

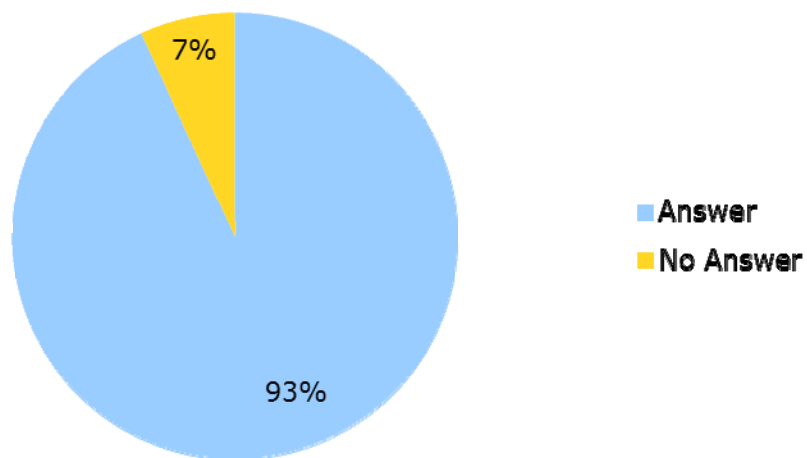


Questionnaire on the tools used in the application of Article 13 AVMSD (Promotion of European works in on-demand services)

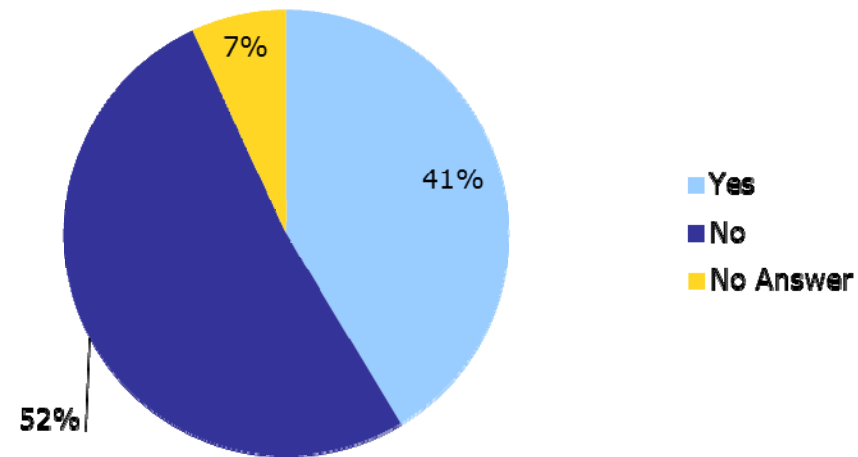
State of play

- **41 % of the MS who answered the questionnaire apply an obligatory share in the catalogue**
- **A considerable percentage of MS apply financial contributions**
- **A small number of MS apply prominence tools**
- **Many MS are not in favour of specific legislative measures** /claim that providers should be free to choose the tools they consider appropriate
- Often mentioned difficulties: **still nascent services/market still weak**, lack of experience / data, small markets
- Request for **sharing best practices**
- **On-going reflections in MS** (often involving stakeholders)

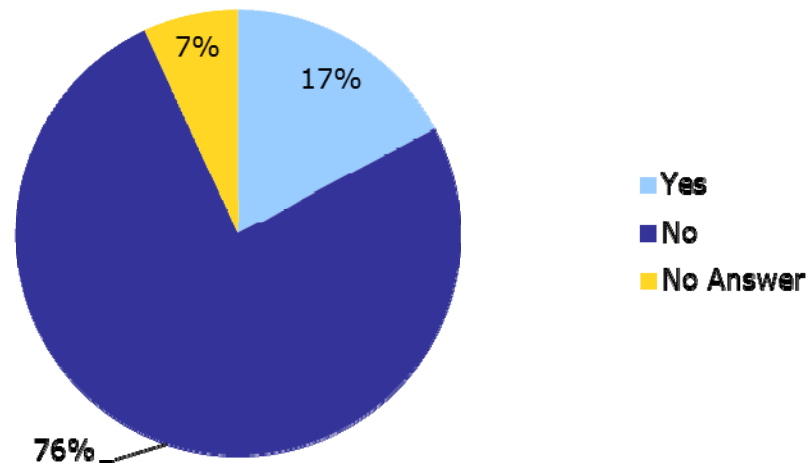
Representativeness of Data (replies by regulatory authorities)



