

Film Funding Opportunities, Germany

December, 2004

table of contents

While every effort is made to ensure the accuracy of the information contained herein, New Zealand Trade and Enterprise, its officers, employees and agents accept no liability for any errors or omissions or any opinion expressed, and no responsibility is accepted with respect to the standing of any firms, companies or individuals mentioned. New Zealand Trade and Enterprise reserves the right to reuse any general market information contained in its reports.

1	Film Funding Opportunities in Germany	1
2	National Public Funds	3
2.1	FFA Filmförderungsanstalt - German Federal Film Board	3
3	Regional Public Funds	4
3.1	Medienboard Berlin-Brandenburg GmbH (MBB)	4
3.2	Film FernsehFonds Bayern GmbH (FFF)	6
3.3	Filmförderung Hamburg GmbH	7
3.4	Filmstiftung North Rhine-Westphalia (NRW)	8
3.5	Mitteldeutsche Medienförderung (MDM)	9
3.6	Filmförderung Baden-Wuerttemberg (MFG)	10
3.7	Nordmedia Fonds GmbH	11
4	Private Media Funds	12
5	How to approach the German market best	14
6	Sources	15

1 Film Funding Opportunities in Germany

New Zealand film production companies may wish to take a close look at the benefits of working within the German film industry. While most of the funding schemes require co-production relationships between foreign production companies and German production companies, and the regional funding schemes require some form of “return of investment” for the region (i.e. local filming, short term job creation, reinvesting of money into the local economies) there are possibilities for co-operative development and funding of NZ/German films.

The film industry in Germany is currently benefiting from more investment than ever before. A new film funding law (FFG) was introduced 1 January 2004. The Bundesrat agreed on a significant film funding increase for German film production and marketing from Euro 46 million to almost 70 million. The subsidies range on a national level from the Federal Film Board – FFA (Filmförderungsanstalt) to a variety of regional funds. National and regional film funds provided almost Euro 230 million in 2003 for German productions. More than half of this amount was used to fund films.

Schemes can change rapidly. Therefore, constant market monitoring will be required for keeping New Zealand's film industry in the loop. However, potential changes are not considered as risk factors for the New Zealand Film Industry, due to the fact that on going projects will be finished under the agreed conditions.

In Germany there are a variety of national and regional film funding schemes, which are also available to foreign producers. Around 60% of all funds come with the regional (Laender) film funds. There are seven leading regional funds which are: Filmstiftung North Rhine-Westphalia, Film FernsehFonds Bayern, Filmboard Berlin-Brandenburg, Mitteldeutsche Medienfoerderung, Filmfoerderung Baden-Wuerttemberg, Filmfoerderung Hamburg and Nordmedia Fonds GmbH. A number of broadcasters are also shareholders of regional film funds and are members of their funding committees (e.g. Film FernsehFonds Bayern and Filmstiftung North Rhine-Westphalia).

Funding regulations mention maximum funding (rather than minimum funding) for the various categories of projects support (e.g. script, pre-production, film production, television production, post production etc.). Agents will not be required to deal with the funding institutes. Furthermore, it is not common in Germany to work with agents to look for co-producers.

Film funding is project related and therefore it would make no difference to approach film funding institutions as a consortium - representing a number of projects. A project would still require an individual co-producer in the first instance. The funds cover feature Film and Television.

Film funding in Germany is, however a complex topic. The different institutions and schemes all have varying objectives and criteria, ranging from location funding or securing workplaces to the preservation of local identity. This fragmented funding landscape, can make co-ordination between regions or fund virtually impossible, and promising films are often funded from more than one institution. The multitude of funding pots can mean that none of the individual institutions feel responsible for the success of the German film industry.

The funding budget for 2003 were:

Funding Institutions	Sum (Mio. €)
FFA	76,5
State Ministry of Cultures (BKM)*	23,1
Filmstiftung North Rhine-Westphalia	36,6
Film FernsehFonds Bayern	32,4
Filmboard Berlin-Brandenburg	17,2
Mitteldeutsche Medienfoerderung	14,0
Filmfoerderung Baden-Wuerttemberg	10,3
Filmfoerderung Hamburg	9,7
Nordmedia Fonds GmbH	8,8
Total	228,5

Source: FFA

* The BKM focuses on cultural aspects and therefore funds national film projects rather than international co-productions.

Film projects can also be financed through private media funds, which may be of interest for New Zealand producers.

The German-New Zealand Film Co-Production Agreement is due to be signed in February 2005 in Wellington. As soon as it is in place, it will strengthen and simplify German-New Zealand film business relationships.

