

# Professional Training for the European Audiovisual Industry

MEDIA 1991 — 2013

## The audiovisual industry, creator of cultural identity in an expanding economical sector

The film industry has always been able to both convey a national uniqueness and contribute to trans-national understanding — two very important assets in a continent as diverse and multilingual as Europe. Being highly visual, film easily creates and strengthens cultural identity and has the potential to transmit European diversity across borders. But aside from its cultural benefits it also has a high economic potential. On an international scale, the film industry is part of a vibrant and expanding economic sector. All around the world, governments have recognised its ability to create jobs, stimulate entrepreneurs and drive economic activity across a whole range of sectors. It boosts local skills development and contributes to tourism and even social transformation.

With its highly skilled workforce, the European audiovisual industry generates a turnover of around 100 bn € per year.<sup>1</sup> Since 1995 the European film production volume has more than doubled to reach 1169 feature films produced in 2009.<sup>2</sup> Meanwhile, Europe also constitutes an important alternative location for US film production, since production cost is lower. In 2004, 25% of all Directors' Guild of America projects were shot outside the USA.

1. European Audiovisual Observatory EAO data for 2004 based on AMADEUS database.

2. According to Screen Digest June 2006, p. 206, 549 feature films were produced in 1995. Numbers for 2009 from European Audiovisual Observatory EAO press release 6.5.2010.

## Increased European film production volume is not matched by corresponding increase in EU market share

However, only 25% of the gross box office record high of 6,27bn € reached by European cinemas in 2009<sup>3</sup> was generated by European films, the rest being mainly due to American releases.

US production volume (677 feature films in 2009<sup>4</sup>) is lower than Europe's, but the investment per film is much higher. More than one third of the budget is spent on marketing, while marketing spend for European films is only 10 to 15% of a film's budget.

Although European films do not lack in quantity or quality, still only a minority finds distribution outside of their home country — and if they find distributors, they still have difficulties in finding their public. The market share of non-national European films depends strongly on the performance of national films and competing US releases. It oscillates between 1,8% in the UK, 8% in Germany, 12% in France, and 22% in Finland.<sup>5</sup> On average of all European countries, the market share of European films outside of their home market rose only slightly during the last 20 years. Together with the national films, cinema admissions for European films increased from 20% in 2000 to a current average of 27%.

European public support has undoubtedly helped to raise this market share. Since the US major studios have not relented in their efforts in the meantime, the exploit of European films could have been much worse without support.

3. European Audiovisual Observatory EAO, press release 6.5.2010.

4. down from 909 in 2007, cf. European Audiovisual Observatory EAO FOCUS 2010, p. 13.

5. Data from 2007 cf. MEDIA Salles Yearbook 2008, table of market share of European films not including domestic films.

## Support for the audiovisual industry: The MEDIA Programme 1991 — 2013

The success of the European film industry as a cultural and economic force has been crucially supported by the EU's implementation of the MEDIA Programme since 1991. Its main objective was and remains to make the European audiovisual industry more competitive and to promote European linguistic and cultural diversity. Actions have been concentrated on distribution of

European films across borders, promotion of audiovisual works, content development and training. Production support has been left to national public funding bodies.

### **Training as an integral support measure**

Professional training is a central element in maintaining and enhancing the productivity of working individuals and it improves the competitiveness of the industry. Professional training as an important part of the MEDIA Programme was focused on the following priorities:

- script development,
- business, management and legal skills in relation to creative producing,
- improving knowledge of new technologies for producing and distributing audiovisual programmes.

### **Availability of training to the professionals of the audiovisual industry**

More than 500 training providers have been identified in the EU in 2004<sup>6</sup>, including both institutions of higher education and independent providers. Around 11% of them were supported by MEDIA. The majority of training bodies supported is independent. They can react faster to industry needs and can deliver more focused training.

The European film industry consists of an estimated 300'000 professionals.<sup>7</sup> Almost 2000 of them participated in MEDIA supported training initiatives in 2010. There have been almost twice as much applicants.<sup>8</sup> MEDIA support has therefore touched merely 0,65% of the profession. Even considering that MEDIA supported initiatives are not the only providers of professional training, this figure is very low compared to the 8% of the working population which have undergone further training in the EU in 2005.<sup>9</sup> For the future cultural and economic efficacy of a fast changing industry the number must be at least maintained.

