 88 51
www.tps.fr

* by audience share (Source: MédiaCabSat-Médiamétrie)

## (5) THE VIDEO & DVD MARKETS

**Table 1: Sales turnover (VHS and DVD)**

| | 2003 | | 2004 | |
|---|---|---|---|---|
| | €M | % | €M | % |
| US films | 655.74 | 66.1 | 719 | 61 |
| French films | 190.68 | 19.2 | 253.37 | 21.5 |
| Other European films | 61.42 | 6.2 | 85.59 | 7.3 |
| Others* | 84.21 | 8.5 | 121.67 | 10.3 |
| Total | 992.05 | | 1,179.62 | |

*NB for the purposes of this survey, *Lord of the Rings* was classified as a New Zealand film, giving a disproportionate boost to 'Others'. Source: CNC

As with many other changes in modern life, the French – after an initial period of resistance – have warmly embraced home entertainment in general, and the DVD in particular. Having lagged behind the rest of Europe in the early stages of video, the home entertainment market in France has been surging ahead since the advent of digital technology. Indeed, trade weekly *Le Film Français* (October 2003) has characterized the first few years of the new millennium as the 'golden age' of the DVD in France, which is now Europe's third biggest market in terms of numbers of DVD players: just under 60% of homes have one – a rate bettered only in the UK and Spain.

As elsewhere, VHS is all but dead in France: DVD now accounts for 94% of the home-entertainment market, which amounted to €1.96 billion in 2004 (16.9% up on 2003). Of this market, almost exactly 60% is accounted for by films, with the ratio of American movies to French films and others broadly the same as in the theatrical market. What is more, after a transitional phase in which higher-priced product seemed to be setting the trend, the French, like everyone else in the world, have now succumbed to low-cost, mass-marketed DVDs of the kinds sold predominantly in supermarkets.

Although statistical data on the home-entertainment market as collected by the CNC is only partial, being based on sampling methods developed for the cinema sector, it seems clear that distribution of DVDs and VHS tapes is at least as concentrated (if not more so) than in the cinema sector, with the top five labels (*éditeurs*) accounting for 57% of the market, and the top 10 for 82% (see Table 2).

**Table 2: Top 10 French home entertainment labels**

| | 2002 Market Share | 2003 Market Share |
|---|---|---|
| Buena Vista Home Video | 14.3 | 14.7 |
| Warner Bros France | 13.7 | 14.5 |
| Twentieth Century Fox Home | 10.4 | 11.7 |
| Metropolitan Filmexport | 4.9 | 8.6 |
| Gaumont Columbia Tristar Home Video | 11.3 | 7.4 |
| StudioCanal | 5.5 | 6.4 |
| Universal Pictures Video | 7.1 | 6.0 |
| M6 | 2.4 | 5.0 |
| UGC | 4.0 | 4.1 |
| Paramount Home Entertainment (France) | 3.7 | 3.7 |

Source: CNC

The US majors and/or their French partners, in other words, all but control the market. The only significant difference between theatrical and home-entertainment markets is the rising star of the DVD arm of private broadcaster M6 (up from 13th position in 2002 to eighth in 2003) and the fact that there is no home-entertainment equivalent of UIP. This means that Universal and Paramount distribute their DVD titles separately (combined, they would have been in the third place in 2003, i.e. in much the same position as they were in the theatrical market).

**Table 3: Home-entertainment market by nationality (2003)**

| | No. of Titles | % of Titles | Turnover (M€) | Market Share |
|---|---|---|---|---|
| US | 2632 | 51.3 | 666 | 70.6 |
| France | 1622 | 31.6 | 166.2 | 17.6 |
| UK | 318 | 6.2 | 40.5 | 4.3 |
| Japan | 88 | 1.7 | 11.1 | 1.2 |
| Germany | 58 | 1.1 | 2.4 | 0.3 |
| Italy | 56 | 1.1 | 5.6 | 0.6 |

Source: CNC

The French home-entertainment market is, therefore, dominated by the Hollywood studios and, to a lesser extent, by domestic (i.e. French) product; between them, these two account for 83% of the available titles and 88% of the turnover (see Table 3). This is broadly the same as in the theatrical market, with the significant difference that US films have a much stronger hold on the home-entertainment market (70%, as against a theatrical market share of 61% in 2003), and French films a weaker grasp (18% as against 28%). This trend, which was already true in the VHS era, is even more pronounced in the age of DVD: US films account for over 80% of all DVDs sold. US dominance is notable in other respects, too: a greater number of copies are produced for each American film released on DVD (an average of just under 20,000) than for a French film (just over 10,000).

