



Cannes 2005 Declaration

Europe Day at the Cannes Film Festival – 17 May 2005

Declaration of the European Ministers for Audiovisual Affairs and the Member of the Commission in charge of Information Society and Media attending the 2005 Europe Day at Cannes

Meeting in response to an invitation from Viviane Reding, Member of the European Commission responsible for Information Society and Media, and Gilles Jacob, President of the Cannes Film Festival, in the presence of film industry business leaders, under the patronage of Renaud Donnedieu de Vabres, French Minister for Culture and Communication, in the presence of Jean-Louis Schiltz, President-in-office of the “Audiovisual” Council, the Ministers for Audiovisual Affairs of the European Union attending the meeting and the European Commissioner hereby declare:

1. The advent of film online offers immense opportunities for the film industry both with regard to access to new audiences and with regard to wider circulation of European films, including on international markets. Furthermore, the Internet and online television offer immense opportunities for niche markets. It also offers the possibility for film makers to reach new audiences for themselves. Audiences are often currently deprived of access to certain films – either for geographical reasons or because more artistic or experimental films have difficulty in being screened widely.
2. Film online should be seen as an additional distribution channel which will complement other parts of the value chain. The collective experience of seeing a film in a cinema will remain a privileged medium. Experience shows that the advent of television and video has not resulted in the disappearance of film in cinema theatres. On the contrary, videos, and DVD in particular, have “boosted” the public’s taste for film. Hence, film online is a new outlet that will provide additional revenue for the film industry.
3. Film online also offers immense opportunities for access providers. High quality content is a driver for the broadband industry. Moreover, illegal uploading and downloading takes up enormous amounts of bandwidth, which puts a lot strain on the ‘backbone’ of the Internet. Promoting legitimate services will ensure access providers additional revenues apart from their access services. Hence, agreements between rights holders and access providers will be beneficial to both the film industry and access providers.

4. Digital Rights Management Systems (DRMs) offer an acceptable level of security for the roll-out of legitimate services. In this context the opportunities offered by the implementation of DRMs are seen as essential: Indeed, while DRMs are essentially technologies which provide for the management of rights and payments, they can help to prevent unauthorised use and enable new business models. In general, new technologies provide means for a more effective rights management, thus helping the fight against piracy.

5. There is an urgent need for a meaningful dialogue between the film industry and the online services providers to ensure that online distribution takes place through legal supply. There are indeed risks of a disastrous loss in revenue if the market is inundated with unauthorised file sharing of films, as has been seen with music. In this respect, the Ministers and the European Commissioner welcome the organisation this afternoon of the first “European Leadership Summit on online film”.

6. The Ministers and the European Commissioner continue to support the exchange of best practices in the fight against piracy and in this respect the ‘graduated response’ to unauthorised file-sharing or downloading of films which is being advocated in a number of Member States now, is a major step forward.

7. The Ministers and the European Commissioner express their support for education programmes on the importance of intellectual property rights for the availability of content. Explaining why something is wrong is often more effective than telling people not to do something. In particular the accent should be put on the fact that illegal peer-to-peer networks involve not only downloading, but also uploading of pirated works. This new active, illegal dissemination of content deprives authors from the revenues of their work.

In conclusion, the Ministers and the European Commissioner consider useful:

- To foster agreements between rights holders and access providers;
- To facilitate the development of a European online film industry in responding in their respective areas of competence to challenges (Clearing of rights, release windows);
- To share best practices and where possible to take common action;
- To raise awareness in the public of the advantages of legitimate buying as opposed to illegal downloading;
- To consider funding mechanisms (through MEDIA 2007) for supporting the launch of European online distribution services and for encouraging the digitisation of works.
- To examine how online services can contribute to the promotion of production of original audiovisual content.
- To foster accessibility of film heritage.

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