Part I - About you

3. **In what capacity are you responding to this consultation?** ***This question is required.**

- In my private capacity (i.e. as an individual)
- On behalf of an organisation/ institution

4. **What is the name of your organisation?**

International Union of Cinemas (UNIC)

5. **What type of organisation are you representing:** ***This question is required.**

- Public authority
- Social partner in the creative sectors
- Sector(s) organisation/ association
- Private company
- Academic, training and research organisations
- Creative Europe Desk
- International organisation (e.g. UNESCO)

6. **Please specify the scope of your organisation's mandate:**

- International
- EU
- National
- Regional
- Local

7. **In which sector is your organisation primarily active? (Tick all that apply)** ***This question is required.**

- Audiovisual
- Culture

8. **Are your organisation's activities:**

- Profit making
- Non-profit making

9. **Please indicate the size of your association/organisation/company:**

- 10 employees or less
- 11-50 employees
- 51-250 employees
- 251-500 employees

- 500 or more employees

10. **Please indicate what your organisation does in the audiovisual sector (Tick all that apply):**

- Audiovisual production
- Distribution of audiovisual works
- Production of video games
- Film festivals
- Sales agent
- Film school
- Cinema Theatres
- Training provider
- Film literacy organisation
- VOD platform
- Organisation of audiovisual events
- Other - Please specify:

11. **Is your organisation registered in the Transparency Register?**

- Yes
- No

Please indicate the registration number:

74301917747

12. **Have you or your organisation received financial support from the Creative Europe (2014-2020) Programme?**

- Yes, my organisation or I have received financial support from the Creative Europe Programme (MEDIA or Culture Sub-programmes, or the Cross-sectoral Strand)
- No, my organisation or I have not received financial support from the Creative Europe Programme

13. **From which perspective would you like to take part in this Public Consultation – would you like to comment on the MEDIA or Culture side of the programme, or would you prefer to comment on the Programme as a whole?** ***This question is required.**

- Creative Europe Programme as a whole
- MEDIA Sub-programme
- Culture Sub-programme

Part II - Programme objectives and priorities

14. **How familiar are you with the Creative Europe Programme?** ***This question is required.**

- I have detailed knowledge of its objectives and priorities

- I am aware of the existence of the Programme, but I have no detailed knowledge of its objectives and priorities
- I am not really familiar with the Creative Europe programme, nor its objectives and priorities

Part II - Programme objectives and priorities - MEDIA Sub-programme

15. **In your view, to what extent are the MEDIA Sub-programme priorities still relevant to the challenges and needs within the sector you operate in?**

	Not really relevant	Still relevant	Extremely relevant	No opinion
Enhance skills of audiovisual professionals for the use of new technologies and business models to develop their audiences		x		
Support operators in developing European audiovisual works, including co-productions, with international circulation potential		x		
Facilitate European audiovisual operators' access to principal markets and business tools		x		
Support theatrical distribution of European audiovisual works (transnational marketing, branding, distribution and exhibition activities)			x	
Promote transnational marketing, branding and distribution of European audiovisual works on all other non-theatrical platforms				X
Stimulate interest and improve access to European audiovisual works by supporting audience development (promotion, events, film education and festivals)			x	
Support the development of new business models for distribution European audiovisual works				X

16. **Do you think there are other priorities not currently covered by the MEDIA Sub-programme that should be considered?**

Yes

No

Given cinemas' positive impact on the circulation of non-national European works, which is a key objective of the programme, support for the theatrical distribution of European audiovisual works – a priority of MEDIA – is vital. In this regard, continued backing of the Europa Cinemas network – a flagship initiative of European cultural policy – is essential. This unique international network of cinema operators, totalling 2,680 screens across 654 cities European cities, helps maintain audience demand for non-national European titles and is the best way to promote a pan-European market for local films. It reflects the crucial role of theatres in helping local films attract a wider international audience and shows that raising awareness of and providing access to a diverse European film offer is more important than ever to maintain competitiveness and diversity in European cinema.