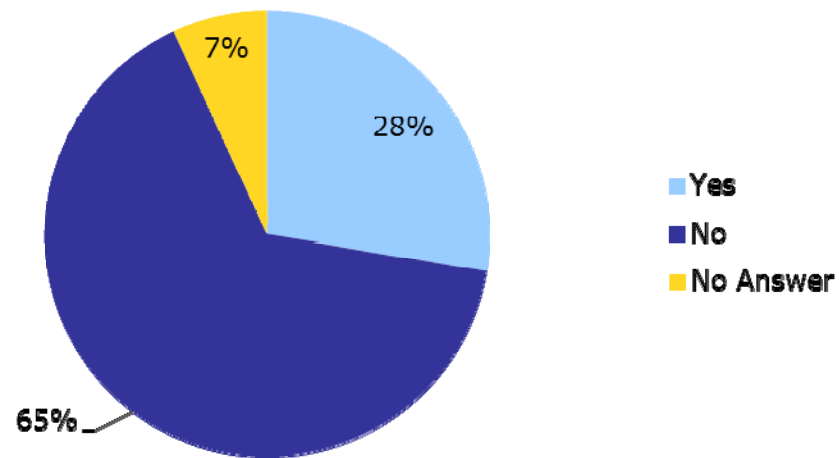
How many MS apply an obligatory share in the catalogue?



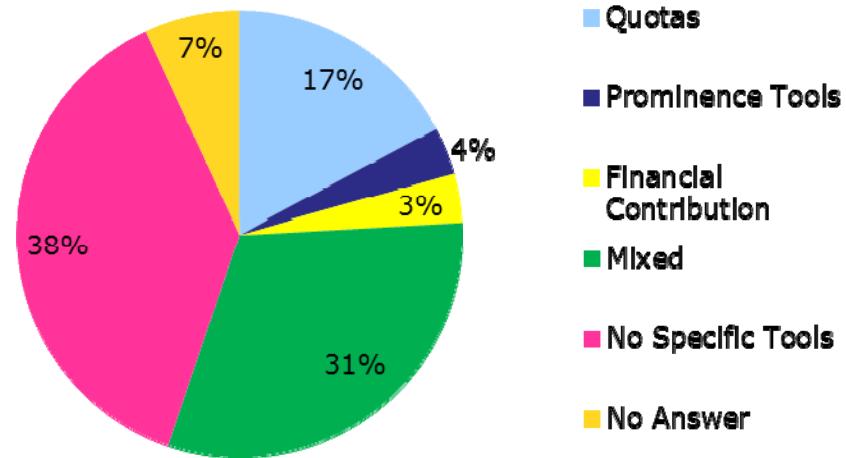
How many MS apply Prominence Tools?



How many MS apply Financial Contribution?