Public support is all the more important, because training in the film industry is mostly left to the individual. The industry mainly consists of micro-companies and self-employed free-lancers. Given their unstable income, it is vital that training opportunities be offered at an affordable price. In this respect, MEDIA support for training generated significant added value, because it enhanced the professional training offer available in Europe. Many programmes would otherwise not have been affordable.<sup>10</sup>

6. Data is of EU 32 in 2004. EU32 =EUR15, 3 EEA States, 10 NMS, 4 Candidate Countries. cf. Olsberg/SPI: Study of Continuous Training for Audiovisual Professionals in 32 European Countries, Final Report, London 2005. Exec. Sum., p.11.

7. Cf. ATC Survey Oct. 2008, p.5, Fig 5 and own estimations.

8. Cf. ATC Survey Oct. 2008.

9. Eurostat 2005.

10. Euréval/MCG: Interim Evaluation of MEDIA 2007, Final report, June 2010, fig. 45, p. 42.

## **MEDIA 2007-2013**

### **The MEDIA budget — professional training has been reduced**

The yearly MEDIA budget rose from 62 m € in 1996–2000 to 108 m € in 2007–2013 — which is approximately the budget of one Hollywood feature film. Meanwhile the yearly budget for the actions in professional training was actually reduced: It was around 9 m € since 1996, was raised by 10% in 2001 and cut back to 9 m € in 2007. In addition to that, activities of initial training were introduced as eligible in the same year. As a result, the budget available to professional training was further reduced by 25% allocated to initial training.<sup>11</sup>

Of the entire MEDIA budget, 6% is assigned to professional and 1% to initial training, 58% to distribution and promotion, 34% to the development and financing of productions and 1% to pilot projects.<sup>12</sup>

In 2010 MEDIA spent almost 7m € on professional training. The overall investment is around the double, i.e. 14m €, considering that the MEDIA support must not exceed 50% and has to be complemented by private investment and sometimes by national funding. According to the MEDIA Plus and MEDIA Training evaluation, training shows a very good cost/effectiveness ratio.<sup>13</sup>

In 2010, 45 providers of professional training offer 63 MEDIA-supported programmes. Almost three quarters are short courses, calling upon 60% of the budget. The rest of the programmes last up to a year, including phases of distance learning.<sup>14</sup>

11. The budget is distributed almost 75% to 25% on continuous and initial training (6,7 vs. 1,8m € for 2010, cf. List of selected projects, Calls for proposals 04/ and 16/2009 and Framework partnerships 2010 Call 04/2008.
12. Cf. Interim Evaluation MEDIA 2007, op. cit., p. 84.
13. Euréval/MCG: Final Evaluation of the MEDIA Plus and MEDIA Training Programmes, Synthesis, Nov. 2007, p. 6.
14. Cf. Training and Networks 2010. If each single workshop was counted the number would be 74, since some providers offer multiple dates in a year.

## **MEDIA 2007 — adapting to rapid market changes**

MEDIA 2007 meets the challenges of a rapidly growing and changing sector shaped by new technologies, new players and participating countries, market fragmentation and difficulties of access to financing.

The programme was adapted to the developments in technology and the market, in order to reflect the consequences of rapid digitisation and fast internet access, the emergence of new platforms and the convergence of media. MEDIA 2007 intervenes in the new fields of development of interactive works, digital distribution of films, web communities and open media.

Since 2010, with the imaginative development of MEDIA Mundus, it is possible for non-European participants to take part in the trainings.

The general priorities of the MEDIA Programme's training part have remained unchanged, but the following modifications have been implemented:

- to give more structure to the training network as a whole,
- to link development funding with training,
- to include industry specialists who are not filmmakers in the target group,
- to support partnerships between old and new member states in training,
- to offer more differentiated scholarships especially for participants from new member states,
- to enhance sustainability through online training,
- to foster collaboration between training bodies and between participants through networking events,
- to ease administrative processes by allowing for multi-year funding.

