

How can anyone be a Ch'ti? How can anyone be a Tamil?

For the Cannes public, the search for cultural diversity has long been taken for granted – where can the diversity of cinematographic creation, both in terms of origin and aesthetic quality, better be expressed than at a major international film festival? However, something that is obvious in the context of a festival is not necessarily so in day-to-day commercial reality. The other obvious fact, in the commercial context, is that innovative films and those not supported by the big international distribution networks find it hard to reach their potential audience.

Political objectives and methodological limits

In Cannes this year, on the occasion of European Day the European Commission intends to raise the question of the presence films produced by third countries on the European market (especially films from countries other than the United States) and, at the same time, the circulation of European films in the various non-European markets, in particular countries that have ratified the Convention on the Protection and Promotion of the Diversity of Cultural Expressions, which was adopted in October 2005.

Much time could be spent on debating ways of measuring cultural diversity. Is it possible to measure something that belongs to the realm of the qualitative by definition? A seminar organised last September by the UNESCO Institute for Statistics drew attention to the great diversity of methodological cultures in the academic world as far as this subject is concerned⁽¹⁾. In fact, most statistics on the cultural sector, especially the film industry, are of an economic nature and are compiled to analyse markets rather than cultural diversity, which is not necessarily the same thing. Moreover, even in the case of an economic approach we do not yet have a reliable international tool available that would enable the worldwide circulation of films to be measured in a precise and consistent manner. Thanks to the LUMIERE database on admissions to films released in Europe set up by the European Audiovisual Observatory, it is possible to produce a fairly accurate map of the development of the opening up of the European market or, to be more

precise, the various national markets. However, it should not be forgotten that in order to establish the origin of films the statistics produced by this database take into consideration the production data and not cultural origin. For example Youssef Chahine's *Alexandrie..New York* will be recorded as French because its production was mainly French while its script, style and aesthetic are quite clearly those of an Egyptian director. The same applies to *The Forsaken Land* by the Sri Lankan Vimukthi Jayasundara, which received the *Caméra d'Or* in 2005, or to *2046* by Wong Kar Wai.

In five years, the market share of films from third countries in the European Union has doubled

A study conducted by the European Audiovisual Observatory highlights the growing importance of films from third countries on the markets of the European Union⁽²⁾. In 2002-2006, 1 324 new films from third countries, apart from the United States, were distributed commercially in at least one EU country, accounting for 18.5% of all the new titles distributed. One first interesting fact is that there was an upward trend in this period regarding the proportion of films available from third countries, which rose from 14.7% in 2002 to 19.2% in 2004, then to 21.3% in 2005 and 21.2% in 2006. Of these 1 324 films, 546 originated from Asia, 319 from European non-EU member states, 172 from Latin America, 114 from Canada, 56 from the Middle East, 50 from Oceania and only 33 from Africa.

(1) "Measuring the diversity of cultural expressions", Workshop organised by the UNESCO Institute for Statistics and the UNESCO Culture Sector, http://www.uis.unesco.org/ev_en.php?ID=7061_201&ID2=DO_TOPIC

(2) M. Kanzler and A. Lange, *The Place of Third Country Film and Audiovisual works in European Markets*, European Audiovisual Observatory, 2008.

Classification of the ten leading third countries by market share in the European Union | 2002-2006

Country	Number of films released	Average admissions	Total admissions	Market share
1 Canada	114	173 268	19 752 501	0,55%
2 Australia	42	270 557	11 363 384	0,32%
3 Japan	122	85 009	10 371 043	0,29%
4 India	248	36 000	8 928 057	0,25%
5 People's Republic of China	43	105 305	4 528 131	0,13%
6 Argentina	82	50 869	4 171 251	0,12%
7 Hong Kong	37	89 303	3 304 221	0,09%
8 South Korea	56	53 075	2 972 220	0,08%
9 Russian Federation	76	36 192	2 750 585	0,08%
10 Turkey	39	54 731	2 134 510	0,06%
Top 10 - Total	859	81 811	70 275 903	1,96%

Sources: European Audiovisual Observatory/LUMIERE database (<http://lumiere.obs.coe.int>)

As was to be expected, the results in terms of admissions are not so favourable for films from third countries: over the period concerned, they only accounted for 2.3% of the 3.6 billion admissions analysed. It should, however, be noted that there was an upward trend here too: their market share doubled during this period from 1.6% in 2002 to 3.3% in 2006.

Canadian films achieved the best market share (0.55%), ahead of Australian films (0.32%) and Japanese films (0.29%). However, in terms of average admissions per film, it was Australian films that obtained the best results (270 557 admissions per film), followed by Canadian films (173 268 admissions) and Chinese films (105 305 admissions). Indian films were mainly successful in the United Kingdom. The good performance of Argentinian, South Korean and Turkish films should be particularly noted since they are mainly works that circulate in arthouse theatres.

