Annual Report

UNIC

UNION INTERNATIONALE DES CINÉMAS
INTERNATIONAL UNION OF CINEMAS

2023

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— TEDDYBJÖRNENS JUL NOWARY (2022) FANTEFILM

Welcome & Executive Summary

from Phil Clapp, CEO of the UK Cinema Association and President of the International Union of Cinemas

Welcome to this, our 2023 annual report on key cinema trends in Europe – a region that remains one of the most diverse, innovative and dynamic in the World.

UNIC, the Union Internationale des Cinémas/International Union of Cinemas, represents key European cinema operators and their national associations across 39 territories. Our mission is to promote the cultural, social and economic benefits of a thriving cinema-going culture in Europe, providing a strong and influential voice for European cinema operators on issues of shared interest.

After two disrupted years, 2022 marked a step-change in the recovery of the European cinema industry, sending a clear signal of the desire of audiences to return to the Big Screen when presented with a strong and diverse film offer and allowing cinemas to re-affirm their cultural and social significance within local communities.

Cinema admissions in the EU and UK increased during the year by an estimated 62.7 per cent, with over 655 million visits recorded across the region. Box office revenue exceeded €5 billion, marking a remarkable 68.5 percent increase compared to the previous year.

Across all UNIC territories, 820.9 million tickets were sold, amounting to an estimated €5.8 billion in revenue. These figures were achieved despite some cinemas operating under limited occupancy and additional restrictions during the initial months of the year, along with rising energy costs, the impact of the Russia/Ukraine conflict and a still limited supply of films.

Studios and major distributors have re-affirmed their trust in and support of exclusive theatrical releases, recognising cinemas once more as the privileged venues for experiencing cinematic works. A robust and diverse film slate remains crucial in attracting both existing and new audiences.

In these evolving times, cinema operators require continued support both from the entire value chain and from policy-makers.

While increased fixed costs and the energy crisis have presented additional challenges for film theatres to deal with, cinemas strive to remain innovative and offer audiences an unforgettable experience, both providing best-in-class sound and projection, and diversifying their programming and wider activities to cater to various tastes.

2023 will be a pivotal year for the industry. Leading industry analysts 'Gower Street Analytics' have recently increased their forecast on the global box office for 2023 to $32 billion, a 10 per cent improvement from the initial estimate of $29 billion announced back in December 2022.

We hope you find this report engaging and insightful and look forward to seeing you soon.

€ 5.8 billion at the box office
across UNIC territories in 2022

+53.5 per cent vs 2021 box office
across UNIC territories

+68.5 per cent vs 2021 box office
in EU and UK

-33.8 per cent vs 2019 box office
across UNIC territories

+23%
predicted growth
at the global box office in 2023*

43,000 screens
across UNIC territories in 2022

39 territories
represented by UNIC

GOWER STREET ANALYTICS APRIL 2023 FORECAST

Cinema admissions

across Europe 2001–2022 (millions)

+34% **Growth between 2000 and 2019**

The European cinema industry was on a steady growth trajectory when it was struck by the COVID-19 pandemic.

Cinema-going in 2022

"In a [cinema], that's where someone can feel seen. That's where someone can feel less alone. That's when someone can escape. That's where someone can build a new dream. I have been witness to that and I've experienced it myself."

Zendaya at CinemaCon 2023

— **DUNE** US (2021) LEGENDARY PICTURES, WARNER BROS. PICTURES

Cinema-going in Europe in 2022 — Facts and figures

€5.7 billion
at the box office in Europe in 2022
+ 53.8% increase on 2021

809 million
admissions in Europe in 2022
+36.2% increase on 2021

After two years of local and national closures of cinemas across Europe, 2022 was the first year when the overwhelming majority of cinemas could operate continuously.

Sanitary measures and restrictions, including limited occupancy and COVID certificates, were still broadly enforced in several European territories until the first quarter of 2022, only being lifted by July 2022. In countries where mask-wearing or COVID certificates were obligatory until June 2022, there was a stronger impact on attendance in the first half of the year. Additionally, factors such as the Russia/Ukraine conflict and a weak summer film line-up affected the performance of the cinema industry in 2022.

All that considered and despite a slow start of the year, the exhibition sector steadily recovered throughout the following months, with positive results approaching pre-pandemic levels in the second half of 2022.

Admissions in European cinemas increased at least by 36.2 per cent and total box office for 2022 exceeded €5.7 billion – a rise of 53.8 per cent compared with 2021. In the EMEA region as a whole, according to Gower Street Analytics box office revenue increased by 52 per cent. While admissions and box office figures increased in all European territories, there were significant variations in year-on-year growth, which ranged from a 267 per cent box office boost in Latvia to a 13.5 per cent increase in Serbia, the latter due to a very successful 2021.

The same is true for recovery rates, where Romania, Bulgaria and Belgium were among the fastest-recovering European markets, with a drop in ticket sales of only 21 per cent from 2019.

The growth in admissions and box office in 2022 was primarily driven by major international titles. *Avatar: The Way of Water*, *Top Gun: Maverick*, *Minions: the Rise of Gru*, *Jurassic World: Dominion* and *Doctor Strange in the Multiverse of Madness* were among the most-watched films in Europe in 2022. *Top Gun: Maverick*, 2022's highest-grossing film, generated $1.49 billion at the global box office, topping the charts in the UK ($103.5 million), Sweden ($11.4 million), the Netherlands ($15.1 million) and Denmark ($12.9 million), among others.

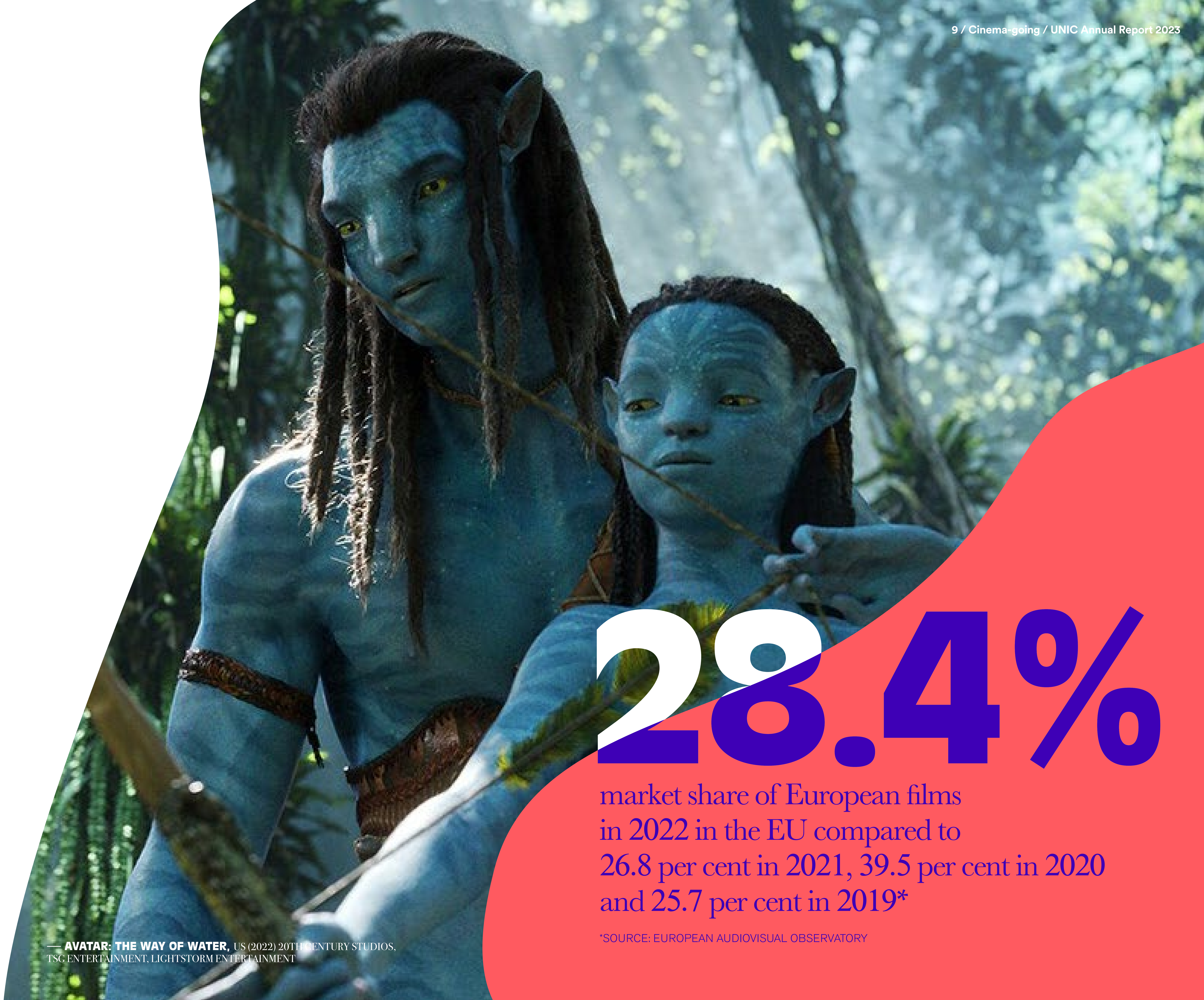
Avatar: The Way of Water grossed over $2.3 billion globally to date – making it the third-biggest film of all time and the first in the EMEA region – proof of cinemas' capacity to attract audiences and create global events.

Local titles also played a key role in the success of 2022, most impressively in France (41.1 per cent of market share), Czechia (33.5 per cent), Denmark (26 per cent) and Finland (25.2 per cent). Bulgaria, Slovenia and Czechia achieved a higher national share of box office than in pre-COVID years.

Several European titles had a successful career outside their country of origin, first among all *Triangle of Sadness*, 2022 Cannes Palme D'Or winner, which was released in over 35 European territories between the second half of 2022 and the beginning of 2023. It garnered over 2 million admissions in the EU and UK in 2022 with more than half of the admissions outside Sweden, surpassing the success of Ruben Östlund's *The Square*.

Belfast, the black and white British coming-of-age drama, was released in 24 EU markets in 2022 and became the second most-watched European title (excluding US coproductions) with 3.7 million admissions. The French-Belgian *Hopper Et Le Hamster Des Ténèbres* was the most distributed European animation film across the continent, in 22 countries. According to the European Audiovisual Observatory, the market share for European films increased year-on-year from 26.8 per cent to 28.4 per cent in 2022.

France recorded 152 million admissions in 2022, 59.2 per cent up from the previous year. The beginning of 2022 was challenging, with January and February tracking 40 per cent below the 2017–2019 results due to a new COVID wave. Once all restrictions were lifted in March, attendance started to grow progressively thanks to successful cinema promotional campaigns, a diverse film offer and the impressive success of the Avatar sequel, which attracted 7.6 million visitors in December 2022 alone.



— **AVATAR: THE WAY OF WATER**, US (2022) 20TH CENTURY STUDIOS, TSG ENTERTAINMENT, LIGHTSTORM ENTERTAINMENT

28.4%

market share of European films in 2022 in the EU compared to 26.8 per cent in 2021, 39.5 per cent in 2020 and 25.7 per cent in 2019*

*SOURCE: EUROPEAN AUDIOVISUAL OBSERVATORY

Top 5

European territories in terms of admissions

France
152 million

UK
117.3 million

Germany
78 million

Spain
61.2 million

Italy
44.5 million

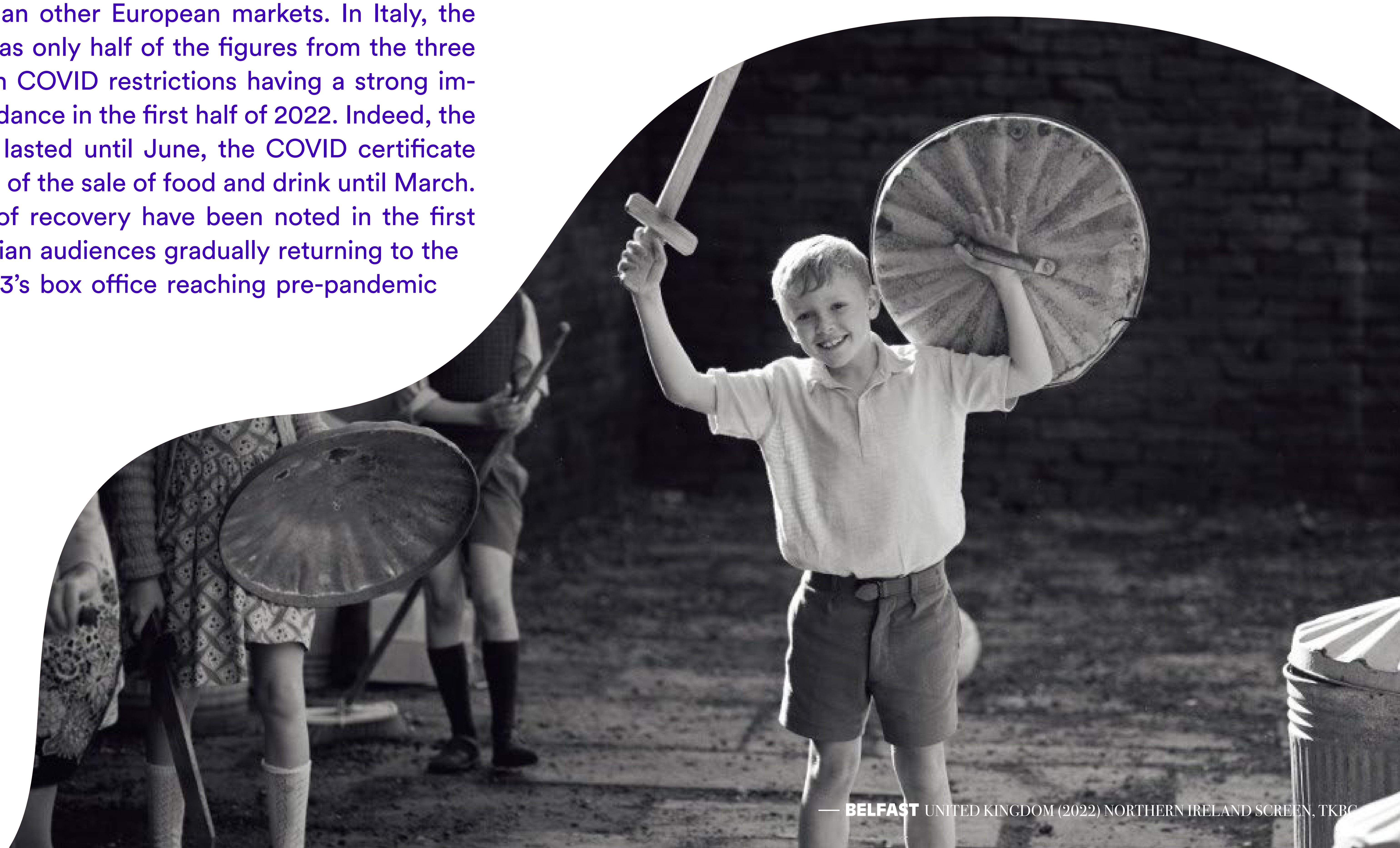
In Germany, 2022 box office was up 93.5 per cent on 2021. This positive result was driven by the huge success of Avatar 2, which generated €72 million in box office takings in just the last 18 days of December. National titles also performed well, with German films achieving their second-best result in the past five years based on market share. In addition to *Die Schule der magischen Tiere 2*, *Wunderschön*, the comedy *Guglhupfgeschwader*, as well as Fatih Akin's rapper biopic *Rheingold*, and Sönke Wortmann's comedy *Der Nachname* contributed to the local industry's success, securing a 27 per cent share of total admissions for the year.

The Baltic countries had a positive recovery with a doubling and more of the total box office revenue. In Estonia and Lithuania, local comedies played an important role and ranked among the top 5 films.

Spain and Italy were up 50 per cent and 81 per cent respectively from 2021, although their recovery compared with 2017–2019 results appeared slower than other European markets. In Italy, the number of tickets sold was only half of the figures from the three pre-pandemic years, with COVID restrictions having a strong impact on the cinema attendance in the first half of 2022. Indeed, the mask-wearing obligation lasted until June, the COVID certificate until May and restrictions of the sale of food and drink until March. However, positive signs of recovery have been noted in the first months of 2023, with Italian audiences gradually returning to the Big Screen and May 2023's box office reaching pre-pandemic results.

Outside of the EU, Turkey registered an impressive boost in revenues and admissions from 2021, with increases of 373.4 per cent and 191 per cent respectively. The national market share at 46 per cent confirms the trend of the past ten years and the success of national productions. Two Turkish titles led the top 10, the music biopic *Bergen* and the action drama *Kesisme: Iyi Ki Varsin Eren*.

Following the Russian invasion of Ukraine, major Hollywood studios decided to suspend the release of new films in the Russian Federation and Belarus, a decision that has not been reversed as of June 2023. The industry relied on Hollywood-produced films for 80 per cent of its box office top ten in 2021 and Russian box office plunged by 41.9 per cent from 2021.