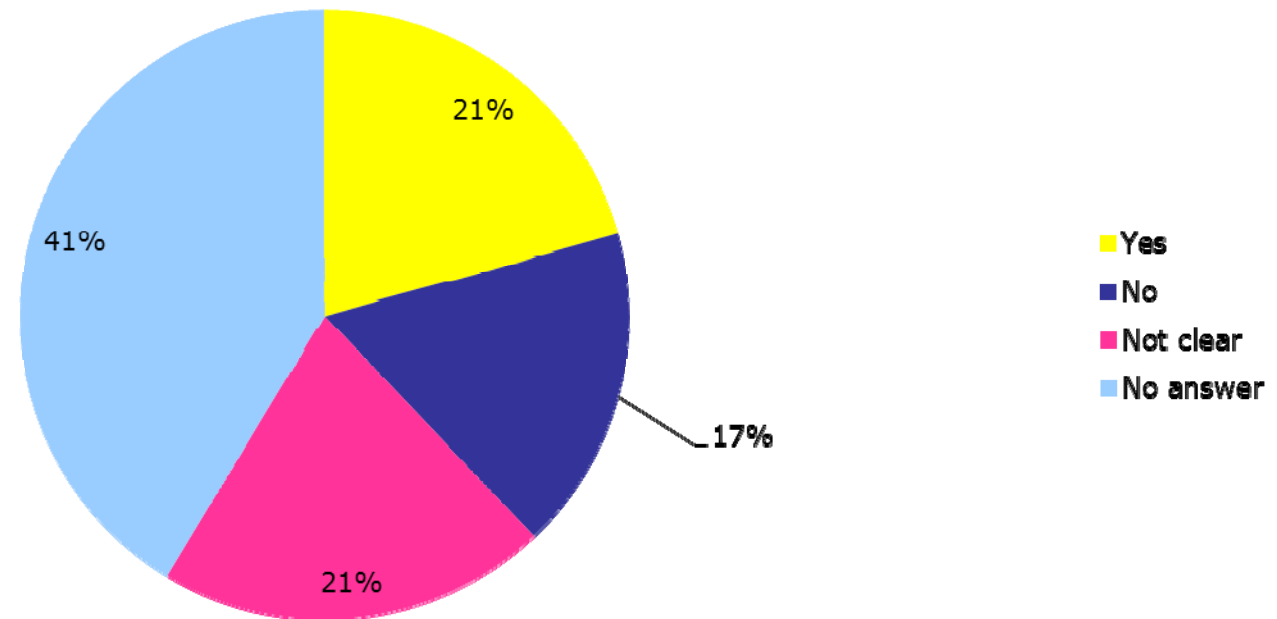
General obligations



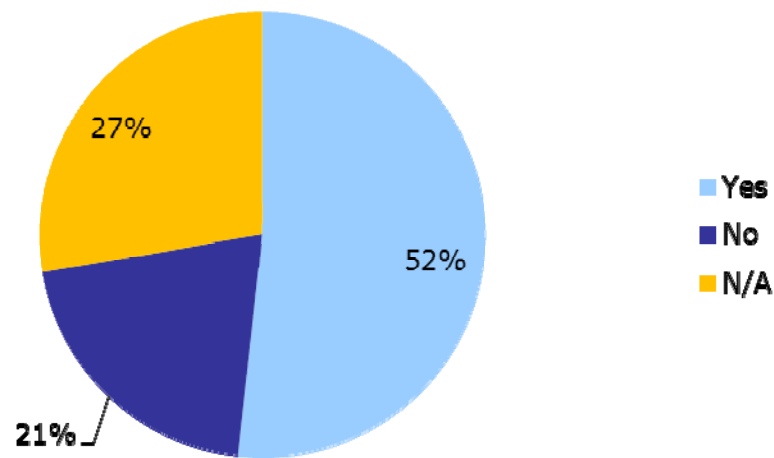
Monitoring systems

- Most common approach: VoD service providers **submit annual/periodical reports on fulfilment of obligations** to the regulatory authority
- Often a **fine** is foreseen, if obligations are not fulfilled
- Several MS report that **monitoring does not yet take place / will only take place in the near future** (reasons: still nascent markets, weak economic situation of service providers)

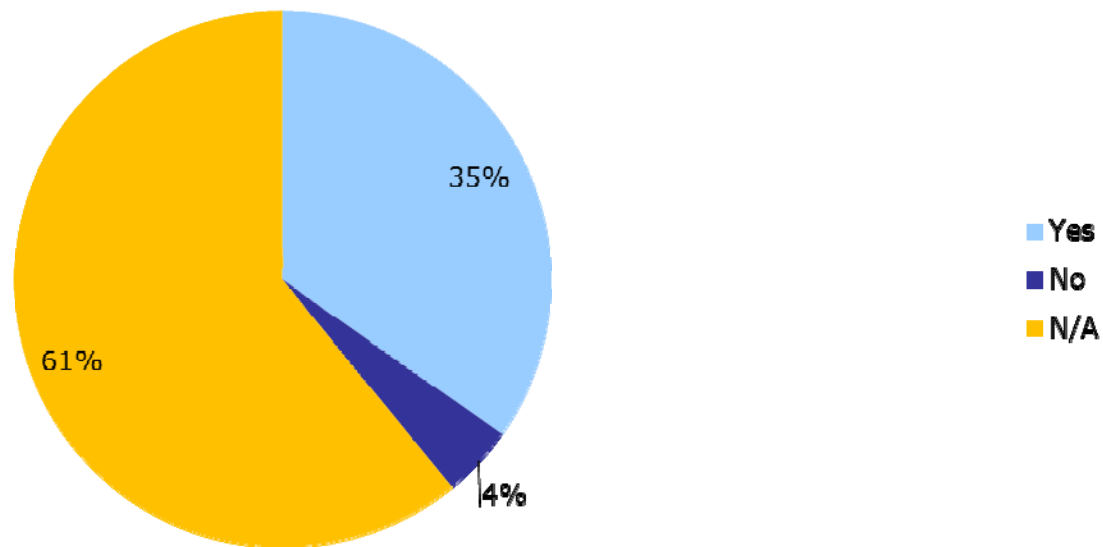
Are there special difficulties regarding monitoring?