There are also several Film Commissions in Germany promoting Germany as a film location. The non-profit film commissions and location offices offer comprehensive consulting in their respective regions. The following website provides an overview of the various commissions: www.location-germany.de

2 National Public Funds

2.1 FFA FILMFÖRDERUNGSANSTALT - GERMAN FEDERAL FILM BOARD

The FFA's focus is to improve the film industry economic structure e.g. the quality of German film and the nation's economy. The new Film Funding Law strengthens the FFA, which has a total budget of around Euro 70 million. It is funded by tax on all cinema tickets sold, and video rental/sales, as well as by contributions from broadcasters.

For foreign producers to access the FFA's national funding, they must be part of a German co-production, though the production does not need take place in Germany. The producer must have secured at least 15% of the budget. The financial support available is by way of a conditionally repayable loan. There is no requirement to spend a percentage of the production costs in Germany.

German Federal Film Board
FFA Filmförderungsanstalt
Große Präsidentenstraße 9
10178 Berlin
Germany
Tel: +49 030 27577 0
Fax: +49 030 27577 111
www.ffa.de

3 Regional Public Funds

Regional film funding is primarily concerned with the economic benefits a successful film production will bring to the region. The main focus of film funding provided by the federal Laender is to promote the regions film industry. This is particularly important as small and medium sized business benefit greatly from successful regional productions. There are a few key regulations for each of the regional funds. Generally a German co-producer is required and a certain amount of the production needs to be spent in the region.

Film projects are often funded by a number of institutions. For instance "Good bye Lenin" received support from Filmstiftung NRW, Filmboard Berlin Brandenburg, the BKM, FFF Bayern, the FFA and the European Union's MEDIA Plus programme.

An umbrella organisation *Focus Germany* was established in 1990 for the major German film funding institutions. *Focus Germany* is a coordinating service for film professionals seeking information and professional guidance regarding Germany's broad range of funding and production possibilities. *Focus Germany's* contact details are: Focus Germany, c/o Filmstiftung NRW; Tanja Gueß, Tel.: +49-211-930 500, Fax: +49-211-93050-85, mail info@filmstiftung.de <http://www.focusgermany.de>

The listed, regional institutions are the major economically orientated funds. They have budgets available between Euro 8 and 36 million. There are a few additional regional funds available. However, these aren't of much relevance to foreign film producers as their funds have very limited budgets. Examples are: Cultural Film Funding Schleswig Holstein (budget: Euro 160,000 - 225,000) and Film Funding Bremen (budget: Euro 67,000). Institutions, which have a budget of less than Euro 500,000 available, will be very much locally focused. It is not likely that they will spend money for international co-productions. Two other funds have a budget of around Euro 2 million each, namely Hessen Film Funding (Euro 2.1 million) and MSH Gesellschaft zur Foerderung audiovisueller Werke in Schleswig Holstein (Euro 1.7 million). However, their two million budget is still marginal, compared to e.g. North Rhine Westphalia's budget of Euro 36 million.

The most relevant funds are detailed below:

3.1 MEDIENBOARD BERLIN-BRANDENBURG GMBH (MBB)

Berlin-Brandenburg is the second strongest film region in Germany (after Munich). Its film and television sector has expanded since Germany's reunification to an annual turnover of ca. Euro 800 million. Approximately Euro 15 million is currently available for film funding. The Filmboard director decides independently which films receive financial support. She works closely with a team of funding officials who assist with the development of the various projects.

ADDRESS:	August-Bebel-Strasse 26-53 14482 Potsdam-Babelsberg Germany
TELEPHONE:	+49 (0)331-74387-0
FAX:	+49 (0)331-74387-99
E-MAIL:	filmboard@filmboard.de
WEBSITE:	www.filmboard.de
CONTACT PERSON AND DESIGNATION	From 1 November 2004, Ms Kirsten Niehuus, Executive Director
FINANCIAL FUNDING	Annual budget: Euro ca.15 million The film board finances projects in the following categories: Script development, project development, production, distribution and sales as well as future projects. The FBB does not have a selection committee. All funding decisions are made by Ms Niehuus (from November 2004 on). International co-productions from previous years were: <i>Around the World in 80 Days</i> , <i>The Pianist</i> , <i>Enemy At The Gates</i> and <i>Beyond the Sea</i> .
CATEGORIES OF THE PROJECTS FINANCED	All genres can be considered and nearly all cinema formats are acceptable. Whether drama, animation, documentary, children's, art house or mainstream, "a film must find its own audience" is the basic principle behind allocating funds. It is unimportant whether the audience is big or small. Of special importance to the Filmboard is the quality of screenplay/script development, encouraging up-and-coming talent and funding international co-productions.
REQUIREMENTS FOR THE APPLICANTS:	Applications may only be made by producers or distributors, or by the German producer of a co-production. This also applies to script or project development funding applications. Writers and directors may not apply. Producers who apply must have an established office in, and be residents of Germany. For production funding applications, a distribution contract is also required. The producer should have already financed at least 30% of the budget. 100% of any allocated funding must be spent in the Berlin Brandenburg region.
FINANCING IN RESPECT OF LOAN REPAYMENT	For the sustained survival of production companies, the film board requires loans to be repaid only on the basis of success. Production loans must as a rule be repaid from film proceeds within five years of the release date. Distribution costs, the distribution guarantee, and the producer's capital (assuming that this was previously arranged with the film board all take precedence over repayment of the film board loan). Financing from previous projects or prize money brought to the project by the producer may not immediately be reclaimed.