Theatrical windows, meanwhile, are getting shorter, again mainly as a result of market forces. Prior to 2001, a one-year window was mandatory, with reductions possible only if a CNC committee agreed. A new ruling was introduced in November 2000, however, under which a video distributor could reduce the theatrical window as long as the theatrical distributor agreed. Since the theatrical and the video/DVD distributor were more often than not twin branches of the same company, the effect was to make the theatrical window subject to commercial rather than legislative (or cultural) considerations. Currently, theatrical windows in France average about six months.

Films from countries other than the US, France and, to a lesser extent, the UK, rarely have a market share of more than 1% (see Table 3). German films took fifth place (ahead of Italy) in terms of number of titles released in 2003, but tenth place (behind Italy, China [including Hong Kong], Australia and Spain) in terms of market-share. Comprehensive details of titles released are not available. However, in the year's Top 100 titles, Germany was represented only by Roman Polanski's Franco-British-German co-production, *The Pianist*, which sold nearly 200,000 copies. In the Top 100 home-entertainment titles since 1992, Germany is again represented only by one minority co-production, *Le fabuleux destin d'Amélie Poulain*, which sold 1.3 million copies (systematic information on the performance of titles outside the top 100 tracked by the CNC is not available).

A recent CNC survey revealed that, whereas almost 84% of all films theatrically released in France between 1996 and 2003 were subsequently released on video or DVD, that proportion was significantly higher for American films (94.5%) and lower for French and other European films, where the proportion was roughly equal (63-64%). This is further proof, if proof should still be needed, that the home-entertainment market, in France as elsewhere in Europe, continues to be driven by the theatrical market and the buzz it creates – which means, of course, that mass-market (generally American) films take the lion's share.

The likelihood of a film which has had a small theatrical release being brought out on video or, more recently, DVD is less than 50/50 (quite different from the UK market, where many niche distributors often use a brief theatrical window as a way of driving a title's DVD release). And, even if it is released on video or DVD, a non-mainstream title is less likely to perform well: the average for a European film is 148 copies sold for every 1,000 admissions at the time of the film's theatrical release, against an average of 282 for American films. The day when ancillary overtakes theatrical as the principal revenue stream, as it did some two years ago in the US, is thus still in the (probably distant) future as far as European films are concerned.

This is not to say that German films have no place on the French DVD market: those films – like *Goodbye, Lenin!* and, more recently, *Der Untergang*, which did well theatrically, are likely to do well on DVD, too. Additionally, those niche markets – such as action, horror and pornography, in all of which Germany has a thriving low-budget production market with mainly non-theatrical ambitions – can also be expected to perform well.

In broad terms, however, the home-entertainment market in France for German films is a secondary add-on rather than a significant alternative to theatrical release.

## LEADING FRENCH HOME-ENTERTAINMENT LABELS

### Buena Vista Home Video Entertainment

1, rue de la Galmy Chessy, 77776 Marne la Vallée Cedex
phone +33 1 64 17 54 50
www.bvhe.com

**Fox Pathé Europa**
90, avenue des Champs-Elysées, 75379 Paris Cedex 08
phone +33 1 71 73 73 73
fax +33 1 71 73 73 74
www.dvdnews.fr

**Gaumont Columbia Tristar Home Video**
31, rue Louis Pasteur, 92100 Boulogne-Billancourt
phone +33 1 46 84 19 19
fax +33 1 46 04 26 18