— **BELFAST** UNITED KINGDOM (2022) NORTHERN IRELAND SCREEN, TKBC

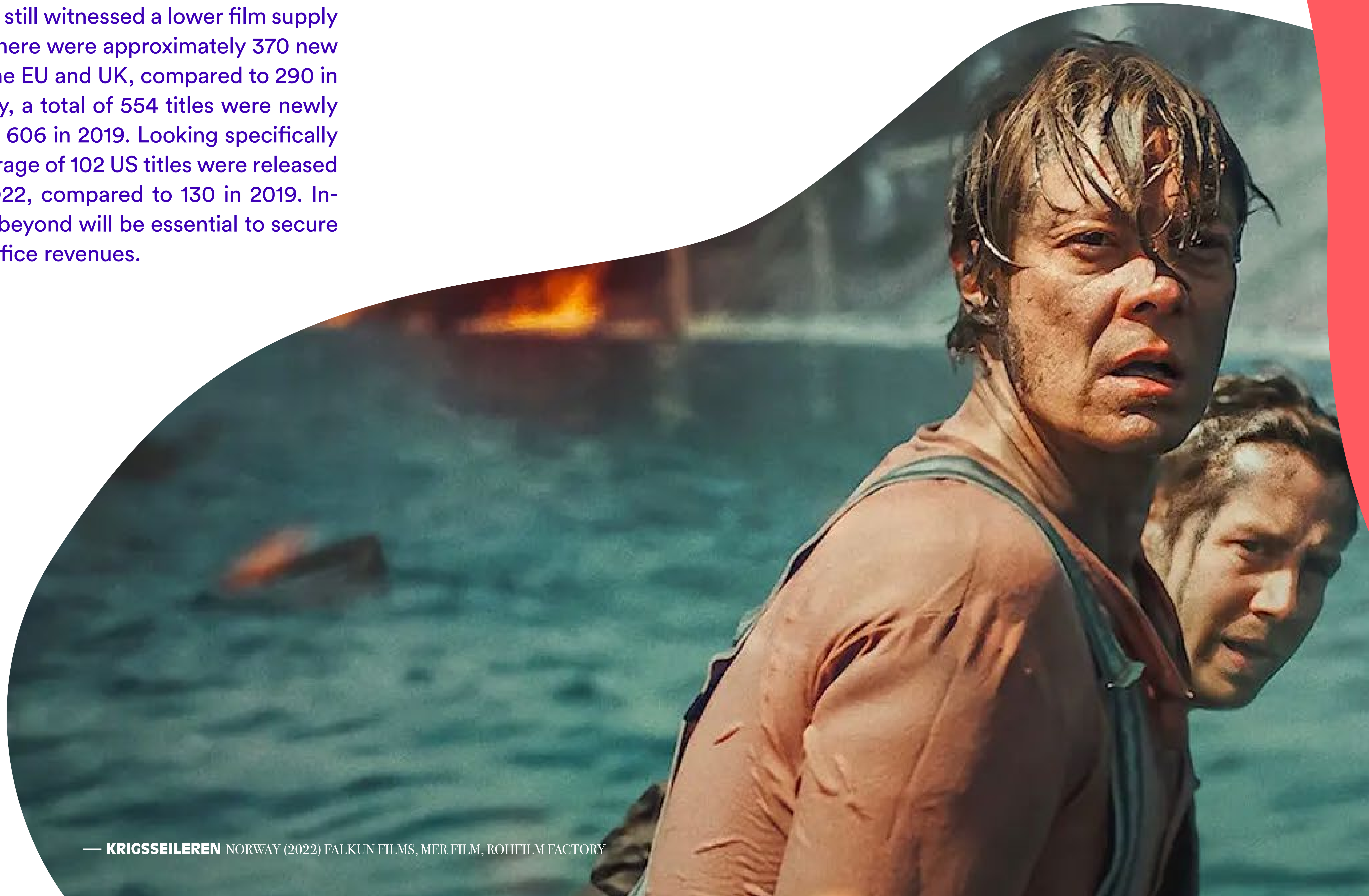
In Ukraine, despite power shortages and curfews, cinemas in several large cities have reopened in recent months. The two largest Ukrainian cinema chains, Multiplex and Planeta Kino, are currently operating cinemas in a few key cities, despite some venues having been destroyed by the war or located in occupied areas.

Neighbouring countries have also been strongly impacted, with Latvia experiencing a shortage of releases after the void left by the ban on Russian cinematography (considering that 25 per cent of Latvia's population is made of ethnic Russians).

Despite the significant return of US blockbusters to European screens and the announcement by most international studios to release their films exclusively in theatres, 2022 still witnessed a lower film supply compared to 2019. On average, there were approximately 370 new cinema releases in 2022 across the EU and UK, compared to 290 in 2021 but 480 in 2019. In Germany, a total of 554 titles were newly distributed in 2022, compared to 606 in 2019. Looking specifically at the offering of US films, an average of 102 US titles were released across European territories in 2022, compared to 130 in 2019. Increasing film supply in 2023 and beyond will be essential to secure successful admissions and box office revenues.

The predictions for 2023 confirm the positive trends observed in 2022. Gower Street Analytics has recently raised the projected global box office for 2023 to $32 billion, a 10 per cent improvement from the earlier $29 billion estimate announced in December 2022. At a global level, the first quarter of 2023 was 27 per cent ahead of Q1 2022 and double the first quarter of 2021.

In the EMEA region, it has been the best quarter since the start of the pandemic, 32 per cent above the same period last year. With the cinema industry now on the path to full recovery, as indicated by the encouraging results of the first quarter of 2023, we are confident that it will soon reach the record-breaking levels of 2019.



— **KRIGSSEILEREN** NORWAY (2022) FALKUN FILMS, MER FILM, ROHFILM FACTORY

Top 5

European territories in terms of market share for national films

Turkey
46 per cent

France
41.1 per cent*

Czechia
33.5 per cent

Germany
27 per cent*

Denmark
26 per cent

*market share by admissions

> Then I started to reflect on all of us who work in movies from the studios, distributors, executives, theater owners, marketers, the people serving popcorn. We are all engaged in a process that in some small way can make the world a better place. Does make the world a better place? It's an absolute good because we all work in what is the greatest art form ever created; the one that combines pictorial beauty, two-dimensional, three-dimensional, sound, music, and language. It can combine the subjective experience of another human being the way a novel can, but it can combine that at the same time with the empathetic experience being in a theater and feeling what the rest of the audience is feeling.

Christopher Nolan at CinemaCon 2023

— **TENET** US (2020) WARNER BROS. PICTURES, SYNCOPY

Top 5

most successful European films released in 2022 (in million admissions)

1 **Qu'est-ce qu'on a tous fait au Bon Dieu?**

France, Belgium / 3.8M

2 **Belfast**

UK / 3.7M

3 **Tad the Lost Explorer and the Emerald Tablet**

Spain /3.2M

4 **Die Schule der magischen Tiere 2**

Germany / 2.6M

5 **Padre no hay más que uno 3**

Spain / 2.4M*

*SOURCE: EUROPEAN AUDIOVISUAL OBSERVATORY AND COMSCORE

IMAGES SOURCE (LEFT TO RIGHT, TOP TO BOTTOM): QU'EST-CE QU'ON A TOUS FAIT AU BON DIEU?, FRANCE, BELGIUM (2022) UGC, LES FILMS DU 24, BELFAST, UNITED KINGDOM (2022) NORTHERN IRELAND SCREEN, TKBC, TAD THE LOST EXPLORER AND THE EMERALD TABLET, SPAIN (2022) ANANGU GRUP, IKIRU FILMS, ICEC, DIE SCHULE DER MAGISCHEN TIERE 2, GERMANY, (2022) KORDES & KORDES FILM GMB, PADRE NO HAY MÁS QUE UNO 3, SPAIN (2022) BOWFINGER INTERNATIONAL PICTURES, ATRESMEDIA CINE, AMAZON PRIME VIDEO

Success of local titles

Local titles had a strong impact on 2022's success, securing an important share of ticket sales in several European countries. In France, local films accounted for 41.1 per cent of the market share, while in Turkey it was 46 per cent, Czechia 33.5 per cent, Germany 27 per cent, and Denmark 26 per cent.

Local titles ranked in the top positions mainly in the Nordics (Finland, Denmark, Norway) and Central-Eastern European countries (Romania, Poland, Slovenia, Slovakia, Lithuania, Estonia, Czechia), sometimes grossing more than US blockbusters like *Avatar: The Way of Water* or *Top Gun: Maverick*, in Romania and Finland.

In Czechia, the theatrical market showed steady recovery. *Vyšehrad: Fylm*, a Czech comedy about an unruly footballer, was the highest-grossing domestic release of 2022 with a total of 108 million crowns (€4.6 million), coming in at number four in the year's top 10 at the Czech box office and scoring the fifteenth best opening weekend of all-time. Two other local productions made the top 10: the fairy tale *Tajemství staré bambitky 2*, which came in at number 8, and the most expensive Czech film ever made, *Medieval*, which earned 55.6 million crowns (€2.4 million) to come in at number 9. The three Czech titles gathered a total box office share of 36 per cent.

In Denmark, local films continue to account for a large share of ticket sales. In 2022, Danish titles generated 26 per cent of the box office, with over 3 million admissions. Four local movies – all Nordisk Film releases – secured a spot in the top 10. The top Danish title was *Bamse*, a biopic on the Danish music legend Flemming "Bamse" Jørgensen. Niels Arden Oplen's drama *Rose* was the second biggest local hit, followed by the family comedy *Fathers & Mothers* by Paprika Steen. Another local comedy – *All for Four* – the fourth episode of Rasmus Heide's buddy movie, sold nearly 300,000 tickets.

In Norway, the wide range of local titles catering to all ages recorded 2.1 million of ticket sales, up 28.7 per cent from 2021. Three local productions featured in Norway's 2022 box office top 10: *Krigsseileren* – Norway's Oscar entry, the true story of ordinary Norwegian sailors whose heroic actions during WW2 helped defeat Nazi Germany – followed by *Olsenbanden- Siste skrik!* – the reboot of a well-known comedy film cycle – and the live-action Christmas film *Teddybjørnens jul*.

In France, domestic films accounted for 61 million admissions in 2022, a market share of 41.1 per cent, up slightly from 40.6 per cent in 2021. For the first time since 1989, no French film made it into the top 10, with a ranking consisting entirely of Hollywood studio pictures, all of which were based on existing IP. The top local title of the year is *Qu'est-ce qu'on a tous fait au Bon Dieu?* with 2.4 million tickets sold. Cedric Jimenez's thriller *November* and the biopic *Simone: A Woman Of The Century* followed, with 2.3 and 2.2 million tickets sold respectively. The high national market share is mainly composed of a variety of mid-range and arthouse titles, such as Cedric Klapisch's *En Corps*, Louis Garrel's *L'Innocent* and Alice Winocour's *Revoir Paris*.

Also worthy of praise are the performances in some low-production markets like Romania, where for the first time two domestic films made the top 10. *Teambuilding*, a satire on the business world, ranked first in the national the box office, outperforming the most successful US superhero films, while the comedy *Mirciulică*, based on a popular comedic YouTube channel, came in seventh. The success of these domestic films strongly impacted the national market share, with an impressive increase from 4.6 per cent in 2021 to 17 per cent in 2022. Similarly, Slovenia secured a box office share of 14.4 per cent for local productions, the highest since the country's independence 32 years ago. In the past years, the share of domestic films usually represented around 5 to 7 per cent of total admissions, with only 1 per cent in 2021. The 2022 record-breaking share is due to the success of the comedy *Pr' Hostar 2*, with 114,558 admissions, and two teen films, *Gajin svet 2* with 75,998 admissions and *Kapa* with 58,756 admissions.

The Spanish title *Padre no hay más que uno 3*, the German family film *Die Schule der magischen Tiere 2*, the Belgian *Zillion*, the Turkish *Bergen*, the Serbian *Leto kada sam naucila da letim* – are just some other examples of successful local films that have helped attract audiences of all ages to the Big Screen.

COMSCORE & UNIC European box office updates

UNIC has been collaborating with partners at Comscore, the industry media measurement and analytics company, to produce weekly box office analysis for UNIC members. This provides a weekly overview of box office results globally and across Europe, including a box office chart for five leading European markets – namely France, UK and Ireland, Germany, Spain and Italy. This industry update offers cinema operators a unique opportunity to monitor the ongoing recovery and the strength of the European cinema industry, highlighting the growing success of international as well as national releases.

— **AVATAR: THE WAY OF WATER,** US (2022) 20TH CENTURY STUDIOS, TSG ENTERTAINMENT, LIGHTSTORM ENTERTAINMENT

“When we go to the movies, we make a deal with ourselves to have undivided attention for a couple of hours. It's about immersing yourself… choosing to commit to that ahead of time.”

James Cameron in an interview on Business Insider India (January 2023)

Celebrating European diversity

The number of titles released in cinema has increased in 2022, but it's still far from 2019 levels.

Theatrical releases in the EU and the UK (on average)

2019: **480** including 130 US productions
2020: **250** including 80 US productions
2021: **290** including 100 US productions
2022: **370** including 108 US productions

24 local European titles made it to the box office top five across UNIC territories in 2022 – compared to 29 in 2021, 57 in 2020 and 24 in 2019.

QU'EST-CE QU'ON A TOUS FAIT AU BON DIEU? FRANCE, BELGIUM (2022) UGC, LES FILMS DU 24, **BELFAST**, UNITED KINGDOM (2022) NORTHERN IRELAND SCREEN, **TKBC, TAD THE LOST EXPLORER AND THE EMERALD TABLET**, SPAIN (2022) ANANGU GRUP, IKIRU FILMS, ICEC, **DIE SCHULE DER MAGISCHEN TIERE 2**, GERMANY, (2022) KORDES & KORDES FILM GMB, **PADRE NO HAY MÁS QUE UNO 3**, SPAIN (2022) BOWFINGER INTERNATIONAL PICTURES, ATRESMEDIA CINE, AMAZON PRIME VIDEO, **NOVEMBRE**, FRANCE (2022) RÉCIFILMS, CHI-FOU-MI PRODUCTIONS, STUDIOCANAL, UMEDIA, FRANCE 2 CINEMA, **SIMONE, LE VOYAGE DU SIÈCLE**, FRANCE (2022) MARVELOUS PRODUCTIONS, **OOPS! THE ADVENTURE CONTINUES**, GERMANY, IRELAND, LUXEMBOURG (2020) ULYSSES FILMPRODUKTION GMBH, MOETION FILMS, IMAGE FACTORY, **MAISON DE RETRAITE**, FRANCE, SWITZERLAND (2022) MY FAMILY, THE MAN, T1 FILM PRODUCTIONS, **TRIANGLE OF SADNESS**, SWEDEN, GERMANY, FRANCE, UNITED KINGDOM, MEXICO (2022) IMPERATIVE ENTERTAINMENT, PLATTFORM PRODUKTION, FILM I VÄST, **SUPER-HÉROES MALGRÉ LUI**, FRANCE (2022) CINÉFRANCE STUDIOS, BAF PROD, STUDIOCANAL, **WUNDERSCHÖN**, GERMANY (2022) HELLINGER/DOLL FILMPRODUKTION, WARNER BROS FILM PRODUCTIONS GERMANY, **GUGLHUPFGESCHWADER**, GERMANY (2022) ARD DEGETO FILM, BAYERISCHER RUNDFUNK (BR), CONSTANTIN FILM, **EN CORPS**, FRANCE, BELGIUM, NETHERLANDS (2022) CE QUI ME MEUT, STUDIOCANAL, FRANCE 2 CINÉMA, **LISTY DO M. 5**, POLAND (2022) TVN, **HOPPER ET LE HAMSTER DES TÉNÈBRES**, BELGIUM, FRANCE (2022) NWAVE PICTURES, OCTOPOLIS, LA STRANEZZA, ITALY (2022) BIBI FILM, TRAMP LTD., MEDUSA FILM, **VERDENS VERSTE MENNESKE**, NORWAY (2021) OSLO PICTURES, MK2 PRODUCTIONS, FILM I VÄST, SNOW GLOBE FILMS, B-REEL FILMS, ARTE FRANCE CINÉMA, COMPETENCIA OFFICIAL, SPAIN (2022) THE MEDIAPRO STUDIO, INSTITUTO DE LA CINEMATOGRAFÍA Y DE LAS ARTES AUDIOVISUALES (ICAA), ORANGE, RADIO TELEVISIÓN ESPAÑOLA (RTVE), **CLOSE**, BELGIUM (2022) MENUET BVBA, DIAPHANA FILMS, TOPKAPI FILMS, VERSUS PRODUCTION, **LE OTTO MONTAGNE,** ITALY (2022) WILDSIDE, RUFUS, MENUETTO FILM, PYRAMIDE PRODUCTIONS, VISION DISTRIBUTION, ELASTIC FILM, SKY, **HYTTI NRO 6**, FINLAND (2021) AAMU FILM COMPANY, **ACHTUNG PANDA!** MEDIA, AMRION, CTB FILM COMPANY, CORSAGE, AUSTRIA (2022) FILM AG PRODUKTION, SAMSA FILM, KOMPLIZEN FILM, KAZAK PRODUCTIONS, **BOY FROM HEAVEN**, SWEDEN, FRANCE, FINLAND, DENMARK, MOROCCO (2022) MEMENTO FILMS PRODUCTION, BUFO, FILM I VÄST, SVERIGES TELEVISION, MIKAEL AHLSTRÖM FILMS, HAYMAKER, ARTE FRANCE CINÉMA, POST CONTROL, FINAL CUT FOR REAL

“I don’t want to get philosophical, but it starts to end up being the protection of memories — very, very important memories — that we each individually have. Where was I when I saw E.T.? I remember it very well, and I remember the friends I was with. I remember who I took to see that film as much as I remember the film.”

