



“Movie goes China”: Christiane Stützle and Christoph Wagner (both Hogan & Hartson Raue), director Wang Quan'an, interpreter Axel Kassing, Jun Wei and Steven N. Robinson (both Hogan & Hartson Raue)

Berlin – “If you have time and money, produce your film in China,” joked the producer Benjamin Herrmann during the event "Movie goes China" for which the international law firm Hogan & Hartson Raue invited selected industry representatives in the context of the Berlin International Film Festival.

Film production and box office on record track

China's appetite for films

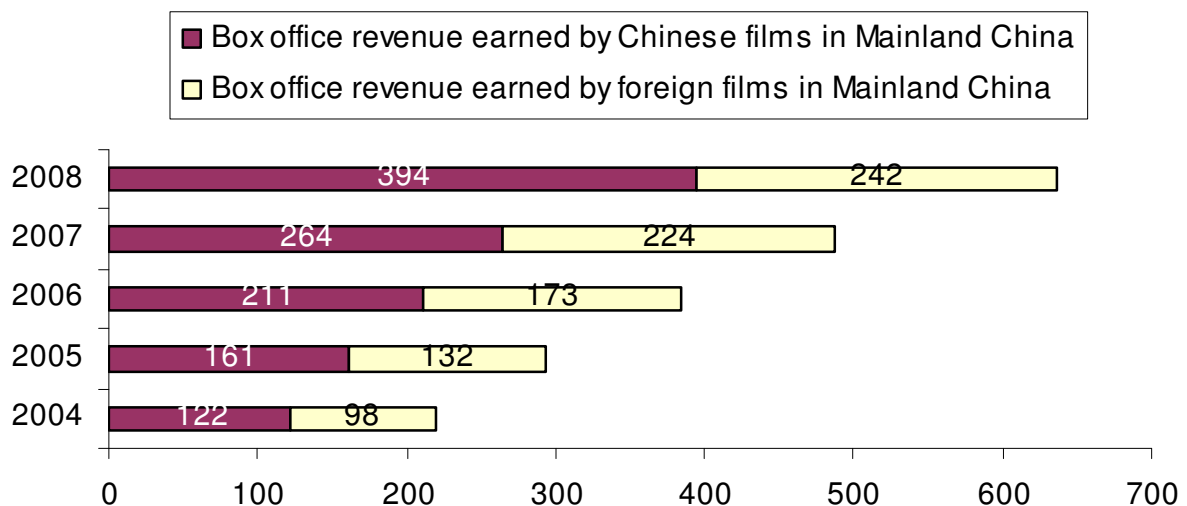
Herrmann, who produced the film "John Rabe" in China a year and a half ago provided impressive insights into the country-specific conditions which he had underestimated back then, as he admitted. For example, it is nearly impossible in China to get permission to shoot scenes on public streets or other public places since such scenes are usually shot in the studio. The most prominent speaker of the event was the director Wang Quan'an whose film "Tuan Yuan" opened the Berlinale. The filmmaker talked about the role of the Auteur Cinema in China.

The country has an enormous demand as regards movies and is therefore also of interest to Western producers. In 2008, there were only 4,097 screens and 1,545 movie theaters of which only 800 were suitable for 3D films for more than one billion Chinese. The Germans in comparison are able to choose from more than 1,700 venues. This is why film production in China has, so far, only played a minor role economically. According to Jun Wei, a partner at Hogan & Hartson Raue in Beijing, only 88 productions were realized in 2001. Output increased significantly in the following years and in 2008 already 460 feature films were produced. And, accordingly, box office revenues increased: While in 2004 box office revenues amounted to the equivalent of only Euro 161 million, last year Chinese box office revenues swelled to the equivalent of approximately Euro 667 million. It is worth noting that the share of foreign productions in box office revenues is decreasing while at the same time Chinese films or co-productions are attracting more viewers (cf. table).

Miao Xiathian, vice president of the state institution China Film Coproduction Corporation (CFCC) presented the specifics of China as a co-production partner. In order to protect local

productions, there is a limitation on foreign productions: only 20 foreign feature films may be released in Chinese movie theaters annually with the sole exception of co-productions which are not subject to this limitation. Another barrier is the state-owned censorship authority State Administration of Radio, Film and Television (SARFT) which has to approve each film. Last year this authority refused to provide its permission for three films. Those who would like to produce in China need a local partner who files an application with the CFCC. First of all, the CFCC checks if the formal requirements are met. For example, it is necessary that at least one third of the main cast is Chinese. Only then does the SARFT review the project and grant the shooting permission, provided that the results of the examination are positive. Usually, there are two production models used in China, the joint production, the procedure which is used most and where the foreign partner also provides artistic input, and the assisted production model which is mainly a financial participation. Foreign box office blockbusters in 2009 were “2012” with box office revenues of the equivalent of approximately Euro 50 million, followed by “Transformers” with Euro 46.2 million. The market share of foreign films in the box office revenues amounted to 40 percent last year.

Box office revenues of the Chinese movie picture market



China has an enormous demand as regards movies. The importance of box office revenues of local productions is increasing compared to that of Hollywood films.