**M6 Interactions**
27, rue des Poissonniers, 92527 Neuilly-sur-Seine Cedex
phone +33 1 41 92 64 12
fax +33 1 41 92 66 10
www.m6.fr

**Metropolitan Filmexport**
29, rue Galilée, 75010 Paris
phone +33 1 56 59 23 00
fax +33 1 56 59 23 10
www.metrofilms.com

**Paramount Home Entertainment**
1 bis, rue du Petit Clamart, BP 13, 78142 Vélizy Cedex
phone +33 1 40 94 10 20
www.paramount.fr

**StudioCanal Video**
1, place du Spectacle, 92863 Issy les Moulineaux Cedex 9
phone +33 1 71 35 35 35
fax +33 1 71 35 17 82
www.studiocanal.fr

**UGC International**
24. avenue Charles de Gaulle, 92200 Neuilly-sur-Seine
phone +33 1 46 40 44 00
fax +33 1 46 24 37 28
www.ugc.fr

**Universal Pictures Video (France)**
20, rue Hamelin, 75016 Paris
phone +33 1 55 73 25 25
fax +33 1 55 73 25 55
www.unistudios.com

**Warner Home Video France**
115-123, avenue Charles de Gaulle, 92525 Neuilly-sur-Seine
phone +33 1 72 25 00 00
fax +33 1 72 25 11 67
www.warner-home-video.fr

## (6) CONCLUDING MARKET ANALYSIS

In many ways one of the most complex markets in Europe, where cultural considerations can still outweigh commercial ones in terms of cinema, but where there is also a countervailing trend towards the globalization (and thus homogenization) of the entertainment market as a whole, France has nonetheless 'opened up' slightly to German films since the last survey was done for what was then the Export-Union of German Cinema by 'Ecran Total' in 2001. Films such as *Good Bye, Lenin!*, *Die Geschichte vom weinenden Kamel*, *Gegen die Wand* and, more recently, *Der Untergang* have all performed better than expected – which is to say that their international success was repeated in France in a way that that of the last major German break-out movie, *Lola rennt*, was not.

But German films nonetheless have at best a toe-hold on the French market, and there seems as yet to be no single distributor who is prepared to champion and promote them. As long as each film has to gain access to the market on its individual merits, then the underlying situation is unlikely to change. The result is that only those films with a degree of exoticism or surprise value – the former GDR, the Mongolian desert, the Turkish community, Berlin in 1945 – make an impact. More ordinary relationship films, thrillers or other genre films have great difficulty in finding an audience.

And, with television's appetite for feature films dwindling at an even sharper rate in France than elsewhere in Europe, the possibility of combining theatrical and TV rights is no longer realistic. Additionally, the recent problems of Canal+ - once the most active buyer of European films – have caused it to cut back on its acquisitions.

Nonetheless, French television does still have a quota of European programming to fill, and does so to the tune of around 90 titles a year, some of which are German (although much of this quota is made up of popular TV programming such as the ever-reliable *Derrick* police series).

The prospects for German films are, if anything, even less promising on the home-entertainment market. The German titles which performed strongly theatrically can be expected to (and in some cases already have) perform well on DVD. But there is as yet little sign of the French home-entertainment market cutting free from theatrical and becoming a genuine market in its own right.

In conclusion, while the French market continues in many ways to live up to its reputation as one of the most difficult in Europe for non-American or non-French films, there are at least signs of a growing audience awareness of the existence of a new generation of German film-makers – for example, Fatih Akin – whose interests are not that different from their own. And with German films finally finding their way back into the line-ups at Cannes, where most independent French distributors do the bulk of their acquisitions, it seems fair to assume that the long drought of the past 15 years may finally be ending. It is, however, too soon to talk of a steady appetite for or a steady flow of German titles onto the French theatrical market.

The one thing that may change in the next couple of years, given the speed at which the home-entertainment market in France is developing, is that smaller films may begin to find access to that market despite limited (and perhaps without any) theatrical exposure. If that becomes the case, then promotion of German films, either on the festival circuit or through special 'film weeks', will need to become a much more significant part of the marketing process.