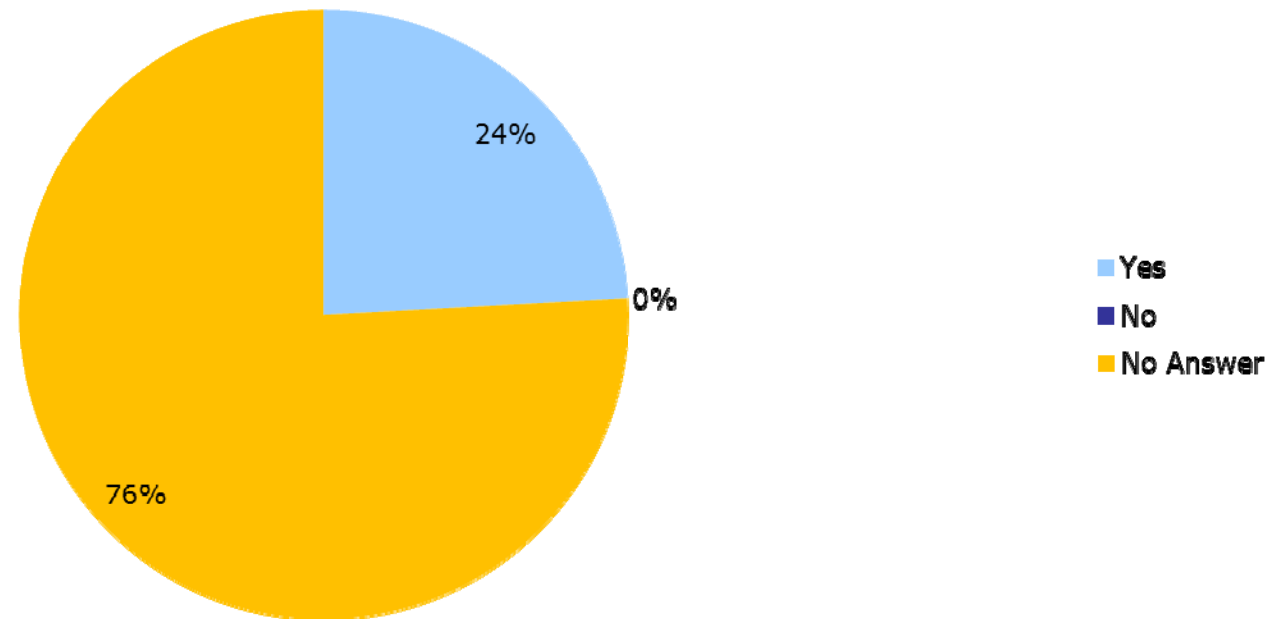
Share in the catalogue - do you monitor and measure the efficiency of such measures?