The International Union of Cinemas (UNIC), the European group of cinema trade associations and key operators, covering 36 territories, therefore strongly supports the European Parliament's recent own initiative report on Creative Europe MEDIA and urges the European Commission to maintain and strengthen its support for cinema networks. In addition, UNIC believes that all films but particularly European productions, will in the medium-to-long term suffer if the period of exclusivity of cinema releases were to be unduly shortened or occurred synchronously with VOD releases. We therefore support the report's recommendations and ask the Commission to reconsider the current bonus system for simultaneous releases in theatres and VOD. Finally, the Commission should also consider how to ensure that even more operators and institutions participate in the programme, as well as to facilitate more innovation, experimentation and collaboration across the wider cinema landscape.

MEDIA is an essential partner in driving the competitiveness of the industry. The programme is deeply rooted in the diversified audiovisual sector and efficiently supports cultural diversity and industrial policy. That said, with 1,600 feature films made across EU territories each year, there is a need for more audience-focused approaches to increase the competitiveness of the sector. MEDIA should therefore strengthen its support for both film distribution and cinema exhibition to create more awareness around national and European releases.

Developing a comprehensive innovation strategy for Europe's film sector, with cinemas at the centre of Europe's cultural and creative ambitions, is another crucial priority. Over the past five years UNIC has developed an in-depth knowledge about the innovation trajectory of the industry worldwide. We would therefore like to help develop an 'innovation roadmap' for the wider film sector that puts cinemas at the heart of Europe's growth strategy for film.

17. **The MEDIA sub-programme currently funds the following types of project:**

- **Professional training**
- **Development of feature films, documentaries and animation (Single projects and Slate funding)**
- **Development of video games**
- **Production of TV series and programmes of drama, documentaries and animation**
- **International co-production funds**
- **Distribution of feature films (automatic and selective support as well as international sales agents)**
- **Cinema networks**
- **Support to festivals**
- **Promotion of works online (support to VOD platforms, services and catalogues of European films)**
- **Actions supporting access to markets**
- **Film education**

Do you think there are other types of project that the Creative Europe Programme should support?

- [x] Yes
- [ ] No

Please describe the other types of project that should be supported and motivate your choice.

Given the significant contribution of cinemas to cultural diversity and to Europe's competitiveness, boosting the theatrical distribution of European audiovisual works though support to networks such as Europa Cinemas and the International Confederation of Art Cinemas (CICAE) remains vital. In relation to the priorities listed in Q15, there is also a real opportunity for Creative Europe MEDIA to be better used for the benefit of the whole sector by investing additional resources in projects dedicated to cinemas.

Having invested massively in the transition to digital over the past decade, cinema operators across Europe continue to innovate and upgrade their theatres to provide cutting-edge and ever-more immersive cinematic experiences. Exhibitors are investing in the highest sound and projection quality and are experimenting with new theatre designs and seating arrangements, adapting their services to the needs and preferences of specific audiences. Some operators have already started to embrace new developments in immersive motion and sound or Virtual Reality to make the customer experience even more exciting. Together with a growing supply of films, as well as ‘event cinema’ offers, more dynamic and flexible programming helps to meet increasingly diverse consumer preferences.

European cinema benefits from a resilient and dynamic tier of independent operators. Some of the smaller and more specialised cinemas among this group – having gone through the challenging process of digitising their screens – now face specific challenges when it comes to maintaining existing equipment and financing further technological innovations. Smaller and rural cinemas in particular lack the resources to invest in further upgrades and risk being left behind. There is therefore a wide variety of opportunities for collaboration and the Commission can help cinema operators – especially smaller theatres and single screen cinemas – to further develop their capacity, to the benefit of all, by investing in projects focused on innovation and technology.

In parallel, MEDIA should considerer investing in a project that enables existing EU-funded networks to seek advice from, or involve professionals from, major European distribution and exhibition outfits. These companies don’t necessarily fulfil the funding criteria of MEDIA but possess knowledge about trends and business strategies that independent players would benefit from.

Independent distributors, producers and cinema operators should also be encouraged and supported to attend industry events that go beyond film festivals, such as CineEurope, the premier get-together of the cinema exhibition community in Europe, or national fairs and conferences dedicated to cinemas such as Deauville or Karlsruhe. Often, these cinema exhibition events provide more training and networking opportunities than the big festivals.

In addition, European support programmes should also carefully evaluate the use of adaptable and cloud-based data analytics solutions to significantly grow the audience share of local and non-national European films. To gain better customer insight, cinemas across Europe are currently rolling out a variety of data analytics programmes, which will help to promote local and European films, as well as encouraging the success of independent cinema operators. In its recent own-initiative report dedicated to Creative Europe MEDIA, the European Parliament advised the Commission to “put forward a data-driven European audience engagement project, which would aim at exploring and strengthening the capacity of Europe’s audiovisual and film sector to collect, analyse and predict data concerning audience behaviours with a view to increasing demand for non-national European films”.

Furthermore, as the sector seizes the opportunity to engage with a new generation of film lovers, all cinemas are actively experimenting with new youth initiatives. Alongside an exciting content offer – including event cinema, video-game competitions and on-demand screenings – sophisticated digital technology that enables cinema operators to engage more with teenagers, and the development of creative partnerships with distributors and outside brands, all help in this endeavour.

UNIC will later this year publish the results of a major cinema research project examining youth audience preferences and expectations across three key territories (UK, Spain and Germany). Further MEDIA support to media literacy and research projects around young people would also help, retain and grow cinema attendance among young audiences.

Finally, MEDIA should also focus on supporting theatrical releases through the automatic and selective distribution schemes and ensure that these two mechanisms continue to benefit cinemas. Reducing funding for these schemes would result in poor performance across all windows and thus weaken European films’ market share, leaving the door open for more concentration and less cultural diversity. In this regard,

18. **The Creative Europe Programme should create synergies with other funding instruments available at national, EU or International level.**
Please comment on the extent to which the MEDIA Sub-Programme of Creative Europe is complementary to:

	Fully overlapping	Mainly overlapping	Partially complementary	Fully complementary	I don’t know
National funding opportunities/instruments for the audiovisual sector	☐	☐	☐	x	☐
Other EU funding opportunities/instruments for the audiovisual sector	☐	☐	☐	x	☐
Other international funding opportunities/instruments for the audiovisual sector	☐	☐	☐	x	☐

Part II - Programme objectives and priorities - Creative Europe

19. Please comment on the extent to which you agree with the following statements:	Strongly disagree	Disagree	No opinion or uncertain	Agree	Strongly agree
Integration of MEDIA, Culture and the Cross-sectoral Strand under the Creative Europe Programme has improved the coherence and impact of the European Union’s support to the cultural and creative sectors	x	☐	☐	☐	☐
The new Cultural and Creative Sector Guarantee Facility has the potential to strengthen the coherence and impact of the Creative Europe Programme	☐	☐	☐	x	☐
The new scheme ‘Support to the Development of European Video Games’ strengthens the coherence and impact of the MEDIA Sub-programme	☐	x	☐	☐	☐
Integrating MEDIA Mundus within the MEDIA Sub-programme of Creative Europe has improved its coherence and impact	☐	☐	x	☐	☐
The new scheme ‘Audience Development’ strengthens the coherence and impact of the MEDIA Sub-programme	☐	☐		x	☐
The new scheme ‘International co-production funds’ strengthens the coherence and impact of the MEDIA Sub-programme	☐	☐	x	☐	☐
The focus of the current MEDIA Sub-programme has been strengthened by the discontinuation of the following schemes that were supported under the predecessor MEDIA Programme (2007-2013): Support for interactive audiovisual works, Initial	☐	☐	x	☐	☐

19. Please comment on the extent to which you agree with the following statements:	Strongly disagree	Disagree	No opinion or uncertain	Agree	Strongly agree
training and Digitalisation of cinemas.					

20. **The Guarantee Facility aims to achieve the following results:**

- **Improve the access to finance for SMEs and micro, small and medium-sized organisations in the cultural and creative sectors by providing financial guarantees for loans issued by financial institutions;**
- **Improve the capacity of financial institutions in dealing with cultural and creative sectors' SMEs and their projects, including through technical assistance, knowledge-building and networking activities**
-

Do you think these are relevant priorities?

◉ Yes and these are all the relevant priorities

☐ Yes, but there are also other priorities to consider

☐ No

21. **In your view, to what extent are the Creative Europe Programme objectives (listed below) still relevant to the challenges and needs within the sector you operate in?**

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Preserving and promoting cultural and linguistic diversity	☐	☐	☐	x		☐
Enhancing the competitiveness of the European cultural and creative sectors	☐	☐			x	☐
Increasing the capacity of European cultural and creative sectors to operate transnationally	☐	☐	☐	x	☐	☐
Increasing the transnational circulation of European cultural and creative works	☐	☐	☐	x	☐	☐
Increasing the transnational circulation of European artists and other professionals	☐	☐	☐	x	☐	☐
Developing audiences for European cultural and creative works	☐	☐	☐	x	☐	☐
Increasing access to European cultural and creative works by children, young people, people with	☐	☐	☐	x	☐	☐

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
disabilities and other under-represented groups.						
Enhancing innovation and creativity in the European cultural and creative sectors	☐	☐	☐	x	☐	☐
Strengthening the financial capacity of companies and operators in cultural and creative sectors		☐	☐	x	☐	☐

22. **Do you think there are other objectives not currently covered by the Creative Europe Programme that should be considered?**

The Creative Europe MEDIA programme aims to increase the pan-European circulation of and access to cultural activities and services, as well as to promote the competitiveness of the creative industries. The Programme's support strategy is based on the ambition that these objectives can complement rather than compete against each other.

UNIC believes that the programme could strike a better balance between these two objectives by supporting the distribution of more films that audiences really want to see on the big screen and support the production of works that have a clear audience in mind. The programme should also provide opportunities for market-oriented entities and enhance networking activities with key companies in Europe to share best practices and know how in the sector.

Part III - Programme results achieved

23. **To what extent is the MEDIA Sub-programme achieving the following priorities:**

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Enhance the skills of audiovisual professionals for the use of new technologies and business models to develop their audiences	☐	☐	☐		☐	x
Support operators in developing European audiovisual works, including co-productions, with international circulation potential	☐	☐	☐		☐	x
Facilitate European audiovisual operators' access to principal markets and business tools	☐	☐	☐	☐	☐	x
Support the theatrical distribution of European audiovisual works (transnational marketing, branding, distribution and exhibition activities)	☐	☐	☐	☐	x	☐

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Promote the transnational marketing, branding and distribution of European audiovisual works on all other non-theatrical platforms	☐	☐	☐	☐	☐	x
Stimulate interest in and improve access to European audiovisual works by supporting audience development (promotion, events, film education and festivals)	☐	☐	x	☐	☐	☐
Support the development of new business models for distribution European audiovisual works	☐	☐	☐	☐	☐	x

24. **To what extent is the Creative Europe programme achieving the following objectives:**

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Preserving and promoting cultural and linguistic diversity	☐	☐	☐	☐	x	☐
Enhancing the competitiveness of the European cultural and creative sectors	☐	x	☐	☐	☐	☐
Increasing the capacity of European culture and creative sectors to operate transnationally	☐	☐	☐	x	☐	☐
Increasing the transnational circulation of European cultural and creative works	☐	☐	☐	x	☐	☐
Increasing the transnational circulation of European artists and other professionals	☐	☐	☐	x	☐	☐
Developing audiences for European cultural and creative works	☐	☐	☐	x	☐	☐
Increasing access to European cultural and creative works by children, young people, people with disabilities and other under-represented groups.	☐	☐	☐	x	☐	☐
Enhancing innovation and creativity in the European cultural and creative sectors	☐	☐	☐	x	☐	☐

	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Strengthening the financial capacity of companies and operators in cultural and creative sectors	○	○	○	x	○	○

Part IV - Costs and benefits of the action

This section explores whether the results of the Creative Europe Programme have been delivered at a reasonable cost.

25. **To what extent do you agree with the following statements concerning the efficiency of the MEDIA Sub-programme?**

	Strongly disagree	Disagree	No opinion or uncertain	Agree	Fully agree
The budget of the Creative Europe MEDIA Sub-programme is sufficient to address the key European challenges faced by the audiovisual sector	○	◉	○	○	○
The results of the Creative Europe MEDIA Sub-programme could have been achieved in a shorter period of time	○	○	◉	○	○
The results of the Creative Europe MEDIA Sub-programme could have been achieved using less funding	◉	○	○	○	○
The current project selection procedures under the Creative Europe MEDIA Sub-programme ensure there is timely information on project award decisions	○	○	◉	○	○
The Creative Europe MEDIA desks effectively reach out to potential applicants and support them in the application process	○	○	○	◉	○
Other policy instruments or mechanisms could have been more cost-effective than the Creative Europe MEDIA Sub-programme in addressing the audiovisual sector's needs	○	◉	○	○	○

Part V - Benefit of an action at EU-level

26. **To what extent do you agree with the following statements about the MEDIA Sub-programme's added value?**

	Fully disagree	Disagree	No opinion or uncertain	Agree	Fully agree

	Fully disagree	Disagree	No opinion or uncertain	Agree	Fully agree
The Creative Europe MEDIA Sub-programme has duplicated existing actions on national, European or international level	☐		x	☐	☐
The Creative Europe MEDIA Sub-programme has complemented existing actions on national, European or international level by supporting audiovisual subsectors or operators that would not have received support otherwise	☐	☐	☐		x
The Creative Europe MEDIA Sub-programme has complemented existing actions on national, European or international level by enabling industry collaboration across borders and across the value chain	☐	☐	☐	x	☐
The Creative Europe MEDIA Sub-programme has contributed to improving the national, European or international support measures for the audiovisual sector	☐	☐		x	☐
Lessons learnt from the implementation of the Creative Europe MEDIA Sub-programme have been applied elsewhere	☐	☐	x	☐	☐
The Creative Europe MEDIA Sub-programme has integrated lessons from other cultural and economic sectors	☐	☐	x	☐	☐

27. **Could you provide an example of how Creative Europe and/ or its sub-programmes have improved upon actions taken in other national, European and international programmes?**

Europa Cinemas is a flagship initiative of EU cultural policy which provides support for cinemas in EU countries when this does not exist at national level. Where cinemas receive national support, the two schemes perfectly complement each other.

The network contributes massively to the discovery of new European talent and the preservation of the rich heritage of European film history. Without this support from MEDIA, cinemas in some EU countries would be unlikely to operate and as a consequence the circulation of non-national European films would be drastically reduced. As cinemas are best suited to creating excitement and demand for foreign titles, this would also have an impact on the actual demand for these films.

Part VI - Sustainability and dissemination of results

28. **To what extent would the current activities supported by the Programme be affected if the EU support was withdrawn or substantially decreased?**

☐ Most of the current activities or elements of the programme would be likely to continue unaffected without EU support

☐ Most of the current activities or elements of the programme would be moderately affected without EU support

- [x] Most of the current activities or elements of the programme would be significantly affected without EU support
- [ ] None of the current activities or elements of the programme would be likely to continue without EU support

29. **Have you heard about the results of any Creative Europe Programme activities/projects?**

- [x] Yes
- [ ] No

Please provide a few examples of activities/ projects you have heard about:

Europa Cinemas is a unique international network of cinema operators, totalling 2,350 screens across 596 European cities, responsible for providing networking, training and marketing activities. It is a flagship initiative of European cultural support and it is fully supported by UNIC. Being the one and only institution granted by MEDIA and exclusively devoted to the exhibition sector, the network was created with a clear mandate to boost non-national European films by improving their circulation within the Union and therefore enhancing the cultural diversity of the EU.

The first mission of Europa Cinemas is to support the dissemination of European non-national films. It also develops activities around audiences. More than just awarding grants, the network brings together nearly a thousand independent cinemas, helps in exchanging know-how and is a strong voice for independent exhibition.

30. **Through which principal channels have you heard about the results of Creative Europe Programme activities/ projects?**

- [x] Your own research on the Internet
- [x] Websites of the EU Institutions
- [ ] Your organisation which disseminated information about the Programme
- [x] Creative Europe Desks
- [x] Social media
- [ ] Traditional media (e.g. TV, radio, printed press)
- [x] Word of mouth / other professionals
- [ ] Other channels [ ] I don't know

Part VII - Forward looking questions

The Creative Europe programme will end in the year 2020 and we would like to have your opinion for a possible successor programme. The European Union goal is to promote cultural diversity and heritage in Europe and to strengthen the competitiveness of the European cultural and creative sectors. We would like to hear from you what could be done to achieve this.

31. **In your opinion what are the trends and drivers that will shape the future of the cultural and creative markets and in particular the audiovisual market? Please distinguish by sector.**

Cinema-going in Europe is thriving

Audience growth and box office results over recent years across UNIC territories clearly show that cinema-going in Europe is thriving, becoming an ever more engaging, diverse and immersive experience. In 2016, the 36 European territories represented by UNIC saw cinema admissions increase by 2.7 per cent on the previous year, with a total of 1.28 billion visits, and grossed over € 8.4 billion at the box office.

Cinemas at the centre of the film value chain

Cinemas across Europe – whatever their size or location – make significant contributions to cultural diversity, are essential to the commercial and cultural success of the European film industry, and have a powerful social influence. As the home entertainment sector continues to struggle, cinema-going remains the key pillar of the wider film economy. The strong performance of the sector helps maintain hundreds of thousands of jobs for predominantly young people across urban as well as rural areas in all regions of Europe. These positive trends are also reflected in consumer attitudes: research conducted across the five biggest European Union territories shows that respondents attribute a higher value to the cinema experience when compared to other “out-of-home” cultural activities, including trips to a concert, a leisure park or the opera.

Cinema also clearly remains the place where value is created around individual film titles. Whereas the average spend per unit on rental VOD is around € 2.70 it is a mere € 0.20 on a subscription-based VOD service, such as Netflix. The average price for a cinema ticket in the EU is € 6.60 – a multiple of 33 compared with a subscription-based VOD service. Audiences therefore clearly continue to attach great value to the shared experience of seeing a film on the Big Screen and are ready to reward creativity and entrepreneurship across the wider cinema landscape.

An international landscape

The increasingly international and inter-connected dimension of the industry is reflected in cinema exhibition, where ongoing consolidation among certain companies is creating a tier of international cinema groups that benefit from increased efficiencies and economies of scope and scale. At the same time, the continuing strength of the tier of highly successful independent operators and local cinemas across Europe helps ensure the resilience of the European cinema eco system.

Europe rightly prides itself on its unparalleled and diverse offer of local and European films that are made each year. The role of cinemas in increasing awareness of and providing access to a selection of these titles is essential in order to maintain diversity and investment in local production, even if operators at times find it challenging to book every single film that is produced. Support networks such as Europa Cinemas help maintain audience demand for non-national European films and are in UNIC’s view the best way to promote a pan-European market for films. In this regard, UNIC welcomes the willingness of public bodies to support local production and distribution, with the objective of developing and sustaining a strong local cinema eco system. UNIC believes that promoting international trade and investment in cinema, and celebrating local cinema culture, can go hand-in-hand.

Innovation and the Big Screen

Over the past 10 years, operators across Europe – in partnership with film distributors and public film agencies – have invested more than € 1.5 billion in the digital conversion of their theatres. Thanks to digitisation, the number of films screened in theatres has increased rapidly, enabling operators to meet ever more diverse audience demands. The introduction of digital technology and constantly evolving consumer behaviour has led to a paradigm shift across the cinema landscape. Massive improvements in sound and projection quality, more flexible and efficient theatre operations, and creative audience engagement strategies continue to transform the customer experience and attract increasing numbers of cinema-goers.

Next generation cinema

The future growth and sustainability of our sector also depends on the ability of cinemas and their partners in film distribution to attract, retain and grow attendance among young audiences**.** While the customer base has become increasingly broad over the past 5-10 years, with increasing numbers of older people and more fine grained audience groups, young people below the age of 25 constitute the largest group of cinema-goers, and account for around 20 to 35 per cent of admissions, depending on the territory. From teenage screenings to film education or youth-focused social media engagement, individual cinema operators as well as collective sector initiatives are seizing the opportunity to grow future youth admissions across UNIC territories.

In conclusion, as continuous innovation and change become a central element of the cinema business, identifying 'game-changing' technologies and engagement strategies, evaluating new consumer trends, and ensuring that investments in upgrades lead to tangible returns, have become key challenges.

32. **In your opinion what are the most important issues/ problems/ opportunities/ priorities for the cultural and creative sectors to be addressed by the future Programme? Please distinguish by sector and indicate areas/ topics by order of priority.**

- **Benefits of exclusive theatrical release strategies**

While perhaps well-intentioned, Europe's approach to cinema has of late exaggerated the cultural and economic contributions that digital platforms make to the European project while at the same time underestimating the importance of promoting a fair, competitive and culturally diverse film value chain cinema eco-system. UNIC welcomes the development a legitimate online market for films as a healthy VOD market is essential to compensate for the enormous losses that have occurred in physical home entertainment over the past 5-10 years, in part due to rampant levels of piracy. But we expect this emerging sector to become a contributor to – rather than solely a beneficiary of – the complex European cinema eco-system and to share some of the significant risks associated with financing and distributing European films. In this regard, MEDIA should end its ill-advised support for simultaneous theatrical and VOD releases, not least because the evidence that such projects yield any positive results for the wider industry is extremely weak.

Granting a film the opportunity to be exclusively exploited in cinemas before it gets offered on other platforms benefits the performance of the title across the entire value chain, including VOD. This is because a theatrical release provides a film with an unparalleled level of publicity that is necessary to succeed in this high-risk industry. As described in Q31, cinema also clearly remains the place where value is created around individual film titles. UNIC members therefore believe that all films, but particularly European productions, will in the medium-to-long term suffer if the period of exclusivity of cinema releases were to be unduly shortened or occurred synchronously with VOD releases. Economies of scale and scope would crowd out European titles and lead to a further strengthening of large international films. MEDIA should therefore focus on theatrical releases by supporting cinema networks and theatrical releases through the automatic and selective distribution schemes.

- **Audience-focused approaches**

With more than 1,600 films a year made across the EU, cinema operators continue to stress the need to support more films that audiences really want to see on the Big Screen and support the development of works that have a clear audience in mind. In this regard, the European Commission should support an open dialogue with all industry stakeholders to communicate the reasons for further increasing film production levels – even if this is not warranted by audience demand or the screening capacity of the cinema sector. In addition, greater circulation of audiovisual works does not necessarily imply greater levels of consumption and the focus should not only be on production and access to works but also on improving promotion and marketing which are essential to build audiences. A European film strategy first and foremost should acknowledge that audience demand changes along linguistic and cultural lines and the Commission should support the film and cinema sector in its efforts to develop films and related distribution strategies that cater for these different markets in order to create more audience awareness and excitement around film releases.

- **Innovating the cinematic experience**

The experience inside the auditorium continues to be transformed. Some operators invest in ground-breaking technologies – from state-of-the-art sound systems to extra-large screens – to provide an ever more immersive experience. Others have invested in new theatre designs, service concepts and seating upgrades to provide more comfort. While these changes help the sector to confidently compete with the myriad of online entertainment that is on offer today, there are also risks attached to the on-going diversification in the sector. Smaller and rural cinemas in particular lack the resources to invest in further upgrades and risk being left behind. UNIC therefore strongly calls on the European Commission to help ensure that the sector continues to thrive. There are a wide variety of opportunities for collaboration and the Commission can help cinema operators – especially smaller theatres and single screen cinemas – to further develop their capacity, to the benefit of all.

- **Data-driven innovation**

Using adaptable and cloud-based data analytics solutions to significantly grow the audience share of local and non-national European films is an opportunity that European support programmes should also carefully evaluate. To gain better customer insight, cinemas across Europe are currently rolling out a variety of data analytics programmes, which will help to promote local and European films, as well as encouraging the success of independent cinema operators. In its recent own-initiative report dedicated to Creative Europe MEDIA, the European Parliament advised the Commission to "put forward a data-driven European audience engagement project, which would aim at exploring and strengthening the capacity of Europe's audiovisual and film sector to collect, analyse and predict data concerning audience behaviours with a view to increasing demand for non-national European films". UNIC believes that MEDIA should therefore explore this opportunity.

- **Towards a Cinema-Centred Agenda for European Film**

At a time when European Union leaders are required to navigate a political landscape that is increasingly Euro-sceptic and influenced by major international and institutional challenges, it is essential that Europe takes the right approach to culture and cinema. Cinema – and the arts and cultural and creative sectors in general – can play a key role in re-establishing a positive and forward-looking narrative for the European project, at the same time strengthening cultural diversity, social cohesion and economic development across all Member States. Over the past five years, UNIC has developed an in-depth knowledge of the innovation trajectory of our industry across the world. We would therefore like to help develop an 'innovation roadmap' for the wider film sector that puts cinemas at the centre of Europe's growth strategy for film.

33. **In your opinion what priorities should be maintained and what new priorities should be introduced in a possible successor programme to Creative Europe? Please distinguish by sector.**

As already mentioned in Q16, support for the theatrical distribution of European audiovisual works – a priority of MEDIA – is vital. In this regard, continued backing of networks such as Europa Cinemas and the International Confederation of Art Cinemas (CICAE) is essential, as it helps maintain audience demand for non-national European titles and is the best way to promote a pan-European market for local films. It reflects the crucial role of theatres in helping local films attract a wider international audience and shows that raising awareness of and providing access to a diverse European film offer is more important than ever to maintain competitiveness and diversity in European cinema.

UNIC therefore strongly urges the European Commission to maintain and strengthen its support for cinema networks. The Commission should also consider how to ensure that even more operators and institutions participate in the programme, as well as to facilitate more innovation, experimentation and collaboration across the wider cinema landscape.

MEDIA is an essential partner in driving the competitiveness of the industry. The programme is deeply rooted in the diversified audiovisual sector and efficiently supports cultural diversity and industrial policy. That said, with 1,600 feature films made across EU territories each year, there is a need for more audience-focused approaches to increase the competitiveness of the sector. MEDIA should therefore strengthen its support for both film distribution and cinema exhibition to create more awareness around national and European releases.

Developing a comprehensive innovation strategy for Europe's film sector, with cinemas at the centre of Europe's cultural and creative ambitions, is another crucial priority that should be introduced in a possible successor programme. UNIC would be happy to help develop this long-term strategy and ensure that it benefits the entire cinema ecosystem.

34. **To what extent do you think the following issues need to be addressed to maximize the impact of the successor to the Creative Europe Programme?**

34. To what extent do you think the following issues need to be addressed to maximize the impact of the successor to the Creative Europe Programme?	Not at all	To a small extent	To a moderate extent	To a large extent	To a very large extent	I don't know
Increased budget	○	○	○	○	◉	○
Better defined priorities	○	○	○	◉	○	○
Increased use of cross-cutting calls	○	◉	○	○	○	○
Increased coordination/synergy with other EU programmes	○	○	○	○	◉	○
Better access for newcomers	○	○	○	○	○	○
Increased focus on capacity-building activities	○	◉	○	○	○	○
Increased focus on market instruments	○	○	○	○	◉	○
	○	○	○	○	○	○

- 35. **Please provide here any other comments on issues you find important regarding a possible successor programme to Creative Europe?**
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