Paul Thomas Anderson at the TCM Classic Film Festival 2023

— **LICORICE PIZZA,** US (2021) METRO-GOLDWYN-MAYER (MGM), FOCUS FEATURES, BRON CREATIVE, GHOULARDI FILM COMPANY

Cinema-going across UNIC territories in 2022

COUNTRY (CURRENCY)	Box office in local currency (in million) 2022	2021	Change from 2021 in %	Change from 2019 in %	Admissions (in million) 2022	2021	Change from 2021 in %	Change from 2019 in %	National films' share 2022	Screens 2022
Albania (ALL)	183.6	105.0	74.8%	-48.2%	0.3	0.2	84.4%	-51.1%	17.8%	18
Austria (EUR)	103.2	52.7	96.0%	-20.3%	10.0	5.2	92.1%	-26.6%	4.0%	561
Belgium (EUR)	133.7	73.0	83.1%	-17.3%	14.1	7.9	78.7%	-21.5%	13.5%	505
Bosnia and Herzegovina (BAM)	7.2	6.8	6.7%	5.9%	1.1	1.1	0.7%	-13.6%	8%	81
Bulgaria (BGN)	41.9	24.7	69.8%	-14.5%	4.0	2.6	55.0%	-21.1%	14.2%	213
Croatia (HRK)	124.2	88.3	40.6%	-20.7%	3.2	2.5	32.1%	-33.3%	5.2%	235
Cyprus (EUR)	3.8	2.3	65.5%	-43.2%	0.5	0.3	64.7%	-43.2%	0.1%	40
Czechia (CZK)	2,115.5	1,088.9	94.3%	-19.2%	13.5	7.1	89.0%	-26.3%	33.5%	606
Denmark (DKK)	994.7	654.6	51.9%	-16.2%	10.2	6.8	49.5%	-22.7%	26%	485
Estonia (EUR)	16.3	8.2	98.1%	-25.3%	2.3	1.4	68.0%	-36.8%	19.7%	111
Finland (EUR)	72.3	43.5	66.3%	-24.6%	5.8	3.4	70.2%	-30.7%	25.2%	374
France (EUR)	1,094.4	672.6	62.7%	-24.5%	152.0	95.5	59.2%	-28.7%	41.1%	6,298
Georgia (GEL)	14.2	6.3	126.2%	7.4%	1.3	0.6	127.5%	-6.8%	1.2%	40
Germany (EUR)	722.0	373.2	93.5%	-29.5%	78.0	42.1	85.4%	-34.3%	27.0%	4,911
Greece (EUR)	37.5	19.5	92.6%	-38.5%	5.5	3.1	79.2%	-42.8%	5.5%	429
Hungary (HUF)	17,875.6	9,700.1	84.3%	-19.3%	10.2	6.2	64.1%	-32.4%	5%	417
Ireland (EUR)	91.2	47.2	93.4%	-22.3%	10.5	5.8	80.2%	-30.5%	5%	554
Israel (ILS)	386.9	275.9	40.2%	-29.9%	12.1	8.4	44.6%	-30.0%	8.0%	422
Italy (EUR)	306.6	169.4	81.0%	-51.7%	44.5	24.8	79.6%	-54.4%	19.7%	3,412
Latvia (EUR)	11.2	3.1	267.5%	-25.5%	1.7	0.5	258.1%	-37.4%	7.0%	63
Lithuania (EUR)	18.1	7.8	133.5%	-19.6%	3.0	1.3	123.9%	-27.9%	20%	66
Luxembourg (EUR)	8.1	4.9	63.9%	-21.7%	0.8	0.5	52.9%	-33.5%	2.4%	37

Source: UNIC members.
Complementary information from Comscore, Gower Street, CY (DJK Group), CZ (Unie Filmovych Distributoru), BG (Национален филмов център), DE (Filmförderungsanstalt), EE (Eesti Filmi Instituut & Baltic Films Co-operation Platform), FR (Centre National du Cinéma et de l'Image Animée), GR (Ελληνικό Κέντρο Κινηματογράφου), HU (Nemzeti Média- és Hírközlési Hatóság), IE (Pearl&Dean), LU (Centre national de l'audiovisuel), LV (Nacionàlais kino centrs & Baltic Films Co-operation Platform), MK (Macedonian Film Center), PT (Instituto do Cinema e do Audiovisual), RO (Centrul National al Cinematografiei), RU (Russian Cinema Fund Analytics, Nevafilm Research), UA (Media Business Reports/Planeta Kino).

Cinema-going across UNIC territories in 2022

COUNTRY (CURRENCY)	Box office in local currency (in million) 2022	2021	Change from 2021 in %	Change from 2019 in %	Admissions (in million) 2022	2021	Change from 2021 in %	Change from 2019 in %	National films' share 2022	Screens 2022
Montenegro (EUR)	0.8	0.7	17.8%	-29.4%	0.2	0.2	13.1%	-32.6%	0.04%	14
Netherlands (EUR)	256.1	142.0	80.4%	-26.3%	24.8	14.2	74.9%	-34.8%	14.7%	1,049
North Macedonia (MKD)	46.2	27.9	65.4%	-54.9%	0.25	0.14	79.4%	-40.7%	5.3%	26
Norway (NOK)	1,106.2	678.4	63.1%	-15.1%	8.8	5.7	54.8%	-22.4%	22.7%	479
Poland (PLN)	725.5	616.2	17.7%	-36.5%	41.8	35.2	18.8%	-31.4%	20.8%	1,512
Portugal (EUR)	55.4	30.6	80.9%	-33.4%	9.6	5.5	75.4%	-38.0%	5.1%	569
Romania (RON)	246.2	101.7	142.0%	-18.0%	11.2	4.7	139.8%	-21.4%	17%	453
Russia (RUB)	23,662.1	40,700.0	-41.9%	-56.8%	83.2	145.8	-42.9%	-62.1%	52.1%	5,677
Serbia (RSD)	1,690.2	1,489.3	13.5%	-6.8%	3.5	3.4	4.4%	-21.8%	18.2%	180
Slovakia (EUR)	28.0	12.4	126.6%	-24.9%	4.3	2.0	112.8%	-33.6%	10.1%	276
Slovenia (EUR)	11.5	4.1	182.3%	-8.8%	1.8	0.7	154.1%	-21.2%	14.4%	111
Spain (EUR)	379.0	252.3	50.2%	-39.3%	61.2	41.7	46.8%	-42.0%	22.0%	3,626
Sweden (SEK)	1,389.2	798.2	74.0%	-26.5%	10.4	6.0	73.6%	-33.3%	17.4%	945
Switzerland (CHF)	143.5	87.9	63.4%	-27.6%	9.1	5.6	62.7%	-29.5%	5.1%	621
Turkey (TRY)	1,350.4	285.3	373.4%	38.5%	36.3	12.5	191.0%	-38.8%	46%	2,536
UK (GBP)	902.2	557.2	61.9%	-28.0%	117.3	74.0	58.5%	-33.4%	12.2%	4,637
Ukraine (UAH)	1,155.2	1,749.5	-34.0%	-59.9%	9.1	15.8	-42.7%	-70.4%	6.5%	663
European Union (EUR)	3,999.3	2,351.1	70.1%	-30.7%	538.4	329.0	63.7%	-34.5%	28.4%	27,891
EU + UK (EUR)	5,054.9	2,999.4	68.5%	-30.3%	655.7	403.0	62.7%	-34.3%	n/a	32,528
Europe (EUR)	5,712.7	3,715.4	53.8%	-33.9%	808.8	593.8	36.2%	-39.6%	n/a	42,863

Source: UNIC members.
Complementary information from Comscore, Gower Street, CY (DJK Group), CZ (Unie Filmovych Distributoru), BG (Национален филмов център), DE (Filmförderungsanstalt), EE (Eesti Filmi Instituut & Baltic Films Co-operation Platform), FR (Centre National du Cinéma et de l'Image Animée), GR (Ελληνικό Κέντρο Κινηματογράφου), HU (Nemzeti Média- és Hírközlési Hatóság), IE (Pearl&Dean), LU (Centre national de l'audiovisuel), LV (Nacionàlais kino centrs & Baltic Films Co-operation Platform), MK (Macedonian Film Center), PT (Instituto do Cinema e do Audiovisual), RO (Centrul National al Cinematografiei), RU (Russian Cinema Fund Analytics, Nevafilm Research), UA (Media Business Reports/Planeta Kino).

Top 5 films across UNIC territories in 2022

	Top 1	Top 2	Top 3	Top 4	Top 5
Albania	Sophia	Dashuri dhe turbulenca	Minions: The rise of Gru	Doctor Strange in the Multiverse of Madness	Avatar: The Way of Water
Austria	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Doctor Strange in the Multiverse of Madness	Thor: Love and Thunder
Belgium	Top Gun: Maverick	Avatar: The Way of Water	Zillion	Spider-Man: No Way Home	Minions: The rise of Gru
Bosnia and Herzegovina	Avatar: The Way of Water	Minions: The rise of Gru	Top Gun: Maverick	The Batman	Spider-Man: No Way Home
Bulgaria	Avatar: The Way of Water	Minions: The rise of Gru	Sonic The Hedgehog 2	Thor: Love and Thunder	Doctor Strange in the Multiverse of Madness
Croatia	Top Gun: Maverick	Minions: The rise of Gru	Avatar: The Way of Water	The Batman	Thor: Love and Thunder
Cyprus	Minions: The rise of Gru	Top Gun: Maverick	The Batman	Doctor Strange in the Multiverse of Madness	Thor: Love and Thunder
Czechia	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Vyšehrad: Fylm	Thor: Love and Thunder
Denmark	Top Gun: Maverick	Avatar: The Way of Water	Spider-Man: No Way Home	Minions: The rise of Gru	Bamse
Estonia	Avatar: The Way of Water	Minions: The rise of Gru	Apteeker Melchior	Kalev	Apteeker Melchior. Viirastus
Finland	Top Gun: Maverick	Minions: The rise of Gru	Mielensäpahoittaja Eskorttia etsimässä	The Batman	Avatar: The Way of Water
France	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Black Panther: Wakanda Forever	Jurassic World: Dominion
Georgia	Avatar: The Way of Water	Doctor Strange in the Multiverse of Madness	Spider-Man: No Way Home	Minions: The rise of Gru	The Batman
Germany	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Fantastic Beasts: The Secrets of Dumbledore (UK/US)	Jurassic World: Dominion
Greece	Minions: The rise of Gru	Top Gun: Maverick	The Batman	Doctor Strange in the Multiverse of Madness	Avatar: The Way of Water
Hungary	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Thor: Love and Thunder	Jurassic World: Dominion
Ireland	Top Gun: Maverick	Minions: The rise of Gru	Avatar: The Way of Water	Doctor Strange in the Multiverse of Madness	The Batman
Israel	Minions: The rise of Gru	Top Gun: Maverick	Avatar: The Way of Water	Doctor Strange in the Multiverse of Madness	Thor: Love and Thunder
Italy	Avatar: The Way of Water	Minions: The rise of Gru	Doctor Strange in the Multiverse of Madness	Top Gun: Maverick	Thor: Love and Thunder
Latvia	Minions: The Rise of Gru	Avatar: The Way of Water	Sonic The Hedgehog 2	Doctor Strange in the Multiverse of Madness	The Batman

National films

European/national qualified productions

Source: UNIC members.
Complementary information from Comscore, Gower Street, CY (DJK Group), CZ (Unie Filmovych Distributoru), BG (Национален филмов център), DE (Filmförderungsanstalt), EE (Eesti Filmi Instituut & Baltic Films Co-operation Platform), FR (Centre National du Cinéma et de l'Image Animée), GR (Ελληνικό Κέντρο Κινηματογράφου), HU (Nemzeti Média- és Hírközlési Hatóság), IE (Pearl&Dean), LU (Centre national de l'audiovisuel), LV (Nacionàlais kino centrs & Baltic Films Co-operation Platform), MK (Macedonian Film Center), PT (Instituto do Cinema e do Audiovisual), RO (Centrul National al Cinematografiei), RU (Russian Cinema Fund Analytics, Nevafilm Research), UA (Media Business Reports/Planeta Kino).

Top 5 films across UNIC territories in 2022

	Top 1	Top 2	Top 3	Top 4	Top 5
Lithuania	Minions: The rise of Gru	Avatar: The Way of Water	Piktųjų karta	Where the Crawdads Sing	Vyras už pinigus
Luxembourg	Top Gun: Maverick	Minions: The Rise of Gru	Avatar: The Way of Water	Black Panther: Wakanda Forever	Doctor Strange in the Multiverse of Madness
Montenegro	Avatar: The Way of Water	Minions: The Rise of Gru	The Batman	Ticket to Paradise	Top Gun Maverick
Netherlands	Top Gun: Maverick	Avatar: The Way of Water	Minions: The rise of Gru	Spider-Man: No Way Home	Jurassic World: Dominion
North Macedonia	The Batman	Avatar: The Way of Water	Spider-Man: No Way Home	Doctor Strange in the Multiverse of Madness	Top Gun: Maverick
Norway	Spider-Man: No Way Home	Top Gun: Maverick	Minions: The rise of Gru	Krigsseileren	Avatar: The Way of Water
Poland	Minions: The rise of Gru	Avatar: The Way of Water	Top Gun: Maverick	Listy do M. 5	Sing 2
Portugal	Top Gun: Maverick	Avatar: The Way of Water	Minions: The rise of Gru	Thor: Love and Thunder	Uncharted
Romania	Teambuilding	Avatar: The Way of Water	Top Gun: Maverick	Minions: The rise of Gru	Doctor Strange in the Multiverse of Madness
Russia	Posledniy bogatyr: Poslannik tmy	Uncharted	Spider-Man: No Way Home	Serdtse parmy	Sing 2
Serbia	Avatar: The Way of Water	Minions: The Rise of Gru	Leto kada sam naucila da letim	Zlatni decko	The Batman
Slovakia	Minions: The rise of Gru	Avatar: The Way of Water	Šťastný Nový Rok 2: Dobro došli	Thor: Love and Thunder	Top Gun: Maverick
Slovenia	Top Gun: Maverick	Minions: The Rise of Gru	Pr' Hostar 2	Avatar: The Way of Water	Gajin svet 2
Spain	Avatar: The Way of Water	Minions: The Rise of Gru	Jurassic World: Dominion	Padre no hay mas que uno 3	Doctor Strange in the Multiverse of Madness
Sweden	Top Gun: Maverick	Avatar: The Way of Water	Minions: The rise of Gru	Spider-Man: No Way Home	The Batman
Switzerland	Top Gun: Maverick	Minions: The rise of Gru	Avatar: The Way of Water	Spider-Man: No Way Home	Fantastic Beasts: The Secrets of Dumbledore (UK/US)
Turkey	Bergen	Kesisme: Iyi Ki Varsin Eren	Doctor Strange in the Multiverse of Madness	Avatar: The Way of Water	Thor: Love and Thunder
UK	Top Gun: Maverick	Avatar: The Way of Water	Minions: The rise of Gru	Doctor Strange in the Multiverse of Madness	The Batman
Ukraine	Spider-Man: No Way Home	Avatar: The Way of Water	Uncharted	Sing 2	The King's Man

National films

European/national qualified productions

Source: UNIC members.
Complementary information from Comscore, Gower Street, CY (DJK Group), CZ (Unie Filmovych Distributoru), BG (Национален филмов център), DE (Filmförderungsanstalt), EE (Eesti Filmi Instituut & Baltic Films Co-operation Platform), FR (Centre National du Cinéma et de l'Image Animée), GR (Ελληνικό Κέντρο Κινηματογράφου), HU (Nemzeti Média- és Hírközlési Hatóság), IE (Pearl&Dean), LU (Centre national de l'audiovisuel), LV (Nacionàlais kino centrs & Baltic Films Co-operation Platform), MK (Macedonian Film Center), PT (Instituto do Cinema e do Audiovisual), RO (Centrul National al Cinematografiei), RU (Russian Cinema Fund Analytics, Nevafilm Research), UA (Media Business Reports/Planeta Kino).

> **From my earliest days behind the lens, what I've always had in mind is the audience.**

Steven Spielberg at CinemaCon 2023

— **THE FABELMANS,** US (2022) AMBLIN ENTERTAINMENT, RELIANCE ENTERTAINMENT

The Recovery of the European cinema industry

European cinemas on the path to recovery

The COVID outbreak in 2020 resulted in a 70.6 per cent drop in box office revenue for European cinemas, a total decrease of €6.2 billion compared to 2019, not accounting for other revenue losses and operational costs. 2021 saw cinemas across the globe move along the road to recovery. European cinema admissions increased by an estimated 36.4 per cent, with almost 590 million visits across the region. Box office reached €3.7 billion, an increase of 42.4 per cent on the previous year. At EU level – including the UK – close to 400 million tickets were sold in cinemas, worth an estimated €3.0 billion at the box office – an increase of 31.1 per cent and 38.4 per cent respectively. All this when most screens across the region were shut for the first six months of the year and operating for the remainder under limited occupancy and/or additional restrictions.

2022 marked a continuation of the recovery of the cinema industry after two challenging years, with admissions increasing by 36.2 per cent to reach nearly 809 million and total box office for the year exceeding €5.7 billion – a rise of 53.8 per cent in Europe compared with 2021. At EU level, admissions and box office increased by 63.7 per cent and 70.1 per cent respectively. Box office results for Romania (+142 per cent compared with 2021), Lithuania (+133 per cent), Slovenia (+182.3 per cent), Germany (+93.5 per cent) and Austria (+96 per cent), demonstrate the strength of the sector's recovery in recent months. France, the UK and Italy witnessed box office increases of between 62 per cent and 81 per cent on the previous year, further reducing the gap on pre-COVID levels.

This performance was a continuation of a growth trend that has been ongoing since the early 90s in Europe. The record 1.36 billion admissions and €8.8 billion at the European box office in 2019 – with cinemas recording their best results for 15 years in the EU, and admissions reaching the 1 billion mark for the first time since 2004 – were built on the shoulders of a proven

— **EVERYTHING, EVERYWHERE, ALL AT ONCE**
US (2022) A24, IAC FILMS, GOZIE AGBO, YEAR OF THE RAT, LEY LINE ENTERTAINMENT

business model. This remains crucial for ensuring that audiences can enjoy the unparalleled cultural and social experience of watching films together on the Big Screen – and 2022 proved that this business model was more relevant than ever.

Challenges remain – cinema operators have been facing several content issues: less major US films released in cinemas combined with a lack of local blockbusters, a number of productions with little commercial potential, competition with streamers to acquire and show the best content (with some established distributors being priced out), lack of visibility of and promotional power of certain films, to name just a few.

In addition, the sector has been facing an increase in fixed costs, making daily business operations challenging and, in some cases, hampering their capacity to invest in new technology. Some cinema operators have been looking at bills that have been multiplied by a factor of 10. Challenges related to the availability of equipment and spare parts as well as manufacturing delays arising from the pandemic have not fully disappeared either, further complicating the picture.

Norways's takings in the first quarter of 2023 were €25.3M, only 0.4 per cent below the first quarter of 2019.

However, in the second part of 2022 the recovery across Europe was much faster than what was witnessed in 2020 and 2021, with a clear appetite amongst audiences for a wide range of cinematic experiences, with record-breaking performances for a number of releases demonstrating the relevance of the Big Screen. Between the end of 2022 and beginning of 2023, cinemas recorded highly-successful titles catering to specific age groups, such as family comedies, animations or genre films, such as horror or science-fiction. These performances demonstrate that cinemas need all types of content – from international blockbusters to arthouse titles and event cinema productions, local, European and international – to offer the best to all audiences.

2023 has already surpassed expectations, with Gower Street Analytics raising the projected global box office for 2023 to $32 billion, a 10 per cent improvement from the earlier $29 billion estimate announced in December 2022. A $32 billion global box office in 2023 would represent an approximate 23 per cent improvement on 2022, showing how the post-pandemic recovery of the business continues to improve. In the EMEA region the new box office forecast is $8.2 billion, slightly more than half of the international box office (excluding China) and 16.1 per cent higher than the previous forecast for the year.

In the first quarter of 2023, EMEA was the highest grossing sub-region with over half (54 per cent) of the international (without China) total. The region recorded the best quarter since the start of the pandemic, marginally ahead of Q4 2021 (+0.3 per cent) and +32 per cent above the same period last year. One of the many reasons for the strong EMEA performance in Q1 2023 was the exceptional performance of multiple major markets. In Q1, the Netherlands was above the pre-pandemic average box office by 3.3 per cent, Austria was up by approximately 2 per cent, Germany was 6.5 per cent behind, while France was down by 18 per cent by admissions. In April, France recorded +2.7 per cent in admissions compared to the same month in 2017–2019, scoring for the first time a better performance than pre-pandemic results. This positive trend continued in May with the international market (excluding China) reaching the same box office level as the comparable month in 2017–2019. Spain and Italy for example achieved box office results close to the 2017–2019 average.

France's box office has confirmed its comeback with 19.1 million ticket sales in April 2023, up 37.8 per cent from the same month in 2022 and a 2.7 per cent increase from the 2017–2019 average, exceeding pre-pandemic levels for the first time.

Among the several reasons for the steady return of audiences across Europe was the growing number of titles released in theatres, especially long-awaited US blockbusters like *Avatar: The Way of Water*, *The Super Mario Bros Movie*, *Dungeons & Dragons* and *Guardians of the Galaxy Vol 3*.

The rest of 2023 will feature releases such as *Indiana Jones and the Dial of Destiny*, *Mission: Impossible – Dead Reckoning Part One*, *Oppenheimer*, *Barbie* and *Dune: Part Two*, amongst many others.

The first months of 2023 have also been marked by very strong local titles, namely in France with homemade blockbusters like *Asterix & Obelix: The Middle Kingdom*, *Alibi.com 2* and the French all-star costume film *The Three Musketeers: D'Artagnan*. Germany, Italy and Spain also had high-grossing local titles debuting between January and May 2023, such as the German *Manta Manta – Zweiter Teil* by Til Schweiger, the Italian teenage series *Me contro te: Missione giungla* and the Spanish animation *Mummies*.

— **EN CORPS**
FRANCE (2022) CE QUI ME MEUT, STUDIOCANAL, FRANCE 2 CINÉMA

These same positive trends could be observed globally.

China has seen a larger increase in the first quarter of 2023, from $5.6 billion to $6.8 billion, with the market experiencing a stronger than expected recovery, including a very good Chinese New Year period.

The Japanese anime *Suzume*, released in its home country last November, was on the local billboards until the first quarter of 2023, grossing over $100 million. The first five non-Japanese territories where it was released in March 2023 generated approximately the same revenue within one month. In China ($63 million), South Korea ($26 million), Taiwan ($5 million) and Hong Kong ($3 million) *Suzume* was the strongest movie of the month, breaking the record of the director's prior hit *Your Name* from 2017, which delivered around $150 million outside of Japan.

Other than new releases, national Cinema Days also helped boost admissions across Europe in 2022. In France, more than 3.2 million people enjoyed the Fête du Cinéma, in Germany the first KINOFEST brought in almost 1.1 million visitors, whereas in Italy more than 1.13 million admissions were registered for the first Cinema in Festa. In the UK and Ireland the first national Cinema Day for 25 years attracted 1.46 million visitors in the UK and 153,000 in Ireland, around three times the number normally seen for the same day in the most recent pre-COVID years.

About 15 European countries launched or renewed their national cinema-going campaigns in 2022, the success of which has encouraged national associations to commit to repeating these initiatives again in 2023.

Increased attendance at theatres has been further boosted by the growing popularity of 'Premium Large Format' (PLF) cinemas. Over the past year, audiences have been willing to spend more for PLF screens and luxury seating options. The immersive sound and picture quality, premium seating such as recliners and immersive motion seats, as well as exclusive amenities have enticed movie-goers to choose PLF theatres as a way to get the most out of the anticipated releases of 2023.

Thanks in part to national and regional crisis support funds, the overall number of cinema screens in the EU and the UK in 2022 continued to remain comparatively stable, decreasing only by about 300 screens from 2019 levels to 32,526 operational screens, according to the data from the European Audiovisual Observatory. Based on overall data from Omdia, the number of screens between 2019 and 2022 grew by 5.6 per cent in Central Eastern Europe and by 5.8 per cent worldwide. In Western Europe there had been a very slight drop of 0.2 per cent.

The value of cinema and the theatrical window

Photo: Apollo Kino OÜ auditorium, Tallinn (2023)

"At Universal, we never questioned whether theatrical can survive but, rather, how theatrical can thrive".

Jim Orr, President of Domestic Distribution, Universal Pictures

A 'window' of exclusivity for cinema operators is vital for the health of the film and cinema industry and a proven business model, one that ultimately benefits the entire film value chain, from financing to marketing to distribution, throughout each film's life cycle. It provides an opportunity for the widest possible audience to discover and enjoy as broad a range of film content as possible, offering unique cultural and social experiences for audiences and creating unparalleled excitement around releases.

Cinemas are recognised as the best starting point for a film, allowing it to gain visibility before, during and after its time on the Big Screen. Box office revenues in turn drive performance and audience awareness across all other platforms and markets, contributing significantly to the financing and diversity of European works and supporting European distributors and producers. This is also thanks to the transparency that exists in the cinema exhibition industry when it comes to box office figures, in stark contrast to the position on streaming data and actual revenue created by VOD platforms, who mostly base success on subscriptions.

Any move to establish a very short window – or to eradicate it entirely – would have an impact on cinema operators' revenues, affecting the profitability of theatres as well as reducing their social/economic/cultural impacts, putting hundreds of thousands of jobs at risk. In turn, this impacts the diversity of cinemas in Europe – arthouse, independent, single-screen, multiplex, etc.

Smaller operators tend to access some films later in their release and they would therefore be even more impacted by a shorter window. This will also affect the diversity of content shown in European cinemas, as operators will be forced to programme fewer, larger titles on more screens in order to maximise profit during a short window. Additionally, documentaries, first films or independent animations continue their theatrical run several weeks after their national release, without having a peak in the debut weekend. Their success is mainly due to 'word of mouth' or to a longer but more niche promotional campaign. A shorter or reduced window would therefore be detrimental to their success.

"Studios that collapsed the windows are now realizing the value of windows and reversing the course."

Josh Greenstein, President Sony Pictures

Between 2020 and 2022, a number of potential blockbusters were postponed by months, in some cases several times. With cinemas closed, the studios experimented with new ways of releasing and distributing films. Shorter windows and the 'day-and-date' release of films on streaming platforms were amongst the models explored. Faced with similar challenges, some independent distributors also sold their films to streaming platforms.

European titles often perform better on the long term, with premieres at international or regional film festivals providing them increased visibility and creating anticipation in audiences to watch them on the Big Screen. The Swedish film *Triangle of Sadness*, which premiered and was awarded at 2022 Cannes Film Festival, toured in over 15 festivals around the world before being released in its home country early October and in more than 40 international markets. As of May 2023, the film has grossed over $25.6 million at the global box office internationally, for a budget of $15.6 million, demonstrating the long-term value and strength of the theatrical release model.

— **TRIANGLE OF SADNESS**
SWEDEN, GERMANY, FRANCE, UNITED KINGDOM, MEXICO (2022) IMPERATIVE ENTERTAINMENT, PLATTFORM PRODUKTION, FILM I VÄST

"Nothing in any future I see can replace the communal theatrical experience. Neither the advent of television or the advent of videotapes or the advent or DVDs or the advent of streaming platforms or a global pandemic can stop that."

Adam Fogelson, Vice Chair, Lionsgate Motion Picture

— **SIMONE, LE VOYAGE DU SIÈCLE**
FRANCE (2022) MARVELOUS PRODUCTIONS

However, in the post-pandemic period, most studios have re-embraced once more a significant period of exclusivity in cinemas and since the second half of 2022 we have also witnessed a significant increase in supply of films. Between the end of 2022 and start of 2023, both Apple and Amazon announced plans to massively invest in theatrical releases. Apple is reportedly planning to invest $1 billion per year to produce films that will play exclusively in cinemas. Amazon committed to putting 12 to 15 new films in cinemas annually, the first of which, the Ben Affleck's film *Air*, was internationally released in April 2023 with a 39-day theatrical window.

Streaming is an important part of a film's distribution plan but does not replace cinemas, which remain the primary source of revenues for the whole value chain.

The cinema experience offers choice and is not one that ties the audience to one provider or service. It also offers a unique community and social aspect, which the pandemic has made even more essential for our health and well-being. The past three years have proven more than ever that the Big Screen experience cannot be replicated at home and will remain a unique, event-driven common experience.

The whole industry should redouble its efforts to support a strong, diverse and reliable supply of film content to cinemas.

"Streaming and theatrical are not a zero sum game — we need theatrical to make streaming work."

Chris Aronson, Domestic Distribution chief, Paramount

"What we do takes audiences on journeys of discovery to places of wonder. I will continue to do what I do, to work to secure the future of the theatrical experience (...) showing my work as it was meant to be seen in your theaters. We all collaborate for one purpose,to put the best work out there to be experienced on the big screen in your theaters around the globe."

Matt Reeves at CinemaCon 2022

— **THE BATMAN**
US (2022) WARNER BROS. PICTURES, DC ENTERTAINMENT, 6TH & IDAHO PRODUCTIONS, DYLAN CLARK PRODUCTIONS

Do theatrical releases drive VOD success?

The success of a film on VOD is strongly correlated to the prior success of the film in cinemas, as value and visibility have already been created.

In the United States, a survey conducted by NRG in 2021 and 2023 found that nine out of ten respondents were aware of when films on streaming platforms had been released in cinemas. This awareness is reflected in the popularity of film titles on streaming platforms in 2022, with the majority of them being theatrical-first releases. For example, three out of Netflix's top five most viewed film releases of 2022 had a theatrical window before their streaming release.

Another study conducted in the US analysed the average number of hours viewed for films in the first 28 days after their VOD release in 2022, comparing films that had a previous theatrical window with those released straight to streaming. The analysis revealed that theatrical films recorded 74 per cent more viewed hours than straight-to-streaming films. Even when considering films like *Glass Onion: A Knives Out Mystery* a streaming film (despite having had a 1-month exclusive theatrical window), theatrical films still accumulated 47 per cent more viewed hours than streaming titles.

— **TOP GUN: MAVERICK**
US (2022) PARAMOUNT PICTURES

Theatrical release serves as a marketing platform and a clear 'signal of quality' for streaming consumers.

For European content, VOD availability is linked to admissions during their theatrical run. A German study "Circulation Patterns, Abundance and Scarcity: Film Availability in the Online Era" by Roderik Smits, shows how the best-performing films in cinemas tend to have wider online availability and are more likely to circulate on a larger number of VOD platforms. The number of theatrical release markets and VOD country availability for a given title are correlated. In the same way, the majority of the films not available on VOD had only one theatrical release market, usually their own.

This suggests that the distribution networks of best-performing films have a wider reach and more connections to VOD platforms, consolidating the power dynamics established in the theatrical cinema market, the DVD and Blu-Ray market, and the television market. This highlights the importance of box office performance in shaping the availability of films in subsequent release markets and the extent to which the theatrical cinema market drives ancillary sales in the film industry.

An argument in favour of the exclusivity of the theatrical window is the link between VOD releases and piracy. When a film becomes available for home viewing, there is a spike in piracy. In a recent report, analysts from MUSO found that "cam-rip" versions illicitly recorded in film theatres "often provide an unsatisfactory viewing experience and can drive frustrated consumers into theatres for a better experience." Film piracy increased by 38.6 per cent, and visits to piracy websites for TV content grew by 8.8 per cent in 2022 compared to 2021. MUSO's data points to a continued rise in digital piracy for film and TV in 2023, fuelled by factors such as films being immediately available on a large number of legal subscription platforms.

This trend continues to be a major issue for the industry, significantly impacting the revenues and livelihoods of all involved, particularly smaller independent creators, and damaging the wider economy.

— **DOCTOR STRANGE IN THE MULTIVERSE OF MADNESS**
US (2022) MARVEL STUDIOS

The top 6 most pirated films of 2022 – *Spider-Man: No Way Home*, *Doctor Strange in the Multiverse of Madness*, *Top Gun: Maverick*, *Jurassic World Dominion*, *Thor: Love and Thunder* and *Black Adam* – had their piracy demand peak in the same month of their launch on a streaming platform.

The value of cinema

Cinema is culture

In a market characterised by cultural and linguistic differences, cinemas provide an opportunity for people to understand and express their sense of local, national and European identity, and seek to engage both young and old and those from different backgrounds, ultimately celebrating European diversity.

Cinema is economy

Cinemas are often a focal point in the community, representing an engine of regeneration for a suburb or an economic resource in city centres. They are employers and generators of economic, social and cultural values in the cities and towns where they are located. Indeed, according to the Europa Cinemas report "Strategic Investment in the Future of film", the presence of a cinema in a neighbourhood has often attracted other business or activities, generating an economic impact for the area. Cinemas contribute significantly to GDP, create local jobs and are essential to the development of the creative industries, a cornerstone of modern knowledge-based economies. The cinema sector also forms an integral component of Europe's broader cultural and creative fabric, creating value for the entire European film industry, and will form a crucial part of its recovery.

Cinema is innovation

European cinema operators are global leaders in terms of cutting-edge technology, the result of substantial investment and continued innovation. Innovative and creative solutions both inside and outside of the screening room provide audiences across Europe with the most engaging, diverse and immersive experience possible.

— **DIE SCHULE DER MAGISCHEN TIERE 2**
GERMANY (2022) KORDES & KORDES FILM GMB

Cinema is a social experience

Whether located in large cities, smaller towns or rural areas, cinemas are modern meeting places that help stimulate dialogue on a range of important issues, combat social exclusion, revitalise interest in culture and foster innovation and creativity. Cinemas provide their local areas with highly valued resources and a trusted haven for a broad range of local communities.

Cinemas can be considered "experience economy businesses", competing for the scarce leisure time of consumers and providing a communal experience, a welcoming environment and social spaces where to meet before or after the screening, like cafés, restaurants or lounge areas.

To meet the tastes of a diverse audience, an increasing number of venues propose hybrid experiences like dine-in cinema, dog-friendly screenings or "knitting cinema", to name just a few.

— **BERGEN**
TURKEY (2022) ORCHESTRA CONTENT

Cinema is inclusive and accessible

Cinemas are inclusive and accessible cultural venues, with more and more initiatives targeting disadvantaged audiences or specific demographic groups, like dementia-friendly screenings, programmes for visually or hearing-impaired audiences, special shows dedicated to parents with newborns or to seniors. Minorities and diverse audiences are also taken into account, with expat screenings with English subtitles in European capitals or also country-specific retrospectives appealing to migrant communities or niche audiences.

Cinemas are so embedded in their communities that sometimes their loyal audience is actively engaged to support them. For instance, a number of crowdfunding campaigns have been launched in recent years to financially help cinemas in their refurbishment investments or to remain open in case of threat of closure.

Cinema contributes to audience's well-being

A news story broadcast by the BBC and Open University in March 2023 presents the health benefits of cinema-going. An experiment made by a neuroscientist analysed the physical and mental effects on a group of people watching a film together on the big screen, comparing them with watching the same film alone at home. It showed that emotional reactions were much stronger when watching the film together, the participants' heartbeats began to synchronise and match the narrative of the plot; additionally, a third of them had a heart rate equal to a low intensity physical exercise, which is very healthy for the human body; 33 per cent of the survey respondents confirm to be more focused when watching a film on the big screen rather than at home, being more immersed and less distracted by external factors. Cinema-going creates a sense of community among visitors, sharing the same emotions and reactions.

“What would society be like if we didn’t have the place called the movie theater?”

Vin Diesel at CinemaCon 2023

— **FAST X,** US (2023) UNIVERSAL PICTURES, ORIGINAL FILM, ONE RACE FILMS, PERFECT STORM ENTERTAINMENT, ROTH KIRSCHENBAUM FILMS, CHINA FILM CO., LTD

Innovation, diversity and inclusion

European cinema operators have proactively experimented and innovated in post-pandemic times, adapting their offer and venues to the changing needs and preferences of their audiences.

Cinemas continue to reinvent themselves and deliver state-of-the-art experiences. Massive investments in innovation to offer the very best “Big Screen” experience and customer journey to cinema-goers in theatres large and small have contributed to growing box office results in recent decades.

UNIC continues to work on all aspects of diversity within the cinema exhibition sector, including equal representation and accessibility, with the aim of recognising best practice and reflecting on what the industry can do better to encourage and promote more inclusive practices across the board.