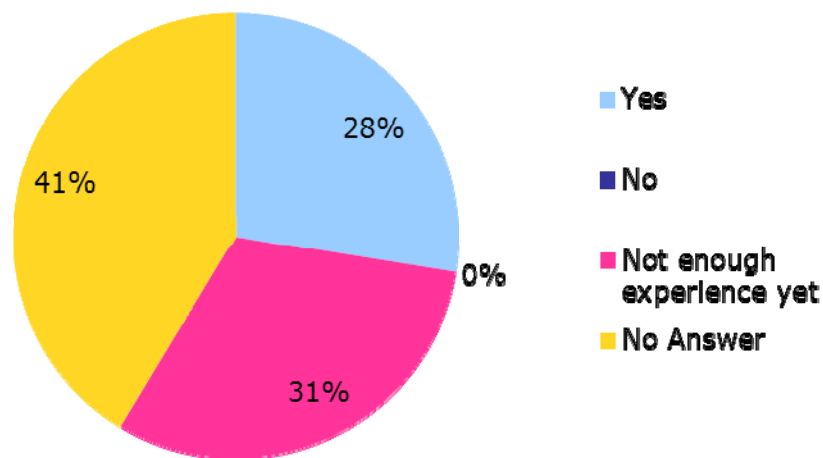
Prominence tools - do you monitor and measure the efficiency of such measures?



Financial contribution- do you monitor and measure the efficiency of such measures?



Share in the catalogue - on the basis of your experience in that field, do you consider such measures efficient?



Share in the catalogue: advantages and disadvantages

- **Less efficient than prominence tools** as large amount of European works in the catalogue **does not necessarily translate into consumption;**
- **Can hamper innovation / development of the market**
- Interferes too much into **business decisions and liberty of programming / important economic impact**
- No consideration of the receptiveness of the users
- **Not suitable** for MS with **smaller audiovisual markets**

Share in the catalogue – How could the system be improved?

- By **creating a single European database on European works** (to ascertain the accuracy of the data provided by operators)
- By **introducing new measures**, rather qualitative than quantitative (**promotion tools**)

Prominence tools: efficiency / advantages

- **Stronger effect on consumption** of European works than a share in the catalogue
- **Not too burdensome for operators** / does **not imply excessive costs** (can be well integrated within normal promotion / marketing activity of operators)
- Most appropriate tool **for smaller markets**
- Providers should be **free to choose the prominence tools to achieve the result**
- Can be **combined with requirements regarding the catalogue** itself: (e.g. having a substantial offer of European works; ensuring the diversity within EU works; maintaining works in the catalogue for extended periods)

Prominence tools: Disadvantages

- **Interference into editorial freedom**
- **Difficult to measure** impact (while some MS with such a system report that the effect of promotion tools can be measured)

Examples of prominence tools

- **Search tools: Titles searchable on the basis of the origin** of works in the catalogue
- **Special sections** in the catalogue
- **Prominence in electronic program guides** (including advertising / promotion inserts)
- **Indicating the country of origin** in the description of works
- **Recommendation tools**
- **Trailers / Short previews**
- Display on the **front page / start-up menu**
- **Tools directing users** (e.g. dedicated content on film festivals, publicity for directors and actors)

- Specific promotion campaigns / **special reductions / prices** in order to increase sales
- Promotion materials / additional information **on the website itself**
- Publicity in **publications sent to customers** about specific works
- Publicity in **linear services** for works available in the on-line catalogue
- Promotion through **e-mails / SMS** sent to customers

Prominence tools – how could the system be improved

- **Co-operation** (between EU audiovisual regulators / national film promotion/ film funding bodies)
- **More access to data / more transparency regarding data on consumption & distribution** – collected by public bodies

Financial contribution: Advantages

- The obligation to reinvest in the production of new works – for players who exploit such works – **creates a circle that contributes to European and national cultural diversity**
- Least interference into companies' entrepreneurial decisions**
- Monitoring is easier and more objective**
- Important to **give freedom to providers to choose where they want to invest**