3.2 FILM FERNSEHFONDS BAYERN GMBH (FFF)

The FilmFernsehFonds Bayern (FFF) is one of the biggest regional film funding institutions in Germany. It is funded by the Free State of Bavaria, public and private television stations as well as the Bavarian Regional Media Authority (BLM).

ADDRESS:	Sonnenstrasse 21 80331 Munich Germany
TELEPHONE:	+49 (0)89-5446020
FAX:	+49 (0)89-544602221
E-MAIL:	Filmfoerderung@fff-bayern.de
WEBSITE:	www.location-bayern.com
CONTACT PERSON AND DESIGNATION:	Mr Dr. Klaus Schaefer, CEO
FINANCIAL FUNDING	Annual budget: ca. Euro 32 million The decision on which projects will be funded is made by the allocation committee which consists of 15 representatives from the film and television industry and convenes five times each year. The financial administration of the funding lies in the hand of the Foerderbank Bayern (Lfa). International co-productions of the last 5 years were e.g. <i>Beyond Silence</i> , <i>Nowhere in Africa</i> , <i>The Miracle of Bern</i> and <i>Manitou's Shoe</i> .
CATEGORIES OF THE PROJECTS FINANCED	The activities of the FFF include the funding of theatrical films – from the screenplay through project development and production to distribution, sales and marketing, the funding of independent television productions. FFF 's activities are not restricted to film funding but offer further services for the film industry. In doing so, the FFF has established itself as an effective and approved institution within the Bavarian media landscape.
REQUIREMENTS FOR THE APPLICANTS:	Financial support can be requested at each stage of the production process from script funding to packaging, production of theatrical and TV-movies. A condition for the granting of funds is that the producer reinvests 150% of the funds received from FFF in Bavaria during the production of his project. Feature films can be supported with up to 1,6 million Euro as long as the producer or co-producer is based in Germany. Foreign producers can only access FFF funding by submitting an application through a local partner.
FINANCING IN RESPECT OF LOAN REPAYMENT	Funding for film production is granted in the form of conditionally repayable loans.

3.3 FILMFÖRDERUNG HAMBURG GMBH

The Free and Hanseatic city of Hamburg is one of the leading film production locations in Germany, alongside Berlin, Munich and Cologne. However, Hamburg was in danger to lose this status January 2005, as the city planned to reduce funding from Euro 7million to Euro 3.5 million. This has upset the film industry immensely. Luckily, the protests from the city's film industry were noted and the Senate for Economics & Labour is to provide funding (exact amount tba).

ADDRESS:	Friedensallee 14-16 22765 Hamburg Germany
TELEPHONE:	+49 (0)40-39837-0
FAX:	+49 (0)40-39837-10
E-MAIL:	filmfoerderung@ffhh.de
WEBSITE:	www.ffhh.de
CONTACT PERSON AND DESIGNATION	Eva Huber, CEO
FINANCIAL FUNDING	Annual budget: ca. Euro 9 million The budget is made up of funds coming from the Free and Hanseatic City of Hamburg and public Broadcasters NDR and ZDF. Two committees, made of experienced industry specialists, decide on the allocation of the funding. Committee 1 decides on films with production costs of more than Euro 800,000 (50-70% funding of the total budget). Committee 2 decides on films with production costs of up to Euro 800,000 (50-80% funding of the total budget). The funded projects include e.g. <i>Bend it like Beckham</i> , <i>Gloomy Sunday</i> and the Berlinale's 2004 Golden Bear winner <i>Head On</i> .
CATEGORIES OF THE PROJECTS FINANCED	Filmfoerderung Hamburg supports film and TV productions of all genres in Hamburg, through funding, film commission services and events.
REQUIREMENTS FOR THE APPLICANTS:	A German co-production partner is essential. The application must contain a detailed account of the share of the production budget that will be spent in Hamburg ("Hamburg effect"). A condition for the granting of funds is that the producer reinvests 150% of the funds received from Filmfoerderung Hamburg during the production of the project in Hamburg.
FINANCING IN RESPECT OF LOAN REPAYMENT	Financial support is granted as partial financing of the project in the form of a conditionally repayable (non-recourse) loan. Production support granted is not paid until the applicant has furnished proof that the entire financing of the project has been secured.

