

# [FR] Agreement between French Cinema and Canal+

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Decree No. 2001-1332 of 28 December 2001 lays down the way in which editors of television services broadcast in analog mode by terrestrially-broadcast means, which are funded by payment received from users, are to contribute to the development of the production of cinematographic and audiovisual works. In the context of the relationship between Canal+ and the French cinema, there has been discussion for several months on the renewal of the partnership by adapting it to recent developments in the sector and to the strategic prospects of the channel. The aim was more particularly to confirm Canal+ as the essential partner of the entire sector and to encourage diversity of cinematographic creation. On 10 May all the professional cinema organisations (BLIC, BLOC and ARP) and the channel itself announced the signing of a fundamental agreement that guarantees both reinforced partnership between Canal+ and the cinema and an enriched cinema offer for subscribers to the encrypted channel. It should be borne in mind that the channel invested EUR 128 million in the French cinema last year, and pre-purchased 110 films out of the 180 produced.

According to this agreement, Canal+ unlike other terrestrially-broadcast channels may now offer its subscribers full-length films every evening throughout the week, including Friday evening (with no restriction based on the number of cinema tickets sold) and, for the first time, Saturday evening with the broadcasting of films for which no more than 1.2 million tickets were sold. Full-length films may now also be scheduled for showing on a Wednesday afternoon.

To remedy the imperfections in the present diversity clause, it has been decided to include a more ambitious diversity undertaking. The channel will from now on devote 17% of its obligation to purchase cinematographic works originally made in the French language to the purchase of films costing no more than EUR 4 million. It will make sure it contributes to the financing of a wide variety of films and will maintain a balance in its involvement in all the budgetary segments of the market. It has been agreed that the cinema professionals and the channel will meet twice a year to assess to what extent the diversity objectives have been attained.

Canal+ will continue to devote at least 9% of its turnover to the purchase of works originally made in French as part of its obligation to devote 12% of its turnover to the purchase of European works (Article 5-1 of the Decree of 28

December 2001). Investment in the French and European cinema could even be as much as 12.5%, according to the new agreement. To make film production easier, Canal+ has also undertaken to devote 80% of its French obligations to the pre-purchase of films before the first day of shooting.

Lastly, as the partner of the cinematographic sector as a whole, Canal+ has renewed its aid for operation and distribution to promote the renovation of cinema theatres so that films are shown under better conditions.

On the other hand, it has not succeeded in persuading the professionals in the cinema sector to reduce the length of time before films can be shown on television, currently fixed for the unencrypted terrestrially-broadcast television channels at one year after their first cinema screening (Article 8 of the 2001 Decree).

The agreement will come into force on 1 January 2005, and will be valid for 5 years.