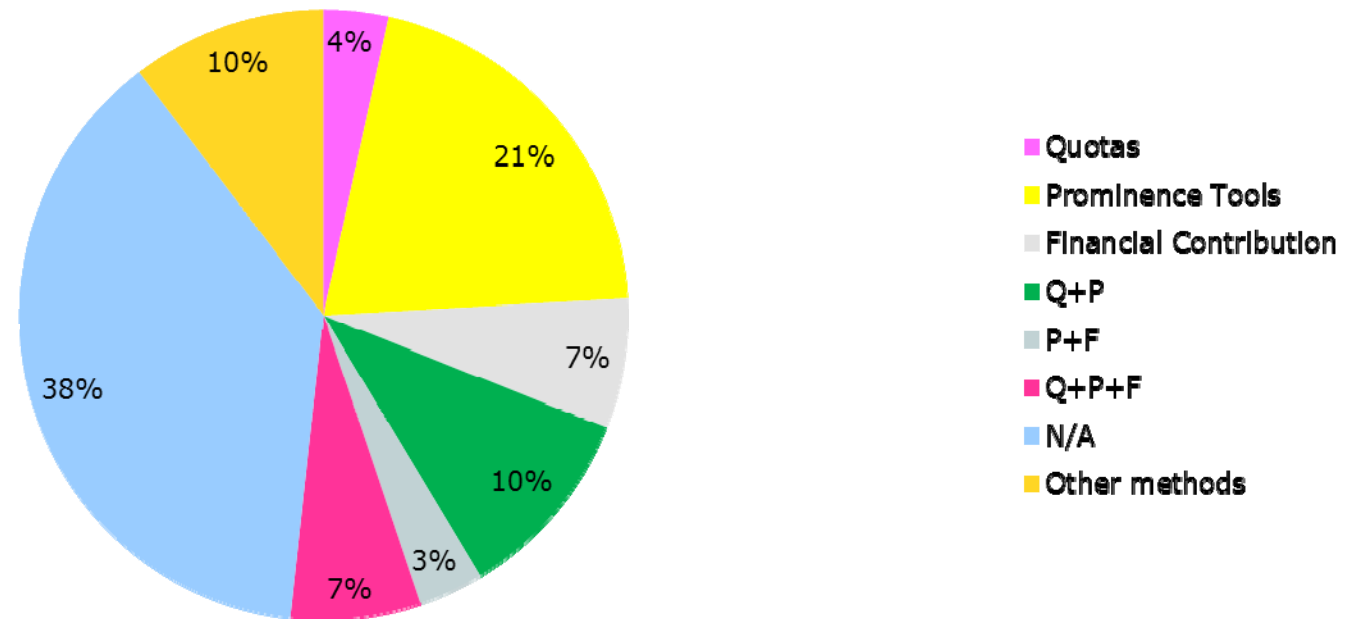
Financial contribution: Disadvantages

- **Could hamper / stop the development of this sector** at this stage of its development
- **Current market situation does not permit sufficient revenue to enable larger financial contributions**
- **Difficult for new / smaller operators**
- **Monitoring difficulties: confidential information** that operators may not want to share