An analysis by country of distribution suggests that it is in France that the largest number of films from third countries were distributed during the period concerned (525), followed by the United Kingdom combined with Ireland (520), Spain (344) and Italy (206). France is also

the country where these films obtained the best market share (3.6%), followed by Spain (3.1%), the United Kingdom combined with Ireland (2.9%) and Italy (2.3%).

As is often the case in this area, market shares depend on the success of a small number of films. An Australian film (*Happy Feet* by George Miller) topped the ranking by number of admissions during the period (8.7 million). The top ten also include four Canadian films (*Silent Hill*, *Resident Evil: Apocalypse*, *White Noise* and *The Barbarian Invasions*), two Chinese films by Zhang Yimou (*Hero* and *House of Flying Daggers*), two Japanese films by Hayao Miyazaki (*Spirited Away* and *Howl's Moving Castle*) and one Russian film (*Night Watch*).

It is also interesting to note the frequently positive role played by co-productions with regard to market access: 54% of Latin American films and 42% of African films that have made their way onto the European market are majority co-productions with Europe. If the co-productions where the Latin American or African countries are minority co-producers are also considered, the proportions rise to 64% and 74% respectively. In addition, an analysis of the findings in terms of the number of admissions clearly suggests

Introduction

that films co-produced between third countries and EU countries are more successful than those that have not been co-produced. For example, the average number of admissions in the EU for a purely Canadian film is 58 281, while co-produced films where the Canadian co-producer was a majority partner averaged 377 818 admissions and European films with Canadian involvement averaged 211 235 admissions.

Films from third countries on European television

The data available to the Observatory on the broadcasting of films by European television channels are more patchy and, unfortunately, broken down in a different way. According to an analysis of 86 739 broadcasts of films by 118 channels in eleven EU countries, 3 624 broadcasts (4.2%) were of films from third countries (other than the United States). However, this is a minimum figure as these statistics also include 10 718 broadcasts of films co-produced or co-funded by European and third countries (which here includes the United States). 780 broadcasts were of Canadian films, 666 of Japanese films and 493 of Australian or New Zealand films. The largest proportions of broadcasts of films from third countries (excluding the United States) were attributed to the channels of the Flemish Community in Belgium (9.7%), the French Community in Belgium (4.5%), Sweden (4.5%), Ireland (4.4%), Germany (4.3%) and the United Kingdom (4%). To some extent, these figures suggest fairly satisfactory proportions and the relatively significant opening up by European channels. However, this needs to be qualified by stressing that in several countries the sample of channels analysed included film pay-TV channels, the audience of which is considerably smaller than that for free-to-air channels.

Video-on-demand as an alternative?

No data are available on the composition of the catalogues available on DVD or on catalogues of video-on-demand services. As regards video-on-demand, an NPA study on the contents of catalogues at the beginning of 2006 identified what were in some cases surprising proportions of films available from third countries, especially from Asia. Clearly video-on-demand, especially Internet-based

services, enables niche strategies to be developed for more or less marginal film industries. However, pending the availability of more recent figures on the contents of catalogues and, above all, data on actual consumption practices, it might be asked whether the initial presence of films from third countries in the catalogues did not in fact correspond to a time of relative shortage when the American majors were still hesitating about the desirability of distributing their titles in a way that they assumed would be prejudicial to sales of DVDs.

Cultural diversity: 17.4 million or 8 154 admissions?

“Comment peut-on être Persan ?” (“How can anyone be a Persian?”), Montesquieu ironically asked in 1721 with reference to the difficulty that French people had at that time in understanding other habits and customs. Nowadays, the recognition of cultural diversity can generate laughter and success, as illustrated by the surprising recent example of *Bienvenue chez les Ch’tis* (“Welcome to the Land of Ch’tis”), which achieved 17.4 million admissions in France in just a few weeks by playfully making fun of the lifestyles of the inhabitants of northern France, a region not actually *that* far from Paris.... However, when diversity is played out in a far-off country with a tragic historical background and, above all, with bold cinematographic forms, audience reception remains very unpredictable. For example, Vimukthi Jayasundara’s beautiful *The Forsaken Land*, mentioned earlier, has only been distributed in France, with a very disappointing result (8 154 admissions).

The noble aims of protecting and promoting cultural diversity – I hope I will be excused this platitude – are therefore not only a question of international treaties, public support and statistics: the recognition of cultural diversity is above all the creation of a frame of mind among audiences. Let us dream of audiences as audacious as the filmmakers themselves...and ask not only “How can anyone be a Ch’ti?” but also “How can anyone be a Tamil?”

André Lange

Head of the Department for Information
on Markets and Financing
European Audiovisual Observatory