In terms of accessibility, the UK Cinema Association and its long-standing Disability Working Group, made up of representatives from cinema exhibition and film distribution as well as other key industry stakeholders and a range of charity partners, has collaborated on various joint initiatives to raise the awareness and profile of accessible screenings. Initiatives like captioned screenings, audio-described screenings, adapted shows for people suffering from dementia or autism and investments to facilitate physical accessibility are spreading across the territory. The Accessible Screenings UK website – www.accessiblescreeningsuk.co.uk – is an invaluable tool for locating venues in the UK providing these kind of initiatives. During 2022, more than 15,000 people used the website, a number which is hoped to increase in 2023.

With regards to inclusion, the French project “Passerelle” is based on the creation of an online platform for social workers in priority neighbourhoods, or areas of social and economic deprivation earmarked for special state support, in order to create a link between films, cinemas, mediators and social workers who are often unaware of the cultural and social contribution of arthouse cinema.

This platform presents the arthouse films currently being shown in cinemas, as well as additional information, educational files and the film background in order to accompany social workers and give a context to minority groups who don’t usually go to the cinema.

UNIC expert groups on marketing, technology and retail (including the UNIC Circular Economy Retail Group) – as well as the UNIC Women’s Cinema Leadership Programme – are just some of the key initiatives launched in recent years by UNIC to facilitate exchange of information and best practice within the cinema industry on all of these pressing issues.

Audience Behaviour

Audience return rates have steadily increased over the past year driven by key titles across Europe.

In the UK & Ireland, a survey conducted by Metrixlab in January 2023 showed that the Christmas season of 2022 significantly boosted the attendance of those cinema-goers that hadn't been back to the film theatres since the pandemic. In total, 90 per cent of the survey respondents stated that they had already returned or intended to return within the next two months, and 87 per cent of those who had returned had been back more than once. Frequent cinema-goers and regular audience members have been driving attendance in recent months. Additionally, older audiences continue to steadily return to cinemas.

Odeon Cinemas Group analysed that in 2022 visitors in the 16–25 age group were the most regular guests, attending on average 20 per cent more frequently than other age groups. They tend to go to the cinema in larger-than-average groups in most of the countries where the company operates. For example, in the UK, they are more likely to attend in groups of 10 or more than any other age range. This indicates that teenagers and young adults, more than others, see cinema as a social experience.

According to an analysis published in Italy by CinExpert (Ergo Research/Vertigo Research), the attendance of 15–24-year-olds decreased by only 26 per cent in 2022 compared to 2019, while the country as a whole experienced a drop of 54.4 per cent in general admissions. This demonstrates that young audiences have returned to cinemas more than older age groups. In January 2023, the Italian female audience represented 52 per cent, a significant increase from February 2022 when it was 40 per cent. At the beginning of 2023, the distribution of admissions by age groups appeared more balanced than in 2022, but the under 25 age group still accounted for 35 per cent compared to 23 per cent for the 50+ age group.

In France, seniors are often frequent cinema-goers and prefer local productions, particularly dramas and comedies. And in recent months there have been some peaks in younger audience attendance, thanks to the release of US action films and animations, like *The Super Mario Bros. Movie*, *Creed III* and *Scream IV.*

In Germany, GfK conducted a study on audience behaviour in April 2023 and found that highly frequent cinema-goers, which correspond to 3 per cent of the overall potential audience, contribute to 30 per cent of the ticket sales, attend more often premium cinemas and are regularly informed on the film programming through social media. On the other side of the spectrum, non-returning or non-frequent audience, which correspond to 37 per cent of the overall potential audience but contributing to only 4 per cent of the ticket sales, are less informed on the films on the billboard, prefer to watch films on their sofa and are more sensitive to price, and thus to special offers like Cinema Days.

A regular and diverse offer is a key factor in bringing back audiences, especially those groups that have been more difficult to attract since the pandemic. Non-frequent visitors often lack awareness of the films playing in theatres. This highlights the importance of targeted and well-conceived marketing campaigns to increase cinema attendance. A successful example was *Avatar: The Way of Water* which attracted occasional visitors and was considered the film with the highest potential to bring back the non-returned audience in the past year. Indeed, in Germany, 50 per cent of visitors who watched Avatar 2 hadn't been back at the cinema for the past two years.

Overall, cinema continues to hold a strong position in the hearts of consumers as the preferred out-of-home entertainment choice, particularly considering its affordability compared to other leisure activities. According to a survey conducted by Vue International in October 2022 in UK & Ireland, Denmark, Italy, Germany, the Netherlands and Poland, on average 80 per cent of the respondents considered that films are better when watched on the Big Screen. Also, about 80 per cent prefer watching a film without distractions and think that cinemas are great to watch a new film for the first time.

Global impact

Reflecting the wider audiovisual sector itself, cinema has evolved into an increasingly global business. While Europe remains a key building block of the global film industry, growing admissions around the World have redefined our historic conception of the film business.

212,500

digital cinema screens globally

0.5 per cent increase on 2021

Global Cinema Federation

In June 2017, the World's leading cinema operators announced the establishment of the Global Cinema Federation, a worldwide grouping intended to represent cinema exhibition's global interests. Operators involved recognise the extent to which the business opportunities and policy challenges they face are shared by counterparts across territories.

To address these and raise the profile of cinema with global regulatory bodies and industry partners, eleven leading cinema operators and the two most internationally active trade bodies have come together to found the Global Cinema Federation, a federation of interests intended to inform, educate and advocate on behalf of the sector worldwide.

The GCF continues its work on a number of key priorities, including but not limited to film theft, theatrical release practices, music rights and the highly valued relationship with partners in film distribution.

NATO Cinema Foundation

Our American colleagues at the National Association of Theatre Owners launched in 2022 the Cinema Foundation, dedicated to promoting the essential cinema exhibition industry by developing future diverse workforces and growing moviegoing communities worldwide through research, education, and philanthropy. The Cinema Foundation's work is based on five pillars:

1. Invest in data and research: Building relationships and growing the industry through comprehensive data and research.

2. Promote the cinema-going experience: Develop and implement all-industry initiatives like National Cinema Day to grow audiences and promote the industry.

3. Celebrate cinema careers, education, and diversity: Celebrating and promoting the industry as a great place to work via recruitment campaigns, training programmes, and opportunities for career growth.

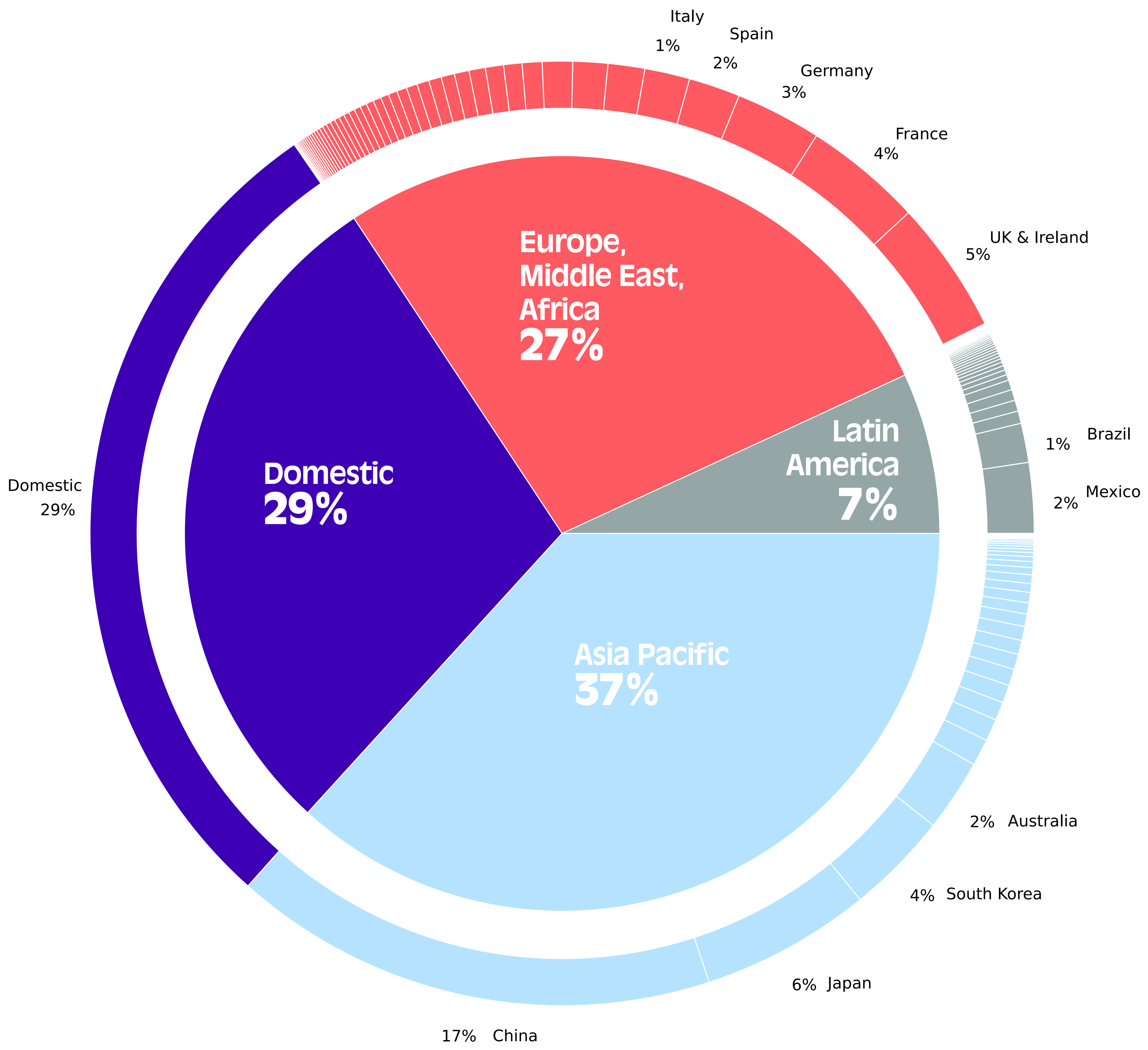
4. Build a Centre for Innovation and Technology: Create a cross-industry innovation think-tank where thought leaders will help develop and test initiatives focused on industry growth.

5. Support industry charities: Partner with existing industry charities to expand their impact and reach and amplify their messaging and programming.

The Cinema Foundation has published its first report in March 2023 "The State of the Cinema Industry" covering the latest trends and innovation of exhibition in the US, celebrating the value of cinema and theatrical exclusivity and analysing audience behaviours.

2022 Worldwide Box Office

Breakdown of the total worldwide box office by region from January 1 to December 31, 2022



$25.9 billion at the global box office in 2022

+27 per cent increase on 2021

US: +65 per cent

Europe, Middle East & Africa: +52 per cent

Asia Pacific: +49 per cent

China: –36 per cent

Latin America: +87 per cent

Source: Gower Street Analytics and Omdia

Global box office over time

2019: $42.3 billion

2020: $11.8 billion

2021: $21.3 billion

2022: $25.9 billion

2023: Forecast $32 billion

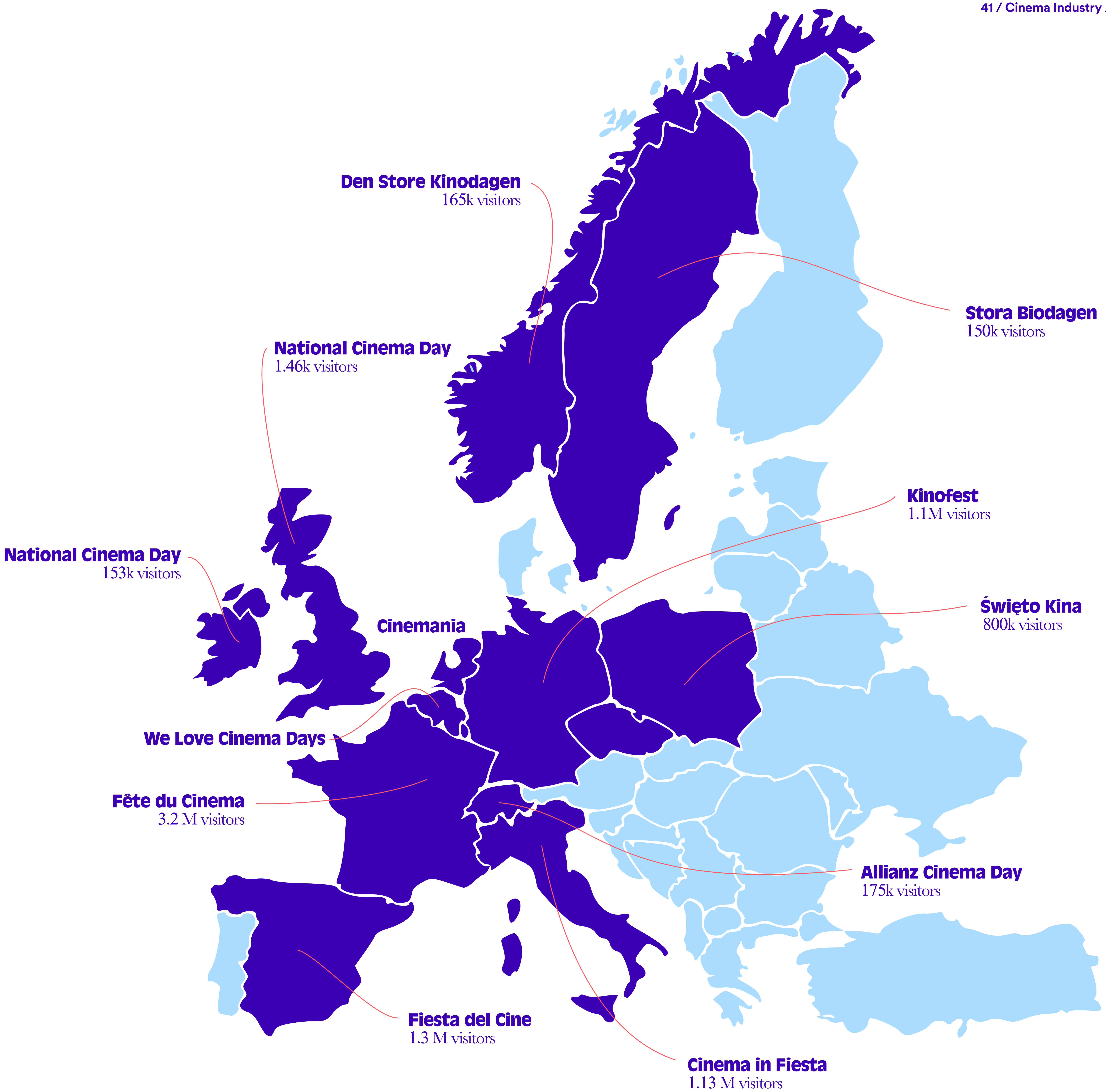
Source: Gower Street Analytics, April 2023 forecast

GOWER STREET

Cinema Days in Europe

Several national Cinema Days contributed to boosting admissions in 2022 across Europe, with new national initiatives to celebrate the Big Screen experience.

In France, more than 3.2 million people participated in the Fête du Cinéma from 3 to 6 July 2022, a performance 9 per cent above average admissions for the three previous editions. Over 1 million admissions were recorded only on the closing day, when *Minions: The Rise of Gru* was released. Cinema attendance was twice as high as the previous week. France was among the first countries in Europe to launch a National Cinema Day, in 1985. The Fête du Cinéma began as a one-day event and has since turned into a 4-day celebration of the cinema experience, with all films in all venues priced at 4€. Organised by the French Cinema Federation (FNCF), the Fête du Cinéma counts on strong sponsors like Canal+ and BNP Paribas and a large promotional campaign, thanks to Allociné and Virgin Radio. In addition, France organises another cinema-going campaign every year in spring, the Printemps du Cinéma, a 3-day event with all tickets priced at 5€.



In Germany, the first edition of KINOFEST took place on 10 and 11 September 2022, with cinema tickets at 5€. The event brought in almost 1.1 million visitors, making the best weekend performance of 2022, even matching the best comparative weekend of the last ten years in September 2019. Around two-thirds of German cinemas participated in this first edition.

In Italy, the distributors' and exhibitors' associations ANICA and ANEC, with the support of the Italian Ministry of Culture and the David di Donatello – Accademia del Cinema Italiano, launched the Cinema in Festa campaign in 2022, with five editions already confirmed until 2026. It is planned to take place twice per year, one in the second week of June and the other in the third week of September. The first edition was held between 18 and 22 September 2022, with cinema tickets priced at €3.50. Visitors could attend any screenings, but also premieres, masterclasses and other special events. Over 2,000 cinemas across Italy joined the initiative, with appearances by local actors and directors. More than 1.13 million admissions were registered for this first edition, a 123 per cent increase on the same weekend in 2021 and 317 per cent increase on the previous weekend. In 2023, between the June and September editions of Cinema in Festa, the Ministry of Culture will launch another campaign to support Italian cinemas during the summer months, historically the period of the year with the lowest attendance. With an investment of €20 million, the audience will be able to watch all Italian and European films at €3.50 for three months. The government will cover the price difference to support cinemas.

The first national Cinema Day in the UK and Ireland took place on 3 September 2022 with tickets reduced to £3. The event attracted 1.46 million visitors in the UK and 153,000 in Ireland, which is around three times the number normally seen for the same day in the most recent pre-COVID years.

The Dutch cinema days Cinemania took place from 2 to 4 November 2022, with cinema tickets at €6. The Dutch Cinema Association – NVBF prepared an industry-wide campaign and developed a marketing strategy for its promotion, in collaboration with Stichting Nationale Bioscoopbon. In total, the attendance at cinemas during Cinemania increased by 37 per cent compared to average cinema attendance across 2022, more precisely a 19 per cent increase on Wednesday, a 40 per cent increase on Thursday and a 47 per cent increase on Friday.

Belgium, Spain, Greece, Norway, Sweden, Poland and Switzerland were among other European countries that organised their own national cinema days in 2022.

The goal of these national initiatives is not to devalue cinema-going, which remains the most affordable out-of-home leisure activity even with regular fares, but to encourage the attendance of new audiences and to bring back the cinema-going habit for those who haven't returned since the cinema closures.

Ticket price

Ticket prices have increased less than inflation and cost of living in most European countries over the past 10 years.

In 2021, the average ticket price in France was 7 euros and only 15 per cent of tickets were sold above 10 euros in 2020. Between 2012 and 2022, ticket prices increased by 11.3 per cent, while the inflation rate in this 10-year period was 15.8 per cent.

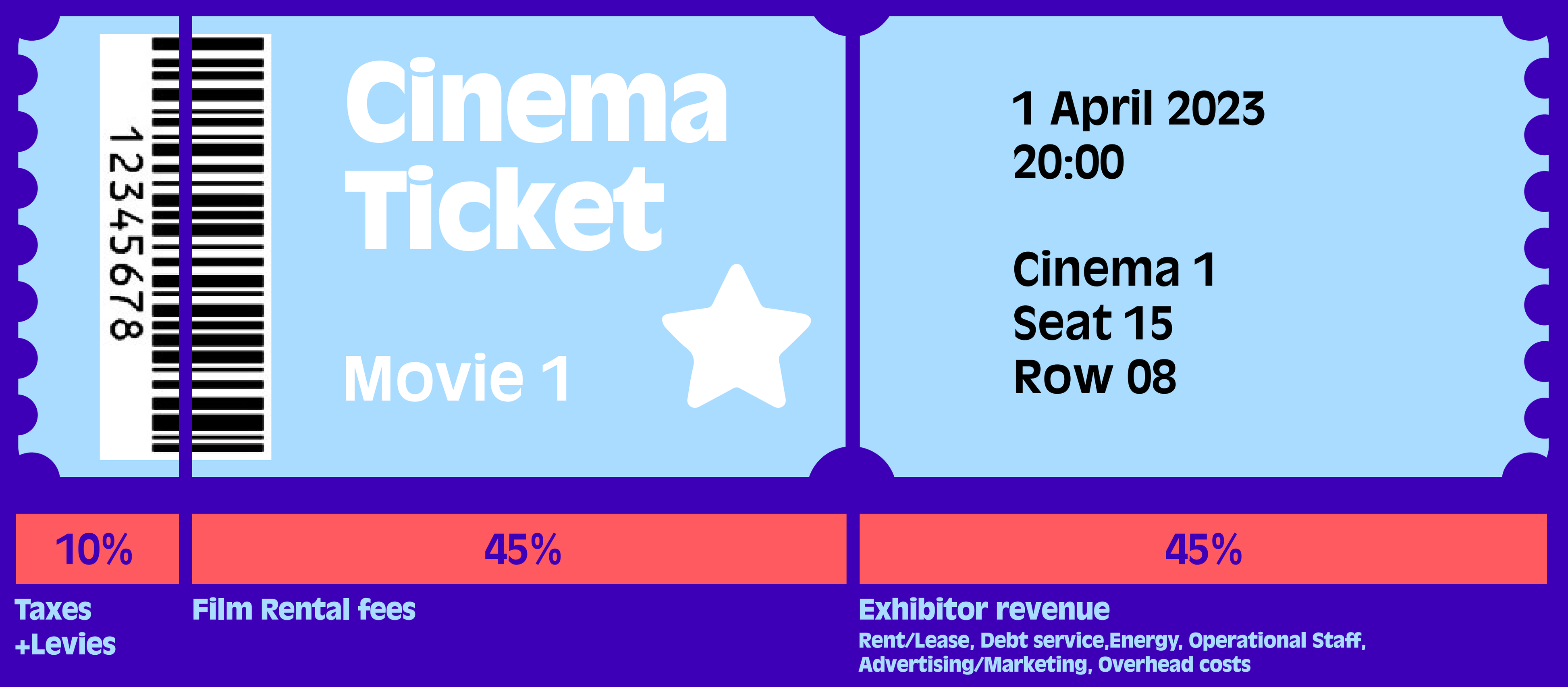
The recent slight increase in the average ticket price is also driven by the growing popularity of Premium Large Formats, with a higher cost associated to a more immersive experience. As evidenced by the success of premium cinemas and special events with talents or guests, the audience is willing to pay more for a distinctive service or experience. A large number of visitors actively seek peak showtimes for some or all films and regularly buy food and drinks at concessions, considering it as part of their cinema-going experience. This indicates a high value proposition for these options.

However, across Europe the vast majority of cinemas propose special fares to accommodate all needs and resources, from reduced tickets for young audiences, students and retired people, to loyalty cards or flat-rate subscription schemes, or even discounted weekdays or matinées.

Cinema ticket prices have remained fairly stable across Europe, despite general price increases and the rising fixed costs to run a cinema continuously. Besides increasing energy bills and staff costs, maintaining and upgrading technology equipment to offer the audience quality sound and projection are costly investments that cinema operators have to cover.

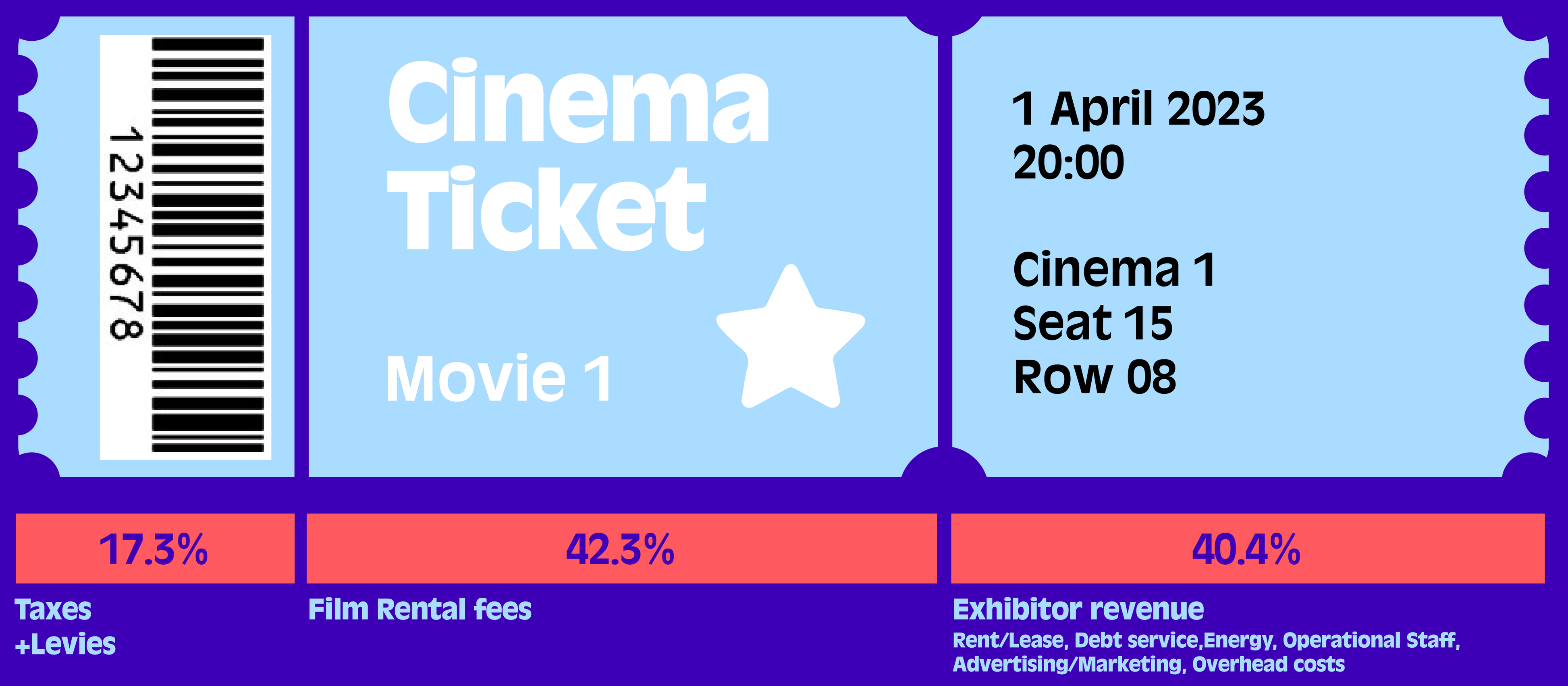
	Average ticket price 2012	Average ticket price 2022	Average ticket price 2022 if adjusted for inflation
Italy	6.66 €	6.88 €	7.89 €
Spain	6.50 €	6.38 €	7.79 €
France	6.42 €	7.15 €	7.43 €
Germany	7.65 €	9.26 €	9.36 €

Breakdown of a cinema ticket in Germany:



SOURCE: CINEPLEX

Breakdown of a cinema ticket in France:



SOURCE: CNC

Sustainability and energy crisis

Cinema exhibitors across Europe are making dedicated efforts to reduce their carbon footprint. In addition, escalating energy costs, as well as anticipation or implementation of government regulations, have made energy efficiency a top priority.

The most energy-intensive area in cinemas is HVAC (heating, ventilation and air conditioning), prompting discussions around how to optimise energy consumption. Laser projectors are gaining popularity across Europe due to their lower cooling requirements, enabling cinemas to reduce energy consumption by over 50 per cent. Energy management systems are also being used to individually turn off lighting, digital signage, and projection equipment when not in use. Renewable energy adoption is becoming a best practice in many countries, with examples such as Cinecittà in Germany installing solar panels and currently developing their own hydraulic power plant, Depot Cinema in the UK employing both a heat pump and solar panels in their low-impact venue, and Utopia in France incorporating biomass and other green energy sources.

Waste management is another crucial aspect of cinema sustainability, especially regarding concessions and café/bar areas. Various operators are testing solutions such as reusable cups, compostable popcorn packaging, and alternatives that minimize unnecessary wrapping.

Cinemas, whether large multinational groups or independent venues, need to develop long-term strategies with the support of national authorities to offset the costs.

UKCA Conference 2023

— **KILLERS OF THE FLOWER MOON** US (2023) APPLE STUDIOS, IMPERATIVE ENTERTAINMENT, SIKELIA PRODUCTIONS, APPIAN WAY PRODUCTIONS

“I would love if they [independent films] could just find their way back into the multiplexes to be able to have younger people opt for seeing these films, to go to a theater to see them, to be able to enjoy the theatrical experience again because it's a comfortable place, it's a welcoming place to go to. They go with their friends on a screen that's bigger and more emotionally immersive than what they have at home, and it's going to make a difference to the films that they're going to show in your theaters in the next years or so.”

Martin Scorsese at CinemaCon 2023

UNIC Expert Groups

UNIC Marketing Group

The UNIC Marketing Group brings together marketing executives from major European cinema operators. It shares insights and opinions regarding key audience trends across Europe and examines the latest engagement opportunities in cinema as well as in other industries.

The group met in Brussels during the two 2022 editions of the UNIC Cinema Days, where workshops provided participants with an overview of marketing possibilities and strategies in cinema, split into six thematic working groups. A dedicated Marketing Group meeting was also organised during CineEurope 2022 where current box office results and audience trends were discussed.

UNIC Technology Group

The UNIC Technology Group brings together senior cinema technology executives from across Europe. It monitors and evaluates technology trends and innovation cycles in the film industry and advises UNIC's Board of Directors on key positions regarding ongoing technological developments across the cinema landscape.

In the past year, the UNIC Technology Group has regularly gathered in physical and online meetings and continued to actively engage with its partners within the cinema technology sector, including the European Digital Cinema Forum, the International Cinema Technology Association, the Cinema Technology Community and the Inter-Society Digital Cinema Forum. With the support of manufacturers and service providers, UNIC members have been able to ensure a smooth exchange on the latest technological innovation and share the latest updates.

UNIC Retail Group and the Circular Economy Retail Group

The UNIC Retail Group is comprised of retail and concession managers from leading European cinema operators. The group aims to help exhibitors of all sizes and locations optimise their food & beverage offer by conducting research and sharing best practice.

The UNIC Circular Economy Retail Group, created in November 2019, brings together a large number of European cinema operators, representing companies of various sizes and locations, to workshop on the topic of sustainability – from both a legal and best practice standpoint – and develop strategies to reduce the impact of our industry on the environment.

As part of this initiative, in March 2023 UNIC, The Coca-Cola Company and The Blue Stocking Partnership organised the first physical seminar after three years, gathering around 30 participants from a broad range of European circuits to discuss new experiences in retail and how cinema can work together towards net-zero. With insightful contributions by the French Shift Project and cinema operators already leading the way in sustainability, this Expert Group aims at offering feasible and affordable solutions to reduce waste and energy consumption and adopt greener practices.

More information about the project as well as recent meetings of the group can be found on the UNIC website.

UNIC People Programme

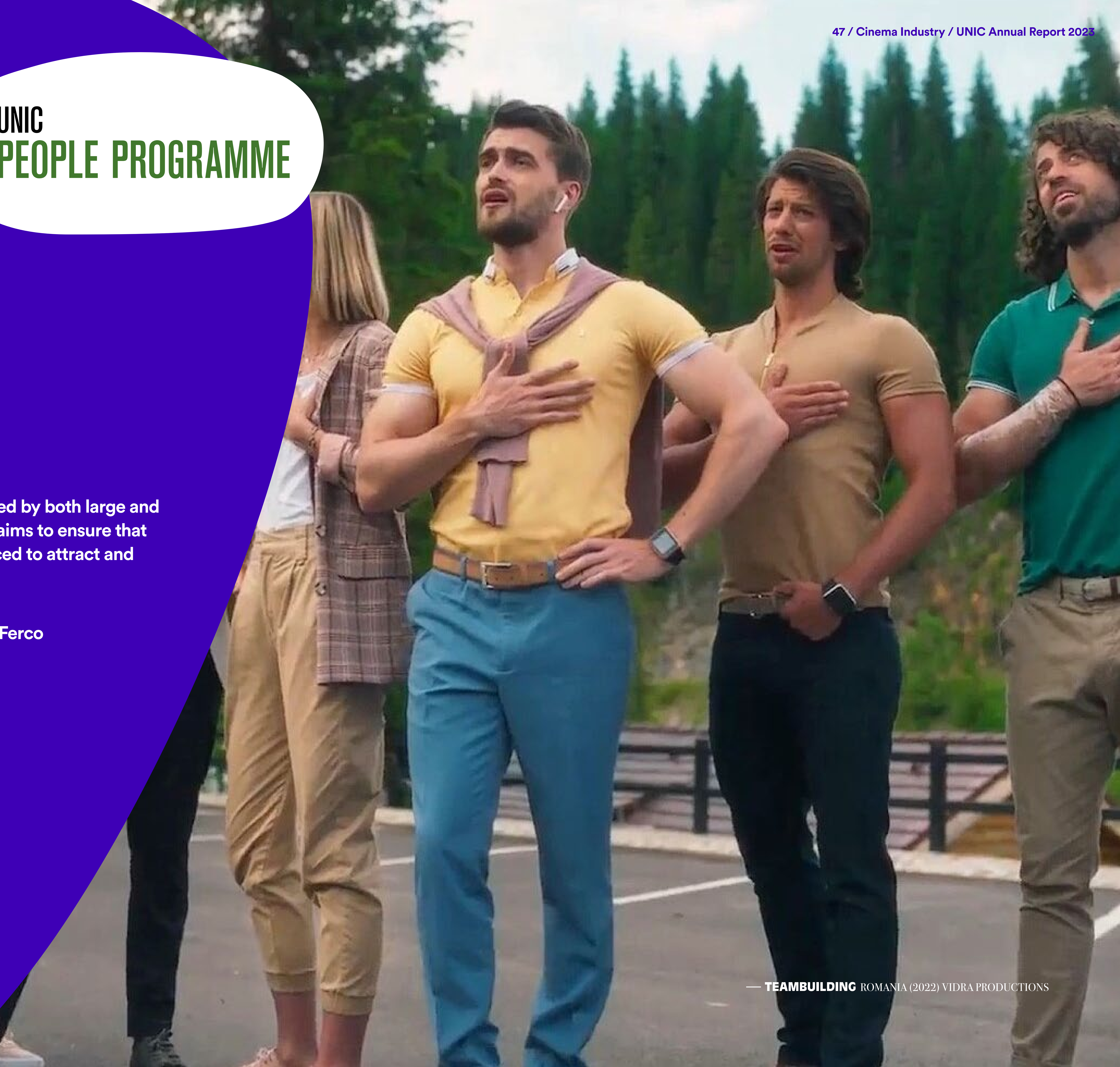
UNIC
PEOPLE PROGRAMME

At CineEurope 2023, UNIC launched a new initiative – the UNIC People Programme, whose mission is to ensure that the cinema industry remains an employer of choice.

The cinema industry is facing unique challenges in recruiting, developing, and investing in its workforce. In today's world, where volatility, unpredictability, and economic challenges prevail, it becomes crucial to attract and retain top talent while fostering a high-performing culture. By clearly addressing the challenges faced by both large and small operators, the initiative aims to ensure that the industry remains well-placed to attract and retain top talent.

This initiative is supported by Ferco and Generation Media.

More information here.



— **TEAMBUILDING** ROMANIA (2022) VIDRA PRODUCTIONS

ferco SEATING

generation media

Premium Large Format

Cinema operators are committed to providing audiences with the best immersive experience, and one way to achieve this is through Premium Large Format (PLF) auditoriums. These auditoriums include, but are not limited to, extra-large screens, carefully designed sound systems, and premium seats such as recliners and/or haptic-enabled motion seats. Additionally, boutique cinemas with smaller rooms, high-end food and beverage and cozy décor contribute to the premium experience.

Cinema-goers have been increasingly attracted to PLF auditoriums, causing the number of these screens to double to above 7,500 screens in the past five years. Approximately 5,500 of these screens are strictly large format screens, while around 2,000 are equipped with 4D or motion seating. In addition, there is a significant number of exhibitor-branded PLFs, which are premium formats developed and installed by the cinema circuits themselves under their own signature brand.

Enhanced picture and sound quality, along with luxury seating and concessions generally come at a premium price. Attendance at these formats continues to grow, indicating that audiences are willing to pay more for a superior viewing experience. Due to the high demand for PLF theatres globally, cinema-goers seeking these immersive experiences sometimes have to wait and purchase tickets a few weeks after the initial release to secure their preferred seating and screen options.

Premium formats are generally outperforming their pre-pandemic results, when measured as a percentage of overall box office. In the US, PLF screens accounted for roughly 10 per cent of the domestic box office in 2019 and now represent approximately 14 per cent, reflecting a 40 per cent growth. According to the FDA Yearbook 2023, in the UK and Ireland 3D and IMAX releases combined grossed more than £71 million with 61 releases, compared to £30 million with 42 releases in 2021. These formats accounted for 7 per cent of the year's overall box office in UKI, experiencing a revenue increase of nearly 140 per cent compared to 2021. This represented the highest combined annual premium format gross since 2017, when *Star Wars: The Last Jedi* and *Dunkirk* were the top premium format titles.

In the EMEA region, 72 per cent of the box office of *Avatar: The Way of Water* has come from 3D or premium formats, specifically 57 per cent from 3D and 15 per cent premium formats.

Top Gun: Maverick, with a global box office close to $1.5 billion, grossed $62.8 million on CJ 4DPlex's immersive premium formats, $22.4 million on SCREEN X – the best result ever for this format – and $55.4 million on IMAX. In the UK & Ireland IMAX screenings accounted for 7.4 per cent of the total box office of *Top Gun* sequel.

Top Gun: Maverick, the highest-grossing film in Europe in 2022, was widely watched in premium cinemas.

Globally, the number of PLF screens doubled to above 7,500 screens in the past five years.

Whilst premium format releases often tend towards action blockbusters, there is an increasing variety of films being launched for large format screens. Music biopics like *Elvis*, thrillers like *Don't Worry Darling* and *Nope*, comedy adventures like *Everything Everywhere All at Once* and documentaries like *Moonage Daydream*, have all benefited from exposure in premium formats.

However, premium cinema is not solely associated with technological innovation. Luxury dine-in options are becoming increasingly popular in both larger cinema circuits and independent venues. Combining film with food, offering appetizers, warm dishes, or a healthy menu accompanied by a cocktail or a glass of wine, provides audiences with a unique hospitality and cinematic experience.

Consumers are willing to watch films in cinemas in a way that is immersive and noticeably different from what they can experience at home.

— **AVATAR: THE WAY OF WATER,** US (2022) 20TH CENTURY STUDIOS, TSG ENTERTAINMENT, LIGHTSTORM ENTERTAINMENT

Avatar: The Way of Water

Avatar: The Way of Water, the biggest film ever in many markets including France and Germany, has been a record-breaking production in many ways. Not only it significantly helped recover a large number of territories from the pandemic and post-pandemic challenges, but it led the way to a new release strategy aiming at providing each screen with the most suitable picture and sound. Mastering and delivering *Avatar: The Way of Water* in multiple formats to cinemas worldwide required vendors to come together and execute the film in 1,065 unique versions, making it among the most logistically challenging title ever released.

The guiding principles of James Cameron's Lightstorm Entertainment production were that the audience should feel totally immersed, providing the best 3D version, being able to fill whatever type of screen and getting the brightest amount of light onto screen, based on what each projector could handle.

Globally, the producers created 27 discrete picture formats to meet the basic specifications of cinemas, including IMAX and Dolby Vision. That multiplied with the addition of audio formats (Dolby Atmos, 5.1, 7.1, IMAX 12.0 and 5.0), in most of the 51 languages supported with subtitles and 28 languages supported by dubbing. That number was then doubled by delivering both at 24 and 48 frames per second (fps) and required combinations of 2D and 3D. There were over five different colour grades for conventional digital projection systems depending on their light output. The aspect ratio of individual screens was another key variable.

1,065 versions of *Avatar: The Way of Water* were created globally and 601 in EMEA.

In the EMEA region only, 601 DCPs were created, the film was released in 89 countries and delivered to 9,301 cinema sites (across EMEA and CIS territories).

The 20th Century Studios/Disney sequel has grossed $798 million across EMEA and $2.3 billion globally (at the time of writing), becoming the highest-grossing film of all time in the EMEA region (at current rates and excluding Russia).

Avatar 3 is planned to be released on the 19 December 2025 and is likely to be of the same technological complexity and require at least the same number of versions as *The Way of Water*.

Avatar: The Way of Water is the highest-grossing film of all time in France, Germany, Austria, Bulgaria, Czechia, Estonia, Hungary, Latvia, Lebanon, Lithuania, Norway, Portugal, Romania, Slovenia, Slovakia, Sweden, Turkey, U.A.E., Georgia, Kazakhstan, Kyrgyzstan and Uzbekistan.

— **AVATAR: THE WAY OF WATER,** US (2022) 20TH CENTURY STUDIOS, TSG ENTERTAINMENT, LIGHTSTORM ENTERTAINMENT

Celebrating the Top 50 cinema companies in Europe

Giants of Exhibition – Europe

For the first time, in 2022 UNIC and The Boxoffice Company collaborated on a project celebrating the largest cinema operators in the region by screen count. After a successful first edition, UNIC renewed its partnership with Boxoffice in 2023 to disclose the second edition of Giants of Exhibition: Europe, which serves as an iconic industry reference, recognising Europe's largest cinema operators. The ranking celebrates the range of diversity of the European exhibition community, representing close to 20,000 screens and over 2,500 venues across 38 European territories.

As a statement of our solidarity with Ukrainian exhibitors as well as with the Ukrainian people, UNIC and The Boxoffice Company have jointly agreed this year again not to include the names and screen counts of the Russian companies that made it into the top 50.

THE BOXOFFICE COMPANY

UNIC
UNION INTERNATIONALE DES CINÉMAS
INTERNATIONAL UNION OF CINEMAS

	Company	Territories	Screens
1	ODEON Cinemas Group	UK, Ireland, Spain, Italy, Sweden, Germany, Finland, Norway, Portugal	2.471
2	Cineworld	UK, Poland, Romania, Czechia, Hungary, Bulgaria, Slovakia	2.237
3	VUE	UK, Ireland, Italy, Germany, Poland, Denmark, Netherlands, Lithuania	1.911
4	Pathé Cinemas	France, Netherlands, Belgium, Switzerland	1.280
5	CJ CGV	Turkey	783
6	CGR	France	705
7	Kinepolis	Netherlands, Belgium, France, Luxembourg, Switzerland, Spain	648
8	Russian Cinema Chain		
9	UGC	France, Belgium	595
10	Cineplex	Germany	551
11	Yelmo Cines	Spain	519
12	Premier Zal	Russia	467
13	Cineplexx	Austria, Italy, Albania, Bosnia and Herzegovina, Croatia, Greece, Kosovo, Montenegro, North Macedonia, Romania, Serbia, Slovenia	425
14	Cinestar	Germany	373
15	Helios	Poland	296
16	Omniplex	UK, Ireland	285
17	Ocine	Spain, France	268
18	Nordisk Film Cinemas	Denmark, Norway, Sweden	261
19	Russian Cinema Chain		
20	Russian Cinema Chain		
21	Svenska Bio	Sweden, Finland, Denmark	230
22	Megarama	France, Spain	229
23	National Amusements	UK	228
24	Cinemas NOS	Portugal	214
25	Mk2	France, Spain	202
26	CinemaPink	Turkey	182

27	Multiplex	Ukraine	176
28	Cinema 5	Russia	172
29	Blitz CineStar	Serbia, Bosnia and Herzegovina, Croatia	167
30	Russian Cinema Chain		
31	Russian Cinema Chain		
32	IMC	UK, Ireland	146
33	Kinopolis	Germany	142
34	Odeon Multicines	Spain	133
35	Everyman Cinemas	UK	128
36	Empire Cinemas	UK	126
37	Cineville	France	124
38	Union Cine Ciudad	Spain	113
39	CineStar	Czechia	99
40	Cinemarine	Turkey, Kosovo	98
41	Filmpalast	Germany	96
42	Cinemax	Slovakia, Czechia, Romania	91
42	Light Cinemas	UK	91
42	Avsar Sinema	Turkey	91
45	Prestige	Turkey	87
46	Artesiete	Spain	85
46	Grand Ecran	France	85
48	Giometti Cinema	Italy	84
49	Blue Cinema	Switzerland	83
50	Cineplace	Portugal	81
50	Apollo Cinemas	Estonia, Latvia, Lithuania	81

UNIC at national cinema conferences

UNIC continuously delivers comprehensive data-driven insights on the European film industry through regular reports and professional events. Throughout 2022 and the early months of 2023, UNIC played an active role by engaging in multiple national conventions organised by members across Europe. Notably, at the Norwegian cinema conference, organised by Film&Kino in Trondheim in November 2022, UNIC presented to over 150 operators the state of the European cinema industry, sharing recent box office performances for the region as well as an update on ongoing challenges. It followed with a focus on film piracy and windows, highlighting the link between day-and-date releases and high piracy rates.

At the French congress in Deauville, Normandy, UNIC moderated a panel on “solutions to reconquer audiences” with speakers sharing their views on how to return to pre-pandemic admission levels, focusing mostly on the need for high-quality local content, better film promotion, efficient use of digital marketing tools, a broad rethinking of programming strategies and the need to act on cinema ticket price perception.

At the Dutch Contactdag Filmbranche in Vlissingen, UNIC delivered a keynote speech about the recovery post-COVID, the importance of diverse content, the latest trends and challenges and current policy files.

In August 2022, UNIC was invited by Danske Biografer – the Danish cinema association – to attend its annual gathering in Svendborg, Denmark and delivered a presentation about the European market, the recovery post-COVID, the latest trends, windows and current policy files.

In 2023, UNIC participated in the UK Cinema Association Conference in London and the Belgian Film Sector Day in Brussels.

UNIC also took part in other industry events organised by colleagues and partners across Europe and in the United States.

UNIC’s active involvement in these key industry events in different European territories underscores its commitment to driving positive change in the ever-evolving landscape of European cinema.

UNIC at the French congress in Deauville

BIG SCREEN FEATURE

Big Screen Feature provides a behind-the-scenes look at the world of cinema exhibition including technology, policy, facts and figures, upcoming events and insights from cinema professionals themselves.

"There are no typical work days in our business. That's the beauty of it!"

Kadri Kaldma
Baltic Business Development Manager at Apollo Cinemas

Describe your typical day at work.

To be honest, there are no typical work days in our business. That's the beauty of it! There are days when I might be working in the office, having back-to-back meetings and responding to e-mails that are already far overdue and screaming for my attention (everybody knows the feeling, I'm sure).

However, there are also days when I would be baking popcorn in a cinema, discussing new ideas or current issues with our cinema teams or getting my hands dirty on a construction site making sure that a new development is launched in the designed way and timely manner.

The moment you fell in love with the Big Screen?

I believe it was when I was very young and there were movies shown in our local culture house in the country area where I was born. A white screen was hung over the theatre stage and tickets were hand written to every cinema visitor. It was already then quite a spectacular experience! You had to go every time to keep the admissions level up as otherwise the next time the projectionist might not come to our area. So I was a dutiful cinema-goer already from childhood.

The best thing about the cinema experience?

It doesn't matter how long I have worked in a cinema, the first moment I enter the auditorium will always give me the warm and fuzzies inside. As if the noise and clutter of the outside world has remained on the step of the auditorium entrance and something really special is about to begin. It really is like stepping into another world, however cliche it might seem. I will never get tired of this!

UNION INTERNATIONALE DES CINÉMAS
INTERNATIONAL UNION OF CINEMAS

"The diversity of all the different commercial disciplines makes my job very varied"

Doron Kurz
Commercial Director,
Pathé Netherlands

Describe your typical day at work.

In my job there's no such thing as a typical day. Apart from monitoring the sales performance indicators each morning, every day is different and that's exactly what makes my job so interesting. Pathé Cinemas has 29 cinema theatres in the Netherlands with 247 auditoriums and a rooftop cinema. In record-breaking 2019 we received over 16 million visitors. Recently we re-acquired TVOD operator Pathé Thuis that originated from Pathé. The past two years we've been very creative in finding ways to stay connected with our visitors. Moreover, we've continued working on innovations in our cinemas through renovations and opening a new cinema theatre in Leeuwarden. We realise that for a sustainable future we must take our responsibilities and therefore we have made corporate social sustainability one of our strategic pillars.

Today, I'm happy to work with my team on the recovery of our business and we're getting back to business as usual. The diversity of all the different commercial disciplines makes my job very varied: guiding and coaching the teams in developing and executing strategies for Content and Programming, Food & Beverage, B2B Events, PR & Communications and Marketing & Sales. I often visit the cinema theatres to know what's going on in the daily business and see how we can improve our performances. On a perfect day, I would end the day with an opening night in our Royal Theatre Tuschinski.

The best thing about the cinema experience?

There's no such thing as watching your favourite movie in a cinema theatre. It's not only the big screen, but also the immersive sound that you can even feel in your comfortable chair, or even better in a reclining Relax Seat, the Premium Large Formats such as IMAX, Dolby Cinema, 4DX and ScreenX and the ultimate cinema snacks like fresh popcorn and nachos. It is also about experiencing together. You laugh together, you cry together, you get amazed together. All of that creates an extra dimension to the film you're watching, adding up to a unique entertainment experience. Pathé is already doing this for over 125 years and will continue to do so with passion for generations to come.

UNIC Women's Cinema Leadership Programme

UNIC WOMEN'S CINEMA LEADERSHIP PROGRAMME

2023 CHAMPIONS OF UNIC WOMEN'S CINEMA LEADERSHIP PROGRAMME

In June 2017, UNIC launched the Women's Cinema Leadership Programme – a flagship initiative to broaden and deepen the talent pool for leadership in our sector and to empower female professionals in order for the industry to realise its full potential. This was, we believe, a unique initiative at the time, and one we are now delighted to see emulated by others.

Each year, the Programme provides rising female leaders with an exclusive opportunity to receive one-to-one mentoring and networking opportunities, and to learn from an outstanding group of women executives from across the cinema landscape. Following the success of the first five editions, in 2022 UNIC launched the sixth edition of the Programme, welcoming a new group of mentors and mentees representing 13 countries and 22 different companies. The seventh edition of the programme will be launched at CineEurope 2023.

In September 2020, UNIC launched its first newsletter for the Programme, with the aim of providing its community of mentors and mentees with a means to engage with one another and share experiences and learnings. The monthly newsletters feature interviews with current and past participants, programme updates and relevant information for the group.

In March 2023, we were delighted to announce that IMAX Corporation and Vista Group would renew their joint sponsorship of the Programme. They became the main supporters of UNIC's mission to achieve a more diverse and inclusive cinema industry.

In addition, UNIC continued its campaign "What inspires you?", to encourage mentees to think about their personal goals, interests and aspirations, as well as inspire future participants to join the programme. The third video of the series is available here.

UNIC has also been co-operating with the online publication Celluloid Junkie, which published a series of articles and interviews about the scheme. In addition, a few years ago, Celluloid Junkie launched an annual list of the "Top 50 women in cinema" to acknowledge the success and achievements of women in exhibition.

UNIC Women's Cinema Leadership Programme newsletter

UNIC aims to provide its great community of mentors and mentees with a space to learn from each other, stay connected, inspire and get inspired. The UNIC Women's Cinema Leadership Programme newsletter is issued monthly and allows mentors and mentees to share articles, advice, events or any other information that might be of interest. Here is a sneak peek at an interview between two pairs of the sixth edition (2022–2023) of the programme.

Meet our community of mentors and mentees here!

Linn Fingalsson, Associate Manager, EMEA Marketing, IMAX (mentee) and Lucy Jones, Executive Director, UK & Ireland, Italy, Middle East, Africa, Comscore (mentor)

What was your motivation to join the programme?

Linn: I wanted to join this programme to have an additional experienced woman to exchange thoughts and ideas with, and to get an external point of view on things. I also wanted to expand my network within the industry and meet other women to share experiences and ideas with. I'm a big believer in women helping other women and therefore wanted to be part of this programme where women support and motivate each other.

Lucy: At the companies I've worked for over the last 27 years, I've benefited from some really supportive managers who played a huge part in helping me reach my potential. Now I'm an experienced manager myself, and I wanted to share some of the things I've learned and offer a perspective from working at various levels. As well as helping someone else, I felt the programme would make me look up from my day-to-day tasks and review how I'm approaching things at work and personally. I thought it was a good time to take stock as I move into the second half of my working life.

How have the sessions so far been for you?

Linn: It's been very good! I set up a plan early in the process, which we have somewhat worked with – but along the way we have adapted it as many of my chosen topics ended up being intertwined. We have met for a meeting over lunch once a month, which has been lovely with a mix of catching up and covering questions/topics I may have. It has been great to have someone to discuss current problems or topics with, and Lucy has given me external point of views that has often reassured me of my thinking and feelings. This has given me something I previously didn't know I needed: more confidence. Meaning more confidence in myself and my work, which has benefited me both professionally and personally. Lucy has also pushed me to go out of my comfort zone for networking and pushed me to attend more conferences and connect with others within the programme. This side of the programme has meant a great deal to me, being able to connect with the other mentees – especially those in the UK whom I have been able to meet up with a few times and exchange experiences, support, and learnings with.

Lucy: It's been a joy. All the participants have said how well-matched they are and it's the same for Linn and I – we work in a similar way, very self-directed, but benefit from a little reassurance that we're on the right track. I've realised that it's not about imparting any great wisdom, the impact is in creating a space each month to talk with someone you don't work with. Carving out two hours a month to review what we could do differently is super valuable, but just wouldn't happen if we didn't commit to it with each other. We're close to the end of our year now and I'm planning to keep the mentoring spirit alive within my team as a complement to our traditional line manager relationships.

Each year, CineEurope, UNIC's official convention and the biggest get-together of cinema operators in Europe, the Middle East and Africa, provides a unique opportunity for industry professionals to gather in Barcelona to network, reflect on and debate current issues, discover the latest innovative solutions for the cinema-going experience and celebrate the Big Screen together with US and European studio partners.

CineEurope 2022 returned to its usual schedule from 20–23 June at CCIB in Barcelona, following the postponement of the 2021 edition to October due to travel restrictions. Despite the challenges of the past two years, the convention served as a testament to the resilience of our industry, showcasing its strength and determination to overcome obstacles and move forward towards recovery.

At time of writing, CineEurope 2023 has an expected turnaround of around 4,000 attendees for the latest cinema technology innovations, exclusive presentations and screenings from international studios and European distribution partners.

UNIC Cinema Days

Each year in Brussels, the UNIC Cinema Days welcome an exclusive group of senior executives and key figures from across the European and international cinema landscape for an exciting two days of debates, workshops and social activities. Due to the postponing of the UNIC Cinema Days in 2021, UNIC organised two sessions in 2022: on 28–29 March and on 24–25 November, with the aim to provide an opportunity to members and partners to discuss the latest trends in the cinema industry post-COVID and the new challenges and key strengths of the sector – away from the distractions of a large industry convention and among a trusted group of thought-leaders.

More than 150 colleagues from across the cinema industry joined us twice in Brussels in 2022 for insightful panel discussions, interactive workshops and networking. Panels included presentations and debates on programming, energy costs and box office results, to name a few. The next day featured Technology and Marketing workshops – the November edition was supported by Creative Europe MEDIA.

The event would not have been possible without our generous sponsors who made our event a success.

UNIC is planning the next edition of its UNIC Cinema Days on 19–20 October 2023.
unic-cinemas.org/fr/evenements/cinema-days/

Europa Cinemas Collaborate to Innovate

For the third year, UNIC was part of the selection committee for the new Europa Cinemas funding scheme "Collaborate to Innovate" which aims to encourage and support network exhibitors' initiatives related to innovation and developed collaboratively at a national, regional or European scale. Collaborate to Innovate fosters innovative practices for a better circulation of European films, testing new cinema-going experiences and developing attractive content and services for audiences, in particular the younger ones. Awardees can be found on the Europa Cinemas website.

— **VYSEHRAD: FYLM** CZECHIA (2022) GANGBANG PRODUCTION S.R.O., OBBOD

Policy Update

Working out of its Brussels office, UNIC's principal objective is to act as the voice of European cinema operators and their national associations on the European stage. In doing so, the association engages both with the European institutions and the industry to provide a strong, united voice for cinema exhibition.

Be it through regular meetings with high-level policy-makers, organising events, participating in seminars, panels and conferences (both policy and industry-led) or producing publications outlining the industry's perspective on key policy issues, UNIC endeavours to ensure that the social, economic and cultural relevance of cinema-going remains front-and-centre in relevant regulatory discussions at EU level.

This also involves fostering relations with policy-makers and industry representatives in all EU Member States (including colleagues from the wider film and audiovisual value chain), bearing in mind the need for wholesome representation and influence. As and when necessary, the association also engages with national governments and regulators to ensure that cinemas remain central to both national and European growth strategies for film and that the appropriate approach to culture and cinema is communicated as effectively as possible.

Moving away from COVID-19 related issues, UNIC re-focused its work on more "normal" policy files.

— **HOPPER ET LE HAMSTER DES TÉNÈBRES**
BELGIUM, FRANCE (2022) NWAVE PICTURES, OCTOPOLIS

On territoriality of copyright, the European Commission Stakeholder Dialogue on access to and availability of audiovisual content across the EU, first launched in November 2021, was concluded in December 2022. The Commission commented and discussed proposals for concrete actions to improve the online availability of and cross-border access to audiovisual works across the EU presented by the participants – and concluded that working groups should be created and led by the industry on various topics. A stock-taking exercise on the Regulation on Geoblocking is taking place at the time of writing. In the European Parliament, an own-initiative report on geoblocking was launched by the Internal Market Committee in early 2023. The Culture Committee issued a draft opinion very much in favour of territoriality of copyright. No re-opening of the Regulation would happen before 2025. UNIC continues to fight together with colleagues from the film industry to preserve territoriality of copyright, a cornerstone of our business model.

The European Audiovisual Observatory published a report on the implementation of the Audiovisual Media and Services Directive, with a focus on financial obligations for non-linear services (Article 13.2), a provision supported by UNIC. In the meantime, the European Parliament Culture Committee worked on an own-initiative report regarding the implementation of the Directive. The various consultations and meetings with the industry – to which UNIC took part including hearings at the European Parliament – have highlighted the range of positions on the Directive. The report was adopted on 28 March 2023 in Committee and on 9 May 2023 in Plenary. UNIC continues to support Article 13.2 – where levies on cinema tickets exist to support the national cinema sector, Member States should be allowed to also ask audiovisual online services – who are based in other countries – to contribute.

In the meantime, the European Commission is considering removing the UK from the list of countries recognised as providing "European" content. The need to re-define the concept of European works has been raised in the context of Brexit. Under the Audiovisual Media Services Directive, television and streaming must include a share of European works in their transmission schedules or on-demand catalogues. These are defined as programmes originating in, and produced mainly by nationals of EU countries or those that have ratified the Council of Europe's European Convention on Transfrontier Television (ECTT), which includes countries such as the UK.

The Commission would like to tighten these criteria and considers that countries that have signed up to the ECTT should also have close ties with the EU and its internal market, singling out members of the European Economic Area, EU candidate countries, or potential candidates. The Directive is set for review in 2026.

On the Digital Services Act, both Parliament and Council worked at record speed. After the Council and Parliament adopted their respective positions, Trilogues started in January 2022 and the final version of the Digital Services Act was adopted by the COREPER on Wednesday 28 September 2022. The European Parliament signed it on 19 October and the text was published on 27 October 2022 in the Official Journal of the EU. Although the final text is more positive than was feared due to challenging negotiations, EU institutions have, we believe, missed a golden opportunity to ensure that illegal content online is swiftly and permanently removed (no 'take-down and stay down'); and to secure broader transparency regarding the identity of online commercial players (know your business customers).

UNIC supported a common call for legislative action at European Union level in order to tackle the issue of piracy of all live content via a specific instrument. The Commission published its recommendation on 4 May 2023. There will be no legally binding effects and the impact will only be reviewed at the end of 2025 – which seems to be an attempt to close the door on any new initiative until then.

— **BAMSE**
DENMARK (2022) NIMBUS FILM PRODUCTIONS

UNIC has also been working on the European Media Freedom Act, a novel set of rules to protect media pluralism and independence in the EU – the initial proposal was published by the Commission in September 2022. The first objective of the Regulation is to focus on media and news, but Article 20 as it stands in the proposal could potentially affect national support system to the film and audiovisual sector. There is therefore a need to redefine the scope so to avoid that any service media provider in the future can question national measures adopted by Member States to preserve cultural diversity and measures transposing the AVMS Directive.

The European Commission continues rolling out the various other actions listed under the Media and Audiovisual Action Plan (December 2020), from the first practical guide to connect the media sector with EU funding (Action 1); to improving access to content (Action 7), see above, to its stakeholder dialogue on sustainability and its stakeholder dialogue on diversity, (actions 6 and 8) to MediaInvest (Action 2). This also includes a European Media Industry Outlook which was released in May 2023 during the Cannes Film Festival. The report is based on research conducted in 2022 and 2023, incorporating some stakeholder input, market analyses, and a consumer survey. It focuses on three main subsectors: audiovisual (with a specific focus on broadcasters and streamers) video games, and news

— ZILLION
BELGIUM, NETHERLANDS (2022) FBO, MILLSTREET FILMS, WOESTIJNVIS

media. The report examines market trends, technological developments, and competitiveness within the EU industry. Additionally, it addresses specific topics such as contractual relations between EU independent producers and streamers/broadcasters and the presence of EU works in VoD catalogues. It also includes results from a consumer survey looking at consumption of content. Cinemas barely get mentioned in the report and are presented as “slow to recover” – among other things the paper fails to mention some facts that had a strong impact on box office and admissions figures in 2021 (such as ongoing restrictions and closing of cinemas).

The report was unveiled by Commissioner Thierry Breton in Cannes, who announced that a Stakeholders Dialogue and a consultation will take place with the industry. The Media Outlook is intended to be updated every two years.

When it comes to the Creative Europe MEDIA Programme, the level of support for Europa Cinemas remains unchanged. Unfortunately, the MEDIA Programme stopped supporting the training programme of the CICAE (Art House Cinemas) for the 2023–2025 period but Europa Cinemas will carry on some of the training activities. Early 2023, the European Parliament launched an own-initiative report on the Implementation of the Creative Europe Programme 2021-2027, led by MEP Massimiliano Smeriglio (S&D, Italy). UNIC was invited to the first stakeholders meeting in April 2023 and maintained that MEDIA should support cinemas as a central, vital and crucial component of the film value chain. Therefore, support all initiatives that engage people to go to the cinema, via the Europa Cinemas network and additional initiatives, such as film literacy schemes, training and mentoring activities to adapt to new market developments and digital technologies and promoting European works in industry events and fairs in Europe and beyond.

UNIC has been working closely with its partners from the European film industry to ensure that cinemas remain front and centre when it comes to the future of the European film sector. It is in this spirit that UNIC has been leading an informal coalition focusing on the MEDIA Programme and is also part of a group of European film organisations that has come together to organise events in a number of film festivals, including a conference in Cannes in May 2023.

UNIC continues to work closely on the above-mentioned files and broader developments in its four key parliamentary Committees: Culture & Education (CULT), Legal Affairs (JURI), the Internal Market and Consumer Protection (IMCO) and Industry, Research and Energy (ITRE). On the Commission’s side, this involves liaising with and following the work of the Commissioners responsible for key portfolios for cinemas, namely Thierry Breton (Internal Market), Mariya Gabriel (Innovation, Research, Culture, Education and Youth, Commissioner until May 2023) and Executive Vice-President Margrethe Vestager (Europe Fit for the Digital Age). On the Council side, UNIC meets regularly with representatives from all Member States in charge of these issues.

As a new Parliament and a new Commission will enter office in 2024, UNIC will redouble its efforts to ensure that cinemas remain at the heart of policy-makers’ decision-making when it comes to support, rules and guidance for the entire film value-chain. Doing so includes recognition of the key principles on which cinemas rely – such as territoriality, theatrical exclusivity and fight against piracy.

In September 2023, UNIC will publish a new manifesto, highlighting the cultural and economic importance of cinema-going and providing cinema operators’ perspective on key policy issues to policy-makers and industry partners.

Conference at the Cannes Film Market 2023

UNIC, in partnership with the European Audiovisual Production Association (CEPI); the International Federation of Film Producers Associations (FIAPF); the International Federation of Film Distributors' and Publishers' Association (FIAD) and the International Video Federation (IVF), organised a conference in Cannes on 20 May. The event entitled "Projecting Progress: How can we best cultivate and grow audiences in a dynamic and diverse film landscape?" gathered professionals from the value chain to discuss how the film industry can build on recent positive theatrical performance trends and continue to deliver diverse cinematic experiences across a broad range of content. Following the conference, the organisations published a co-statement highlighting key principles to ensure that the European film industry will continue to thrive.

FESTIVAL DE CANNES

My Favourite Cinema

The idea behind My Favourite Cinema centres on the magic of the Big Screen. Cinemas across Europe offer audiences a shared experience like no other, creating memories that last long after the credits roll. We all have a particularly memorable trip to the cinema – a first visit, a film that sticks in our minds or fond recollections of the people we were with.

To celebrate this, and to help celebrate the Big Screen, UNIC launched "My Favourite Cinema", inviting Members of the European Parliament to share a video of themselves, answering the following three questions:

1. Tell us about your favourite cinema.
2. What was your most memorable trip to the cinema?
3. What's your favourite thing about going to the cinema?

► **UNIC officially kicked-off the campaign on 1 June 2022.**

Check the latest video featuring Czech MEP Martina Dlabajová!

MY FAVOURITE CINEMA
A campaign from UNIC

UNIC statements

UNIC represents the interests of cinemas to the European Commission, the European Parliament, and the Council of the European Union. UNIC also represents cinemas to other international bodies such as the Council of Europe. UNIC releases statements on the legislation and may also cosign statements with other organisations. You will find some examples of such statements below.

In April 2022, UNIC co signed, with other members of the film and audio-visual sector, a statement in support of a study by the European Audiovisual Observatory (EAO), confirming that there indeed is wide availability and circulation of non-national European audiovisual productions. European citizens have access today to an average of 8,500 European works.

In October 2022, along with 108 organisations across Europe, UNIC signed a call to action to the European Commission to propose legislation against piracy of live content. In the statement, UNIC along with the other cosigners called on the European Commission to deliver a legislative instrument to tackle live content piracy as a firm commitment from the European Executive branch to address this issue with adequate measures. Notably, guaranteeing that notified illegal content is taken down immediately and blocked before the live event terminates.

— **BELFAST** UNITED KINGDOM (2022) NORTHERN IRELAND SCREEN, TKBC

UNIC film screenings

— **ALMA VIVA**
PORTUGAL, BELGIUM, FRANCE (2022) FLUXUS FILMS, MIDAS FILMES, ENTRE CHIEN ET LOUP, LES FILMS PELLÉAS, STUDIO EXCEPTION

In collaboration with colleagues from production and distribution, UNIC has been organising exclusive film premieres dedicated to EU policy-makers and cinema lovers.

We firmly believe that there is no better place to celebrate our passion for cinema-going than in the auditorium itself. These occasions give us a prime opportunity to do so, while also celebrating Europe's rich cultural diversity through a selection of powerful and memorable titles.

In June 2022, UNIC organised a screening in collaboration with the International Federation of Film Distributors' and Publishers' Associations (FIAD), with the 2022 winner of the Spanish Goya Award, *El Buen Patrón*. In October 2022, UNIC organised another screening, this time showing the Swedish Cannes Palme D'Or winner *Triangle of Sadness*, directed by Ruben Östlund.
The latter also appeared on the CineEurope stage earlier in the year for an exclusive screening of his film. Another premiere was organised in Brussels, in collaboration with FIAD in March 2023, with the French-Portuguese film *Alma Viva*, winner of several awards at CineEuphoria and Valladolid International Film Festival in 2022.

A wide range of policy-makers and stakeholders from the European film value chain joined us, which also served as an opportunity to reiterate UNIC's position on a number of industry related issues.

If you are interested in attending our next screening, please reach out!

Policy Partners

UNIC manages the exhibition sector's relations with the European Commission, the European Parliament and the Council of the European Union. It also represents cinemas' interests when dealing with other international bodies. We are a member of several coalitions and industry associations, some of which are featured here.

Creativity Works!

Creativity Works! is a leading coalition established by UNIC and partners, representing Europe's cultural and creative sectors.

AV Coalition

UNIC is a proud member of the informal AV Coalition, which brings together organisations working across the audiovisual sector in Europe.

MEDIA Coalition

UNIC is a member of the informal MEDIA Coalition, a group of organisations concentrating its efforts on the future of the Creative Europe MEDIA programme.

Netopia

Forum for the Digital Society

UNIC is a member of Netopia, a web publication and idea forum based in Brussels, stimulating discussion on the future of the internet.

Europa Cinemas

Europa Cinemas is the network of cinemas focusing on European non-national films, uniting more than 3,059 screens across 38 countries. Each year they select and finance stand-out innovative projects and approaches from their members with the Collaborate to Innovate scheme, with support from Creative Europe MEDIA.

CICAE

The Confédération Internationale des Cinémas d'Art et d'Essai (CICAE) is a non-profit association aiming at promoting cultural diversity in cinemas and festivals.

EAO

UNIC is a member of the European Audiovisual Observatory's Advisory Committee, a body of the Council of Europe.

EUIPO

UNIC is a private-sector representative of the European Observatory on Infringements of Intellectual Property Rights (EUIPO).

WIPO

UNIC serves as an observer at the World Intellectual Property Organization (WIPO), the global forum for intellectual property services, policy, information and cooperation.

Key areas of interest

Media and Audiovisual Action Plan

Territoriality of copyright

Rewarding investment and creativity, particularly in tackling piracy

Audiovisual Media Services Directive (AVMSD)

Creative Europe Programme / MEDIA Programme

Sustainability

Accessibility and inclusion

Music rights

— QU'EST-CE QU'ON A TOUS FAIT AU BON DIEU?
FRANCE, BELGIUM (2022) UGC, LES FILMS DU 24

The past three years have undoubtedly been the most arduous in the extensive history of European cinemas. However, amidst these formidable challenges – COVID, inflation, increases in fixed costs, lower film supply – the strong box office performances witnessed worldwide in 2022 and the first half of 2023 stand as a testament to cinemas' remarkable ability to captivate audiences and create global events.

Conclusion

Policy-makers need to continue their efforts in safeguarding and celebrating cinemas, regardless of their size or location. Cinemas must remain the privileged place where to watch films, whether US blockbusters or European arthouse titles.

This entails a clear recognition of the fundamental principles on which cinemas depend, such as territoriality and theatrical exclusivity, as well as the continuation of essential support programmes. It is by adhering to these principles that cinemas, along with the broader film value chain they wholeheartedly support, can confidently look forward to a bright future after the past disruptive years.

UNIC encourages its industry partners to remain united to ensure both viability for all stakeholders in the value chain as well as the availability of films to the benefit of all audiences.

We look forward to meeting you again at the cinema!

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Belgium, France

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UNIC is proud of its partnership with leading brands in the European cinema space

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We love the Big Screen

UNIC is the European grouping of cinema trade associations and key operators

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