## **Participants: Integrate new countries, address new target groups**

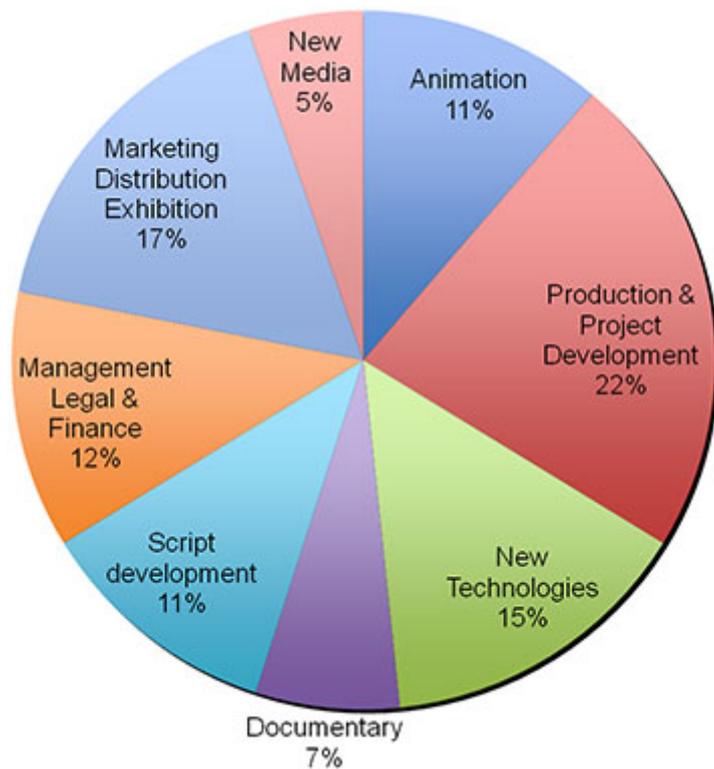
On average, 50% of the participants come from the five countries with the highest production capacity, and this percentage has been growing since 2006 to the detriment of the countries with medium to low production capacity (36%), while the percentage of participants from new member states is quite stable around 14%.<sup>15</sup> The support for training is equitably distributed between participating countries when the number of trainees is compared to the population.<sup>16</sup>

Of 63 programmes, 11 specifically address experienced professionals and 7 address newcomers. The proposed training is targeted not only to professions such as producers and screenwriters but also to directors, DoPs, editors, technical professions such as postproduction managers, VFX supervisors, animation artists, and to distributors, marketing and legal experts, and trainers.

15. Interim Evaluation MEDIA 2007, op. cit., p. 80.

16. Interim Evaluation MEDIA 2007, op. cit., p.79.

## **Training subjects**



(based on MEDIA brochure „Training and Networks 2010“)

### Training as support for project development

23 programmes of 63 are project based and up to 400 projects are being developed or worked on in the programmes per year. 85% of companies trained have also applied for development funding,<sup>17</sup> showing a positive link between training and development. Film projects developed within MEDIA training schemes have better chances to be produced than other projects. Training is therefore an advantage, since it enhances quality and contributes to shaping the projects according to international market needs.

17. Interim Evaluation MEDIA 2007, op. cit., p. 54.

### Training and networking: building a European culture

The networking aspect of training and the building of transnational relations has been one of the most successful results of the MEDIA programme's support.<sup>18</sup> Training workshops strengthen the European dimension via non-national subjects, participants and teaching staff. Participants develop cross-border-thinking and long term co-producing relationships and thus make a massive contribution to building a truly European cinema culture.

18. Interim Evaluation MEDIA 2007, op. cit., p.52.

### A training offer relevant to the needs of the industry

MEDIA training initiatives have become a label of quality — acceptance is high and increased from 82 to 90%.<sup>19</sup> Trainings are practical and highly relevant to current and future industry needs.<sup>20</sup> Participants appreciate the quality of the tutors and experts since courses provide access to high-level professionals who are not necessarily accessible in other contexts.

19. Increase between 2005 and 2010, cf. Interim Evaluation MEDIA 2007, op.cit. p.54.

20. Interim Evaluation MEDIA 2007, op. cit., fig. 44, p.36.

## INTO THE FUTURE: 2014 — 2020

### Perspectives on professional training for the audiovisual industry

Today's film and audiovisual professionals have to find their way through a maze of formats and delivery media. Training is a life-long demand and it should be a periodic opportunity to

come to a halt in everyday's life, get inspired and adapt.