3.4 FILMSTIFTUNG NORTH RHINE-WESTPHALIA (NRW)

Filmstiftung NRW has the largest film fund budget of the regional funds at its disposal. With an annual budget of around Euro 36 million, NRW has promoted almost 700 films to date. NRW was the first public fund in Germany to combine cultural and economic objectives. The Filmstiftung NRW was established by the state of North Rhine-Westphalia and WDR (TV Channel) in 1991. Since then, its aim has been to create jobs through good quality films. The broadcaster ZDF and RTL, and the regional Media Broadcasting Authority (Landesanstalt für LFM) have also joined the project as partners.

ADDRESS:	Kaistrasse 14 40221 Duesseldorf Germany
TELEPHONE:	+49 (0)211-930500
FAX:	+49 (0)211-930505
E-MAIL:	info@filmstiftung.de
WEBSITE:	www.filmstiftung.de
CONTACT PERSON AND DESIGNATION	Mr Michael Schmid-Osbach, CEO
FINANCIAL FUNDING	<p>Annual budget: ca. Euro 36 million Funding is available for producers, directors, authors, film distribution and marketing. Filmstiftung NRW promoted for instance <i>Whale Rider</i>, <i>Run Lola Run</i>, <i>Good-bye Lenin</i> and <i>The Miracle Of Bern</i>.</p> <p>NRW Filmstiftung also helps to attract films to the region by organising an international co-production meeting during the annual Media Forum NRW in Cologne. NRW provides links with institutions and producers in England, Denmark, France, Poland, Israel and The Netherlands.</p>
CATEGORIES OF THE PROJECTS FINANCED	Film projects which appear suitable to leverage of quality and economy of the German film, as well as/or the film-technical and film-economy infrastructure on North Rhine-Westphalia.
REQUIREMENTS FOR THE APPLICANTS:	<p>For every Euro the producer receives from the Filmstiftung, Euro 1.50 must be spent in NRW. This so called "NRW effect" binds capital over and beyond its own budget for the film business within the state. A producer can apply for up to 50% of the total budget and has to have 5% of the budget in place before applying. The committee of the Filmstiftung and executive director Michael Schmid-Osbach makes funding decisions.</p> <p>NRW prefers that there is a German co-producer involved in international co-</p>

	productions.
FINANCING IN RESPECT OF LOAN REPAYMENT	When a film, funded by Filmstiftung NRW, returns profit a proportionate sum of the funding is required to be repaid. This amount will be reserved for the applicant's future project.

3.5 MITTELDEUTSCHE MEDIENFÖRDERUNG (MDM)

Leipzig based MDR, has over the past few years, promoted a wide range of initiatives, which contribute to the development of the media industry. As a result, the film industry in Thuringia, Saxony and Saxony-Anhalt was able to develop in a dynamic way. Since its foundation in 1998 MDM has supported an average of 100 projects every year. As well the three states of Thuringia, Saxony and Saxony-Anhalt, the public broadcaster MDR and ZDF are shareholders of MDR.

ADDRESS:	Hainstrasse 17-19 04109 Leipzig Germany
TELEPHONE:	+49 (0)341-26987-0
FAX:	+49 (0)341-26987-65
E-MAIL:	Info@mdm-online.de
WEBSITE:	www.mdm-online.de
CONTACT PERSON AND DESIGNATION	Mr Manfred Schmidt, Executive Director
FINANCIAL FUNDING	Annual budget: ca. Euro 13 million MDM supports economically interesting media productions. Project development, production support and distribution are all supported. One important criterion for support is a lasting regional effect in the federal states of Thuringia, Saxony-Anhalt and Saxony. Co-Productions supported: <i>Around the World in 80 Days</i> , <i>Luther</i> , <i>Taking Sides</i> and <i>Der Kleine Eisbaer</i> .
CATEGORIES OF THE PROJECTS FINANCED	MDM provides subsidies and loans for all phases of projects that are economically promising and/or will lift the regions profile.
REQUIREMENTS FOR THE APPLICANTS:	The approved amount of subsidy should be spent at least on implementing the project in Central Germany in a way specific to film, television and media. A German co-producer is not officially required but is highly recommended. Productions with a German co-producer (ideally coming from the regions) will be more likely to receive funding.

FINANCING IN RESPECT OF LOAN REPAYMENT	Conditionally (success related) repayable loans.
---	--

3.6 FILMFