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**MASTER DEGREE THESIS**

**CULTURAL AND COMMERCIAL ASPECTS OF FILM FESTIVALS-THE CASE  
OF INTERNATIONAL FILM FESTIVAL OF INDIA (IFFI)**

**NEW DELHI, OCT 2006**

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*Author's Statement*

**I, Rajeev Kumar Jain hereby certify to be the author of this Master's Degree thesis, which was written under mentorship of Dr. Tanja Mihalic and in compliance with the Act of Author's and Related Rights - Para. 1, Article 21. I herewith agree this thesis to be published on the website pages of ICPE and the Faculty of Economics.**

**New Delhi, Dated Sep 30, 2006**

**Signature.....**

## **Acknowledgement**

As part of my civil services career I had the opportunity of serving in the Directorate of Film Festivals (DFF) during the late 90's. I was associated with organizing three International Film Festivals of India (IFFI) and looked after Indian Panorama, Retrospectives, Media, Hospitality and Guest Relations besides coordinating other functions of the festival.

The insight I gained during my tenure in the DFF immensely helped me in understanding the managerial, organizational and financial aspects of a film festival and provided an opportunity for looking at Festivals as a socio-cultural business project. My interaction with many of the International film directors from Europe, Asia and South America made me aware of the challenges that lie ahead for the Indian Film Festival especially in the years to come mainly due to declining State support.

While choosing the topic of my thesis, I decided to use my knowledge of the film festival by benchmarking IFFI with Berlin, Cannes and other International Film Festivals to arrive at some workable recommendations for evolving a successful model in the Indian Film Festival. I am thankful to my mentor, Dr. Tanja Mihalik who guided me in selecting "Benchmarking" as a research method for my thesis. She also went through my drafts many times and guided me in evolving a suitable structure for the thesis besides motivating me to research into areas which I would not have perhaps attempted.

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## **Abbreviations/Terminology**

3D	Three Dimensional
ABCL	Amitabh Bachchan Corporation Limited (film company in India)
AIR	All India Radio; the official radio channel in India
ARR	Average Room Rate (term used in hospitality industry)
ASAC	Historic Archives of Contemporary Arts
B2B	Business-to-Business Marketing
CII	Confederation of Indian Industries
CFSI	Children's Film Society of India; an autonomous Society of the Ministry of Information & Broadcasting, Government of India
CoW	Cinema of the World –the main section of IFFI
DD	Doordarshan; Indian government owned television
DFF	Directorate of Film Festival
DVD	Digital Video Disc
ECFF	European Coordination of Film Festivals
EEIG	European Economic Interest Grouping
EFM	European Film Market
EFP	European Film Promotion
EIFF	Edinburgh International Film Festival
ET	Extra Terrestrial (Movie)
FIAPF	Federation International de producteurs de Films (International Federation of Film Producers)
FICCI Industry	Federation of Indian Chamber of Commerce and
FFI	Film Federation of India
FII	Foreign Institutional Investors
FM Channels	Frequency Modulation



GDP	Gross Domestic Product
IFFI	International Film Festival of India
IMF	International Monetary Fund
INR	Indian Rupee
IT	Information Technology
KBB	Kulturveranstaltungen des Bundes in Berlin (Cultural Events of Germany on Berlin) relating to surveying and assessing markets and opportunities
KSCA	Kerela State Chalachitra Academy
LIFFe	Ljubljana International Film Festival
MIFF	Mumbai International Film Festival
MEA	Ministry of External Affairs, Government of India
NETPAC	Network for Promotion of Asian Cinema
OECD	Organisation for Economic Cooperation and Development
PPP	Pusan Promotion Plan – a scheme for promotion of Korean and Asian Cinema
SWOT	Strengths Weaknesses Opportunities Threats
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UP	Uttar Pradesh (A state in North India)
USA	Unites States of America
USP	Unique Selling Proposition
USSR	Union of the Soviet Socialist Republics
WTO	World Trade Organisation

bn	billion
crore (cr)	1 crore = 10 million
m	million
Rs	Rupees (Indian currency \$ 1 = Rs 47 approximately)

## **Chapter 1**

### **Introduction**

Entertainment Industry has been growing at a phenomenal pace all over the world more so during the past few decades. The evolving media technologies aided by computer aided software and convergence technologies, a massive push from American, European and Asian companies have made it one of the fastest growing sectors in the world. The Indian Entertainment Industry is poised for rapid growth on account of two main drivers: a strong demand for quality entertainment from ever increasing young urbanised Indians who have now instant access to the information on best entertainment products available all over the world and the development of a huge supply base of entertainment related products and services which were never available earlier. As we move towards a consumption-based economy driven by increasing disposable incomes, the industry is expected to grow exponentially. The large Indian middle class of around 400 million, with high disposable incomes accompanied by significant changes in their socio-economic outlook is expected to have a positive impact on the industry. The main push has come through significant innovations in technology and the government's recognition of the importance of the sector. The stage is now set for further evolution with commercialisation of latest convergence technologies, adding a new dimension to entertainment.

The Entertainment Industry includes Film, Television, Radio, Music and a whole lot of convergence industry that is changing every day. It can broadly be divided into areas like Media Entertainment: dealing with creation such as Television software, Films, Music and other such activities; Studio Entertainment: dealing with special effects and animation created in production studios; Web Entertainment: dealing with entertainment on the Internet, which could be in the form of web casting (events or programs transmitted through the web), games played on the web; Theme-based Entertainment: involving entertainment centres that involve joy rides, water games and other themes. Some of the famous theme parks are Essel World in Mumbai, Mayajal (Pentamedia's theme park in Chennai), Disney World in Orlando, Florida, U.S, Sentosa Island in Singapore, Gardaland in Italy and Sports Entertainment – including sports complexes and sports villages etc.

The growth of Cinema as the most popular medium of entertainment is one of the significant events in the history of mankind in modern times (Oommen and Joseph, 1981, p.1). Films in India remain the most popular mode of entertainment. “Even the poor

sections of the society are ready to pay lavishly for cinema. It is this wide popularity, which has made the art of cinema a real commercial endeavour. Within a few years of the invention of the scientific mechanism of cinema it grew into a regular industry". (Oommen and Joseph, 1981, p.1). The Indian Film Industry is stated to be one of the largest in the world with 934 films produced in 2004 in 50 languages and providing direct and indirect employment to 5 million people. The film sector is one of the oldest industries in India. The first commercially successful film was made in 1913. In recent years, the Indian film industry has grown at a phenomenal pace with a huge number of multiplexes being built up in the country. The rise of smaller auditoriums is changing the entire distribution and exhibition system of Indian films. Even the storylines and financials are constantly changing and adaptations taking place keeping the audiences interests in mind. New market segments are emerging and existing ones bifurcated to expand the marketing horizons. Special purpose films are being made with regularity and stars are being created as marketing idols to reap the benefits of emerging new niche areas. Along with the film market expansion, home video market too is flourishing and the entertainment industry exploding at a phenomenal growth. The Government of India has accorded industry status to the film industry and FIIs are formulating funding mechanisms for financing films. Many large production houses are incorporating a corporate culture and there is a trend towards adopting a professional approach in producing and marketing films in India.

Regional cinema too has seen quantum jump in the number of movies made and the number of audience flocking to theatres. According to industry estimates, Hindi language films command a 40 per cent share of the Indian film market today since a large portion of the films made in India are produced in regional languages in the southern and eastern parts of India. The viewer-ship of regional films is no longer confined to specific areas as dubbing and subtitling has become too common. It is true about foreign films as well. However more films are coming from America, as the younger audience is able to relate to them far more easily than the older generation. Hollywood films are now being dubbed in local Indian languages and screened in cinema theatres. The dubbing industry has grown at a phenomenal pace over the last five years.

Film producing centres are emerging all over the country. Film cities and clusters for film related activities are being established in almost every Indian state. Beginning with Maharashtra, film clusters have come up in UP, Delhi, Andhra Pradesh, Tamil Nadu, Kerala, Karnataka and West Bengal. The emergence of digital technologies in the entertainment world has created tremendous possibilities for Indian companies, both at home and abroad. The overall entertainment industry-spend on animation and visual effects is growing with the sector likely to become one of the largest users of multimedia

technologies. A lot of India's existing multimedia and animation work is presently being done in emerging centres such as Chennai and Hyderabad. Chennai, in fact, has emerged as a major outsourcing hub of the global entertainment industry. The IT-savvy Hyderabad is also set to make it big on the animation industry front. Hyderabad has a significant presence in the Indian animation industry and in recent years, it has emerged as a major market for visual effects and 3-D animation. Not only are Indian companies doing work for local entertainment and film companies, they are also emerging as hubs for overseas companies who are outsourcing "animation" projects to the country. While the domestic market is negligible, the focus of these studios has been the international marketing, production and sourcing companies based in the US and Europe.

Films being an important component of culture, the government has been doing its bit by regularly organising Film Festivals to not only promote domestic good cinema but also showcasing the best in the world to the Indian audience. However, of late, issues relating to funding for Film Festivals has been bothering the policy makers and the possibilities for privatising or closing down the Directorate of Film Festivals (DFF) are being debated. Therefore, the survival and development of the International film festival of India (IFFI) and structuring a lasting public-private partnership is one of the biggest challenges in view of declining government financial support to the festival. One of the ignored aspects of film festivals has been the development of business aspects of a festival. So far film festivals have been functioning mainly on Governmental support both administratively and financially especially in the developing world. However, it would be a difficult task to solely survive on such a support for a long time and unless film festivals are synergised with revenue-generating models that would provide incentives for film or related corporates to 'psychologically own festivals', funding would remain a problem area. The International Film Festivals of India (IFFI) in particular has been facing dwindling financial resources for the past few years with a result that the best films are not attending the festival. The top filmmakers both in India and abroad are not motivated to participate in the festival due to a variety of reasons like non-availability of adequate financial incentives and absence of a lucrative film market.

The purpose of the thesis is to look at how best to make the International Film Festival of India (IFFI) self-sufficient financially, become an effective and efficient event for all round participation by both national and international film organizations, attract good quality films and presenters associated with them. The thesis seeks to go beyond the public face of the festival in order to bring out the serious business of both organizing the event and the profit motive that drives people to go to certain festivals and not others. While the focus of this thesis is on cultural, administrative and financial aspects of film festivals it is proposed to touch the entertainment sector, Indian and Global Film Industry

and the related aspects. It is also proposed to discuss how 'Film Festivals' operate and what is their future in the light of changing financial support models. Possible strategies for making Film Festivals self-sustaining are also proposed to be discussed. Be it mergers or acquisitions, 'public-private' partnerships have become an integral part of growth initiatives. It is proposed to have a focussed discussion on the possibility of IFFI entering into partnerships with various industry segments and finding alternative funding mechanisms for being self-sufficient in the long run. The discussion would include:

- Film Industry in India and the world
- Evolution of Film Festivals
- Selected Film Festivals in India like IFFI, Kerala and Kolkata International Film Festivals and festivals in Berlin, Cannes and Venice Film Festival
- Cultural and Commercial Aspects of Film Festivals besides possibilities of promotion of Culture & evolving Public-Private Partnerships
- Financial Aspects & Opportunities for stakeholders and the International Experiences in this regard.
- Role of government in Film Festivals with special reference to past and present IFFI's and efforts made to cooperate with Film Industry
- Benchmarking different aspects of International Film Festivals with IFFI and explore different alternatives on what can be done to make IFFI learn from International experiences.

Film festivals if run on corporate lines without sacrificing the crucial objectives of promoting national cultures can be made profitable. The need is to strategise and have long-term vision and evolve partnerships that can prove to be mutually profitable. Film festivals have to look within and wake up from a deep slumber some of them might find themselves into and realise that their true potential is yet to be achieved.

IFFI in particular has the onerous responsibility as the diverse social, political and cultural settings in a huge country like India are not found elsewhere. There is only one National festival and it has the public responsibility towards one billion Indians to bind them strongly into a strong cultural fabric without sacrificing the long-term sustainability of the festival. IFFI has to continue and how best it evolves itself is being discussed in this thesis.

## **Chapter 2**

### **Film Industry**

#### **2.1 Film Industry in India**

##### **2.1.1 History**

The Motion pictures came to India in 1896, when the Lumière Brothers' Cinematographe produced six soundless short films in Bombay (now Mumbai). This was just one year after the Lumière brothers (inventors of cinematography) had set up their company in Paris. The first Indian on record to make a movie was Harishchandra Sakharam Bhatvadekar (nickname: Save Dada). He made one short film on a wrestling match at the 'Hanging Gardens' in Bombay, and another on the playfulness of monkeys. Both these short films were made in 1897 and were publicly exhibited for the first time in 1899 using Edison's projecting kinetoscope inside a tent, which the filmmaker had himself erected. (Thoraval, 2000, pp.1-3).

India's First Feature film, named "King Harishchandra", was released in 1913. It was made by Dhundiraj Govind Phalke (nickname: Dadasaheb Phalke, 1817-1944). This was a silent movie. By 1920, filmmaking had taken the shape of an industry. The first talkie made in India was "Alam Ara" (produced by Imperial Film Company) and released in 1931. Until the 1960s, filmmaking companies, many of whom owned studios, dominated the film industry. Artistes and technicians were either their employees or were contracted on long-term basis. Since the 1960s, however, most performers went the freelance way, resulting in the emergence of a "star system" of work, which also led to huge escalations in film production costs. (Thoraval, 2000, pp.5-8).

The technology of film making in India is perhaps the best among all developing countries though the films themselves remain mostly repetitive in storyline and content. Superior movies, in thematic and creative terms, are made in many developing countries with less sophisticated technologies. According to the FICCI report on the Indian Entertainment Industry for 2002, the Indian Film Industry has an annual turnover of Rs. 40 billion (approximately US\$ 833.33 million). It employs more than 6 million people, most of whom are contract workers as opposed to regular employees. These statistics cannot however be used to calculate the movie industry's share in the GDP or employment generation. This is because a vast proportion of the turnover takes place outside the legal economy. Though India's overall entertainment industry is becoming

increasingly professional (with the rise of TV production companies), India's movie industry per se remains highly informal, personality-oriented and family-dominated.

Until the late 1990s, Indian cinema was in the unorganized sector and it was not even recognized as an industry by the Government, meaning it was not available for concessions and incentives. Even though it has since been recognized as an industry, banks and other financial institutions continue to avoid the industry due to the enormous risks involved in the business. Two banks, Canara Bank and Indian Bank, have reportedly lost heavily by financing films. However, the prospects of bank financing and risk insurance are becoming brighter, though at a slow rate.

The overall Film Industry in India is progressing towards increasing professionalism and this is expected to change the culture of the film industry sooner than we expect. Some film production companies, such as Mukta Arts, have made public share issues, thus keeping out of the world of murky financing. The Film Federation of India (FFI) is actively seeking to make film financing a viable proposition for banks. It is likely that films would also be insured to offset possible losses for banks. It is widely believed that the granting of industry status to the film industry will eventually allow overboard financing of films, though this will result in production of fewer films than at present. Moreover, stricter enforcement of copyright law will help the film industry in its fight with cable operators. Foreign entertainment companies, with steady revenue streams, can do good business if they invest in Hindi and other Indian language films. Despite high risks on a per-movie basis, the risk spreads out across a number of movies.

### **2.1.2 Corporatization of Indian Film Industry**

The Film Industry is one sector in India whose operations have always remained under cloud, mystery and suspicion. While producers dependence on underworld and hawala money (money transferred unofficially through illegal non-banking channels) for financing has always been a known fact, it's a different story that all Hindi films ultimately end with the victory of "Good" over "Evil". The Film Industry on the whole has always worked like small-scale industries in the unorganized sector. For over six decades of its existence, the industry did not produce any "Corporate Entity" worth its name. In a country like India, where sources of entertainment for the masses are limited, watching a film at a cinema hall is still considered a privilege for a majority of citizens living in rural areas. Films and their TV program offshoots, continue to be sole entertainers for common people. Besides giving employment opportunities to many thousands of people directly and indirectly involved with the film industry, films are a huge source of government receipts because of the high rate of entertainment tax. The



significance of this important industry has always remained undermined. While the bosses at the film industry have kept demanding more support from the government in terms of a policy & regulatory framework and clean money from institutions for financing, they did little work in cleaning up their balance sheets, income tax returns, disclosures and above all, incorporating their businesses. But the last few years have seen some change. The famous actor, Amitabh Bachchan popularly known as the Big B, who promoted Amitabh Bachchan Corporation Limited (ABCL), took the lead towards corporatization of film industry in India. Though still an unlisted company with shareholders and whatever its fate may be, ABCL set the example for others in film industry that things can be done in a little more organized way. Globalization, Software technology, TV programming and the music boom in India have since prompted several traditional players and industry majors to make their operations more transparent and hence corporatize. Scores of film producers, financiers, distributors and associates, have now converted their businesses into “companies” under law. Some have already raised capital from the public and are now listed at major stock exchanges, while several others propose to do the same. Besides Zee Telefilms, some others who have successfully corporatized includes music leader Tips Industries, Jitendra promoted Balaji Telefilms, Dheeraj Kumar’s Creative Eye, Sri Adhikari Brothers, RPG’s Saregama, Pritish Nandi Communications and Subhash Ghai’s Mukta Arts.

The long-term prospects for the industry look bright. Though nascent at this stage, companies promoted by serious promoters will also command a good valuation at the market. “The artistic process of film making is essentially an economic activity as well. A normal work of art, like that of a painting or sculpture, is the product of a single artist”. (Oommen and Joseph, 1981, p.37-39). While domestic and international investors have got an opportunity to invest in the sector, strong and positive signals have been sent to banks and financial institutions that the industry is changing and they may now leverage a part of their portfolio to it. The character of the Indian film industry has raised some major concerns:

1. Whether the managers will judiciously employ resources available to them
2. Whether the benefits of creation of wealth will be shared with investors and the Indian economy at large and
3. Whether new areas of growth will be identified.

It is now hoped that the ensuing restructuring and corporatization will usher in a new era in corporate India and industry will flourish by producing quality products for its audience.

### **2.1.3 Regional Film Industry**

According to the Economic Times Entertainment Report 2001-2002 after Hindi films, the Telegu film industry is perhaps the biggest, followed by the Tamil film industry in terms of revenue generation, though in number of films released, Tamil outranks Telegu. Together, they are called the “Tollywood” film industry and market size is estimated at close to Rs 15 billion (U.S. \$ 312.50 million). What sets this segment apart from the rest of the industry is its high degree of discipline. The average time for making these films is 4-9 months. The producers and directors, along with the artistes do a lot of homework before making a film. The entire script of the film is usually ready before shooting begins and the artistes know their roles clearly. Since the artistes are usually involved in filmmaking, they give continuous dates to the producers. As a result, none of the South-based artistes take up more than 2 films a year, as opposed to many Hindi artistes who make 4-6 films in a year. In this and many other ways, the Telegu and Tamil films Industry is more akin to the Hollywood style of functioning.

Most of the factors affecting the profits and cash flows of the Tamil and Telegu films are similar to those for Hindi films barring a few differences. The Tamil and Telegu films follow a model of outright sale. All artistes are paid fixed amounts and do not get a share in profits. Since films are made in tight time frames, the overall cost of making the film is substantially lower. Most of the production houses can handle more than one film at a time, which means they can cover their risks and also earn profits. Many South-based films also stress on special effects, which means that their post-production costs are higher than a normal Hindi film. One more peculiarity of the Tamil and Telegu films is the increasing proportion of integration in the industry. Ramoji Rao owns a studio and post-production facilities in Hyderabad. Artistes own many top production houses in the South. Thus, unlike the Hindi film industry, in 'A' category films, the artistes have more clout and are involved in the entire process of filmmaking. These artistes also have a substantial control on the script. Artistes like Rajnikant also control the theatres, albeit indirectly. The Tamil and Telegu industry is more integrated than the Hindi industry in many ways, with fewer players and the top players controlling the industry both in terms of value and volumes. In this respect the Tamil and Telegu film industry is similar to international film production houses. Better planning and budgeting has helped these films to keep their cost per film at much lower rates than Hindi films. In fact, hardly one or two films in these languages taken together touch a budget of Rs 200 million (U.S. \$ 4.16 million); the rest are all made for less than Rs 150 million (U.S. \$ 3.12 million).

The present shift in the industry in the way movies are financed, made, distributed, marketed and exhibited is putting a squeeze on the profit margins. The change in government policy over the last couple of years has also given films an industry status, access to institutional funding, tax-free multiplexes and 100 per cent foreign direct investment. This has encouraged companies to invest in films. With traditional film business models under strain, the industry is ready for the future. The new investors want to diversify their portfolio and make money. A de-risked portfolio and tight cost control means they can make steadier, though lower margins, of maybe 20-30 per cent. Moreover, they appeal to the new films makers, producers and professionals. The old guard, using the old and disorganized standards for making films and measuring returns, still forms the bulk of the producers releasing films. But, they seem increasingly out of sync with audience tastes and business realities.

#### **2.1.4 Major Issues Concerning the Industry**

**Lack of screening facilities:** India has around 12900 cinema screens. This leads to a serious shortage of screening facilities in India. Even the existing screens aren't technically up to the standards required. Most of them are also closing down or being converted to a multiplex or shopping malls. The economics for a multiplex works better. The success rate for movies has gone down drastically since the last year. States like Rajasthan, Maharashtra, Haryana, Uttar Pradesh and Madhya Pradesh have given tax breaks for multiplexes. Halls with smaller capacities also are better for niche films. The Government has in recognition of this fact, given tax breaks to multiplexes built in the rural areas and non-metros.

**Tax structure:** India has a very lop sided entertainment tax structure. Though tax reformers have recommended a maximum of 60% in each state, in states like Gujarat, it's as high as 100%.

**Upgradation of existing movie theatres:** The existing halls need to be renovated so that more viewers are attracted to cinema house. As per the current market trend most hall owners don't earn enough to be able to upgrade the existing theatres. The answer could be flexible ticket pricing. Black marketing of tickets is common feature whose advantage is taken by unsocial elements. A system could perhaps be introduced whereby the film industry or the theatre owners to whom it rightfully belongs derive this advantage. This can possibly be achieved by introducing the concept of flexible pricing of tickets. Theatres should be allowed to collect higher revenues for more popular movies by temporarily increasing (or decreasing in the case of a non hit movie) the ticket prices.

This would generate higher revenues for the industry, which in turn would encourage them to spend more to upgrade the standards.

Lack of adequate infrastructure for movie production: There is a serious dearth of movie production facilities in India. Most of the movies are produced at shoestring budget. Though there are adequate creative ideas, implementation is poor. The primary cause is lack of facilities. Examples like Ramoji Rao City Studio in Hyderabad, Whistling Woods from the house of Mukta Arts are recent examples of where the country is headed.

Financing In terms of volume: India produces the largest number of movies in the world, 800 on an average annually. But the Film Industry structure has been highly non-corporatised till date. It has generally been family run companies with no access to institutional finance. Finance is tapped from family friends and other sources with high rate of interest (up to 40%) being charged.

Piracy: Indian Film Industry loses about Rs. 300 crore annually to piracy. While efforts are on to curb the menace, the technological evolution is making it increasingly difficult to keep pace with the anti-piracy measures. Indian Film CDs (pirated) reach India just on or even before the official release of the movie in India. These originate outside India, mainly in Dubai where they are sent a week before the release for the Censorship Board's approval. This is the point of leak and one master copy is enough for supply all across the country. The industry is worried that while the avenues of piracy are increasing at an alarming rate and the laws are either inadequate and where they aren't, the problem is enforcement. The fines paid, when caught, are inadequate and so is the punishment. They also cite the non-cooperation of cable operators as a major handicap in their efforts to curb piracy.

The cable industry on the other hand finds it difficult to check it on its own. The nature of piracy in the entertainment industry is such that since the consumer demands the pirated product, the administration finds it difficult to check it. The cable operators cite this reason among others as to why it is difficult for them to control it. If one operator does not showcase a pirated movie, the consumer switches to the other. And since there isn't strict enforcement of the laws, there is no disincentive for anyone to stop showing such movies. The operators claim that even the film industry is not clear as to which rights are to be given to the cable operators and how to distinguish them from satellite rights of movies.

The need of the hour is thus a single platform where the stakeholders, policy makers and consumers' representatives can sit across a table and discuss solutions. The enforcement of laws has to be made stricter and where the laws are inadequate, they need to be put in place. Public campaign condemning piracy needs to be carried out. And piracy has to be made a prohibitive activity to carry out in terms of punishment.

## **2.2 World Film Industry**

### **2.2.1 Present Status**

The global production of feature films per annum is just short of 4000. The world's largest film producing nation since early 1970's has been India with a production of about 800 films a year. While the American Film Industry has established itself with a dominant presence in the global market place, it accounts for approximately only 6% of total film production in the world. Asia (including Australia) provides about 50% of world film production, Europe accounts for one third, while Latin America, Africa and the Middle East between them account for approximately one tenth. Over 100 countries have a film production industry of some sort. The Film Industry therefore can be referred to as truly global.

**Table 2.1**

#### **Worldwide Film Production**

<b>Year</b>	<b>1971</b>	<b>1981</b>	<b>1991</b>	<b>2001</b>
Films produced	3906	4211	5972	10342

Source: Internet Movie database (URL: [Http://www.berkeley.edu](http://www.berkeley.edu))

Global Film Industry is scattered all over the world. Historically the leading film producing countries have been USA, Japan and India. While France, Germany, Italy, England, Japan, Australia and China have become important film production centers, some of the countries like South Africa are making slow but encouraging progress. Cinema celebrated its centenary in 1995. During its first century of existence cinema grew from a cottage industry to become a global business enterprise, established itself as a social institution throughout most of the world and earned the status for itself as a popular art form.

### **2.2.2 American Film Industry**

After initial use of photo films and moving films, about 20 motion-picture production companies started operating in the United States by 1908. They were constantly at war with one another over business practices and patent rights, and they had begun to fear that their fragmentation would cause them to lose control of the industry to the two new sectors of distribution and exhibition. The most powerful among them—Edison, Kalem, Selig Polyscope, Lubin, the American branches of the French Star Film and Pathé Frères, and Kleine Optical, the largest domestic distributor of foreign films—therefore entered into a collusive trade agreement to ensure their continued dominance. On September 9, 1908, these companies formed the Motion Picture Patents Company (MPPC), pooling the 16 most significant U.S. patents for motion-picture technology and entering into an exclusive contract with the Eastman Kodak Company for the supply of raw film stock.

The institutionalization of American film industry started with MPPC. The MPPC, also known as the “Trust”, sought to control every segment of the industry and therefore set up a licensing system for assessing royalties. The use of its patents was granted only to licensed equipment manufacturers; film stock could be sold only to licensed producers; licensed producers and importers were required to fix rental prices at a minimum level and to set quotas for foreign footage to reduce competition; Patents Company films could be sold only to licensed distributors, who could lease them only to licensed exhibitors; and only licensed exhibitors had the right to use Patents Company projectors and rent company films. To solidify its control, in 1910—the same year in which motion-picture attendance in the United States rose to 26 million persons a week—the MPPC formed the General Film Company, which integrated the licensed distributors into a single corporate entity. Although it was clearly monopolistic in practice and intent, the MPPC helped to stabilize the American film industry during a period of unprecedented growth and change by standardizing exhibition practice, increasing the efficiency of distribution, and regularizing pricing in all three sectors. Its collusive nature, however, provoked a reaction that ultimately destroyed it.

In a sense, the MPPC's efforts to eliminate competition merely fostered it. However from the beginning itself there was widespread resistance to the Patents Company by independent distributors and exhibitors and in January 1909 they formed their own trade association, the Independent Film Protective Association, which was again reorganized as the National Independent Moving Picture Alliance, to provide financial and legal support against the Trust. A more effective and powerful anti-Trust organization was the Motion Picture Distributing and Sales Company, which began

operation in May 1910 and which eventually came to serve 47 exchanges in 27 cities. For nearly two years, independents were able to present a united front through the Sales Company, which finally split into two rival camps in the spring of 1912 (the Mutual Film Corporation and the Universal Film Manufacturing Company).

By imitating Patents Company practices of joining forces and licensing, the early independents were able to compete effectively against the Trust in its first three years of operation, netting about 40 percent of all American film business. In fact, their product, the one-reel short, and their mode of operation were initially fundamentally the same as the MPPC's. The independents later revolutionized the industry, however, by adopting the multiple-reel film as their basic product, a move that caused the MPPC to embrace the one-reeler with a vengeance, hastening its own demise.

The first World War however left a decisive impact on the International Film Industry. The economic devastation on European countries left their film industries in a much weaker position by 1918 compared to the strength they enjoyed till 1914. This created circumstances where the American Film Industry assumed the dominant position in the world market that it has maintained ever since. The war also disrupted the free flow of films across national boundaries that existed so far. Some countries like Russia and Germany were partially or completely isolated from film imports. Further, the financial center for film Industry shifted from Europe to America. In 1914 the majority of international trade in film was conducted through London, by 1917, by New York had become the center of world distribution. The shift can be attributed to a variety of factors like increased cost of raw stock, imposition of tariff on luxury goods and shipping losses due to submarine warfare. The industry for which California has been most popularly known is that of movies and television, centered in and on Hollywood. The pioneers of the motion-picture industry found southern California extremely well suited to their needs of maximum sunshine, mild temperatures, varied terrain, and a labour market.

The 1920s, '30s, and '40s saw Hollywood as the center of a movie industry with a worldwide market. The theatre owners however found that the people were staying home to see anything on television in preference to going out to the motion-picture house. At about the same time, a series of court decisions judged the major producing companies to be trusts in restraint of trade. Although new techniques such as the wide screen, richer colour, new lenses, and stereophonic sound were introduced, serious losses were suffered by the industry. Major studios began to sell their film backlogs and to sell or lease their facilities to television concerns. Some studios, such as Universal, became mammoth television producers. The presence of thousands of technically skilled artisans in the Hollywood area, as well as vast amounts of equipment, make it unlikely that the

entertainment industry will ever be completely uprooted. The industry has however come of age now and some of the biggest film companies are now based in US.

### **2.2.3 Europe**

Several attempts were made to create a European identity and 'Film Europe' efforts were made to create 'European films' which will no longer be French, British, Italian or German films. The movement however failed, as it remained a largely uncoordinated effort. Even a formal trade body like MPAA could not be established. A trend that European film makers have increasingly adopted has been that of International co-production where finance is shared between investors in several countries. For big films this has almost become an economic necessity. Since the late 1980's, the European union has supported co-productions through its media initiatives. The investments in 'European films' is both a political and cultural issue. The dream that the single European market might inturn lead to a pan-European film industry that would rival Hollywood in the global market place. Perhaps the most significant trend in European film making during recent decades has been the emergence of a style of 'Eurofilm' that represents a return to the sort of 'quality' cinema once so despised by the young generation. Many of the successful European films of recent decades have been a sort of middle-kind that falls between mainstream genres and art cinema. Some of the European film industries like British, French and Russian are discussed below: -

### **2.2.4 British Film Industry**

England's contributions to motion pictures date from the experiments with cinematography by William Friese-Greene in the late 19th century, but, because Britain presented a natural market for American English-language films, the British film industry was slow in developing. The Cinematograph Film Act of 1927 required that an escalating percentage of films shown in Britain be made domestically; as a result, during the 1930s there was a dramatic increase in British productions and the emergence of "quota quickies," films made in England with Hollywood control and financing. During this period Alfred Hitchcock emerged as England's first great film director with early classics such as *The Thirty-nine Steps* (1935) and *Sabotage* (1936).

In the 1940s and early '50s a series of social comedies made by Ealing Studios, including films such as *Kind Hearts* and *Coronets* and *Passport to Pimlico*, brought further international acclaim to the British film industry. The Pinewood and Elstree movie studios also produced dozens of films, from low-budget horror films to the avant-garde work of Richard Lester. In contrast to the lavish films of David Lean and Michael



Powell from this period, a movement of social-realist films emerged in the 1960s; rooted in the Free Cinema documentary movement and borrowing from the Angry Young Men school of British literature and drama, films by directors such as Lindsay Anderson, Karel Reisz, and Tony Richardson kept alive a British film industry that was increasingly becoming a satellite of the United States, which provided much of the funding for “English” films such as the James Bond series.

In the 1980s the productions of David Puttnam and the collaborations of Ismail Merchant and James Ivory led a resurgence of British moviemaking, which has continued into the 21st century with the quintessentially English films of Hugh Hudson, Kenneth Branagh, Mike Leigh, Ken Loach, and Guy Ritchie. In addition, Nick Park's pioneering animated shorts and feature films, such as the Wallace and Gromit series and *Chicken Run* (2000), have garnered international renown. The nearness of film studios to the London stage allows directors and actors to pursue careers in both mediums to an extent unknown in the United States. Active Film Council, that works with the public and private sectors to ensure the viability of the English film industry, supports their work.

### **2.2.5 French Film Industry**

French films, which get most of the country's \$517m subsidy to the audio-visual industries, have reckoned for many years to take between a third and 40% of the domestic market. But, according to the Center National du Cinema in Paris, their share has fallen substantially. “Titanic” was partly responsible, but French filmmakers cannot blame all their problems on Leonardo DiCaprio.

French cinema is not the only victim. American films swept the globe in recent years. Despite economic difficulties in Asia and Latin America, American movies' box-office receipts were up by 17%. Nor was this just a “Titanic” wave. According to the list of 1998's most successful movies put together by *Variety* magazine, American films took the top 39 places: Britain's “The Full Monty” came in at number 40. In 1997, there were four non-American films in the top 25. German films took less than 10% of their domestic market, down from 15% in 1996 and 17% in 1997.

Along with the multiplexes has come the return of the blockbuster. Hollywood increasingly spends its money on “event” movies—such as “Titanic” and “Star Wars” sequel. These movies are made with budgets beyond the Europeans' wildest dreams. Some, such as “Godzilla”, fail; but the ones that work pull in audiences of a size nobody has seen for two decades. However multiplexes, it seems, tend to show more American movies. This has surprised people in the industry, who expected that the extra screens

would cater to those who like art films and other European specialities. The studios' spending on marketing has leapt and the marketing campaigns now often start six months before a movie's release.

Other challenges facing the film industry are video piracy and blatant violation of copyrights by unscrupulous elements. Falling theatre attendance has also posed a problem worldwide. Hollywood has been coping with falling attendance since 1940's. A popular response was to look for strategic tie ups with mergers and key integrations. However perceptible improvements were seen when Hollywood responded to the changing social composition of the cinema audience.

Because American movies are working so well abroad, the International box-office accounts for more of the studios' total receipts. During 1998, foreign takings were almost exactly level with domestic ones: 15 years ago, they were half as big. This shift has pushed the studios towards spending more money selling their films abroad, and is also encouraging them to make more of those rootless "Titanic"-style movies, free of geography, culture or humour, that play as well in Prague as in Peoria.

#### **2.2.6 Russian Film Industry**

A new and forward-looking Russian film industry has also been crackling into life. As recently as 1996 the industry seemed on the verge of extinction. The average Russian went to the cinema 14 times in 1990 and 0.4 times in 1996, which means that most Russians never went at all. But 1996 was the breakthrough year for a new generation of filmmakers who began offering films that revelled in the themes of post-Soviet life. Theirs were cheap, gritty dramas full of bandits, bankers and Chechen war veterans. Audiences lapped them up.

In 1997, the most popular Russian film was "Brat" ("Brother"). Made by Alexei Balabanov on a budget of \$500,000, it tells the story of a village boy who goes to live with his brother, a hit man, in St Petersburg and who gets drawn into his brother's milieu. Perhaps the most talked-about film of the past winter has been "Schizophrenia" by Viktor Sergeev, a political thriller about a Kremlin-backed plot to murder a troublesome banker—a fanciful premise with just enough real-life echoes to perturb.

#### **2.2.7 South African Film Industry**

The South African Film Industry has been evolving and progressing through a process of fragmentation, identity crises and Unification. Film and video are regarded as

vital in South Africa's transition. Amongst others, film and video can foster a stable, democratic and united society. However, the South African film industry cannot fulfil this role at present due to fragmentation and consequently an identity crisis. The industry therefore needs to change (Botha, 1992, p.12-14).

As we move towards a democratic dispensation we must ensure that our cinema is able to cross over all historically created divisions as a profound, entertaining and liberating medium of mass communication (Botha, 1992, p.90). One can argue that film is an important part of the cultural domain in any country, but particularly so in South Africa where social change depends on the quality of communication in the society. Communication is one of the cornerstones of democracy, and film and video can make an important contribution to the democratization and development that need to take place within this society. Film and video can be effectively used in intensive educative and informative campaigns in respect of political tolerance and the workings of democracy, as well as health issues. In a population with high illiteracy levels, films and videos can be circulated through cinemas and television, and especially through a network of mobile video vans in rural areas that have no access to television or cinemas. Mobile video vans were, for example, successfully used during the Namibian transition. In addition, as forms of popular fiction, films and videos such as *Taxi to Soweto* can explore the changes taking place in South Africa in a way that helps people to make sense of these dramatic changes.

The apartheid policy as well as state-subsidized film structures has contributed to the severe fragmentation of South African film industry. Since 1956 and the introduction of a regulated subsidy system, government and big business have collaborated to manipulate cinema in South Africa. However, it was initially a cinema for whites only, and predominantly Afrikaans. Of the 60 films made between 1956 and 1962, 43 were in Afrikaans. Four were bilingual and the remaining 13 were English. The subsidy system rewarded box-office success. Once a film had earned a specific amount of money at the box-office, it qualified for the subsidy, which paid back a percentage of costs. This percentage was initially higher for Afrikaans films than for English productions. It is therefore evident that the government of the day realized the potential influence this Afrikaner-dominated industry would have on the growth and spread of the Afrikaans language. The white Afrikaans audience for the local cinema was relatively large and very stable, guaranteeing nearly every Afrikaans film a long enough run to break even as long as it provided light entertainment and dealt with Afrikaner reality and beliefs.

Most Afrikaans films communicated by means of obsolete symbols that had little intercultural communication value. They painted a one-sided and stereotypical portrait of

the Afrikaner, leading to a misconception about who and what the Afrikaner was. Furthermore, the negative portrayal of blacks as a servant class in these films is a visual symbol of the deep-seated apartheid ideology. The Afrikaans film, with a few exceptions including television dramas and series, stagnated during the past three decades and even disappeared in the 1980s. Another contributor to the fragmentation of the National Film Industry was the creation of a so-called Bantu Film Industry during the 1970s. This boost to “black” films resulted in the making of a large number of shoddy films in ethnic languages that were screened in churches, schools and community and beer halls. It was contrary to government policy to allow black cinemas in the urban “white” areas, as this would concede the citizenship of urban blacks. At this stage, black and white audiences were treated differently. The audiences were separated, each with its own set of rules and operations, films and theatres. Any film that managed to be made which in any way reflected the South African society in turmoil, was banned by the state, or received no distribution whatsoever, and thus did not qualify for any film subsidy. A true national film industry did not therefore develop through the Bantu film industry; chiefly whites made only a few inferior paternalistic films for blacks.

Since the late 1970s and the early 1980s a group of film and video producers who were not affiliated to the established film companies in the mainstream industry, made films about the realities of the majority of South Africans. Most of the films were shown at film festivals, universities, church halls, trade union offices and the private homes of interested parties. Most of the films experienced censorship problems during the State of Emergency. The films had small budgets and were either financed by the producers themselves, by progressive organizations or with the assistance of the tax benefit system of the 1980s. The films were chiefly the product of two groups that emerged jointly: a group of white university students opposed to apartheid, and black workers who yearned for a film form using indigenous imagery that would portray their reality in South Africa, that would give them a voice and space in local films.

This remarkable process of intercultural communication led to a mass movement of workers, students and members of youth, sport and church organizations who united in their opposition to apartheid. The production of audio-visual material forms of communication that required specialized production skills and money not necessarily found in the black worker class, was a further indication of the process of intercultural communication that was taking place. Together with numerous documentaries, community videos and the rise of short fiction and animation film making, full-length films such as *Mapantsula* marked the beginning of a new, critical South African cinema. It is from these films that the symbols and iconography of a national film industry can be

drawn, rather than from the diversions produced by the Afrikaans cinema, the Bantu film industry and the tax shelter films.

Approximately 944 features were made in South Africa in the period 1979 to 1991, as well as nearly 998 documentaries and several hundred short films and videos (Botha, 1992, p.17). Although most of the features were of mediocre value, at least 20 to 30 remarkable indigenous local feature films were made.

## **Chapter 3**

### **Film Festivals**

#### **3.1 Evolution of Film Festival**

Film festivals are events normally sponsored by national or local governments, industry, service organizations, experimental film groups, or individual promoters, and provide an opportunity for filmmakers, distributors, critics, and other interested persons to attend film showings and meet to discuss current artistic developments in films. At the festivals, distributors can purchase films that they think can be marketed successfully in their own countries.

Film festivals provide a forum for promotion and recognition of artistic achievements of national film industries. The first festival was founded at Venice in 1932. It remained unique until after World War II, when the festival at Cannes (France) was founded, and film festivals began to assume their modern-day importance. Since World War II, film festivals have contributed significantly to the development of the motion-picture industry in many countries. Different film writers have explained utility of film festivals in different manners. These have been explained from the perspective of audiences where the audiences can view and ‘enjoy a wide range of films they would normally not see in the cinema’ (Chris Jones, 1996, p.261). Film festivals have been explained, “as a collective force in national and international film exhibition, film festivals have an unprecedented opportunity” (Christian Gaines, 2005, p.2).

Struggling nations, rebuilding their shattered film industries, saw in festivals a chance for world recognition. The growing interest everywhere in film imports made the festivals an international marketplace for distributors. Probably the best known and most noteworthy of the hundreds of film festivals is held each spring in Cannes, France. Since 1947, people interested in films have gathered in this small resort town to attend official and unofficial showings of films. Festivals were also initiated at Berlin, Moscow, Karlovy Vary (Czech), London, Toronto, San Francisco, Chicago, and New York City. Other important festivals are held in Ouagadougou (Burkina Faso), Park City (Utah, U.S.), Hong Kong, Belo Horizonte (Brazil) and Venice. Short subjects and documentaries receive special attention at gatherings in Edinburgh, Mannheim and Oberhausen (both in Germany), and Tours (France). Some festivals feature films, of one country, and since the late 1960s there have been special festivals for student filmmakers. Others are highly specialized, such as those that feature only underwater photography or those that deal with specific subjects, such as mountain climbing and wildlife etc.

Through the early 1960s the American film industry remained wary of festivals; films that won festival awards did not necessarily do well at the box office, though a poor reaction at a festival might reduce the audience for a serious film. After 1965, however, distributor attitudes changed as investments increased in films for specialized audiences, particularly in “foreign” films backed by American companies, and favourable critical acclaim became a vital promotional aid. New festivals in Telluride, Colorado, and Park City, Utah (the Sundance Film Festival organized by the Sundance Institute founded by Robert Redford), took a pivotal role in the success of independent films since the 1970s. Interest in the festivals persisted, and they continued to increase in number and in size. By the early 21st century there were more than 700 film festivals which are scheduled annually across the globe.

Film festivals serve several functions. When Robert Kesten decided to create a film festival in 1999 for the Fairfield County, Connecticut and Westchester area, he wanted something that was geared to the general public, had a local connection and wasn't already duplicated in other parts of the country. He focused on directors and named the event, “the Director's View Film Festival”, to honour directors who have raised the artistic level of films and influenced other filmmakers. (Kalinowski, Gail, 2003, p.2)

Festivals provide a platform where the producers and distributors can exchange ideas, view films, and sign contracts. For example, the phenomenon of the international co-production, so important to European cinema, arose at the Cannes festivals during the 1940s. Festivals also provide an opportunity for fans to see popular stars and other celebrities. A further function of film festivals has been to provide a cultural rendezvous for those interested in the art and influence of the movies. Festivals often showcase new films or movements like the Venice festivals of the early 1950s which introduced the stunning accomplishments of the Japanese film industry, which had been previously unknown in the West. At other times, festivals are sites of artistic and political contention. At the Cannes festivals of 1958 and 1959, for example, advocates and opponents of the French New Wave heatedly exchanged diatribes and manifestos. A decade later several key new wave directors, most notably Truffaut and Godard, helped close the festival to protest government policies during the events of May 1968. The Venice film festival, generally deemed more serious and less commercial than Cannes, ceased its juried competition from 1969 to 1979 because of political strife.

Festivals sometimes take shape of a competition. Strictly speaking, the best known of all competitions, the ‘Academy Awards’ does not take place at a festival at all.

However to call it only competition would also be wrong as festival also means celebrating cinema at one place and the 'Academy awards' does exactly that. The American industry, with its overwhelming control of the world's screens, long had virtually no interest in film awards except for the awards voted each year since 1929 by the Academy of Motion Picture, Arts and Sciences. The Academy, which represents various artistic and technical disciplines, originally intended its annual awards as modest peer-group citations within the tightly knit Hollywood industry. After media coverage created widespread interest, however, there was an increase in box-office revenues for winning films, and the Academy Awards, or "Oscars", became valuable in merchandising. The prestige of the academy's artistic judgments, however, has failed to keep pace with its economic power. Serious students of film tend to place more credence in the awards of the New York Film Critics Circle (founded in 1935) and the National Society of Film Critics (1966), as well as in the oldest U.S. reviewing organization, the National Board of Review of Motion Pictures.

FIAPF (International Federation of Film producers Associations) with 31 member associations from 25 of the leading audio-visual production countries is the only organization of film and television producers with a global reach. FIAPF's mandate is to represent the economic, legal and regulatory interests, which film and TV production industries in four continents have in common. As an advocate for producers, FIAPF helps formulate policies and coordinate political action in these key areas:

- Copyright and related intellectual property rights' legislation
- Enforcement of IPR legislation and anti-piracy action
- Deployment of digital technologies and their impact on the audio-visual value chain
- Technology standardization process
- Media regulation
- Private and public sector film financing mechanisms
- Trade-related issues

FIAPF is also a regulator of International Film Festivals, including some of the world's most significant ones. FIAPF 'International Film Festivals' Regulations are a trust contract between the film business and the festivals that depend on their cooperation for their prestige and economic impact. FIAPF's governance is provided by its General Assembly, which sits twice yearly, in May and December. General Assembly members are elected from the membership. The General Assembly also appoints the 12-strong FIAPF Executive Committee, which meets as often as strategic and policy-planning



needs may require. FIAPF's role as a regulator of International Film Festivals is to facilitate the job of the producers, sales agents and distributors in the management of their relationships with the festivals.

FIAPF's role is also to support some festivals' efforts in achieving higher standards over time, despite economic or programming challenges which often stem from a combination of unfavourable geopolitical location, budgets, and a difficult place in the annual festivals' calendar. This is particularly relevant in the context of the unequal levels of resources and opportunities between film festivals in the Southern and Northern hemispheres. It regulates film festivals all over the world under the following categories

- Competitive feature film festivals
- Competitive specialized feature film festivals
- Non-competitive feature film festivals
- Documentary and short film festivals

## **3.2 Selected International Film Festivals**

### **3.2.1 Berlinale**

The very first International Berlin Film Festival opened on the 6th of June 1951. The opening film was Alfred Hitchcock's *Rebecca*. Six years after the end of the Second World War, Berlin yearned for international attention and recognition. Large areas of the city still lay in ruin. Reconstruction had begun, but post-war Berlin was worlds away from the lively artistic center that it had been in the Twenties. Today the city is a cosmopolitan centre for culture. In the middle of it all: the Berlinale – not only the city's largest cultural event, but also one of the most important dates on the international film industry's calendar. More than 16,000 film professionals, including 3,600 journalists from about 80 countries are accredited for the Berlin International Film Festival every year. The Berlinale is truly a colossal event. It is also a festival of encounters and discussions. With 150,000 tickets sold, the Berlinale is not only a film industry meeting; it also enjoys by far the largest audience of any film festival in the world. For two weeks, art, glamour, parties and business meet at the Berlinale. Around 350 films are shown every year as part of the Berlinale's public programme, the vast majority of which are world or European premieres. Films of every genre, length and format can be submitted for consideration. The Berlinale is divided into different sections, each with its own unique profile: International movies in the competition, independent and art-house productions in Panorama, movies for a young audience in the Kinderfilmfest and its 14plus programme, the most exciting German cinema productions in Perspektive

Deutsches Kino, and an in-depth look at films from “distant” countries and experimental forms in the International Forum of New Cinema. The programme is rounded off by a thematic Retrospective and a Homage, which focuses on the lifework of a great cinema personality. Both of these sections, which are curated by the Berlin Film Museum, aim to place contemporary cinema within a historical context. The Berlin International Film Festival sees itself as a showcase for what is happening in cinema, but also as an actor and propagator on the international film circuit. Whether through panels, film series, workshops or moderated pitching – the Berlinale offers countless forms of co-operation and creative interaction.

**Table 3.1**

**Berlinale 2006: Visitors Details**

	<b>Theatre visits</b>	<b>Tickets sold</b>	<b>Accredited Guests</b>	<b>Countries</b>
Visitors	418000	186000	18281	120

(Source: URL: <http://www.berlinale.de>)

A relatively new initiative in this vein is the Berlinale Talent Campus, which took place for the third time in 2005. The Campus invites 500 young film talents from around the world to Berlin’s House of World Cultures to meet with experienced film professionals in workshops and panel discussions. Most of all, this “talent foundry” is about the transfer of know-how, working in teams, and encouraging curiosity in the ideas of others. The Campus invests in the future – of the festival, but above all, of film. The successful launch of the Berlinale Co-Production Market shows just how perfectly positioned the Berlinale is on the interface between the available and the possible. This is the place where filmmakers and producers from around the world come together to sound out international co-production possibilities and make them a reality. The festival’s very own film trade fair, the European Film Market is reserved for film professionals and has grown into one of the most important business events for the International Film Industry. Here producers, distributors, funding bodies and financiers come together to view, promote and buy films. The European Film Market (EFM), one of the central meeting places for the International Film Industry has a special connection to the Berlinale. In 2006 the European Film Market moved into its new home, the Martin-Gropius-Bau. The exclusive location met everyone's high expectations. EFM participants were impressed by the charming ambience, the advanced technology and the smoothly functioning infrastructure in the Martin-Gropius-Bau. The EFM Business Offices on Potsdamer Platz

offered additional exhibition space. This year a total of 260 exhibitors from 50 countries were present at the EFM. 618 films were presented to professional guests in around 1,000 screenings.

**Table 3.2**

**Berlinale 2006: European Film Market**

	<b>Public</b>	<b>No of Films</b>	<b>Screenings</b>	<b>Companies</b>
Film Industry participation	5162	618	1000	264

(Source: URL: <http://www.berlinale.de>)

A new project of the Berlinale – and constantly in progress – is the World Cinema Fund, which was founded in co-operation with the Federal Cultural Foundation. The fund’s purpose is to support film projects from specific countries and regions of the world. The fund is active year-round beyond the time-restraints of the actual festival. In many respects, the Berlinale 2006 was a record year. More than 18,000 accredited professionals from 120 countries attended the festival. In almost 900 screenings, 368 films were shown. And this year, once again, the Berlinale was a big hit with the general public.

As Berlin’s biggest cultural event, the Berlinale is at the forefront when it comes to cultural sponsorship. Although “the movies” are a guaranteed attention getter, the Berlinale is more than just a chance to portray oneself in a favourable light. It is precisely here where new emphasis is expected to be placed at the next Berlinale through co-operations with several partners. The Berlinale's Film Programme is divided into six sections: Competition, Panorama, International Forum of New Cinema, Kinderfilmfest, Perspektive Deutsches Kino and Retrospective. Each section is headed by a section director, who is responsible for selecting the films and is advised by the Berlinale's correspondents and other experts. Major International Films are shown in the Competition. These are films made for the big screen and have what it takes to attract a broad audience. In the Panorama the emphasis is on independent and art-house cinema, films that are made in a personal style and attract a demanding, passionate audience. The Kinderfilmfest shows lively cinema aimed at young audiences. A selection of films titled 14plus is aimed at teenagers and adolescents. The Perspektive Deutsches Kino looks at thematic and stylistic trends in German cinema and introduces international audiences to the latest developments in the German film industry. The International Forum of New

Cinema is considered to be the Berlinale's most experimental section. It offers a sharper focus on experimental formats and “distant” film-producing countries. The Forum is a chance to discover highly original, often provocative and disturbing cinema.

For those looking for hidden treasures, the Retrospective should be just the thing. It is run and curated by the Film museum Berlin - German Cinematheque. Classics are re-discovered and films thought to be lost forever enjoy a renaissance. The Retrospective programme puts the festival's contemporary films into an historical context. The Homage also helps achieve this aim – it is usually devoted to a great film actor and presents his or her life's work. A selection of some 60 short films is divided between the Competition, Panorama, Perspektive Deutsches Kino and Kinderfilmfest sections. The short films were previously shown before the feature-length films. Today they are shown in groups and make up their own programming section. Special programmes, such as the Marshall Plan Films, are regularly planned as a result of carefully targeted co-operations dealing with a particular theme. They broaden the Berlinale's programme by exploring new areas and creating historical links to the present-day. There is a great mix of genres in the sections and the special screenings. Documentaries have now moved into areas, which were once dominated by feature films. The majority of the films in the Competition are still fictional. However, the documentary film is becoming increasingly important in the Panorama and Forum section. The growing desire of filmmakers to play with genres and push the boundaries of the medium means that the Berlinale is in a constant state of creative transformation.

The most important prizes at the Berlinale are the Golden and Silver Bears. These are awarded by the International Jury to films in the Competition and belong to the most respected awards in the world of film. The International Jury also awards the Alfred Bauer Prize for a film that “opens new perspectives in the art of filmmaking.” The International Short Film Jury awards a Golden and a Silver Bear in the Short Film Competition. For three further awards this jury also considers films from the Panorama programme. The Crystal Bears, a Children's Jury and a Youth Jury award the main prizes of Kinderfilmfest/14plus. The International Jury of the Kinderfilmfest awards the prizes of the Deutsches Kinderhilfswerk charity. The Berlinale awards two official honours. Honorary Golden Bears honour great personalities in cinema. The Berlinale Kamera is usually presented to the personality to whom the Homage is dedicated.

The Berlinale juries are divided into two categories: the official juries who award the official prizes. The festival itself selects their members. Then there are the independent juries who give out prizes on behalf of various institutions. The awards are made according to the particular requirements, which come with each prize. A monetary

prize accompanies several of these awards. Generally the institutions donating the awards appoint the members of the independent juries. The independent juries often focus on films in a particular section.

The World Cinema Fund (WCF) was created to make possible the production of films from regions that have been disadvantaged on the international film market. After just one year, the WCF has several success stories to show for itself. In its fourth round of selection the Jury of the World Cinema Fund has awarded a total of 290,000 euros in production funding. The five selected film projects all promise to be examples of exciting narrative cinema, each with their own original visual style. With Yousry Nasrallah (Egypt), Aktan Arym Kubat (Kyrgyzstan), Lisandro Alonso (Argentina), Carlos Reygadas (Mexico) and Semih Kaplanoglu (Turkey), the directors behind these projects belong to some of the most interesting film makers of both their countries and their generation. All have already attracted international attention – some more, some less – and therefore proven that we can still expect more interesting work from them in the future.

### **3.2.2 Cannes Film Festival**

In 1939, French minister for Public Instruction and the Arts, Jean Zay proposed the creation of an international film event in France. Cannes was chosen for its “sunshine and enchanting setting”. The first International Film Festival, to be presided by Louis Lumière, was postponed due to the war. In 1945, the French Association for Artistic Action was asked once again to organize a festival to be held under the aegis of the Ministry of Foreign Affairs, the Ministry of National Education and, from 1946 onwards, the newly founded National Cinema Center. On September 20, 1946 the International Film Festival; the first important international post-war cultural event - opened its doors at the former Casino de Cannes. It was run as a non-profit organization with a board of directors, attaining charitable status in 1972. Apart from 1948 and 1950, when lack of funds led to cancellation of the event, the Festival has taken place each and every year, at first in September, then in May (as of 1951), running approximately two weeks. In 1968, the Festival was interrupted due to political turmoil. At the outset, the Festival was principally a tourist and social event, more a film forum than a competition, since nearly every film screened walked off with a prize. Over the years, the great increase in participants and new economic stakes involved shifted its orientation and the Festival became the most popular annual event of the film industry, with over 4,000 journalists representing 1,600 media companies attending the festival.

As of 1959, the official creation of the Marché du Film increased still further the impact of the Festival, providing it with a commercial platform and facilitating meetings and discussions between film industry buyers and sellers. In the forty-five years of its ever-growing existence, the Film Market has become the leading market place in the world for international film business. In the same way, the Village International, created in 2000 and encircling the Palais des Festivals, has enabled an ever-increasing number of countries to promote their culture and cinema, and support their producers and film industries. In parallel to the Official Selection, the International Critics' Week and the Directors' Fortnight, respectively opened in 1962 and 1969 with competitions under their own banners. In 1978, upon the initiative of the then General Delegate, Gilles Jacob, the Caméra d'Or prize was created to be awarded to the best first film presented in any of the three selections. At the beginning, the Festival presented films chosen by their country of origin. In 1972, at the request of General Delegate Maurice Bessy, the Festival's President, Favre le Bret, and the Board of Directors resolved that henceforth the Festival would be the sole decision-maker and would select those films from all over the world it wanted to present. This decision marked a turning point and was quickly taken up by other festivals. In 1998, Gilles Jacob created the Cinéfondation, a selection of short and medium-length motion pictures from film schools all over the world. Its objective is to discover and promote new talent. Since its creation, over 2,000 films from every continent have been sent to the Festival to compete for selection. Following up on this initiative, the Festival opened the Festival Residence in Paris in the autumn of 2000, to pursue the same objective: providing young filmmakers with the chance to develop their screen projects outside their countries of origin and thus encourage the promotion of their work abroad. In 2000, Gilles Jacob, General Delegate of the Festival since 1978, was elected President of the Festival by the Board of Directors, taking over from Pierre Viot, President since 1985 who then became President of the Cinéfondation. Since 2001, Gilles Jacob has been assisted by Véronique Cayla, General Manager, and Thierry Frémaux, Artistic Delegate. Together they have strengthened the Festival's role as an annual tribunal for international film, where all styles, schools and genres have their place, and whose enduring goal is to serve the growth of cinematographic art, whether it be through the screening of films or the many cultural and artistic activities that enrich the event: symposiums, tributes, Master classes, concerts, exhibitions, etc. As well as being a most special place for film industry professionals to meet, the Festival is especially attentive to the talent of artists who contribute to the growth of the medium. Throughout the years, the Festival has become famed for the balance it has established between artistic quality of films and commercial impact. Not only are the films presented assured a unique and international platform, but the Festival as well reveals and reflects evolution and trends in world cinema while defending the notion of "auteur cinema for wide audiences".

Until 1954, the Jury of the Cannes Film Festival awarded a “Grand Prix of the International Film Festival” to Best Director. A contemporary artist in vogue would then present winners of this Grand Prix with a work. At the end of 1954, upon the initiative of Robert Favre Le Bret, then Delegate General, the Festival's Board of Directors invited several jewellers to submit designs for a palm, in tribute to the coat of arms of the City of Cannes. The original design, which was finally selected, was that of the renowned jewellery creator Lucienne Lazon. A trophy was then elaborated based on his design, with the bevelled lower extremity of the stalk forming a heart, and the pedestal a sculpture in terracotta by the celebrated artist Sébastien. In 1955, the first Golden Palm in the history of the Festival was awarded to Delbert Mann for his film *Marty*. From 1964 to 1974, the Festival temporarily resumed awarding a Grand Prix. In 1975, the Golden Palm was reintroduced and became the enduring symbol of the Cannes Film Festival, awarded each and every year since to the director of the Best Feature Film of the Official Competition, being the last prize proclaimed during the Award Ceremony, following increasing order of importance. It is presented in a case of pure red morocco leather, lined with white suede. At the beginning of the 80s, the rounded shape of the pedestal, bearing the Palm, gradually transformed to become pyramidal in 1984. In 1992, Thierry de Bourqueney redesigned the Palm and its pedestal, henceforth in hand-cut crystal. In 1997, the Palm was modernised by Caroline Scheufele, President of the celebrated Swiss firm Chopard Jewellers, which now supplies the trophy every year with their compliments. The Palm, made of 24-carat gold, is hand cast into a wax mould, then attached to a cushion of a single piece of cut crystal. It is today presented in a case of blue morocco leather.

Launched in 2005, [cannesmarket.com](http://cannesmarket.com) is the most important database of the film industry worldwide. This continually updated database provides all the information needed on the companies, films, projects, and film rights etc. The Festival's budget amounts to approximately 20 million Euros, half of which originates from public funding via the National Cinema Centre (N.C.C.) under the authority of the Ministry of Culture and Communication, the City of Cannes and other local authorities. This financing is completed by contributions from a number of professional and institutional groups along with the Festival's Official Corporate Sponsors.

### **3.2.3 Venice International Film Festival**

The Venice Biennale has for over a century been one of the most prestigious cultural institutions in the world. Ever since its foundation in 1895, it has been in the avant-garde, promoting new artistic trends and organising international events in the contemporary arts in accordance with a multi-disciplinary model, which characterises its

unique nature. It is world-beating for the International Film Festival (61 editions), for the International Art Exhibition (50 editions) and for the International Architecture Exhibition (9 editions), and continues the great tradition of the Festival of Contemporary Music (48 editions) and Theatre (36 editions), now flanked by the Festival of Contemporary Dance (2 editions). The Biennale promotes numerous publishing initiatives in the same sectors. Its visibility is high in all the media. Through the ASAC (Historic Archives of Contemporary Arts), the Biennale conserves the documentation of its history. The Foundation's venues, which receive an increasingly vast international public (320,000 visitors per annum), are not owned by it but are made available by law by the Venice City Council; the visual arts and architecture, the Palazzo del Cinema and the Palazzo del Casino on the Lido (cinema), or are obtained through plurennial agreements with the Italian Navy and the Inland Revenue; the Arsenale (visual arts and architecture), the Teatro alle Tese and the Teatro Piccolo Arsenale (dance, music, theatre).

The legislative reform decree of January 2004 has transformed the Biennale into a Foundation, with a new board of directors chaired by Davide Croff. The challenge of the new Foundation lies in reviving the potential of the Biennale and its unique nature as a centre of attraction of outstanding excellence not only during the major exhibitions, but also for artistic production in every sector, throughout the year. For this, prestigious private partners are being sought to set up a permanent “home”, its own venue, which reinforces and establishes the identity of the Biennale, and which can at the same time become a permanent exhibition centre, a laboratory of culture, the arts, and ideas, which reach the whole world from Venice. The Minister of Culture, Giuliano Urbani, has backed the reform with the aim of achieving greater managerial efficiency, but above all a smoother integration and the ingress of private partners, with the intention of increasing the Foundation's assets. For this reason, the financial model to which the new Foundation aspires is that of the US cultural sector, in which 30% of the budget comes from private sponsorships and payments, 30% from its own earnings, 30% from public contributions and 10% from receipts from the increase in assets.

### **3.2.4 Edinburgh International Film Festival (EIFF)**

Started in 1947, the EIFF is one of the true homes of innovative and exciting cinema. For over half-a-century, the Festival has presented some of cinema's most important and exciting moments and played host to the world's greatest filmmakers. The longest continually running film festival in the world, it has come a long way from its beginnings as a documentary-based festival established in the wake of World War II. Its spirit was and is bold and its focus international: in the early years, it premiered such



timeless classics as Robert Flaherty's *Louisiana Story*, Roberto Rossellini's *Germany Year Zero* and Kenji Mizoguchi's *Ugetsu Monogatari*.

During the 1960s, EIFF introduced the Retrospective. Years ahead of its time, the Festival re-evaluated and paid tribute to the diverse talents of John Huston, Sam Fuller, Douglas Sirk and even a young Martin Scorsese. In the 70s and 80s, the Festival consolidated its reputation as a pioneering force for UK audiences, screening films from the New German Cinema, the new wave of American Independents, homages to the masters of Japanese Cinema, pioneering studies of black and feminist filmmakers. Festival audiences were able to witness masterpieces from across the whole spectrum of film culture; from Spielberg's *ET: The Extraterrestrial* to Abel Gance's silent classic *Napoleon*; complete with a full orchestral score. New talents like Bill Forsyth and Stephen Soderbergh were nurtured while gems like 'My Beautiful Launderette' discovered.

The last ten years have seen a strengthening of the critical fortunes of the Festival through the strong artistic direction of Mark Cousins, Lizzie Francke and, currently, Shane Danielsen, all of whom have exhibited not only a continuity of passion and commitment to excellent cinema from home and abroad but the very necessary evaluative perspective that skilled curation brings. Some of the notable films screened in the last few years: *Mrs Brown*, *The Full Monty*, *La Vie Revée des Anges*, *Seul Contre Tous*, *Love is the Devil*, *Ratcatcher*, *East is East*, *Run Lola Run*, *Billy Elliot*, *Amores Perros*, *Amelie*, *16 Years of Alcohol*, *Young Adam*, *Infernal Affairs*, *American Splendor*, *Motorcycle Diaries*, *Old Boy*, *Hero*, *The Beat that My Heart Skipped*, *Green Street*, *Tsotsi*, *Thumbsucker*, *Serenity*, *Wah-Wah*. Shane Danielsen's five years have been made distinctive by true discoveries from international cinema and landmark retrospectives; in 2002, *Kon Ichikawa*, in 2003, *Henri Georges Cluzot*; in 2004 *Valerio Zurlini* and in 2005 *Michael Powell*.

### **3.2.5 Ljubljana International Film Festival (LIFE)**

The Ljubljana International Film Festival LIFFe has become the most prominent film event in Slovenia. The 16th Liffe in 2005 attracted over 51,000 spectators and exhibited 108 films. As many as 27 screenings were sold-out, and the festival hosted 55 guests (among others *Serge Frydman*, *Udo Kier*, *Dagur Kari*, *Anno Saul*, *Ventura Pons*, *Marc Rothmund*). The most important role of the 17th LIFFe remains unchanged: to show those non-Hollywood and auctorial films that are not granted regular Slovenian distribution. Last year, 27 festival films were released in Slovenian theatres, which amounts to 25% of the films screened at LIFFe.

### **3.2.6 Bangkok International Film Festival (BKKIFF)**

Now in its fourth year, the 2006 Bangkok International Film Festival (BKKIFF) is growing in popularity throughout the world of cinema. The Festival shows a schedule of world-class films, informative workshops and symposiums, special tributes, the Bangkok Film Market (BFM) and, special events for which Thailand has become so well known to the viewing public. Past festivals have featured award-winning films such as *Lost in Translation*, *The Barbarian Invasions*, *Being Julia*, *Les Choristes*, *Born into Brothels*, and *The Motorcycle Diaries*, to name a few. The workshops and symposiums have included Film Financing hosted by PriceWaterhouseCoopers, and Cinematographer's Day, which highlights the world of cinematography culminating in a special award for the years' recipient.

### **3.2.7 Commonwealth Film Festival**

The Commonwealth Film Association started life as the Commonwealth Film Festival in 2002. Its aim was to produce a 10-day international festival showcasing the film production of Commonwealth countries. The organization has now run its lifetime of five years, starting with the Manchester Commonwealth Games and ending with the Melbourne Commonwealth Games. Over the past five years, 1,167 films were showcased 550 filmmakers and industry representatives were welcomed to the city; 23,500 visitors watched 500 screenings and 2,700 children and young people benefited from the Learning and Community Outreach programme.

### **3.2.8 New York Film Festival**

America's pre-eminent film presentation organization, The Film Society of Lincoln Center was founded in 1969 to celebrate American and international cinema, to recognize and support new filmmakers, and to enhance awareness, accessibility and understanding of the art among a broad and diverse film going audience. As an independent constituent of the world's foremost performing arts center, the Film Society of Lincoln Center presents a 363-day season that includes premieres of new films from an international roster of established and emerging directors; major retrospectives; in-depth symposia and high profile events. The Film Society is one of those rare institutions whose stature is matched by its popularity, each year welcoming an aggregate audience of more than 200,000 film aficionados, filmmakers and industry leaders of every nationality, age, economic and ethnic group. The organization has been a pioneer among film institutions and one of the film world's most respected and influential arbiters of

cinematic trends and discoveries. François Truffaut, R.W. Fassbinder, Jean-Luc Godard, Pedro Almodóvar, Martin Scorsese and Wes Anderson, over the last four decades there is scarcely a major director who has not been introduced to American audiences by the Film Society.

The Film Society is best known for two world-class international festivals – the New York Film Festival (the most famous and prestigious in the country), and New Directors/New Films (celebrating new cinematic artists). It runs a state-of-the-art year-round cinema, the Walter Reade Theater (capacity: 268), and publishes the country's most respected cinematic journal, *Film Comment*. Each year the organization presents its annual Gala Tribute honoring legendary stars and industry leaders of our generation at Lincoln Center's Avery Fisher Hall. The Film Society also hosts an annual Young Friends of Film Honors, which pays tribute to an artist in mid-career, and at various times of the year partners with Hollywood studios to present gala premieres and special live appearances. The 17-day festival, presented by the Film Society of Lincoln Center, is a highly-selective showcase of new, inspiring and provocative cinema by both emerging talent and recognized international artists. Stephen Frears' acidly funny portrait of the British royal family, *The Queen*, starring Helen Mirren, is the Opening Night presentation (Miramax Films). In addition to many special events and screenings, the Festival includes The Tenth Annual Views from the Avant Garde. The 2006 New York Film Festival Retrospective will be "50 Years of Janus Films", and will feature many world cinema classics, some of which are not yet released on DVD or VHS. Working in conjunction with Janus Films and Criterion, the retrospective will screen new prints of almost all the presented films.

### **3.2.9 European Coordination of Film Festivals (ECFF)**

The European Coordination of Film Festivals (ECFF) is a network of 250 audio-visual festivals with strong roots in the regions of Europe. Member festivals are dynamic, cultural events, which have made a commitment to promote the diversity of the European moving image. The mission is to develop all forms of services and joint-projects that will strength promotion and circulation of the diversity of the European moving image to develop exchanges, cooperation and the transfer of good practice between festivals; encourage transnational partnerships between members; seek global solutions to common problems; increase the collective impact of festivals on the promotion and circulation of the European moving image.

### **3.3 Indian Film Festivals**

#### **3.3.1 Kerela International Film Festival (IFFK)**

Kerela boasts one of the most cine-literate and discerning audiences in the world. Cinema and politics are two abiding passions of the people of Kerela. Bizarre experiments in the medium, with few takers elsewhere, find vociferous votaries here. Tucked away behind the serene backwaters, even in the remotest areas, are scores of very active film societies. To satisfy their quest for the best and the latest in the medium and to counter the effects of gross commercialisation, the Department of Cultural Affairs of the Government of Kerela, in 1998 created an autonomous institution called the Kerela State Chalachitra Academy. The Kerela State Chalachitra Academy (Motion Picture Academy of the Kerela State) the only Academy for Motion Pictures in India works for the promotion of Cinema as a cultural expression. The Academy is guided by the motto that Cinema should contribute to the total development of man, both as an individual and as a social being. The Academy is engaged in a programme of spreading film literacy amongst the people through the promotion of Film Societies, publication of books and periodicals, and the conduct of film appreciation courses, seminars and workshops for students as well as professionals.

After its inception in June 1998, the Kerela State Chalachitra Academy under the Ministry of Cultural Affairs, Govt. of Kerela, has been assigned the task of organizing the International Film Festival of Kerela (IFFK). Chalachitra literally means motion picture, and the Academy is devoted to promoting the best in the visual medium. IFFK is a civil answer to the cultural ailments of present day humanity and a celebration of the best the medium has to offer. In a short span of 7 years, the Academy has built up a fine reputation for organization and purposiveness. The IFFK is a member of FIAPF (International Federation of Film Producers Associations), in the Competitive Specialized category of film festivals. The 4th International Film Festival of Kerela 1999 was organized at Kochi, the 5<sup>th</sup> (2000) at Calicut, 6th (2001), 7th (2002), 8<sup>th</sup> (2003), 9<sup>th</sup> (2004) and 10th editions of IFFK were organized at Thiruvananthapuram.

The Kerela State Chalachitra Academy has been organizing the Kerela State Film Award since 1998 and the Kerela State Television Award since 1996. The Academy has also organized the World Cinema in Video programme. The monthly schedule for the World Cinema in Video Programme is posted every month at the Academy website [www.keralafilm.com](http://www.keralafilm.com). The programme envisages screening of quality films every Wednesday at the Academy hall and is open to Members only. The Kerela State

Chalachitra Academy has also set up an archive for preserving landmark films in Malayalam.

The International Film Festival of Kerela is a yearly event organized by the Kerela State Chalachitra Academy on behalf of the Department of Cultural Affairs, Government of Kerela. The 10th edition of IFFK was held at Thiruvananthapuram, the capital city of Kerela in the South of India from 9-16 December 2005. Over the years, the festival has attracted enthusiastic entries as distinguished juries decide on the prizes and there is the prospect of winning attractive cash awards. The different sections of the festival are, Contemporary World Cinema, New Malayalam Cinema, Retrospectives of Major filmmakers, Homage and Tributes, Contemporary Indian Cinema, Short films and Documentaries. The Film Market and Seminars on important issues concerning Cinema are important parts of the festival.

### **3.3.2 Kolkata Film Festival**

Kolkata Film Festival is an annual international film festival held in Kolkata in Bengal. The Festival is organized by West Bengal Film Center under the West Bengal Government usually during the second-third week of November at Nandan cinema complex, and other cinema-halls across. Important sections of the festival include: Cinema international, Retrospective, Focus (Region/Country), Tribute, Homage, Indian Select, Children's Film, Special Screening, Short fiction, Non-fiction). India's only annual non-competitive film festival has a competitive section exclusively for Indian language films. The Kolkata Film Festival aims to promote films made in different parts of the country and expose them to a wider, international audience. The idea being to debunk a myth prevalent in many parts of the world that Indian films are only those in Hindi. It should also work as an impetus to local language filmmakers.

Kolkata Film Festival has an added responsibility of rising to the film fraternity's expectations of showing the best in world cinema. Kolkata is the place, which gave birth to the world famous film directors like Satyajit Ray, Mrinal Sen and Ritwik Ghatak and brought Kolkata on the world stage for Film Industry. Kolkata Film Festival has however been criticized for not including many Indian Films. Most of the Foreign Film Directors come to India to see Indian Films and that is what is missing in these festivals. What is generally on offer in Kolkata film festival are a few films in the Indian Select Section. The marketing of Indian films has generally been inadequate and a major initiative, which the festival needs, is to create a vibrant market segment. It is equally important to promote such films at foreign festivals. While a Film Market had been set up during the Kolkata festival, it belied expectations. The number of foreign distributors has been a lot

less than hoped, and this calls for some re-thinking if the film market is to really become a lot more functional in future. Generally, in other film festivals, there is a separate cell which coordinates the whereabouts of prospective clients and proper contacts are made to generate interest surrounding a film. All this is missing at the Kolkata Film Festival.

The authorities at Kolkata Film Festival plan to arrange for special screenings in the marketing section along with interactive sessions with those from industry in future. This is proposed to be done with the assistance of the Confederation of Indian Industries. The short-listing of distributors across the world, particularly South East Asia, to be invited to boost marketing prospects has already started. What is being looked at is initiating the buying-selling of film prints on the lines of the Cannes Film Festival. In all, 139 films from 45 different countries were screened in six city cinemas in 2005 Film Festival, a record that the authorities intend to break at the next edition. Kolkata Film Festival is looking at signing a memorandum of understanding with the authorities of the three other film festivals held in the country that aims at co-operation in picking up and sharing prints so that none of the festivals is denied quality films.

### **3.3.3 International Film Festival of India (IFFI)**

Film Festivals act as a common platform to filmmakers and cine-goers to witness the internationally acclaimed films, to watch new trends and techniques being adopted by different countries leading to a healthy competition for bringing about an improvement in standards of production. They are a unifying force in so far as acquainting with historical and cultural traditions of other nations through films, the festivals create deeper awareness and appreciation, bringing about a solid base of understanding between different people.

In India, the International Film Festival, for the first time, was organized in 1952 in Bombay. It was a non-competitive festival. A special feature of the inaugural function of the festival was the screening of the first film shown in Bombay by Lumiere Brothers in 1896. After running over a fortnight in Bombay the festival moved on to Calcutta, Madras & Delhi as well. The construction of open-air theatres for screening the films was another special feature of the festival. The second festival held in New Delhi in 1961 was also non-competitive. The third festival, which happened to be the first competitive festival ever, held in India was in 1965 in Delhi. It was graded 'A' category by Paris based Federation International De Producers De Films (FIAFP). With this recognition the festival in India came on par with Cannes, Berlin, Venice, Karlovy Vary and Moscow festivals.

At this point of time, Directorate of Film Festivals (DFF) as a specialized organization was set up by the Government of India in 1973, to organize International and National Film Festivals within the country. DFF facilitates India's participation in festivals abroad, arranges programmes of foreign films in India and Indian films abroad and holds the National Film Awards function. As a vehicle of cultural exchange, DFF promotes international friendship, provides access to new trends in world cinema, generates healthy competition and, in the process, helps to improve the standards of Indian films. A permanent insignia was adopted at the fifth festival in 1975; this comprises a representation of the peacock, India's national bird, with a permanent motto of the festival, "Vasudhaiva Kutumbakum" (The whole world is a family). The same year it was decided to hold a non-competitive festival of films (Filmotsav) alternating with IFFI. While the Filmotsavs were organized at major film producing centers of India, IFFI was held in New Delhi only. The Venue being the same for all festivals, the fourth and fifth festivals were held from 5-18 December 1969 and 30 December 1974-12 January 1975 respectively. From the sixth festival, onwards the periods as well as the dates for the festival were changed to 3-17 January every alternate year. The sixth festival was held in 1977 and Silver Peacock for best actor, actress and director was awarded for the first time. A Panorama of recent Indian regional features was also organized besides setting up a film market for the first time. The seventh festival held in Delhi in 1979, was of special significance as it was the only competitive and exclusive International Film Festival organized in the entire third world during 1978-79. (The 1978 Tehran Festival did not take place). For the first time in the history of Indian Competitive Film Festivals, a foreigner, Qusmane- Sembene of Senegal, headed the jury. Another significant aspect was the participation of women. There were two women on the jury (Chantal Akerman - Belgium and Marta Maszaves - Hungary). In the ninth festival held in 1983 a new section for screening of 16 mm films was added. An important landmark, during the festival was the participation of twenty-two third world countries.

The International Film Festival of India (IFFI) has become a major forum of third world cinema. For the first time, the festival held in 1985, tenth in the series, had an international panorama of select short films, documedia, in an effort to create an identity for short films. In 1986 when Filmotsav '86 was held in Calcutta the Festival's period was changed from 3-17 January to 10-24 January. The eleventh IFFI held in 1987 gave a breakthrough for commercial cinema, through the introduction of Mainstream section. The significant change in the 12th IFFI held in 1989 was that it was made non-competitive following a decision taken in August 1988 by the Ministry of Information and Broadcasting that festivals in future will be non-competitive and all festivals would be called International Film Festival of India (IFFI), hence the festival held in Calcutta was called the 21st IFFI instead of Filmotsav 90. Another important decision taken in June

1989 was that the IFFI would henceforth be of 10 days duration only. The festival dates which were 10-24 January, were changed to 10-20 January. Hence the number of Films in the 'Cinema of the world/ section which was changed from "Information section" from the 12th IFFI were reduced though the other sections of the festival remained unaffected.

South Korean cinema was the focus at the 22nd IFFI at Madras and tributes were paid to the American director Robert Altman. Homage was paid to V.Shantaram, S.Mukherjee, Shankar Nag, Arundhati Devi and Manmohan Krishna. Diamond Jubilee of Indian cinema and Platinum Jubilee of Tamil cinema were celebrated during the festival. The 23rd IFFI held in Bangalore had a special focus on "Films from Iran". Retrospectives of Italian director Francisco Rosi were organized while tributes were paid to Anne Wheeler and King Ampaw. In the Indian section, a retrospective of Kannada cinema was organized and homage was paid to R.R.Panthulu, G. Aravindan and Balaraj Sahni. The 24th IFFI held in New Delhi focussed on the Vietnamese cinema. Retrospectives of Ingrid Bergman, Vittotio De sica, Kaurismaki brothers and Argos Films were organized while homage was paid to Kanan Devi and Bhalji Pendharkar. The 25th IFFI (Kolkata) dedicated to Satyajit Ray focussed on "films from Mongolia" while homage section festured films of Utpal Dutt and Vijay Bhatt. Tributes were paid to Federico Fellini and Michelangelo Antonioni and retrospectives of Liti and fons Rademakers, Ingmar Bergman and Greta Garbo were also organized.

The centenary of cinema was the highlight at the 26th IFFI at Bombay and a special section was devoted to the film heritage. An exhibition on hundred years of cinema was also organized as part of the festival. Retrospectives of Federico Fellini, Zoltan Fabri, Amos Giati, Miguel Littin, Krystof Kielowski and Elvis Presley were organized. A section was devoted to the works of the Asian women directors and a special retrospective of Marathi cinema was also organized. The 27th IFFI at New Delhi saw the partial revival of competition section for Asian Women Directors. Retrospectives of Devys Arcaud; Gene Kelly; Marta Meszaros and Nanni Marteli were held while tributes were paid to Rainer Werner Fassbinder, Zhang Yimon and Louis Malle. The festival focussed on "Films from Iran". The 28th IFFI held in Thiruvananthapuram focussed on "South Africa". Retrospectives of the polish director Krzystof Kielowski and the Iranian director Mohsen Makhmalbaf were organized while homage section festured films of Italian actor Marcello Mastroianni and tribute was paid to the Chilean director Miguel Littin. In the Indian Section, Homage was paid to P.A.Backer and Smita Patil and tribute was paid to Tapan Sinha. A special retrospective was devoted to the Malayalam cinema giving a panoramic view of the 70 years of Malayalam cinema. To mark the 50 years of India's independence, a photo exhibition on the theme of "National Integration and Indian Cinema" was also organized.



IFFI has not just confined itself to showcasing the best in Asian cinema. The South African Cinema got the attention it rightfully deserves at the 29th IFFI held at New Delhi, films from Sarajevo and Iran. Retrospectives of Polish filmmaker Andrzej Wajda and Carlos Saura were organized. Homage was paid to the Japanese actor Toshiro Mifune. A cinematic tribute was also paid to fifty years of Indian Independence by screening 10 nationalist classics. Another highlight of the festival was that competition which had been restricted of Asian women directors only, was broadened this year to include male directors as well. The 30<sup>th</sup> IFFI (non-competitive) held in Hyderabad in 1999 in collaboration with the Government of Andhra Pradesh and the Indian Film Industry opened with Shekhar Kapur's, "Elizabeth". The programme of the festival was divided into various broad categories. The "Cinema of the World" section consisted of about 85 films from 45 countries, made in the past two years. These included films, which has own awards or critical acclaim at major International Film Festivals. A highlight of the festival was a new section "Visions of India" which would provide a look at our country, through the eyes of non Indian film makers. The Notable films in this section are: - Peter Brook's "Mahabharata" David Lean's, "A passage to India"; Richard Attenborough's "Gandhi" and James' Ivory's "Heat and Dust". Sixteen feature and twenty non-feature films were being showcased in the Indian Panorama section. Some important films in this section are: Girish Kasarvalli's "Thai Saheb"; Tapan Sinha's "Ajab Gayer Ajab Katha"; Ram Gopal Verma's "Satya"; R. Shyama Prasad's "Agnisakshi" and Santosh Sivan's "Terrorist". As in the past, in the Mainstream section twelve popular films of the year 1997-98 were screened. Some of these were "Kuch Kuch Hota Hai" (Hindi) and "Choodalani Vundi" and "Tholi Prema" in Telugu. In the Indian retrospective/tribute section, tributes were paid to Bharathan. There was a "Women in Cinema" section in which tributes were paid to P. Bhanumathi, Savithri and Shabana Azmi. The festival focused on "films from Argentina" where Nine select films from the country were screened in this section. Indian Trade Promotion Organization (ITPO) set up a film market.

The film festival used to takes place annually between 10 and 20 January every year. In 2001-02, it was decided to make the competition section a regular feature and to give a permanent venue to the Festival. During the 34<sup>th</sup> edition, a total of 170 films representing 36 countries were screened at 279 shows. About 2000 delegates attended the festival. Since the 33<sup>rd</sup> edition in 2002, a Film Bazaar is being organized to run alongside the Festival. It was later decided to have the festival permanently in Goa from 2004 onwards and the festival dates were changed to a November-December schedule.

The 36<sup>th</sup> IFFI was conducted in Goa between 24 November and 4 December 2005 and the competition section further expanded for Asian/African/Latin American film directors. The 36th annual International Film Festival of India (IFFI) – 2005 opened with ‘Olga’, a Brazilian film directed by Jaime Monjardim, which chronicles the true story of the German revolutionary Olga Benario Prestes. Olga is one of some 200 films from India and abroad that was shown in about 300 screenings during the 10-day event. The competition section this year had films from Africa and Latin America, as well as from Asia. Some 14 films from 13 countries were entered into the competition. Entries included Iqbal (India), Perumazhakkalam (India), Olga (Brazil), The Game Boys (Brazil), Innocent Steps (Korea), Avanin (Israel), Cachimba (Chile), Red Dust (South Africa), Iron Island (Iran) and Warm Spring (China). The competition jury headed by Chilean director Miguel Littin and includes Austrian director, Sabine Derflinger; Indian director Saeed Mirza; Iranian actor Faramarz Gharibian and French director Alain Corneau. Cinema of the World included 64 films drawn from 31 countries. Europe is the main source with 41 films and France is the single biggest supplier with nine films from directors Jacques Audiard, Michael Haneke, Arnaud Desplechin, Dominik Moll, Philippe Loiret, Régis Wargnier, Mike Leigh and Alain Corneau. The retrospectives were of: French actress Isabelle Huppert whose six films were screened; Swiss screenwriter, actress and director Ms. Lina Wertmüller with five films; Baden Württemberg (five films) and German student films (seven films). A retrospective on Iran showcased seven films of noted Iranian directors. The Festival paid special tributes to Ismail Merchant and Sunil Dutt and also to late Gemini Ganesh. Other films in the Tribute section included ‘Heat & Dust’, ‘The Golden Bowl’ ‘Howard’s End’, ‘The Remains of the Day’ and ‘A Room with a View’. As homage to the actor Sunil Dutt, the Festival screened ‘Mujhe Jeene Do’ a 1963 milestone movie. The festival remembered veteran Tamil actor Gemini Ganesh by screening his film ‘Parthiban Kanavu’. Twenty-one Indian Panorama features and 16 non-feature films were shown during the festival with the opening film being, “Daivanamathil”, directed by Jayaraj; while the non-feature section opened with, “The Jaws of Death”, by Gautam Saikia. With the aim of orienting the younger generation to the works of great Indian filmmakers of the past, the festival introduced a special section called NFA Gold, which screened landmark films, and films that have used music for their main theme. Another special feature at this year’s festival was, “the Masters’ Class” curated by filmmaker Vijay Singh, the section features master filmmakers who will hold interactive sessions on the “whys and hows” of their cinema. The masters include Shyam Benegal, Sudhir Mishra, Madhur Bhandarkar, Siomn Relph, Alain Corneau, and English actress Dolores Chaplin. Belgium-France film “The Child” directed by Jean Pierre and Luc Dardene was the closing film for the Festival. The Film Bazaar this year was more effective and vibrant with the inclusion of countries that have co-production agreements with India. France, Italy and the United Kingdom participated in a big way with their

films and delegations. The festival also had seminars on different topics, an open forum, beach screenings and meet-the-director programmes. Besides watching the movies, delegates, tourist and local people had an opportunity of enjoying the festivities with a series of programmes featuring local artists. The 37<sup>th</sup> IFFI 2006 is scheduled between 23 November and 3 December 2006 in Goa.

## **Chapter 4**

### **Culture and Commerce**

#### **4.1 Cultural and Commercial Aspects of Film Festivals**

Cultural initiative involves a conception, an initial launch, and a transition to an established event. Each stage generates certain amount of challenges particularly relating to coordination and financial aspects. A cultural event could take a shape of a competition or a workshop besides providing a forum for developing projects. The problem faced by non-profit cultural organizations generally means the prevalence of an inefficient administration, crude management systems, slow adaptation and little innovation. However, established and culturally vibrant societies with well-informed industry and patrons can have an established and positive environment, which encourages managerial competence and creativity. This result may not generalize to other cultural initiatives, in particular to those that serve the public directly and draw patronage from diverse sources.

Cultural events have traditionally belonged to the non-profit sector. The non-profit sector has grown both in numbers and importance over the past decades. These institutions evolved to supplement the private and public sectors – either when the organization's purpose is considered of crucial importance to the public or the potential profitability is low, or to avoid increasing reliance on the governmental bureaucracy (Etzioni, 1975, p.23). Other characteristics that appear in non-profit organizations include the intangibility of service and the possible existence of multiple service objectives (Greenberg, 1982, p.82-83). For instance, in the UK many non-profits organizations are coming closer to resemble business organizations in the manner in which they are operated or managed. (Sargeant, 1999, p.36-38). A non-profit organization is, in essence, an organization that is barred from distributing its net earnings, if any, to individuals who exercise control over it, such as members, officers, directors, or trustees (Hausmann, 1980, p.67). By “net earnings”, Hausmann means pure profits – that is, earnings in excess of the amount needed to pay for services rendered to the organization. In general, a non-profit organization is free to pay reasonable compensation to any person for labour or capital he or she provides, whether or not that person exercises some control over the organization. (Hausmann, 1980, p.68).

The non-profit organizations are driven by the mission and not by the profit. The difference between businesses, government and non-profit organizations is in what they do. Non-profit organizations have been categorized according to the nature of the work

that they are engaged in. Non-profits classification has been made based on the manner in which they are financed and controlled. The classification produces four categories of non-profit organizations: donative mutual, donative entrepreneurial, commercial mutual and commercial entrepreneurial (Hausmann, 1980, p.74-76). Donative non-profits receive most or all of their income in the form of grants or donations. Examples of these are the Salvation Army and the Red Cross. Commercial non-profits, in turn, receive bulk of their income from prices charged for their services. Hausmann identifies most hospital and nursing homes in the USA as commercial non-profits. He points out that all non-profits do not neatly fit in these categories (Hausmann, 1980, p.77). Most American universities rely heavily upon donations as well as upon income from the sale of services – i.e., tuition – and thus lie somewhere between the categories. Their patrons control mutual non-profit organizations, like country clubs, while non-profits that are largely free from the exercise of formal control by their patrons are entrepreneurial non-profits.

All non-profit organizations, just like profit seeking ones, ultimately must cover the full economic cost of all resources that they consume. The distinction between a non-profit and a for-profit organizations lies, not in how much the services cost, but in who pays and under what conditions they pay. Traditionally, non-profits often receive cost subsidies, public and private, direct and indirect. By the early 1970s, non-profit organizations began implementing the techniques practiced by businesses, including advertising, public relations, financial planning, and accounting. The latest of these functional areas to be applied to the non-profit sector has been strategic management. (Greenberg, 1982, p.83-84). Due to the hardening competition also in the third sector, non-profits scramble for resources and compete over clients or users or potential members, and sponsors and their loyalty. Four areas of competition for non-profits, both internal and external to organizations have been identified (Greenberg, 1982, p.84-85). She identifies resources such as funding and other economic factors, physical resources and facilities, personnel, expertise and experience, and influence and prestige, which are internal to the organization. As external to the organization she mentions clients, customers, or audience, and competing organizations, such as enterprise competitors, product form competitors and generic competitors.

In 1980s non-profits entered industries dominated by for-profits in the USA. In most cases the non-profits have done this to develop a supplementary source of revenue that is related, but not central, to the non-profit organization's mission. For example, museums, universities and other cultural organizations have organised tours and expanded gift shops in competition with for-profits. Non-profits also have increased their presence in industries with charitable and public sectors such as nursing homes, hospitals and health clubs. Other industries like research and development laboratories, vocational

and technical schools and performing arts institutions retained a fairly stable mix of non-profits and for-profits over time. (Rose-Ackermann, 1990, p.437-449). Some commercial elements have existed from the beginning such as hiring venues. Other activities have been adapted in the run of the time. Traditional marketing functions concerned with product, place and price have been issues from the beginning of the event. Promotion, i.e. advertising and active public relations were adapted in the 1980's. Sponsorships were started in the late 1980's, networking started in the mid of the 1990's and partnering in the beginning of the new millennium. The case organization has a long-term functional strategy while no long-term strategies for marketing, acquiring human resources or sponsorship exist. However, the organization is moving towards strategic management. External competition can be divided into competition over financial resources, human resources, clients, i.e. representatives of commercial film industry such as film directors, producers and distributors, representatives of other film festivals as well as over film makers who send their films to competitions, and films of the special programme. This level of competition can be labelled as business-to-business competition the other level being the competition of visiting customers or audiences. Competition over financial resources is ongoing. Applications for public funding as well as reports of the use of the money have to be made every year. Furthermore, negotiations over sponsorships are conducted yearly because most sponsors are not willing to engage in long-term agreements.

Film festivals initially started as a cultural activity but of late commercial aspects have taken stronger roots. The challenges of funding a cultural activity and making it self-sufficient gave way to increasing collaboration with the film Industry. This also led to a fresh look as to the commercial opportunities a festival can generate. Film festivals are not just about good cinema. They are also about cinema, which can find audiences who would be willing to buy a ticket to watch a film. Imagine inviting 70,000 of your closest friends to the movies and they all show up. That is exactly what happened to Mitch Levine, the executive director and CEO of the Palm Springs International Film Festivals. He has been running his own production company for the past 20 years but has suspended its operations while directing the festivals. Levine is focused and confident. He does not spend a great deal of time discussing past accomplishments; rather his focus seems to be on today and tomorrow. His idea is to keep focused on the future-as he describes it, "Look beyond current trends, look at the trend beyond the trend". That's one way of forward planning on how bet to make festivals look and operate differently. (Sarto, Mark, "Looking beyond current trends": Aug 5, 2003). How the nature of film festivals is changing all over the world can be seen by the following experiences involving film festivals from America and Australia and how festivals are thriving on the possibility of finding successful commercial successes. Success is also about innovation

and like most businesses; film festivals are not far behind. The uniqueness of events and looking for commercial synergies these cultural events are a step in the future directions of film festivals. Reducing costs also remain a forceful objective of the festivals in order to survive and prosper. states about A film festival organized by the Australian Embassy in Mexico in April, 2004 showed as to how one can one get good films even in low budget by involving the local companies and other stakeholders thereby reducing not only the costs of organizing the film festival but at the same time generate sufficient interest in the local public (Matthew Brayman, 2003, Business Mexico).

Commercial aspects of film festivals require proper planning and effective management like a trade show. “Festivals have become a “growth industry” providing filmmakers with an ‘an alternate universe’ and fans a symposium on the ‘nature of the cinematic experience’. For standard bearers like Sundance and Cannes, the thrust is, despite the hype, to uncover new films that surprise audiences and make ‘dreams come true’ for filmmakers. Aesthetically driven festivals, like Italy's silents-only Pordenone, run on the commitment of organizers and patrons who believe in a given film genre or set of artistic tenets (Turan Kenneth, 2003, p.133).

The Sundance Film Festival in America best highlights how a purely cultural aspect has deeply penetrated to being commercial. Commercial desires far outweigh cultural considerations. Though the festival aims for showcasing the best in American film culture it has ended up as more and more filmmakers vie for that recognition that will attract distributors. Created in 1978 as the US film festival, it was a modest showcase for risk-taking mavericks and artists on the margins of the studios. Renamed Sundance in 1991, it now considers 900 submissions annually while the studios make less than half that many films. Slamdance, a satellite festival, held in Park City at the same time, considers another 900 films. These are the filters through which distributors search for films and agents seek new talent. If it's not one-stop shopping, it's the most important stop in North America. No one can afford to stay away. The marketplace is so packed with independent movies that a film that fails to win an audience its first weekend can be, and often is, instantly replaced. A search for something new has however contributed to a change of character of Sundance Film Festival beyond its initial mission as a showcase for independent films and their buyers. With 650 journalists present, distributors can't afford to miss the chance to launch films here. Nowhere else in the country can so many films get so much attention. Much that is new on the American film scene ends up in Park City also known as a festival of discovery, despite Hollywood efforts to crash its parties, acquire its wares at low prices, and poach independent films for actors and writers. Sundance's undisputed position as the annual event for new films and new talent assures that the yearly pilgrimage to Park City will continue.

A study of “Tropfest” reveals how culture and commercial aspects of a festival have been interwoven. Tropfest is one of Australia’s fastest-growing film festivals. The festival was started by a Sydney actor called John Polson who collaborated with his local coffee shop, the Tropicana, to let him show a short film that he had made. The makeshift event proved so popular that Mr Polson urged other young film makers to do the same, and the following year 1,500 people crammed into the Tropicana to watch two dozen short films. By the year 2003, the festival had grown so big that it had to move to the nearby park. At the latest festival in 2004, 25,000 people watched 17 films chosen from 346 entries. Another 10,000 watched them live via satellite at coffee shops in Melbourne, Adelaide, Brisbane and Perth. Tropfest is now targeting the UK filmmakers to participate in the festival. The festival is one sign of how Australia’s Film Festivals have contributed to the booming of the film industry.

#### **4.2 Promotion of Culture and Public-Private Partnership**

The promotion of culture generally is one of the main objectives of a country’s overall cultural policy. It is safe to say that every country, region or even small groups have their own culture. Culture is a learned way of doing things. It is that complex way of doing things which has emerged over a period of time. It is also about established patterns of social life. Culture include cinema, performing arts, folk music, painting, sculpture, puppetary and all kind of activities that facilitate the continuity of a vibrant society. So we can say that, “Hungary has a rich opera culture” and , “Slovenia has a rich culture of wine growing” what it means is that these two separate aspects have come to symbolise how a society survives and prospers both materially and socially. Material culture has a tendency to take shape depending on the economic principles. So wine growing in Slovenia will continue as long as the economic principles justify. However wine growing has also become a sort of passion for many Slovenians. So, if after a few years, it becomes uneconomical for people to grow wine in Slovenia because France starts supplying its wine at half the cost, Will Slovenia still grow wine? Perhaps not, if we go by the economic principles. However wine growing has become more of a culture and it might be the duty of the state to subsidise a bit and encourage some people to have wineries even if it is uneconomical. That would mean promotion of culture by the state by providing subsidies. Most of the traditional cultural forms will die if we have to adopt economic principles in each and every aspect of our life. While private sector does not have the resources, motivation and energy required to work for cultural preservation and its promotion, government has an obligation towards the future generations. Governments have to work for the cultural promotion and meet the expenses out of state budget if it wish to maintain a national identity. This can be done by establishing specialised state



cultural organisations for performing arts and museums etc. for preserving the traditional art forms.

Not all states are however in a position to allocate huge budgetary resources for the promotion of culture and allied activities. Cultural promotion requires funding to be met out of hard earned tax payers money. Jeff Weiss, writing in his article, 'Method film festival gets funding deal in move to Calabasas': An article from, "San Fernando Valley Business Journal" (November 22, 2004) has mentioned about a real public-private partnership with "Calabasas" that resulted in about \$50,000 in cash support and \$25,000 of in-kind donations. Many tax payers would perhaps not be too happy to support cultural activities beyond a point. It would therefore be ideal to look for public-private partnerships whereby new avenues are explored to not only promote the culture but also explore the commercial opportunities of private partners to meet the overall objectives of cultural promotion.

The support to cultural activities even in US is declining. As per the "looking ahead" report by the President's Commission the three major donor communities in the US in 1994 gave an estimated \$130 million to non-profit institutions, nearly 88% of which came from individuals, 7.3% from foundations, and 4.7% from corporations. Of this total, only 7.5% went to arts and culture. Nearly \$10 billion was contributed to the arts, humanities and culture in 1994. As per the "Creative America" report of 1997 submitted to President Clinton in an effort to argue for the significance of public support (in partnership with private philanthropy) for culture, a renewal of American philanthropy for the arts and the humanities was called for. It was further stressed that in order to protect the cultural legacy sustained efforts are required for evolving a public-private partnership to digitize cultural materials to be made available through new technologies. The United States has long had an active cultural policy, with Hollywood being a prime example of government intervention on behalf of cultural industries. The dichotomy between laissez-faire, driven by consumer choice, and state planning, underwritten by policy initiatives, is empirically untenable when examining the relationship between the state and private industry in the U.S. In fact it must start with the absolute integration of governments with cultural capitalist development, and on the other side of the ledger, the absolute integration of private accumulation with public representatives, in those countries where supposedly the film industry is not just about the market, and is instead about holding up that Melville-like mirror.

The experiences in Hungary shows that despite total state control and an economic policy of "rational redistribution," the country's cultural sector remained disproportionately favoured in relation to other national sectors and was significantly

subsidized. After the collapse of the Soviet Union, state support for the arts and culture was extensively re-evaluated. The success of privatization in the cultural industries and the “civil revolution” through which thousands of private foundations emerged, the National Cultural Fund emphasizes relative autonomy from the state and implements competitive and transparent grant making processes. To capitalize on private resources the Fund has established initiatives to coordinate and encourage the activities of major corporate sponsors, to promote cultural projects through an alliance with the Association of Hungarian Advertising Agencies, and to subsidize interest costs for culture industry projects in areas such as publishing and film.

The cultural policy in Italy, prepared by, “Culture link”(1996) suggests that, cultural initiative in Italy is characterized by the plurality of bodies involved. The management of cultural affairs is accomplished through an interlaced system of administrative bodies, whose competences are dispersed among several sectors and administrative levels. The administrative model divides the country into twenty regions, 92 provinces, and some 8,000 municipalities distinguished not only by social and economic conditions but above all by their cultural backgrounds. Cultural events and projects of all kinds are often supervised by several bodies at different levels, including organizations under the control of the private sector. For a long time, activities related to the protection and restoration of the nations extremely rich cultural heritage have held the pride of place among the various cultural initiatives carried out and/or supported by the Italian state. The general directions of cultural policy include the guarantee for restoration and protection of the nation's cultural heritage by the Italian Constitution, whose Article 9 declares that “the Republic shall promote the development of culture and scientific research; it shall care for the nation's historic and artistic heritage.” Broadening the constitutional standards, the statutes of the regions generally envisage a more direct intervention in the cultural field, based on a more dynamic concept of cultural life. Since the second half of the Eighties, Italy's huge budget deficit on the one hand and active interest in sponsorship for heritage protection and promotion of culture on the other have resulted in a shift away from the traditional state-controlled cultural life and towards a system of more flexible projects with mixed public and private participation. Support for the so-called “educational and cultural promotion activities” is emerging as a new tendency in the Italian cultural policy. The “promotion” connotes all the initiatives, whose purpose is to encourage the creative expression of the people, their participation in and interaction with the manifestations of official culture and the organization of cultural events with stakeholders’ participation. Recent funding for cultural promotion has in some regions even exceeded the amounts spent on the care for cultural heritage. The administration's responsibilities concerning the cultural policy are divided both horizontally and vertically. On the Central Government level, the competences for

actions related to the cultural field are distributed among several ministries. The actions of the Central Government are also constantly tempered by the lower-level authorities embedded within the Italian “regionalist” administrative system, which provides for an ever-present competition between centralist tendencies and local needs and ambitions.

Cultural administrators have a significant degree of independence in cultural matters and the municipalities are responsible for the running of the cultural institutions on their territory and ensuring the protection of the local cultural heritage; they are also involved in promotional activities. To cater for regional diversities, different organizational and legislative models are applied in different parts of the country, resulting in a proliferation of regional special laws, committees, councils, and institutions trying to meet the needs of specific areas. There are also other organizational models, institutions and initiatives dealing with the cultural field, such as the traditionally renowned Academies, private universities, research and coordination centres. The process of reshaping the distribution of funds for culture, currently under way in Italy, is proceeding in two main directions: The restructuring of funding, meaning that a significant effort is being made to balance the development of all sectors and reduce the priority of patrimony-oriented activities; The broadening of possibilities for mixed funding and participation of non-governmental sources in financing cultural initiatives, namely, by encouraging their sponsorship and establishing direct links between independent private investors and cultural production. The public spending for culture represents only a tenth part of the total expenditure on culture in Italy, while most of the money invested in cultural programs comes from private sources (cultural consumption, advertising, sponsorship). Therefore, although the central authorities may prefer to maintain control over their share of budget, important amounts of money coming from the market enter the cultural field on the regional and communal levels. Starting in 1988, the effect of the current cultural policy in Italy, as in other developed countries, has been to reduce state subsidies. Repeated attempts have been made to neutralize the elements of crisis by reorganizing and rationalizing the administrative bodies and their activities. While the implementation of special new laws on heritage protection had acted as a boost to the financing of culture in the preceding period, the fact that those laws were not refinanced caused most of the downturn, which occurred after 1988. The decline in funding affected the performing arts sector as well as other sectors and was a reflection of the expenditure reduction policy practiced by the government after the 1989 budgetary crisis. The reduction of the total expenditure on culture was as high as 27 per cent in 1988, then 24 per cent in the following year, dropping to 9 per cent in 1990. The fall of public funding for culture, which affects the system on both the central and the local level, implies that for purely economic reasons a considerable portion of cultural production is already forced to turn towards the market, either trying to make its offer

appealing to as large an audience as possible, or tapping funds coming from alternative sources, through direct sponsorship or even investments by private corporations. In this respect, Italy has become a model country in Europe, with considerable amounts of money flowing from private investors towards cultural projects. In the absence of pertinent statistics, one can only refer to figures quoted as estimates, according to which Italian corporations spend about 400 million US dollars on culture each year.

Besides its significant volume, corporate support for arts and culture in Italy is characterized by spontaneity. Sponsorship and other forms of support grew strongly in the wake of the economic boom in the eighties, when the Italian business and financial bodies became aware of the potential economic benefits that could derive from their involvement in preserving and developing various forms of national culture. The issue of overall coordination of interaction between the public and the private sector has become the most important aspect for promoting culture and partnering private sector. It is obvious that a more clearly defined policy in relation to sponsorship would help to avoid disproportions in financing, which now tends towards locally concentrated sponsorship in more prestigious areas (coinciding with the headquarters of large companies) or towards grouping the initiatives around more prominent and “visible” sectors. The cultural activities of the Ministry of the Performing Arts and Tourism include the promotion of the theatre, music and cinema. The Ministry provides subsidies for cultural programs and projects, but it does not directly run any particular institutions. The Ministry supervises and finances some 250 institutions and performing groups, including major opera houses and symphony orchestras, several prominent chamber orchestras, permanent public theatres as well as non-profit cooperative theatres, touring companies, commercial theatres, and smaller orchestras and dance companies. The participation of the mass media, ensuring an adequate and extensive coverage of cultural events, is evident in most segments of Italy's cultural life. The extent of reporting on cultural events on Italian radio, TV, and especially in the newspapers is relatively high compared with some other European countries, including those with cultural policy models similar to the French model. Not only do newspapers and other media follow cultural events in their regular sections, but they also help to organize and sponsor specific cultural events of national and international significance and become directly involved in their promotion and marketing.

The promotion of culture and Public-Private partnerships has also been given legal status all over the world and finds special mention in UNESCO cultural policy. Public-private partnership in the creation of culture and cultural heritage protection is implicitly vested in a number of statutory acts. The Protection and Development of Culture Act places public and private cultural institutions on an equal footing in

competitive bidding for financial support for cultural programs and projects from the National Culture Fund, municipal culture funds and national centres of the arts. The public-cum-expert councils and commissions supporting those activities are made up of representatives of state and municipal institutions, professional and non-profit associations, individual artists and experts. The Corporate Income Tax provides for up to 10% tax deduction from the taxable income for donations to cultural institutions or for the purposes of cultural, educational or scientific exchange under the agreements. Special artists support schemes: According to Art. 15 of the Protection and Development of Culture Act, five National Arts Centres are under the Ministries jurisdiction including, theatre, film, music and dance, books, Museums, galleries and visual arts. These Centres are arms length bodies with an independent legal status and budget, which pursue specific cultural policies in their respective sphere. The activity of each centre is run according to a program approved by the Minister of Culture. Directors who are answerable to the Ministry conduct the Centres.

The indirect support is limited to general social assistance and creativity promotion programs of professional associations and foundations. Professional associations are currently lobbying the Parliament for favourable social and labour legislation on their respective professions, as well as for passage of specific legislation facilitating the emergence of a market for works of art. They have social funds offering member's lump sum aid or monthly supplements to recipients of pensions below the poverty threshold. Members of professional associations are entitled to discounts on goods and services from association-owned shops, enterprises or recreation facilities. Some associations negotiate threshold rates of payment for certain professions with potential employers. Only a few associations have a special fund for creative support, which pays part of the cost of creative activity and handles marketing.

#### **4.3 Financial Aspects and Opportunities for Stakeholders**

Every festival has to operate in a budget. Even Cannes, Berlinale and Venice have a projected estimate of the expense to be incurred on different segments of the festival. Since support from traditional sources, like government, is coming down every where, it becomes increasingly important for the festivals to be innovative in finding new and sustainable sources of funds for meeting the expenditure on festival budget. Funds would have to come from stakeholders and it would therefore be incumbent on festival authorities to tap the financial opportunities available with the stakeholders. The stakeholders too would like to contribute funds only if they have something to gain in terms of their own objectives. It therefore becomes imperative that the festival authorities are able to articulate the opportunities for stakeholders well in advance and offer

participatory partnerships for mutual gain. Stakeholders for a festival would include local municipality, state and federal government, police authorities who would like to have a trouble free festival atmosphere, tourism board and local tour companies to build upon the gains of having a festival among them and promote further tourism, hotels and restaurants, airlines, museums, art galleries, shopping malls, TV, radio and entertainment companies, public at large and local industries etc. All these stakeholders would come forward to help the festival if they perceive the festival to bring in extra revenue and generate spin off benefits for increasing their business. The festival authorities have to make an effort to sell the festival to stakeholders and get their active participation if it wish to receive benefits in cash or kind from the stakeholders.

Most non-profits are less concerned with profit than they are with meeting some particular need in society. The role of marketing in this context is therefore to facilitate the exchange process between the organization and its publics, so that some societal need can be fulfilled. All organizations have customers, whether they choose to refer to them as such or not. In the tightening competition, the role of strategic marketing and management is increasing in non-profit organizations. The capacity of marketing to aid charities and non-profits in general to survive in an increasingly hostile and demanding environment is crucial. The key customer groups for charities' are volunteers, individual donors, corporate donors, charitable trusts and recipients of goods and services (Sargeant, 1999, p.56-58). Art organizations, in turn, have such key customer groups as visitors, audiences, corporate sponsors and art funding bodies. Mr. Renee Protomastro, writing in, "Corporate support for local film festival":(February 9, 2004) quoted Robert Kesten, founder of the Director's View Film Festival, saying that "the purpose of a festival also lies in the fact that it adds value to the community". Key customers of healthcare trust include such groups as patients, visitors or relatives of patient; Marketing represents a philosophy or approach to management that places the customer right at the centre of everything that an organization does. Finally, education's key customers are students, alumni, industry, research funders, local communities and local/national government. We can label the groups mentioned above as the networks of non-profit organizations.

IFFI has explored options for stakeholders by way of inviting the Confederation of Indian Industry (CII) to set up a film Bazaar. The effort has evoked mixed response so far. The film Bazaar is organized with a view to encourage co-productions, joint creative endeavours, sharing of technology and creating a climate for investing. Film bazaars aim to create a space for negotiation between the various stakeholders of the industry. The market sections not only provide a commercial window for Indian Cinema but also a platform to facilitate interaction with the international media fraternity. The government-owned Prasar Bharati, Satellite Media Group, Andhra Pradesh-based Ramoji Rao Film

City, UTV, Adlabs, Indian Film Exporters Association, Mukta Arts, Kaleidoscope, Tamil Nadu Tourism, Zee Cinema, the government's Films Division, Children's Film Society, Mauritius Film Development Corporation and the Brazilian Central Film Commission are some of the regular participants at IFFI film markets. Companies like OSIAN's have been visiting IFFI with the objective of promoting their film magazine Cinemaya, and to throw light on the Film Festival of Asian Films organized every year by them at New Delhi. ND Studios participate in order to attract potential filmmakers to use their newly built studio located on the outskirts of Mumbai. While many of the participants have been unhappy at the outcome of the film market, a few have made some gains. Carlotta Films from France negotiated for films like Sholay and Kal Ho Na Ho in IFFI 2004. Some participants and others with commercial interests who have not participated in the Bazaar expect the negotiations to continue one-on-one in Mumbai, Delhi or other metros like Hyderabad. Doordarshan has made significant gains by the sales of VCDs and ACDs of classical giants' performances. Overseas companies like the Brazilian Central Film Commission who participated in IFFI 2004 did not transact any serious business but did manage to interface with financiers/investors for an Indo-Brazilian production. Some others like Zee Cinema have been participating in IFFI with an objective of consolidating their association with the entertainment fraternity and “celebrate cinema”.

A major partnership surfaced during the IFFI 2004 with the cellular service provider company called IDEA. IDEA is a leading cellular operator in the country, with a subscriber base of over 4.3 million across the country. The company partnered the Entertainment Society of Goa as the sole official telecommunications Partner for the 35th International Film Festival of India held at Goa. It invited their subscribers to experience the International Film Festival. An alliance of this nature was a big event for IDEA, which strengthened the belief that festivals do and can generate opportunities for stakeholders. To add to the hype associated with the festival, IDEA offered their subscribers the IFFI schedules on their fingertips. IDEA subscribers could dial IDEA to keep themselves tuned in as Goa took center stage with a line up of exciting activities like Beach screenings, vintage car rallies, street plays, musical concerts and magic shows. Subscribers could also participate in a quiz contest specially designed for IFFI and win a trip to Goa.

Many of the Tourism Corporations of the Indian states have been participating entirely for different reasons. Participants like Tamil Nadu Tourism and Uttaranchal Tourism Development Corporation aim to attract filmmakers to scenic locales in their respective states. The Government of Goa has accepted that the sudden spurt to the exposition of the Holy Relics of St. Francis Xavier at famous Old Goa's Bom Basilica Church as well as the much-publicized 35th International Film Festival of India (IFFI),

which was held in Goa for the first time, has really helped the state. From 1.16 lakh in 2000-01 the number of chartered tourist arrivals have gone up to 1.58 lakh last season, according to State Tourism department's official statistics. The State has also witnessed a major growth in the overall arrivals last year with a record 24.50 lakh. While the domestic tourist arrivals went up to 20.85 lakh (a rise in 20 per cent) in 2004-05 from 17.25 lakh in 2003-04, the foreign segment witnessed a 15.5 per cent growth during the corresponding period with the arrivals going up from 3.14 lac to 3.63 lac. The hotels in the higher segment here last year reported over 10 per cent average rise in ARR (Average Room Rate), an indicator of revenue boom in hospitality sector. The projections for 2006 have been put at 21 lakh total arrivals by the department authorities. Apart from the brief setback on account of heavy rain in Mumbai that led to cancellations of flights the private sector hospitality industry has done extremely well during the off-season and was very optimistic about the season ahead. One noticeable change has been that even during the traditional off-season, i.e. monsoon season, hoteliers in Goa on an average received an occupancy of over 55 per cent with good business in corporate, business conferences and conventions in five-star resorts. Goa has emerged as one of the favored international destinations instead of the earlier tag of Goa being labeled a "back-packers' paradise." Apart from its reputation of being a peaceful destination, while several of the world tourism destinations faced terrorist attacks in last couple of years, the tsunami devastation in some of the premier South-East Asian destinations last year has brought the State to prominence in the world travel circuit once again.

Another opportunity for stakeholders is in the area of chartered flights. The number of tourists, chartered flights and hotel bookings, have all been increasing in Goa. The additional effort to beef up landing facilities by way of starting night operations, have also added to the tourist arrivals. The State Government's sustained campaign abroad with the help of international electronic media and continued participation in world travel marts, fairs and road have showed that the results are bearing fruit. Apart from the traditional European charters, Goa has been receiving flights from Gulf countries, Russia, Brussels, etc. Particularly with the Russians, the charter season in 2004 was extended beyond first week of May.

#### **4.4 International Experiences**

European Coordination of Film Festivals (ECFF) is a network of 200 audio-visual festivals with strong roots in the regions of Europe. Its member festivals are dynamic, cultural events, which have made a commitment to promote the diversity of the European moving image. The European Coordination of Film Festivals was incorporated as a European Economic Interest Grouping (EEIG) in 1997. (<http://www.eurofilmfest.org>)



The Coordination is a resource for its members and for organizations with an interest in audio-visual festivals. It offers such resources as research and conferences, training and staff mobility, information and communication, lobbying, and opportunities for partnership. The development of partnerships is the key to the artistic, educational and commercial success of film festivals. ECFF is a strong advocate of the range of partnerships offered by festivals. The Corporate Membership Scheme was introduced in 2000 for organizations with a strong interest in audio-visual festivals as policy maker, funder or programme maker and distributor. Since 1999, the European Coordination of Film Festivals and Jameson Irish Whiskey have developed a groundbreaking pan-European partnership for projects like the launch of 15by15: The European Film Heritage, the hosting of Jameson Clubs at selected members' festivals of the ECFF and key media industry events, and the creation of the Jameson Short Film Awards.

IFFI may be at its infancy in moving towards offering commercial opportunities for stakeholders as festival like Cannes and Berlin are way ahead and so are festivals in US. However other festivals too have made some progress in the field and it will be interesting to see how they have performed. Most festivals survive on commercial support and strategic tie-ups with companies. Of the hundreds of film festivals that take place every year, the larger ones generate tourism money and premiere big Hollywood films alongside smaller European fare. They also win new work, “acquisition” deals and, less reliably, box-office rewards.

**Table 4.1**

**Data for Important World Film Festivals**

<b>Film Festivals 1998</b>	<b>Sundance Jan 15-25</b>	<b>Cannes May 13-24</b>	<b>Montreal Aug 27-Sep 7</b>	<b>Venice Sep 3-13</b>	<b>New York Sep 25-Oct 11</b>
Years festival has been running	14	52	22	55	36
Professional attending	12000+	28895	2000	4500+	60000+
Press Attendance	600+	3898+	500	2300+	500+
Films shown	32	22	24	20	0

in competition					
Films shown outside competition	71	35	196	80	92
Festival Budget (\$m)	3-4	7	4	4	0.95

(Source: URL: [www.filmfestivals.com](http://www.filmfestivals.com))

The only film festival to come anywhere near Cannes for business clout is the Toronto International Film Festival. But its style is very different. While the Cannes film festival is very commercial in almost all of its fares, the Canadian festival's stars are the general public who come to watch the films—many of them showing for the first time—and who are, in turn, watched by movie-industry moguls eager to sense the reaction to their creations before they reach a wider audience. Toronto spurns the official competitions favoured by Cannes and other high-profile festivals, such as Berlin and Venice, where cinematic legends adjudicate upon the works of rivals. Rather, a slew of prizes is topped by the People's Choice Award, voted for by the general public. Deals are done discreetly and most business is concluded in informal settings. In the 1990s, the demand for festival tickets grew to such a peak that two parallel screening schedules had to be set up—one for press and industry, and another separate one for the public. Audiences complained about the ringing phones and other interruptions that came with the business folk who crowded the cinemas. Yet segregation made it impossible for buyers to gauge the audiences' response. So buyers have since been allowed some access to the public screenings.

The case of film festival, “**COGNAC**” is an interesting example of how the local industry can combine with a film festival for sustained partnership. Every year during the month of April this town in southwest France becomes the headquarters of screen murder, mayhem, violence and suspense when it hosts the ‘Festival du film policier’. A normal tourist would perhaps not notice Cognac for a visit but a specialized crime festival has been attracting tourists of a different kind. Such innovative opportunity to promote tourism and Cognac is something festivals may have to think about. Leading actors and directors from America and Europe mingle with hundreds of enthusiastic devotees of the genre in Cognac’s single multiplex cinema where new and classic thrillers are shown night and day. This cinematic cocktail, mixing brandy with suspense, was created when the Cognac merchants, worried by falling sales, decided to link the spirit with the world of cult films and literature. Whenever French towns want to raise their profile, their first

choice is to hold a film festival, which may explain why there are now more than 100 such cinefests in France every year. The Cognac organisers, undeterred by the fact that whisky rather than cognac is the usual tippie of screen heroes and villains, invented the world's first thriller film festival to market the drink and the town that shares its name. Unlike most towns, Cognac is literally *en fête* during its festival. The streets are filled with music and parades, hundreds of guests dine among the copper pot-stills in the cavernous distilleries and local shopkeepers decorate their stores to reflect the thriller theme. A baker sells croissants and baguettes in the shape of revolvers and a blood-stained dummy with a machine-gun fills the window of a lingerie shop.

The festival has helped to raise the profile of the drink in France. But 92% of all cognac is exported and the lucrative Far East market remains wobbly, especially in Japan. The French market has been helped by the promotion of Cognac as an aperitif, mixed with mineral water or orange juice, while the buoyant American market has been wooed with Cognac cocktails such as the Hennessy Martini. All these promotions, including the film festival, are aimed at shifting the traditional image of Cognac as exclusively an after-dinner drink. The film fans crowding into Cognac's high-street cinema to enjoy more than 50 thrillers in four days may be playing a role in increasing the sales of the spirit that Victor Hugo called "the liquor of the gods".

## **Chapter 5**

### **Role of Government**

#### **5.1 Government Role in Film Promotion**

The Ministry of Information and Broadcasting through its various film organizations has been playing a pivotal role in promoting Film Industry from a long time. While the Directorate of Film Festivals was established in 1973 with a specific objective to organize International and National Film Festivals, other organizations like Films division have been producing and showcasing films and documentaries even before the country got independence. Besides contributing necessary funds required to organize the film festival, these government organizations have a rich talent pool to undertake such activities on a national and International level. The private sector in India finds it very difficult to undertake such activities since such initiatives become more or less regional in nature due to the huge size of the national industry and prevailing cultural and political dominance of certain regions in industry forums.

Most film festivals get some kind of support from their governments. It however depends also on the kind of government structure existing in a country. While the former communist block countries supported films as an activity of promoting culture and were generous in state funding for film related activities, the scenario underwent a sea change with the collapse of communism. The European Film Promotion (EFP) is an organization of many European Film bodies. All these bodies are aided /constituted as a part of the government. The EFP promotes European films by participation in film festivals all over the world. However many of the European countries patronize the festivals to a great extent, often by way of indirect support which is routed through municipalities for propping up city infrastructure for festival guests and tourists. The Cannes Film Festival is a case in point. An Association under the Ministry of Cultural Affairs and the Ministry of Foreign Affairs organizes Cannes. About 50% of its budget comes from public funding and the rest by sponsorship. The Tourism Authority of Thailand organizes Bangkok International Film Festival while a government body organizes the Pusan Film Festival. In India, the government supports the major film festivals. IFFI, MIFF and the Golden Elephant are organized by the Central and State Governments, the Kerala and Kolkata Festivals are organized by organizations set up by the state governments, Cinemaya and MAMI festival receive indirect grants and support from the state governments.

The US government however does not support and subsidize film Industry and festivals. Most American festivals are left to raise finances from commercial sources.

In India the Government has been promoting film related activities through a wide network of public sector organizations. Some of these are: -

The most important task that the Films Division undertook on a national level was the organization of the Bombay International Film Festival for Documentary and Short Films. On March 1, 1990, the first Festival had as its Director V.B. Chandra, and the jury included distinguished film personalities like Ulrich Gregor, Ishu Patel, Dennis O'Rourke, Adoor Gopalakrishnan, Erika Richter and Mikhail Litviakov. From its very inception, it was a competitive festival and cash prizes were given in different categories. The first Festival had a Lumiere retrospective and was scheduled to be held every two years. From 1990 onwards, the Mumbai International Festival for Short, Documentary and Animation Films has grown to be one of the biggest and most important short film festivals in the world and is considered one of the four most important short film festivals, along with the Oberhausen and Mannheim Festivals. The Festival has from its very beginning started a special section, "Spectrum India," to project the best documentary films produced in the previous three years. The Government of India and various State Governments have been promoting such events purely from a cultural point of view, as films remain the biggest and most widely accepted cultural and entertaining medium. The films also acts as agents of change in a society divided on caste segmentations.

NFDC is the government owned central agency in India for promoting quality cinema. NFDC was set up on April 11, 1980 with the objective of bringing an overall improvement in the quality of Indian cinema and increasing its access. NFDC covers a large gamut of activities including production of films, export of Indian films, import of foreign films, import and distribution of raw stock, construction of cinema theatres and development of technology. A few filmmakers, who would find it hard to obtain finance from the regular sources, have been financed by the NFDC. However, NFDC cannot be considered to play a central role in the film industry because it finances too few films which, too, are not of the type that has made the Indian film industry so vibrant commercially. It however goes to the NFDC's credit that, without it, some of India's best film makers wouldn't have got a break in the industry. Another shortcoming with the NFDC is that it funds films only at the production stage while ignoring the just-as-important marketing stage. Since its inception NFDC has produced/co-produced and financed/ co-financed more than 200 feature films and short films and documentaries. These films, made by several filmmakers include the likes of Satyajit Ray and have been widely acclaimed and won many National and International Awards. Major international NFDC co-productions include Gandhi directed by Sir Richard Attenborough, The

Making of The Mahatma – a South African Broadcasting Corporation -NFDC co-production, directed by well known Indian film maker Shyam Benegal and Salaam Bombay directed by Mira Nair. Some of the films financed by NFDC include Aakrosh, Adi Shankaracharya, Agantuk, Ardh Satya, Bagh Bahadur, Bandh Zharokhen, Bhagvad Gita, Bhavni Bhavai, Bhumika, Chakra, Damul, Dharavi, Diksha and Disha.

Another extremely important government organization, which has produced many films, is the Children's Film Society of India (CFSI) set up in 1955 by the Indian Government to promote children's films. In between 1992 and 1995 it was renamed the National Centre of Films for Children and Young People, but now it has gone back to its original name. CFSI had been headed by Jaya Bachchan, Shabana Azmi and Sai Paranjpe as Chairperson. Like the Films Division, CFSI has also been organizing an International Festival for Children's Films every two years and its volume is increasing every year. The Festival located at various times in Delhi, Mumbai and now Hyderabad, is held during November 14-23 every year in memory of the late Prime Minister Jawaharlal Nehru, whose love for children was extremely well known. Hence, the Festival starts on November 14, Nehru's birthday. The Festival brings in children's classics and feature films produced throughout the world. This is also a competitive festival with attractive cash awards selected by an international jury and a special children's jury. The Festival also invites foreign animators to teach children from all over India how to make their own animation films. Moreover, child delegates from all over India are invited to attend. Thus with two such big international festivals laying more and more stress on good production and encouraging a competitive spirit, the Government has played a major role in promoting Film Festivals through out the country.

Another government organization called National Institute of Design (NID) though not exactly for promoting films has been producing a huge quantity of animation films, thereby significantly contributing to Indian animation. In addition to 'National Highway', a national award winner, R.L. Mistry created 'Perspectrum', an abstract study on movement and graphics. Leo Lionni, a famous animator and designer, came to NID as a Visiting Faculty member and made his film Swimmy using cut-outs, which to date is one of the best cut-out animations created. Vinita Desai made 'Cirrus Skies', a graphic depiction of the changes we see in the sky's cloud formations; her other film Patang, meaning "kite," explores the movements of a kite through the eyes of its flier. This film won her the first prize at the 1985 "Shorts I" Festival in Calcutta. Nina Sabnani shared this prize with Vinita with her film 'Drawing Drawing' based on the reactions of a child upon seeing his drawings come to life. However, Nina Sabnani won international acclaim with her next film, which is perhaps the first feminist animation in India. 'Shubh Vivah' is a strong comment on the much-hated dowry system, a social evil where the bride's

family pays money to the groom and his family when a daughter is married. This film uses the traditional Rajasthani Madhubani style of painting. Other filmmakers from NID include Nagendra Patel, Darshan Bhagat, Shyam Patil, Shailesh Modi and Mita Bhagat who made films like 'Energy Merry Go Round', 'Sakhi and Mukhi' and 'Curiosity Killed the Cat'. Of the later students, one animator who has distinguished himself is Prakash Moorthy. His film Jungle King, based on a Gujarati folk tale, was selected as part of India's presentation at the Indian Festival in Russia. Moorthy later made The Square On The Hypotenuse (1995), The Progress Report (1994) and The Protagonist (1988). Another important happening at NID in between 1986 and 1989 was the arrival of Scottish filmmaker Keith Geive who, while working on a feature, included a small animation film on India. This became an Indo-Scottish venture when Shoma Banerjee Kak, a very successful animator did the entire Indian portion using cell animation. The Government keeps going back to NID for its developmental films, which use animation.

## **5.2 International Experiences**

### **5.2.1 Czech Republic**

Unlike India where government support for the film Industry/festivals as a medium of cultural promotion continues, some of the countries in Eastern Europe like Czech republic changed their cinematography laws completely after 1989. This happened because a completely different economic system was established. The biggest difference is that before 1989 the film industry was owned by the state. The state was the owner of cinemas, distribution companies and production studios. After 1989, the film industry became a private endeavour supported by the state to a small degree. In India due to a mixed economy, such drastic changes were never required as the private sector and government sector co-existed. The State Fund for the Support and Development of the Czech Film Industry was established in 1992 and has been functional since 1993. The Fund distributes money that comes from various sources. The most important source is represented by the sale of old films made in socialist studios.

However, the government does fund film festivals. A state organization that supports the Czech Film Industry is the Ministry of Culture. However, the film doesn't belong to the art department of the Ministry, but is ascribed to the mass media department. Money is distributed through a grant program run by this department, to the tune of about USD 100,000 to 130,000 per year. The money is not awarded for the production of films but for other activities, such as film festivals, film journals and so on. In addition, there is yet another way for film festivals to get funding: the festivals in Karlovy Vary, Plzeň and Zlín also have money directly from the state budget in recent

years. Similarly, the Governments all over the world provide direct or indirect funding for the film festivals. Be it Cannes, Berlinale or Venice, the Government support is all-pervasive. Municipalities go out of way to support the local infrastructure and develop facilities required for the smooth conduct of the festivals and also to build tourism related infrastructure.

### **5.2.2 Hong Kong**

Not all festivals get such support from the government and some of them face uncertain future. Like in some of the Asian countries like Hong Kong, festival itself faces a looming identity crisis. Run by the Urban Council and its civil servants for 23 years, it has passed on the government's Home Affairs Bureau and all the present programmers' contracts will cease. Will they be re-engaged by the new dispensation or will pass control to cine societies. It is an open question but some are pressing for the festival to be hived off as an independent body with, its own director, like other Film Festivals.

### **5.2.3 Russia**

Russian culture having collapsed along with the Russian economy, the film festival support too faces uncertainty. The state has not recovered; but the artists have. There is a new energy and a new sense of purpose in the performing arts, in cinema and in performing arts. Some 1,000 professional theatre companies are said to be active in Russia, twice the number of state theatres that were open in 1991. The number of films being made has tripled from the times of mid-nineties when it came down crashing.

The willingness of the Moscow city government to promote the arts has been a big factor in the cultural revival of the capital. The city authorities have staged festivals, lured celebrities and found theatre space for fledgling companies, which have gone on to upstage their seniors.

## **5.3 Changing Role of Government in Film Festivals**

The role of Government in organizing and promoting film festivals has been changing all through the past few years and especially from 1995 onwards. While private funding to IFFI in small parts have been going on nothing much was happening. Such contributions apart, a section of the government also thought of winding up IFFI. While the Geethakrishnan Committee had suggested privatization of film festivals; the Ministry opposed the suggestion and came out fully in favour of continuing Directorate of Film Festivals. One forceful argument for continuation of Film Festivals under the Information



and Broadcasting Ministry was that there are several agreements with various countries on Film Festivals. These cannot be passed on to the private sector so easily. Besides, the Indian film industry continues to be unorganized and the onus of organizing film festivals could not be passed on to them. The industry is very individual-based and there is little unanimity between various film producers. Hence, organizing large-scale Film Festivals by private sector would be a very difficult task.

According to the Expenditure Reforms Committee report, currently the Directorate of Film Festival has about 56 employees with an annual expenditure of about Rs 60 lakh. The Geethakrishnan Committee report on Expenditure Reforms had categorically said that the Government should get out of the business of organizing film festivals. It had said that internationally, the private sector was responsible in organizing and running film festivals. However, in India, the Directorate of Film Festivals is responsible for organizing the International Film Festival of India (IFFI) and other foreign film festivals in association with their respective embassies in the country. It also sends in entries to various festivals held in other parts of the world. The recommendation did not find favour with the Ministry of Information & Broadcasting on the following counts.

The Indian Film Industry is not a consolidated industry but is essentially a loose term used to define pockets of film sectors located in various parts of the country producing films in more than 30 languages. No single body can be said to represent the entire film sector Cinema, in the twentieth century, has emerged as the most effective medium for projecting the culture of a country. In a country where cinema is the primary mode of entertainment, the Directorate of Film Festivals has a crucial role to play in promoting films of high aesthetic and cultural value. Even if organization of the event were handed over to the film industry, the government would have to provide financial support. The private sector is almost entirely confined to commercially viable activities, whereas Film Festivals are not a profitable proposition for the organizers. Closely linked to the festival is the fact that the government is involved in cultural exchange programmes with many countries. Organizing and participating in film festivals are two of the tools for cultural exchange. These viewpoints reflect the traditional views of the government where the government looked at film festivals as a way of promoting Indian art and culture. The budget spent on organizing Film Festivals was more for promoting diversified Indian cinema all over the country and the world. Since India does not have one film Industry but many small ones located in almost every Indian state, it became government's business to promote each small industry by way of subsidies or producing quality films and organizing Indian panorama festivals. This was also a way for these

films to find International participation ensuring their promotion in International Film Festivals.

The change in government policy over the last couple of years has also given films an industry status, access to institutional funding, tax-free multiplexes and 100 per cent foreign direct investment. This has encouraged companies to invest in films. With traditional film business models under strain, the industry is ready for the future. The new investors want to diversify their portfolio and make money. A de-risked portfolio and tight cost control means they can make steadier, though lower margins, of maybe 20-30 per cent. Moreover, they appeal to the new films makers, producers and professionals. For instance, Ram Gopal Verma (Satya company) has signed up with Twentieth Century Fox to make three films. Vikram Bhatt is directing Aitbaar, Tata Infomedia's first film. That leaves, as Vanita Kohli explains an industry cleaved along generational lines. The old guard, using the old and disorganized standards for making films and measuring returns, still forms the bulk of the producers releasing films. However, they seem increasingly uncoordinated with audience tastes and business realities. Meanwhile the new guard is riding high. On the other hand, three of Sripal Morakhia (SSKI) – backed iDream's four films – Bend it Beckham, Monsoon Wedding and 16 December – have made a profit in 2002. Columbia Tristar, one of the few distributors that claim to have had a good year, distributed all. Consequent upon Government of India conferring industry status to the "Entertainment Industry, including films" and approving the same as an eligible activity for film financing, Industrial Development Bank of India was the first institution to make an allocation of Rs 1 billion (U.S. \$ 20.83 million) for the film industry for 2001-2002 and it sanctioned film financing to the tune of Rs 635 million (U.S. \$ 13.22 million) in 2001 spread over seven projects floated by the likes of Crest Communication, Padimini Telemedia, VR Projects and D. Rama Naidu, which rose to Rs. 995 million (U.S. \$ 20.72 million ) in 2002.

Due to budgetary constraints on one hand and increasing expenditure on organizing film festivals, government has also started finding ways and means of bridging the gap. It has increasingly started looking towards cooperation with the film Industry. A widely scattered and divided film industry initially could not agree on key issues. However, of late the Industry has also come of age. This is reflected by an increasing willingness and capacity of the film industry to tie up with the leading business and Industry chambers. From the earlier practice of inviting film industry to participate in film festivals the growing role has been to invite film industry to handle specific segments of IFFI. Now CII and Film Industry are organizing the 'film Bazaar'. Most of the TV software companies are also participating in the festival hoping to get good business deals. Film festivals like the IFFI are good places not only to buy software

for television channels, but also to sell to foreign companies looking for entertainment software featuring actors from big and small screen. However the success of even the biggest television network in India i.e. Prasar Bharati, which oversees the functioning of Doordarshan and All India Radio (AIR); has not been so successful in carrying out business deals at IFFI. While the intentions may be honest, but the hype and hoopla that is generally associated with film festivals - which are increasingly becoming a meeting ground for conduction business world over, has been somehow missing from IFFI all these years. This is all the more visible since film festivals at Cannes and Venice are making successful forays in the realm of corporate sponsorship.

While the Cannes Film Festival generates business of over millions of dollars each year, the Indian industry is not looking at big numbers. Amit Mitra, Secretary General, FICCI said, “Cannes is an established festival, the range is phenomenal. This will offer people to establish contact and bridge the information gap”. Efforts have been made from the year 2003 onwards to at least attempt a Cannes. Besides trying to showcase good cinema, IFFI is involved in the “business” of films. The Directorate of Film Festivals of India (DFF) roped in apex business chambers, Federation of Indian Chamber of Commerce and Industry (FICCI) and Confederation of Indian Industry (CII) to set up the IFFI Bazaar. Efforts were made to sell Hrithik Roshan-Kareena Kapoor starrers to China, Japan and Germany, induce directors such as Shekhar Kapur, Subhash Ghai and Kamalahasaan to use hi-definition fully digital production equipment and also offer film-makers the “state-of-the-art facilities” enabling them to come in with a script and go out with the canned film. The Bazaar had about 17 booths comprising of some studios, film companies and some Government departments. Prominent among these are Ramoji Rao's Ramoji Film City, Bobby Bedi's Kaleidoscope Pictures, Yash Chopra's Yash Raj Films, Bangalore-based Wizworks Multimedia, Kinfra Film and Video Park, Children's Film Society of India (CSFI) and Doordarshan.

The most visible sign of changing role of government in film festivals is that the government has now started de-bureaucratising the IFFI. Instead of privatizing the organization of IFFI, as a first stage, Government has handed over IFFI bazaar to film industry. The industry is now free to invite film industry members and a film market has now become a robust film activity of IFFI. Although in the second International Film Festival of India, Film Bazaar had only ten stalls, but the men in the panel have a lot of hope for future growth. Amit Khanna, head of the Film Producer's Guild, was quite optimistic and in one of the forums stated, “that a Film Bazaar is not where deals are actually struck; it's just where contacts come to life. “Even at Cannes or Toronto, deals aren't actually made. People just exchange business cards and contacts, and things unfold later.” To this end, Adlabs owner Manmohan Shetty has pioneered a yacht, the Adlabs

Adda, where invited intellectuals and film professionals are encouraged to meet and casually interact, over wine and prawns. Private partners are increasingly being associated in the organization of various IFFI related events. Event managers for opening and closing ceremony and different sections besides increasing participation of Film Industry professionals means reduced role for bureaucrats.

A major advantage of using film facilities in India is cost advantage. With a highly skilled work force the foreign film producers can substantially reduce their cost of film making including postproduction works. The expectations of the companies showcasing the products and potentials through the Bazaar are therefore high. Ramoji Film City, Hyderabad has been marketing its complete range of studio facilities and post-production facility for sound to the participating companies in IFFI market. About 60 films are produced in the Ramoji film city each year and through efforts are made to attract foreign producers to use the world-class facilities at Ramoji studios. Similar efforts are made by Wizworks Multimedia company by making presentations to various film directors as well as ad film producers during the IFFI. Internationally, channels such as Discovery, AXN use High Definition Digital process as it cuts down the process and usage of raw film.

The Government has been focusing on the film industry and has been trying to aggressively promote Indian films abroad. It is also attempting to bring order to an unorganized film export industry by encouraging NFDC to explore film export market and tie up with other major film export companies in India for exploiting the opportunities abroad. It is, however, still early days. Tapping the Chinese and Japanese market is a tough task, especially with tough censorship norms. Though the Chinese companies have been taking keen interest in Indian films not many deals have materialized. The establishment of IFFI Bazaar has been a major initiative in this regard. Invitations are sent to most of the major film companies in the world to participate in the Indian film market and offer an opportunity to Indian companies to explore joint venture and marketing opportunities. The impact has been slow but steady. Most of the initial inquiries generated at the festival are later built up for finalizing deals. From being a simple organizer of film festivals to being the prime mover for development of cities, the role of Government has been changing over a period of time. After holding the film festival in cities like Mumbai, Kolkata, Hyderabad, Kerela, Bangalore, Chennai and Delhi, Goa has been chosen as the permanent venue for IFFI. All these cities benefited by way of having a film festival as the film related infrastructure developed automatically besides generating some spin off benefits for the local cities. Goa has however become a different case and by bringing IFFI to this small state government has broadened the goal of film related infrastructure development to include tourism. Tourism development has

become a major goal as the local infrastructure gets a big budget allocation. It has been decided to take up the further development of Goa and its outskirts by extending it to Mapusa, Old Goa and Bambolim. Further the measures initiated in Margao are also being extended to the neighbouring areas up to Ponda. Priority is being given to create the infrastructure for holding the festival, including upgrading the auditorium at the Kala Academy, cinema theatres and construction of multiplexes at the old GMC complex. The long-term plan would include laying of four-lane and three-lane roads on the Miramar-Dona Paula stretch, construction of underground parking facilities, a flyover/road over bridge on NH 17 near the circle close to Patrakar Colony in Porvorim, a track for walking and cycling and a cantilever bridge from the side of the building of the Captain of Ports here. Catamaran boats are expected to be introduced to ferry tourists and locals to the city from Aguada, Cavelossim-Mobor and also from Patto, Panaji, near the bridge. The entry and exit point would be made near Kala Academy. The dredging of the riverfront is expected to change the entire scene.

## **Chapter 6**

### **Benchmarking**

#### **6.1 Financial Issues**

Financial issues come to the core in ensuring the survival and prosperity of cultural institutions. Be it film festivals or any other cultural institution, there is a great problem with finances, since the basic obligations of an owner of a historic monument are to preserve it, to maintain it and to protect it, not to misuse it and to give public the opportunity of enjoying the cultural monument as it is prescribed by the law. This can be afforded by public funds, because the castles are cultural monuments (Mihalic, Tanja & Lipovsek, Brigita; Slovene Castles-Financing, Economics. Governance; 2 May 2002). Film festivals are cultural institutions to be enjoyed by the public. Financial issues relating to film industry and particularly film festivals have always been a matter of debate among the cultural administrators, film industry, public at large and other stakeholders. Governments have been subsidizing both the film industry and film festivals for a long time all over the world and the issue is how best to sustain a lasting relationship in a partnership mode for overall benefit to all stakeholders. Non-profit organizations implement the techniques practiced by businesses to survive and foster their performance. These practices include advertising, public relations, financial planning, accounting and strategic management.

In Berlinale, most of the hospitality costs are borne by partners and sponsors while infrastructure related costs are partially offset by the local municipalities. However the hospitality expenses in the Indian festival are met out of IFFI's own budget. It is only when the festival moved to Goa that the expense on infrastructure development was met by the local government. Strictly speaking, even the funds coming from local government are not really 'local' as a large part of these funds comes from federal government as 'plan funds'. Since the financial issues are intertwined with cultural, tourism and local infrastructure development issues, it might not be possible to have a direct cost benefit analysis. However the expense might indicate the level of overall development and increased revenues over a period of time. The per capita increase in income of the local population might be a good indicator to measure as to how much the festival has benefited the host state/city. In India, the Government so far, by and large, has met the entire expense on the organization for the festival. Till 2002 the State Governments used to place funds out of their share at the disposal of the DFF. However, from the year 2003, the State Governments have been actively participating in managing some aspects of the festival instead of placing the funds at the disposal of IFFI management. In 2003,

participation by the private sector was tried out for the first time in Goa in line with international practice. The entertainment society of Goa invited an event manager in subsequent festivals to take care of some aspects of the festival.

**Table: 6.1**

**International Film Festival of India: Expenditure Incurred**

In INR

<b>Year</b>	<b>Share of Govt. of India</b>	<b>Share of Govt. of NCT Delhi (2002 &amp; 03)/Goa (2004 &amp; 05)</b>	<b>Total</b>
2002	1,56,15,000	80,57,000	2,36,72,000
2003	85,00,000	7,00,0000	1,55,00,000
2004	1,17,04,000	6,00,00,000	7,17,00,4000
2005	1,46,00,000	6,00,00,000	7,46,00,000

(Source: Directorate of film festivals)

The profitability aspects of a festival might be difficult to measure but financial aspects of co-branding the film festival is comparatively easier. For example, it might be possible to establish a relationship between the expense incurred on building the aircraft landing infrastructure and number of scheduled air flights operated during the festival. Other financial parameters include the development of local film industry, cost benefit analysis, financial analysis of new tourism generated, spin offs benefits for local hospitality industry, enhanced tax collection receipts, local infrastructure, viability of film market and issue of subsidies.

Every euro spent by Berlinale and Cannes is spent with a purpose and efforts are made to obtain true value additions. The cost benefit analysis should be a composite part of any finance related activity. Under such a situation, the financial benefits of providing hospitality to so many IFFI guests seems difficult to justify. Proponents of free hospitality at IFFI would argue that one of the advantages of IFFI is that it facilitates networking. Besides, it is also a wonderful way to understand different aspects of film craft where one gets to meet so many actors, technicians besides watching so many films. In fact, a common grouse of several filmmakers is that the hospitality period had been cut down to four days, which limits meaningful interaction between members of the film fraternity. Should festival cut expenses on providing hospitality duration? The benefit to IFFI by

playing host for full 10 days is hardly justified. Let the invitees plan their travel depending on their film screening. In any case, festival has tie-ups with local hospitality industry for inexpensive stay as well. Therefore festival guests always have the option to pay a bit more and stay for full duration of the festival by averaging their total cost of stay at IFFI. Free hospitality for IFFI guests should slowly be curtailed to a maximum of four days for almost all guests except the Jury members. In any case the award winning directors, invited guests and others associated with films can meet their own costs for the period above the four days hospitality.

Berlinale and Cannes generate so much of business for the participating films that many of the directors plan the launch of their films at these festivals, which guarantees a lucrative export market for the films. IFFI needs to be profitable as far as film exports are concerned. It is hard to accept the fact that the largest film industry in the world, employing the largest number of people, is responsible for less than 1 per cent of the world market. There is a need to promote Indian films abroad aggressively so that the value of film exports could touch at least 3% of the world market. The IFFI financials would ultimately depend on the success of Indian film Industry to tap a slice of the world film export market. IFFI film bazaar in this respect can play a major role to shore up the financials of the festival. Film market which aims at promoting Indian shooting locales, marketing Indian films abroad, promoting India as a post-production hub and to enable networking opportunities, should be made more professional.

IFFI has to establish long traditions in producing the event in collaboration with non-profit and for-profit organizations. On the supplier side, the venues used, the agreements with private restaurants and accommodation facilities, transportation firms etc. always require commercial negotiations. The continuous growth of the event has demanded ongoing growth of resources to organize the event. The growth has been possible partly by the volunteer and semi-volunteer work of individuals and partly by the commercial activities taken by the personnel.

Festivals also offer a possibility of generating an increased foreign direct investment, which may arise due to the fact that film events also build up the brand image of a country, city and the festival.

## **6.2 Managerial Issues**

Compared to what the director of the Indian Film Festival has access to, the director of the Cannes, Venice or Berlin Film Festival generally see more than 500 feature films, 500 shorts and 400 other specialised films before making selection to their



film festivals. Even after doing so much of the hard work, the directors of these film festivals get criticized on one ground or the other. These could vary from having chosen a purely art movie or not being able to procure a latest movie that went on to get an Oscar award. Such criticisms are natural considering that the paying-audience comes to a festival to see films that would provide visual delight and an intellectual stimulus by provoking the sensitivities of an appreciative audience. The Cannes Film Festival has become the Mecca of all festivals. One of the reasons is the superior and professional management of the festival. When the world's most glamorous cinema get-together celebrated its half-century some time back one could look back as always to the good old days when crowds were sparse, security cordons lax, films magnificent and visiting stars accessible. Time has changed all that. Now it is all about management and that too at a scale of a scripting for a big movie. With 4,000 reporters, 6,000 buyers and sellers, and 24,000 assorted film professionals all in town at once, the sweet smell of success in some Cannes backstreets is for all to see. The focus in a festival ought to be on quality and innovation as compared to the star system. The 'Art versus Hollywood' argument is almost as old as the movies themselves and it would be bad for both if either won, which happily is never likely to happen. More pressing are the practical details of how the festival could be better managed. During late 1990's the Italian government introduced a bill to part-privatise the Venice Biennale, which is ultimately in charge of the yearly film event, and streamline its work. The main goal is to develop the marketing side of the festival so it becomes more like Cannes.

Selection of Jury members at Cannes or Berlinale are big issues. The best of juries bring their own preferences and prejudices. The jury has a tough task of meeting the highest level of professionalism and show compassion for the social and cultural settings of the festival for whom they have been entrusted the job of picking up the winners. While Cannes and Berlinale have pure International juries since the festivals have a European flavour, IFFI has the predicament of choosing jury members who can do justice to the films produced in the Asian social and cultural settings. A benchmarking for Jury therefore is not really feasible as IFFI would need to evolve its own standards for selection of juries.

In Berlinale, the film selection is methodical, scientific and aimed at meeting the objectives of the festivals. Films are chosen based on strict merit criteria and films have to be really well made and meet highest artwork and professional criteria. As far as IFFI is concerned an often-made complaint made by the festival regulars is about the "disappointing" selection of films in the "cinema of the world" section. Even ventures such as the Kerala International Film Festival (KIFF) manage to get better movies. The reason cited is that internationally renowned filmmakers such as Adoor Gopalakrishnan

are actively associated with the holding of KIFF. These film makers have a rapport with foreign directors which helps them to bring quality films for their festivals. At IFFI, the organizers are always seen inviting the 'best' already shown at the leading world film festivals but it ends up getting the second best or the third and so on. This shows so clearly as the leading filmmakers do not see a big market for their films in India. One alternative course of action could be to have a panel of film experts from the entire film Industry in India to choose films on the patterns of most of the International Film Festivals who have dedicated programmers whose job is to track the work of various directors. Every now and then, these people write to film makers and ask them about their latest work and what stage it is at. They take so much interest in the new work of the renowned film directors and that helps to build a rapport between the director and the festival. The IFFI organizers follow no such practice. Another view point is that DFF does take due care about selection of films as generally most of the films shown in IFFI includes films shown in at least one or two other international festivals earlier. Disputing that better foreign films could not be shown at IFFI, the critics however agree that the blame lies more at the door of the Government rather than the DFF. Even a small provocation can get the religious communities in India on the roads. Violence can erupt in no time and that is again a managerial challenge pertaining to selection of films. Religious and cultural tolerance levels being very low, the selection of movies is a tough task compared to what is possible in Cannes. Brilliant films on religious issue need to be selected with utmost care. Issues like rape, sex, violence and religion even though may be an intrinsic part of the film is fraught with dangerous consequences unless handled carefully. Shekar Kapur's "Bandit Queen" had to go through many cuts as per the advice of Censor board and Deepa Mehta's "Water" could not be shot in India

IFFI has to go a long way to replicate features of Berlinale like, "Screenings on Demand". Numerous buyers and exhibitors in Berlinale use the state-of-the-art service, which makes it possible to show films according to personal schedules. However in IFFI we are still struggling with programming aspects. Even the most seasoned festival goer tends to get peevish about the selections of any particular festival. This goes from the smallest festivals to the biggest. Be it Toronto International Film Festival, New York Film Festival, or IFFI, it is common to hear complaints about the innumerable overlaps. Since the festival dates are quite close it is but natural to have lots of overlaps. But film buffs would have none of it. They will criticize as they expect to see new films in every festival, which follows one another. This is a difficult area to manage; as it is difficult to synchronize what IFFI is showing and what Singapore festival would show. These are the issues one has to live up with. However finer details of programming within a festival like scheduling to avoid clash between 'Panorama' and 'Cinema of the World' could possibly be organized.

There is a constant criticism about Government interference in day-to-day decisions of IFFI management. For instance, it is a known fact that the IFFI budget sanction comes as late as September 20 for a festival due to start on October 1. Then also, the DFF is told to clear with the Information and Broadcasting Ministry every time they wish to offer a business class ticket to a film delegate. All this limits the DFF's ability to choose films. DFF's logic that there can be no responsibility without the authority as well needs to be considered. IFFI management needs all the authority to take crucial and timely decisions to ensure constitution of juries and formation of various coordination committees for different areas of the festival. Unless these things are organized every single activity of IFFI suffers. The selection of panorama films, prints preparation, designing and printing of publicity material can all take place in time if the day today operations are smooth. Government view is that since the Ministry of Information and Broadcasting provides the major budgetary grants for running IFFI and its answerability lies to the parliament, it is a natural stakeholder and must have its say in IFFI affairs. However it might be a good idea to steadily progress towards granting more functional autonomy to IFFI. DFF may be allowed decision-making in functional areas where budgetary sanction is already available. The passes for the ministry may also be set at a percentage of total passes issued and tickets sold. A broad list of four times the actual number of jury members can be prepared four months before the festival and DFF could then be allowed to choose the final jury out of that. In this aspect the initiative will have to come from the Ministry of Information and Broadcasting to walk that extra mile and repose confidence in the ability of the DFF to deliver the performance.

Berlinale and Cannes are well-coordinated festivals. Even the local municipalities as a stakeholder are in touch with the festival management bodies for overall coordination. However, IFFI, even though the second oldest Film Festival does not have a well-structured coordination model for its stakeholders. The result is that many organizations connected with IFFI work are working at cross-purposes resulting in wastage of time, money and efforts. There is a strong case for IFFI to evolve a permanent structure and define participatory role for different organizations working for IFFI. The cultural organizations, travel and hospitality partners, airlines, film and infrastructure companies need to be allocated a role for perspective planning at all levels.

Even the best festivals in the world do not have unlimited funds. Though IFFI has been attracting some funds from non-government agencies, it has not become an institutionalized affair. Organizations like Ford Foundation have funded small amounts but have not found the effort worthwhile to come again. As of now, State Governments participation has been a major contribution to IFFI budget. However most of the funding

amount is known just before the festival begins and does not allow IFFI management to act upon such commitments in advance. IFFI also needs to tap new funding sources like the tourism organizations, hospitality industry and film industry. Since one cannot pick and choose films or invite guests without having a sufficient budget, it becomes all the more important to continue to evolve profitable partnerships with most stakeholders. Such public private partnership for generating new funding sources should be a top priority for IFFI management to get over the funding crises year after year. IFFI has to go for careful planning and build partnerships to ensure optimization of resources. The problem is more of resource mobilisation and building successful and sustainable partnerships. Even though IFFI is always constrained by the budget, it has to learn to cut corners, with meagre budget amounts. It has to learn to go for perspective planning since it is difficult to arrange and rearrange festival expenditure every year.

Berlin, Cannes and for that matter cultural and social environment in European Film Festivals is quite different than the Indian ones. The acceptance levels of sex related films in Asian countries would be different than the European ones. The example of festivals in Singapore is a classic case. When the organizers of the Singapore Film Festival announced that one of the themes in 2000 festival would be “Sex in the Asian Cinema”, it was perhaps inevitable that there would be a few hitches along the way. True to expectations, the censors rolled up their sleeves and hacked away at the festival’s centrepiece, Nagisa Oshima’s 1976 classic about love and sado-masochism, “In the Realm of the Senses”. The film was later withdrawn after the organizers felt that said the cuts damaged the “integrity of both the film and the festival”. The censors also banned “Lies”, directed by Jang Sun-Woo, a South Korean cinematic *enfant terrible*, whose tale of an affair between a middle-aged man and a teenage girl combined just a little too much power and sex. But much new work sailed through untouched, including two films that featured sexually powerful women—“Split Wide Open” by Dev Benegal, an Indian director, and “Fetch a Pail of Water” by Jeffrey Jeturian of the Philippines. Overall, more than 300 films were screened uncut. The authorities, in particular, seem happier to leave audiences to judge nudity and sexuality for themselves. However such a theme in a culturally less open society in India would be impossible. So IFFI authorities have to act like a moral police too. In fact all the films have to also obtain political clearance from the Ministry of External Affairs. so as not to convey anything undesirable and add to the confusion on diplomatic fronts.

The film selection in IFFI also suffers because of prevalence of some sort of cultural fundamentalism in India. Films like ‘Bandit Queen’ and ‘Fire’ attracted too much controversy and ‘Water’ could not be shot in India. A culturally complex society finds it difficult to accept hard social realities and is best at peace by avoiding such issues.

Excessive sex and communal themes might be acceptable in mature societies but not in India. Films showing Hindu and Muslim rivalry are also expected to be unacceptable to many in the censor board besides the political establishment. There could be public interest litigations, media bashing and bureaucratic decisions to turn the DFF planning upside down if any of the movies on sensitive themes is selected in India. The challenge for IFFI is therefore not to have a film selection, which is culturally, and morally right and in tune with the overall tolerance levels of a diversified society.

### **6.3 Organizational Issues**

Although IFFI has been facing criticisms mainly on managerial and organizational aspects from the very beginning it has survived against all odds. Criticism apart, the positive side of IFFI is that it still stands tall amid a host of film festivals especially from developing countries. Even though numerous government reviews have recommended closure of IFFI on being extravagant, wasteful and not serving any purpose, somehow the Government has been successfully defending the continuance of IFFI. The Expenditure Reforms Commission of the Government of India in its report dated 20 September 2000 recommended, “Film Festival could be left to be organized by the Film Industry itself. Participation in Film Festivals can also be organized by the industry, Ministry’s role being limited to releasing financial support to the industry and coordination”. One of the reasons on why the Ministry has been defending the festival is that there is not one film industry India. The industry is divided among so many regional blocks that even in Industry there are blocks and lobbies with the result that even on small issues there is hardly any unanimity. An interesting part of the festival is that in spite of loud criticism by the film industry about IFFI not being participatory and poor selection of films, the record of film Industry in organizing mainstream section has been dismal. The consensus has eluded and disagreements been surfacing, year after year, on matters like the choice of chief guest of the mainstream inauguration function and the like.

The partnerships built by film festival in Berlin like, “Kinderfilmfest: Pilot Project in Berlin Schools” and, “Berlinale Talent Campus” are some of the novelties IFFI can take a serious look at. The Kinderfilmfest has traditionally fostered a very close relationship with the schools of Berlin. The secret to full cinemas is that many Berlin schools eagerly await our programme. It’s now normal for them to plan a visit to the cinema on their school calendar. Another initiative has been the starting of Berlinale Talent Campus, which took place for the third time in 2005. The Campus invites 500 young film talents from around the world to Berlin’s House of World Cultures to meet with experienced film professionals in workshops and panel discussions. The objective

being to provide a platform for facilitating the transfer of know-how, working in teams, and encouraging curiosity in the ideas of others. The Campus invests in the future of the festival, but above all, of film. As Berlin's biggest cultural event, the Berlinale is at the forefront when it comes to cultural sponsorship. Although "the movies" are a guaranteed attention getter, the Berlinale is more than just a chance to portray oneself in a favourable light. Film lives from artistic originality and since the early years of the medium this was always coupled with technical innovation and curiosity. It is precisely here where new emphasis is placed at Berlinale every year through co-operations with several partners. If IFFI can replicate such success stories for the Indian film students all over the country, it might just be the beginning of a new film revolution.

Poor perspective planning is the bane of most of IFFI problems. A well thought out plan for the next IFFI should ordinarily be out at least a year in advance. In Cannes and Berlinale, the programme for next film festival is announced almost a year in advance so that planning by participants can be planned accordingly. This will go a long way in ensuring timely completion of budget related proposals while approvals would also come in time. The film hunt could begin on time and the participants all over the world will know the format of IFFI and the different segments it has to offer including retrospective and focus sections for properly planning their participation.

Most of the times the Directorate of Film Festivals is bogged down by logistical issues while the serious issues like tracking and selection of films take a back seat. It must not be forgotten that the most important issue in a film festival is the film selection and programming. Without quality films on show no festival can aspire to create an identity for itself. In leading festivals the film selection is generally done by the experts who have deep knowledge about the current lot of noted film directors of the world and their latest offerings. The experts keep on tracking various festivals and the film programming besides watching the films before recommending the selection in line with the identity of the film festival they are working for. No such system however is prevalent in IFFI. The IFFI director is able to attend only a few film festivals in a year and this is grossly insufficient to make a proper selection. Besides, it might be worthwhile to have a researcher in DFF to do this job. As of now nobody in DFF is doing this job as a specialized activity.

Another grouse of participating film buffs is that the International stars give IFFI a go by and the celebrities hardly come to India. This grouse though has some substance is not entirely valid. Star presence is generally in line with the participation of the film. The celebrities will come because of the film participation and the director's schedule. Issues like offering business class tickets to celebrities etc. are of course important but

not really the only factor. A country's overall image as a festival host and the infrastructure in other areas also attracts film stars. These include possibility of networking and other film related interests. By attracting good films one can ensure the participation of stars as well. Festivals like Cannes attract star celebrities not because of offering superior hospitality but because 'stars' perceive 'Cannes' to offer them unlimited commercial opportunities.

It is easy to attract the good films and directors once but to have a repeat participation from them it is important to offer the participating guests a good infrastructure. Without investing in a proper infrastructure the overall satisfaction among not only the guests but also the local film enthusiasts, organizers, film industry and stakeholders would decline to such an extent that the festival authorities would find it difficult to build up the image. This would include world-class theatre and screening facilities, auditoriums, press and media centre, and comfortable transportation networks. IFFI has been struggling for finding a permanent venue for IFFI for quite some time. However it now seems that the issue is solved in favour of Goa. The IFFI management can now go about building a proper world-class infrastructure for future film festivals.

This is the one of the IFFI area, which has by and large been satisfactory. Press Information Bureau (PIB), which has been entrusted with the responsibility of looking after media relations for IFFI has been doing a reasonably good job over the years. PIB has a team of well-experienced officers to handle all aspect of media relations. In fact, the press accreditation desk is one of the first divisions, which is set in motion. The offers for accreditation are made four months in advance and accreditation committee is set up almost simultaneously. Newspapers and magazines in India and abroad are invited to nominate their representatives to report on the festival. Considering the size of national, regional and local media in India, thousands of applications are received for the grant of accreditation. The problem of accreditation is to manage a huge request. Often freeloaders apply in hundreds to enjoy free viewing of festival movies and do some networking. This poses problems for the press accreditation department. Refusals to grant accreditation results in political pressures and unruly scenes, which could be avoided by considering options, like charging a small accreditation fee from all media persons. If accreditation is given to all and sundry it further puts pressure on the festival brochures and results in too much printing costs. This has been a problem for quite sometime in PIB. The advantage of having a festival outside Delhi is that the number of such free loaders gets limited due to the fact that travelling to Goa is a bit difficult. PIB organizes press conferences for noted International directors, invitees and National panorama film directors and does manage to get good coverage both in print and electronic media. Major criticism for the festival in the media is due to selection of movies and not the press

management. The focus has to be therefore on film selection and programming. The logistics of media management are satisfactory world class and with an improved film selection the festival profile is bound to improve dramatically.

In co-operation with a broad network of partners in culture and business, the Berlinale organizes a comprehensive programme of special events that provide insight into key themes, make new connections and explore realms where film intersects with other creative disciplines. Already in 2005, a number of artistic projects employing cinematic means, but requiring a more flexible form of presentation than the cinema, were shown during the Berlinale. The integration of film and video installation art into the festival then continued at the Berlinale 2006 with the Forum expanded programme, a co-operation between the Forum and the KW - Institute for Contemporary Art. IFFI can try and incorporate such initiatives from Berlinale and bring a touch of innovativeness in its organization.

Even though most of the above issues are culture specific, it has to be appreciated that the IFFI managers are government officers who have to go through bureaucratically and initiate files for most of the decisions. Like every bureaucracy, the dangers are well known. Unlike in a private enterprise where a single individual could take decisions, IFFI has its funds from the government and it has to account for each and every rupee it receives. Being taxpayer's money, the authority to spend money is vested in the hands of the director who has to take approval from the Ministry. The Ministry of Information and broadcasting which is supposed to handle all the parliamentary questions relating to the organization of IFFI would be well justified to be cautious while accepting proposals from IFFI. A common criticism that DFF has to seek ministry approval for business class tickets does not merit much as the business class ticket are offered to a few reputed directors or jury members. A solution could be to take prior approval for the five-jury members while preparing IFFI budget. The Ministry of Information and Broadcasting would be then required to give a blanket permission to allow DFF to offer the business class tickets to any person DFF deems fit for the jury. Making all IFFI related approvals through electronic mail could make the decision-making faster. Even the IFFI board could be used to grant operational approvals. The star invitations could be managed by the event manager/sponsor so that the government approval is not required.



## **Chapter 7**

### **Recommendations**

#### **7.1. Defining Success parameters**

After drawing an analogy based on the overall examination of issues concerning various aspects of film festivals, various recommendations on different aspects of IFFI have been arrived at. First and foremost, the stakeholders must have a clear vision as to what are the long-term goals and objectives of organizing a film festival. The objective must be broken down into identified and achievable sub-goals so that the personnel manning the festival have a clear idea on making a concerted effort to achieve those goals. Most of the problems occur because the goals are never identified or are loosely structured that do not provide a clear direction. Goals like, good media coverage, participation of successful recent films, attracting famous film personalities and spending a certain amount for the festival can be very confusing and needs to be stated in clear measurable terms. Similarly, objectives like organizing film market, securing Film Industry participation and screening panorama films etc. again are likely to be the objectives that can make an event directionless. Goals like realizing 20% of festival revenue from ticket sales and meeting another 10% from sale of IFFI brochure and raising 10% from delegate fee would provide a direction towards achievable goals to the IFFI managers. Another objective could be to attract 10,000 additional tourists to watch IFFI films and enjoy the beaches of Goa.

It might be worthwhile to give festival a distinct identity by way of establishing public partnership initiatives. There is a need to break away from the monotony and come out with fresh initiatives. As such the focus and well defined objectives are required to make sure that IFFI is not lost in the plethora of film festivals and has clearly identifiable objectives. Establishing a long-term objective of making the festival self-sustaining commensurate with providing financial autonomy with clearly defined milestones would go a long way in proper evaluation of IFFI.

#### **7.2 Leadership for IFFI**

There is no denying the fact that the successful organization of an event depends on a successful leader. A successful leader is the one who has the required dynamism and is highly motivated to perform the tasks. A demoralized, de-motivated and dejected leader can only breed dissatisfaction among his team members. A leader must have a clear long term appointment to the top post as opposed to ad-hoc short term contract so as

to provide him sufficient motivation to make long term strategic plans and look for alliances in the local, national and International Film Industry. The leadership must also have functional and financial autonomy with matching responsibility.

At present, the appointment of IFFI director is mostly ad hoc with officers who are appointed, have no clear idea for how long they are being appointed and what constitutes success. It is not important whether the Director is from film industry or a career bureaucrat. What is required is to select somebody with previous experience in management and film related activity and who can put his heart, soul and mind to organize IFFI. What is equally important is that the officer needs a continuity of tenure and a good support structure with strong linkages with Film Industry.

In the case of IFFI, the field of selection of the Director should include people from the industry and management professionals. The selection process should be transparent, quick and a willing person selected with excellent terms in commensuration with the job profile. A typical bureaucratic salary structure with binding terms would only scuttle the creativity of a good leader. Even the officers working under the Director should be a mix of management, government and film experts to provide a balanced human resource structure for the directorate. The IFFI director should also have the power to recruit temporary professionals/support staff prior to the festival to handle increased workload. The role of the Director and the staff should be clearly defined and they should have specific goals related to the objectives of the festival, which they are expected to achieve in the future.

### **7.3 Organization Structure**

A complete restructuring of the present organizational set up may be required to entrench a business mind-set in the personnel managing the festival. The Ministry of Information and Broadcasting may like to explore the possibility for constitution of a powerful film festival board to establish an ownership model and establish professional relationships/ partnerships with different wings of the Film Industry in all parts of India and other leading film festivals all over the world besides interacting with the film professionals. IFFI structuring should be looked from the perspective of arriving at a right mix of manpower management and organizing the event in a professional manner. As far as manpower management is concerned, IFFI can have a three tier structure with the Director, DFF being responsible for running the festival and a permanent 24 member advisory board with a six year tenure for each member with one third members retiring every two years with fresh nominations/elections. The board may primarily consist of representatives from government, film experts' from industry and cultural administrators,

representatives from related trade and industry besides stakeholders' nominees and can sub-divide its work by working groups for ensuring the attendance of the festival by stars, the package of films, networking with other festivals and film related bodies. Such a representative body elected/nominated in a transparent manner will provide guidance, support and advise to the IFFI director. To ensure that day today functioning is smooth, the advisory board should assume the role of a board of non-functional directors with policy level issues and leave micro planning and implementation aspects to the Festival director. The top-level structure could be the Ministry of Information and Broadcasting which could be responsible for key macro level decision-making issues relating to organization and management of IFFI.

#### **7.4 IFFI Linkages and Partnerships**

IFFI needs tie-ups and linkages. Partnerships are all about striking successful cooperation agreements and right collaborations. IFFI needs linkages with cultural organizations, tourism industry and chambers of commerce. Sustainable partnerships and agreements would ensure that in times of need IFFI is not found looking at organizations for crucial support. Similarly, by establishing permanent partnerships, IFFI can ensure that long-term spin offs are generated. Partnerships with film industry associations, major chambers of commerce like Confederation of Indian Industry (CII) and Federation of Indian Chamber of Commerce and Industry (FICCI) would provide marketing opportunities for the IFFI directorate and participants. Once the film festival is managed by a cross section of industry associations, functional divisions could be aligned with representative bodies for appropriate marketing and generate revenues for organizing an International event like IFFI. The film market, export–import collaborations and spin-off benefits like integration with tourism industry and other industries perhaps could ignite the special appeal of the festival.

Professional working relationships and partnerships are also required with different state governments in India, various foreign governments and leading film festivals. It is not known if any body has explored the possibility of a mini Cannes or a Berlinale in India. Possibly Cannes and Berlin may be looking for partnerships. When steel companies and airlines businesses are looking at cutting costs through mergers and acquisitions, cultural institutions too need to open up. The world is now a global village. Distinct cultural practices are becoming a thing of the past. Successful organizations cannot exist in isolation and need to learn on how to structure sustainable partnerships for future. IFFI need not be an exception.

## **7.5 Role of Government**

All over the world, major film festivals are not the sole responsibility of Governments. At best, governments are playing a supportive role while municipalities prop up the local infrastructure relating to film festival organization. In India however, the government organizes IFFI with support from the Industry and other stakeholders. Surprisingly, in spite of having a big film Industry, the major industry players have often shied away from sharing the responsibility and whenever an effort has been made the same has been not so successful. Even the segments allotted to the industry have not been free from controversies. This might be because of the failure to structure a successful mutually acceptable role between the government and the film industry.

Secondly, whenever an effort has been made to give the festival to the film industry, the resultant festival became dominated by Bollywood cinema and that too the mainstream commercial cinema. It is almost impossible to find a single film body, which is representative of the entire film industry in India. So we have not one but hundreds of associations representing Bollywood, Telugu, Assamese, Bangla, Tamil, Kerela, Marathi, Gujarati and Punjabi cinema and so on. It therefore becomes almost impossible to identify a body representative of the entire film industry in the country. The fact of the matter is that the Indian film Industry has different segments and not all states and cinema streams are at the same level of development. If film industry has to organize a film festival, the result would be dominance of one particular stream of industry in the country and neglect of upcoming industry from some of the culturally rich but economically poor states like Assam and Manipur in the northeast India and Orissa in the eastern part.

Thirdly, past efforts of the government towards taking the festival to all parts of the country resulted in a strange result. The state of Kerela started organizing its own festival. There is a separate festival by the government of West Bengal and a private festival by Osian's cropped up. There might be trends towards further increase in language and state specific festivals and that would mean wasting scarce resources of the country. It will not be surprising if Karnataka and Andhra Pradesh too start their own festival. Although there is no serious harm in such a trend towards such festivals as India is a big country with more people than the entire European Union. The only problem is that it would be difficult to sustain such festivals for a long time, as financial dependence on state budget would make them poor cousins of IFFI. The government therefore needs to look into the possibility of organizing a unified Indian film festival instead of many festivals as are presently organized in India and thus achieve economies of scale. Of course, the regional themes of various Indian festivals would need to be imbibed in the

main festival. Even corporates are now thinking of mergers and acquisitions. So why can't IFFI benefit from such a merger. The festival may also include more sections like competition for fresh directors to make it more relevant to the younger generation. Efforts should also be made to reduce costs by concentrating on getting quality films at fewer costs.

Government should play the role of more of a catalyst and provide full support and autonomy to the organization handling the festival till such time the film Industry is ready to take over the festival permanently. It needs to play a proactive role in supporting the film festivals. The support should be by steering the Film Festival in the right direction and provide full organizational support to it. To achieve homogeneity and have sustainable festivals in the Indian context, it is important that the government shares the responsibility of organizing the International Film Festivals of India. Although, the ideal way would have been to leave the organization of the film Festival to the film Industry, with government playing as a supportive role. However, since the Indian Film Industry is besieged in its own problems and past efforts have not been really encouraging it might be relevant in a country like India to have the festival organized by government till such time a truly representative and competent industry is ready to take over the festival organization.

## **7.6 Financial and Manpower support**

At present, government is the major contributor for financial and manpower requirements of the festival through its various agencies. The Ministry of Information & Broadcasting releases the cash component of the budget for film festivals to the Directorate of Film Festivals while additional manpower is provided by the Ministry by deployment of staff through its subordinate offices. Additional funding comes through the partner states while local municipality spends money from its own budget to shore up the infrastructure. Stakeholders and sponsors provide some financial support while few events are managed by the Industry. Tourism and airlines companies' support with a few free air tickets for festival delegates.

Based on discussions with film journalists, academicians, professionals and my own stint in DFF, different financing models it is felt that an ideal structure is difficult to predict unless an effort is made to test it practically. It is felt that a sustainable ideal financial planning would be when the financial support for the festival grows to an ideal model structure with 20% of finances coming from government, 20% from film industry, 15% from visitors, 20% from advertisements, 5%, from ticket sales and 20% from distribution rights. However, such a financial structure will take a lot of time to evolve in

a country like India and as of now, as an alternative, it might be feasible to have a one-time grant of Rs 100 crore from the planning commission, which can form part of a corpus fund. Eighty percent of the interest money earned every year could be spent by DFF for organizing the festival ensuring that even in the falling interest rate regime the income is not reduced as balance twenty percent should be added to its corpus fund every year. This would ensure that even the increased expenditure on future festivals would not be a problem.

## **7.7 Press Management**

Media relations for the leading world film festivals also means networking with leading film experts for promoting the film festival and providing international coverage for the participating films. Cannes and Berlinale do just that. Media is important to the success of the event. The majority of festival visitors get the information about the festival from the daily papers, television and other media. Therefore, relations with the media are in the central focus of the festival organization. The leading film festivals make efforts to be media savvy and use the international media for building up the festival through out the year.

The present set up for media relations comprises of using the services of the Press Information Bureau (PIB), which is the specialized media agency of the government. PIB has one of the most modern media set up in the country and is a quality organization with a specialized manpower recruited through a tough public examination and intensively trained in Media. The officers look after the publicity for all Central Government Ministries and are working professionals. As of now a media cell is formed just before the festival to look after different aspects of press and publicity in association with Directorate of Audio and Visual Publicity besides other media organizations of the Ministry of Information and Broadcasting. Since Directorate of Film Festivals has activities through out the year and PIB takes care of such media relations a drastic turnaround is not required. Relations with the press and other media are taken care of by sending releases, giving interviews and inviting press representatives to participate in IFFI events as accredited media persons. It means that members of the press have special treatment, that is, for instance, free tickets to screenings and invitations to seminars and all festival events.

An event like IFFI requires proactive media coordination to make a serious and lasting impression. It would be therefore useful to provide film journalism training to a few officers of the PIB with on the job attachment with some of the leading film magazines in the world like Variety and others. The officers could be sent to attend

leading festivals for familiarizing on the best film media practices/management. A PIB officer as of now handles media relations for the Ministry of Information and Broadcasting. It might be useful to look for officers with film background and train them further for looking after DFF's work and attend to specialized film media relations to establish linkages throughout the year for film related activities. Partnerships with leading newspapers are required to publish film festivals related news and provide extensive coverage to different film events. Similarly television channels could be partnered to expand viewer-ship by telecasting those festival movies whose rights are available on the same day to a larger TV audience and generate some additional revenues.

## **7.8 Film Tourism, Hospitality and Guest Relations**

Festival success also depends on how it treats its guests. From the moment a guest enters the festival city he forms an opinion. Professionalism is needed from the day one. Airport reception, display of festival brochures, a guest corner at airport and railway station can generate positive image from the beginning and provide a platform on which the festival can build up its image later. In this respect, IFFI has done reasonably well with traditional welcome being provided at the airports and other forums. In fact, IFFI may be among the few International Film Festivals, which does very well in this area. Even the accommodation to guests is exceptionally good. India has some of the best five star hotels in the world and festival authorities have been able to negotiate fabulous deals with the hotel authorities for the festival guests. IFFI has provided an opportunity to the hotel authorities to market their name well and since now Goa is the permanent festival venue, it will further allow the guest managers to forge long-term tourism partnerships.

Tourism of late has become more specialized. We now hear about beach tourism, shopping tourism, adventure tourism and wildlife tourism. IFFI must look at the growing segment of Film Tourism and go all out to sell IFFI to tourists who love beaches and films. Unless such spin offs are generated, the authorities at Goa will find it difficult to sustain interest in organizing the film festivals. IFFI should collaborate with local hotels and tie up with tourism Industry associations to invite guests from all over the world to experience fun, film and food in film festivals at Goa. Delegate cards should be made available to the tourists at reasonable cost so that travelers can plan to enjoy Goa beaches along with films.

## **7.9 IFFI Focus**

The seriousness in a festival comes from being competitive. Glamour, fun, food and parties cannot sustain for long. India is also the largest producer of film in the world.

A non-competitive IFFI spells doom from a long-term perspective. IFFI must be competitive every year. It must develop a profile of its own. Filmmakers love to display their films for recognition and commercial opportunities. The prize is important and not the amount. As of now, competition in IFFI is restrictive in nature. Instead of making it restrictive IFFI can have a separate prize for Asian directors but it is important that film makers from all over the world are given an opportunity to showcase their piece of work.

### **7.10 Quality Films for Appreciative Audience**

Let IFFI venues not become another multiplex arena showing popular cinema with sex, violence and romance. About Ninety five percent of films made in India are made with these themes. IFFI needs to come out with films that have excelled in key areas and the Indian film audience ordinarily will not get a chance to see such films. Many of the brilliant movies are unable to find distributors and fail to sell marketing rights. However, IFFI is also about celebrating quality cinema and present the work of those directors who had the guts to rise above the stereotypes. The directors who have made touching movies look for quality audience. IFFI needs to strike a right balance between commercial successes and quality cinema.

### **7.11 Delegates**

As per practice, IFFI issued delegates cards to film Industry professionals, members of film societies, film students and other film professionals. These are issued free of cost. Ever since Goa has been declared a permanent IFFI venue, focus on film tourism has increased. IFFI needs audiences who will come to watch good cinema and would not mind paying a small fee. There is no logic of issuing free delegate passes to any body. Every delegate who can spend a lot to visit the festival can also pay a small fee of Rs 200 per card. Similarly, tourists who visit the festival can buy a single day ticket for Rs 50 and three day ticket for Rs 100. A slab based fee system with a maximum of Rs 400 for the entire duration of the festival will attract film admirers who would really like to watch quality cinema.

### **7.12 Global Marketing**

While there is no denying the fact that everybody concerned with IFFI knows that the event will be held at the appointed time, it would be logical to come with IFFI advertisements long before than it is done now. Besides facilitating the participating film directors who can download the forms and can send film entries, it would also allow tourist agencies to undertake marketing efforts to those tourists who would love to



combine beach tourism with watching films. A global tie up with tourism department promoting Goa as a tourist and IFFI venue needs to be planned. Drumming up a theme advertisement on global electronic and print medium is bound to attract the high spending tourists who are looking for newer places to visit.

## **Chapter 8**

### **Conclusion**

Films are not only an important form of culture but also a source of entertainment. In a country like India where sources of entertainment are limited, films do provide an economical way of providing entertainment to the people. Film Festivals are events for providing entertainment and promotion of culture. They also act as a platform for film lovers, film-makers and industry representatives to meet, share experiences and explore possibilities for mutual collaboration. Film festivals also provide boost to the development and progress of film industry and are essential for overall growth of film related activities. However, of late, it has not been easy for the film festivals to get adequate funding from the Government and debates have often centered on making film festivals financially self-supporting.

Till such time a self-sustaining festival model emerges, the Government of India has decided to continue to support the Directorate of Film Festivals both administratively and financially. Before a self sustaining financial model actually emerges, some of the structural deficiencies need to be removed to ensure that the road map for organizing successful film festivals emerges out.

While the structure of IFFI needs a comprehensive change, the management also needs to be given achievable long-term and short-term objectives for organizing the festivals. At present the selection of IFFI Director is far from satisfactory and administrators need to select an officer with vision and enthusiasm to lead festival into the next decade. IFFI also needs to build up partnerships with like minded cultural and commercial organizations in India and abroad. The need is to identify such organizations that may also be looking for partnerships in film related activities for mutual benefit.

An effort needs to be made to look at the possibility of organizing one single India International Film Festival instead of around five or six that are being organized in different states in the country. The Government needs to involve municipalities, NGOs and rural and urban communities for not only making them important stakeholders in film festivals but also empower them suitable so that they could have their say in contributing to the movement for having professionally run film festivals. One needs to look at the development of film industry in culturally rich but economically poor states of the eastern and north-eastern regions of the country.

The quality of lower and middle level management in IFFI needs a qualitative improvement in view of the fact that most of film industry people represent an intellectual bent of mind. The middle and lower rank at IFFI needs to appreciate such intellect and make IFFI a lively place for the participants.

The media relations for IFFI require a pro-active thrust. Film writers and journalists need to be constantly contacted by the festival management for building up a year round image for the festival. At present the number of seminars and workshops are organized only during the duration of the film festival. There is a need to organize these programmes at frequent intervals so that the interest in festival is sustained throughout the year.

One of the most neglected aspects has been the tourism and hospitality sector where little efforts have been made to structure long-term partnerships with the hospitality and tourism industry. If given a proper thrust, tourism itself can generate enough finances and spin off benefits not only for the film festival but also for the local municipalities and generate additional employment.

Competition brings out the best in participants. However, IFFI has confined itself to a limited level of competition for quite sometime now. The festival has been competitive for Asian, African and Latin America Film Directors and it is high time that brilliance of film makers from all over the world is given a chance to be acknowledged at IFFI. Since the World Film Industry has linkages everywhere and the distributors often look for a complete package of films for striking marketing agreements, a truly competitive festival would provide the required motivation for film directors from US and Europe to look at IFFI as a launch pad for their films globally with particular reference to Asian markets.

Most of the participants in Indian Film Festivals look for free passes and this need to stop at once. The prevailing high cinema ticket in multiplexes in India and almost packed cinema halls brings out the fact that film enthusiasts have a capacity to pay. The ticket prices in normal film theatres ranges from Rs.30/- to Rs.150/- for a regular seat while the premium lounge costing almost Rs 500 per ticket. Since a film festival has more than 200 screenings it would be worthwhile to look at the possibility of generating revenues from the sale of delegate cards.

It has to be recognized that even though film festival is a cultural event and it has to be marketed well by unleashing the commercial power of the festival. As such global marketing efforts are required for evolving a comprehensive Media marketing action plan

to ensure that television companies, media groups and commercial firms with interests in film related events are involved at various stages of the festival for generating revenues for the festival.

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