What should training be about in a world where hierarchies are vanishing and authorities are scarce? Are we in the middle of a process of transformation and will we have to adapt to a world of constant change? Will new models evolve over time?

### **New forms of training for a new century**

During the next decade training providers will be both reflecting changing industry needs and helping to reinvent the industry. Increasingly „horizontal“ training formats are being designed which merge real production with training, create interdisciplinary labs, build bridges between old and new media, between creatives and technicians, financiers and lawyers.

### **Content and project development**

Even in a world that is fast and constantly evolving, certain basics remain stable. The story will remain at the very heart of every audiovisual success. In the future traditional formats will coexist with new interactive ones. The need for a wide variety of professionally developed and highly imaginative projects has never been more urgent. Development within training projects must continue to play a key role.

### **Cross- and transmedia content**

New training content should be open for *crossmedia* — in the sense of content being adapted to different platforms and channels, to shorter attention spans and new forms of media consumption which might influence dramaturgy. And it should be open for *transmedia* in the sense of content being told, delivered and created in different media like a puzzle. Transmedia projects will increasingly merge fiction with the real life of the consumer or player.

The increase in new distribution channels and media outlets such as video on demand, IPTV, mobile devices and game consoles makes the need for further training more urgent: Emerging fields such as cross- and transmedia may even create new revenue streams. To that end, professionals from very different disciplines have to find a common language: Games, music clips, advertising and branding, events, geo-location-based services, and augmented reality developers on one side, and the more traditional creators of content, commissioning editors, distributors and exhibitors on the other. This will lead to a new type of audiovisual producer who is able to work across platforms.

### **Audience, marketing, and social media**

The relationship between producers, distributors and cinemas is being transformed. Producers are moving closer to their audience through the use of social media. They are learning how to use viral marketing and crowd sourcing, how to integrate user collaboration. Community managers and audience experts will be more and more involved in the development process, to start building direct relationships with the audience at an early stage.

### **Re-conquering the young**

We have to win back the young which have been lured by Hollywood cinema, computer games and internet piracy. Training must address school teachers in order to engage in media literacy and cinema heritage education, to ultimately strengthen the demand for European audiovisual products. Efforts will have to be made to develop ambitious projects for children and adolescents.

### **Opening up to new target groups**

The central target group of training in the audiovisual sector will always be the creative triangle of producer — writer — director. But future training will also have to address new target groups: decision-makers, funders and policy-makers; the new professions from the digital imaging technician or the data wrangler to the story architect, community manager and blogger; the festival manager and other professionals involved in promoting films; the private and public service broadcasters; and the non-European participants to create truly international training, to really react to globalization and to be able to answer the global challenges.

### **MEDIA Mundus and internationalism**

Europe is one of the cultural and financial centres of increasingly globalised film and media industries. We welcome the birth of MEDIA Mundus as a means of bringing EU and non EU

professionals together in the belief that this can only reinforce the diversity of films available to European and non European audiences and, through training projects, will create long term co-producing relations across continents which will bring both economic and cultural benefits. It is a forward looking programme precisely designed for 21st century global challenges.

## Main conclusions

Professional training must remain an integral part of Community support. It will be even more necessary in this period of rapid change and can make a decisive contribution to the continued success of the European film industry. The budget available for professional training has seen a major reduction since 2007. Its financing should rather be intensified.

- MEDIA supported professional training enhances the quality of film projects and contributes to shaping projects to international market needs
- It has to be seen as a fundamental part in the development, production, distribution and marketing process of an audiovisual product
- Activities contribute to building professional networks and a truly European culture
- MEDIA training initiatives have become a label of quality, make trainings more ambitious and are complementary to national initiatives
- Professional training has shown a very good cost-effectiveness ratio
- Without European support, many training initiatives would not be affordable to the professionals

## Outlook

If an athlete does not exercise, she will fail in competition. Think about a film professional whose production reality is constantly evolving due to digitisation. Think about a screenwriter who has to keep up with new trends in storytelling, or creative collaboration, or new ways of media consumption through the advent of mobile devices. Throughout today's working life things change fast and often. Training is not only the solid chassis of professional success, but the lubricant to keep it rolling for a lifetime.

ATC Booklet — Professional Training for the European Audiovisual Industry, March 2011

ATC - Audiovisual Training Coalition