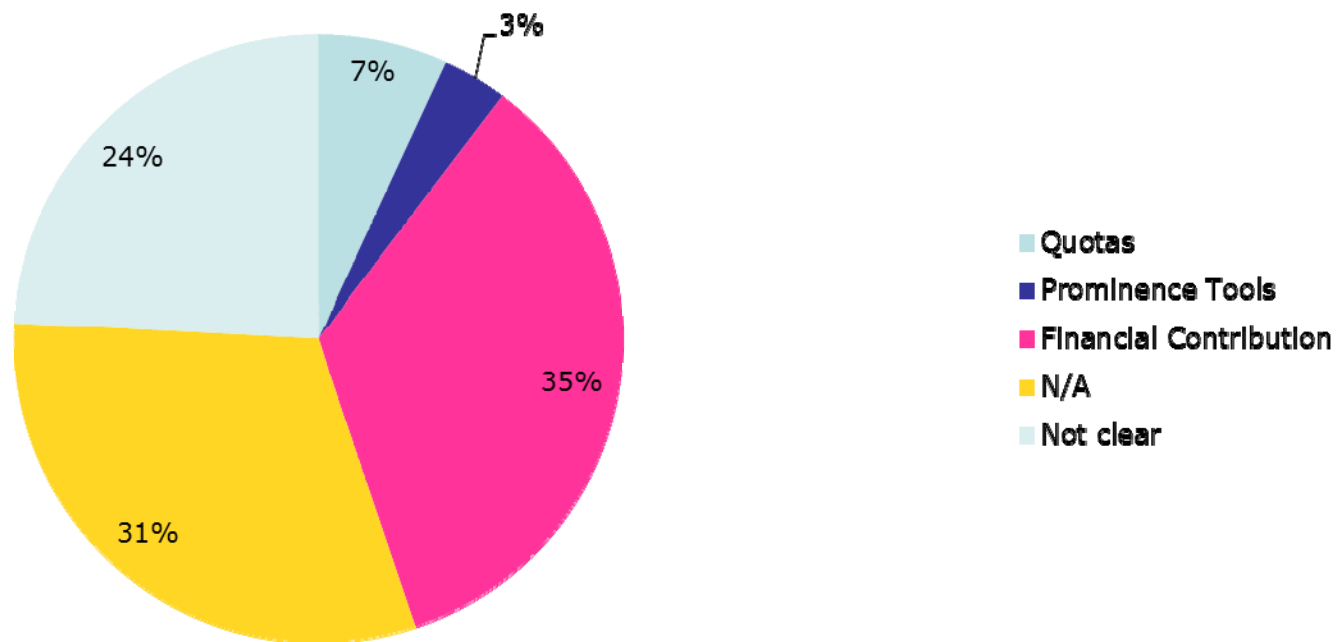
Different / Additional methods used

- Monitoring / encouragement / collection of data
- Funding for production of Swedish films and drama series financed through the **Film Agreement** between Swedish state and representatives of film and television industries. Includes State funding for the release of imported quality films. Applies to VoD services showing films and drama series.

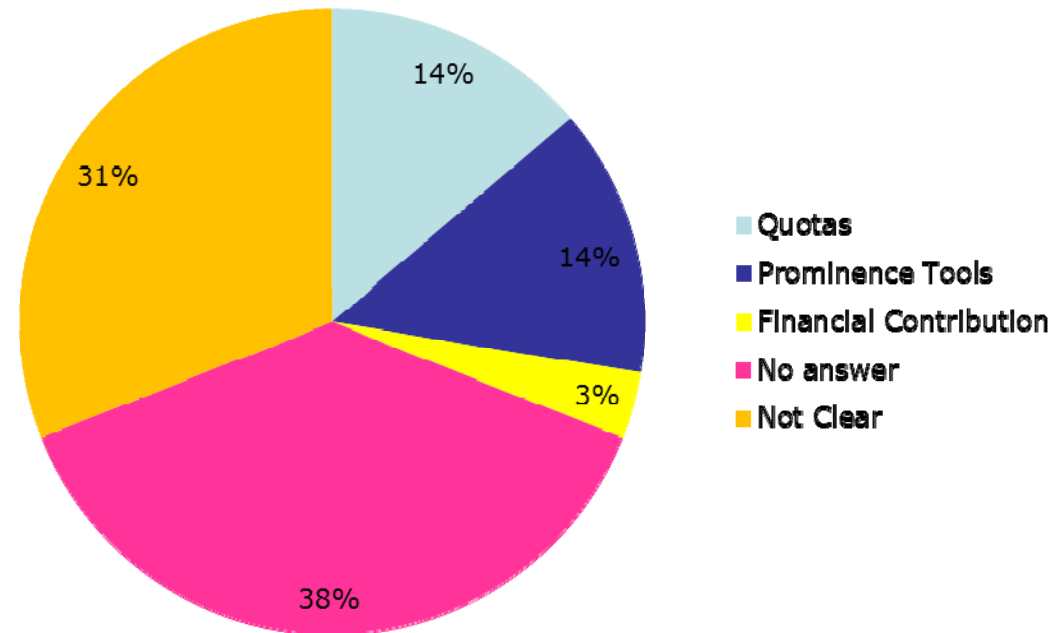
Regarding the different methods mentioned above, which of them do you consider as most efficient?



Which one of the listed three methods do you consider as most burdensome for operators?



Which one of the listed three methods imposes the lightest burden to operators?



What is the view of VoD providers regarding the obligations?

- **Monitoring obligation / Data provision** is seen as a substantial administrative burden, especially for small operators
- **Reluctance to share data about consumption of works / financial contributions** since some data have business value and are covered by **business secret**
- VoD service providers prefer **more flexible systems**
- In some MS strong **opposition from stakeholders against strict measures** (claiming that systems are **ineffective** and **burdensome**)
- Provisions are **limiting commercial freedom**
- Such obligations would have a **dampening effect on innovation and investment in VOD services**
- Interference in **editorial freedom**