



## **PHIL CLAPP - PRESIDENT, INTERNATIONAL UNION OF CINEMAS CINEEUROPE 2015 KEYNOTE**

Thanks Bob and good afternoon everyone.

On behalf of the International Union of Cinemas I am delighted to welcome you all to this year's edition of CineEurope.

Thank you for coming and for the continued support that you – and our many partners – have shown our convention.

Earlier this month, UNIC and PGM – the owners and operators of CineEurope - announced the establishment of a long-term partnership around the show.

Our agreement will see UNIC move to become an equal partner in the convention, jointly overseeing its management with Bob and Andrew Sunshine.

I would like to put on record our thanks for the trust that Bob, Andrew and PGM colleagues have placed into our organisation. We are grateful not just for their expertise in running this great event, but also for their support and friendship.

This latest announcement is a further and important step in a journey that began over 60 years ago with the establishment of UNIC. But one which has followed a new and more urgent path in the last five years. A period during which the organisation has grown such that it can now draw on an unrivalled network of cinema associations and operators across 36 territories.

Our principal purpose remains to represent the interests of European cinema exhibition in Brussels and Strasbourg.

A cinema sector of unparalleled diversity and strength, qualities which it has showed in abundance in the last 12 months.

When we last met in Barcelona, we were experiencing what were generally seen as uncertain times for many European cinema owners, with admissions and box office in a number of key territories under pressure.

Since then, we have experienced just how dynamic and resilient our industry is, as you might expect from a market now representing 28 per cent of total box office across the World. A key building block of the global industry.

Given differing economic, cultural and political pressures across the territories that UNIC represents, fortunes inevitably vary.

But for many of our markets, 2015 has got off to an exceptionally strong start. And – as the film and trailer presentations this week will undoubtedly show – the second half of the year and on into 2016 look if anything even better.

That success is in no small part due to our partners in distribution. Creating a more diverse slate of films. And increasingly using the full 12 months of the calendar to schedule their releases. Developments welcomed equally by European cinema operators and European audiences.

The strong performance of our sector can only be good for the wider film industry, of which the theatrical release remains the cornerstone.

We know that home entertainment – for all its challenges – fares best when standing on the foundations of a strong cinema exhibition sector. What is good for cinema is invariably good for home entertainment. And, more importantly, for the film audience.

However, we cannot be complacent. Great films alone are not enough to attract all of those to our cinemas that we might wish.

This is particularly true of the youth audience. Young people have never had as many different ways in which to spend their leisure time, let alone to watch films.

This new generation is informed, is entertained and communicates primarily through social media and other digital means. As a result, cinema operators have never had to work harder to attract them to their theatres.

This morning's seminar on digital marketing and the executive round table – as well as Richard Patry's keynote just a moment ago - highlighted some of the innovative ways in which we can work together to reach out to new audiences.

The challenge for us all is to learn lessons from these and other initiatives. To renew our efforts to remind the public – not only young people – of the uniqueness of the big screen experience.

And to ensure that that quality is retained. To continue to invest in the cinema experience through new technological innovations. Ensuring that cinemas stay ahead of the competition, offering the best film-viewing experience possible.

In closing, I wanted to return for a moment to the diversity of the film slate. We know that a diverse international slate is key to ensuring high levels of admissions across Europe, reflecting the truly global nature of our industry.

But equally important in our territories is the presence of competitive and engaging

domestic and non-domestic European films. Countries such as France, Poland and Turkey have shown in recent years the contribution that strong local cinema can make to admissions and to revenue.

That is why the direction of film policy and cinema support in several UNIC territories - and at the European Commission level in particular - is a cause of such huge concern not just for us, but for many across the wider film industry.

Perhaps distracted by the over-confident claims of Internet ventures, many Commission policy-makers seem to have lost sight of the important foundation that the cinema sector provides. And of the need for all elements of the film value chain to work together in attracting audiences.

Their desire to ensure the online availability of the many specialised local films within all European Member states ignores the reality of varying consumer tastes across borders, and of course the crucial importance of the cinema release to the performance of most VOD releases.

Any strategy which - whatever its stated intentions – serves primarily to lower perceptions of value amongst our customers cannot be in the best cultural, creative or economic interests of our sector.

All of this provides ample evidence of the extent to which the European Commission continues to misunderstand or ignore many of the commercial realities of our business.

The Commission's most recent proposals risk undermining both copyright exclusivity and contractual freedom. Principles that have long been - and remain – crucial to the long-term stability and growth of our industry in Europe.

It is an approach which has served to unite in opposition colleagues from across the film value chain. In our discussions with relevant EU officials and representatives of European Member States, UNIC could not have been clearer.

What is at stake here is the future prosperity – perhaps even the survival - of the film industry in Europe.

There are a few encouraging signs that our message is starting to be heard. However, we must remain vigilant. On the European as well as the national stage, the need to impress upon government the economic, cultural and social value of cinema – and what we risk losing if insufficient care is shown - has never been greater.

Whether through urging stronger action against film theft, resisting attempts to interfere with market-led distribution practices, or supporting national associations in opposing the thoughtless imposition of increased taxation on cinema tickets, the work of UNIC continues.

Cinema is a fantastic industry. UNIC is equipped as never before to ensure that we do

all we can on your behalf to ensure that that remains the case.

Thank you for your time and attention.

I hope you all have an enjoyable and rewarding CineEurope.

Thank you.