

Report France 2014

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General Market Situation

In 2014, the film production remains at a high level, despite a slight decrease: 258 films have been registered by the CNC that is 12 films less than in 2012. 203 films come from a French initiative and 55 co-productions have a foreign majority share. Out of 203 mainly French films, 152 benefited from an exclusively French fund (154 in 2013). The number of international co-productions declined: 106 films (116 in 2013 and 126 in 2012). They concern 34 different countries (38 in 2013).

Out of 203 French films, 60 are first feature films (68 in 2013) and 35 second feature films (39 in 2013). 25 out of these 95 films benefited from an advance on earnings (before shooting) from the CNCI. The production of documentaries remains stable: 37 films registered by the CNCI, and among them 35 are from a French initiative. The production of animation films increased, after a weak year in 2013: 9 animation films (5 from a French initiative) registered by the CNCI (6, among them 4 from a French initiative, in 2013). However, we can observe a strong decline on the investment for these two categories: for documentaries, it is €0,57 million (€1,5 million in 2013) and €6,93 million for the animation (€20,27 million in 2013). It represents the lowest level for both in 10 years. This decrease can be explained by the significant drop in foreign investment in French films (-47,6%) and contributions in the form of assignments (-45%). In total, investments in registered film productions reach 994, €13 million in 2014 (-20% compared to 2013).

The admissions in cinemas increased in 2014 by almost 8%, to reach about 209 million admissions. This progression is due to very good results in the first 5 months of the year and in the summer period. 20 out of 57 films, which scored above 1 million admissions, are French productions. The national market share counts for 44% of the whole market (33,8% in 2013), while the share of US cinema has a small decrease, down to 45,5% (54% in 2013). Other productions dropped down to 10,2% (12,2% last year).

The Art-house sector

1148 cinemas have been registered in 2013 (against 1132 in 2013), representing more than 2300 screens (more than 40% of all screens). The CNCI granted these establishments an "Art-house fund" of a total amount of €14,63 million (€14,324 million in 2013).

Among these cinemas, 258 received the "Research/Discovery" label (275 in 2013), 623 got the 3 "Young Audience" label (556 in 2013), and 243 the "Heritage/Repertoire" label (204 in 2013). These cinemas, of which the majority stands for medium or small exhibition, scored 62 million admissions in 2014 (58 millions in 2013). This increase doesn't benefit the art-house recommended films, where the attendance is declining, from 50,1 million admissions in 2013 to 43,8 millions in 2014, that is a drop by 13% in the context of general increase in admissions.

The Art-house movement and the AFCAE activity in 2014

At the end of 2014, AFCAE represented 1094 cinemas, that is 2397 screens and 22 regional associations. Not unlike the previous years, we still observe a phenomenon of concentration of films and screening places. The main exhibition operators keep increasing the number of cinemas and screens, which also makes it more difficult for independent art-house cinemas to get access in good conditions to films. This happens especially in highly competitive zones (where we can observe an overexposure for art films with a economic potential), but also in small and medium towns; distributors focus their promotion on main markets.

In this context, AFCAE tries to seek action towards the public authority and other professional organizations to fight for a better regulation of the sector, mainly:

- Within the "Assises du Cinéma", set up by the CNCI to reform the financing schemes of the sector, AFCAE made a written contribution for a better regulation of the exhibition sector to favour the independent exhibitors and represent the diversity. It also defended the system of film

recommendations and art-house classification, which was under attack from some professional organizations (notably distributors), with the argument that it encourages the programming of “promising films” at the expense of “fragile films”.

- As per the planning of the territory in the film industry: in March 2014, further to a report by Senator Serge Lagache, to which AFCAE contributed in 2013, the Association worked for the introduction of the recommendations in the law. This has been done (but only too partially), thanks to the adoption of the law “Pinel” and the recent publication of a decree reinforcing the role of the programming projects for the authorization and expansion of cinemas under the scheme. Concretely, these modifications don’t seem to have the impact desired: several openings or expansions from the major multiplexes have been granted in over-equipped zones (Parisian suburbs, Bordeaux and Toulouse notably).
- AFCAE intervened in September in the debate about the reform of the media chronology in order to stand for an exclusive window for cinemas, that some would like to shorten even more through a system of automatic derogations for certain art-house films which scored a limited number of admissions in the first month of exhibition.
- In the “Young Audience” sector, AFCAE protested against the operation “€4 ticket for children under 14” in all French cinemas. The association expressed to the public authority the concerns coming from the small art-house cinemas regarding the risks of transfer that would benefit the multiplexes. They also fear that the specific action made by art-house cinemas towards the education and young audience will be less visible, because the communication around the price operation will hide the cultural actions brought by the government.
- In the light of the perverse effects observed in 2014 for the most fragile cinemas, AFCAE, in partnership with FNCF, developed a new cultural action around the films it supports, for medium and small exhibitors: “Les Ateliers de Ma p’tite cinémathèque”. The idea is to finance workshops about art-house films for young audience in cinemas that can’t afford to develop them themselves for their audience. This action was launched in 2015.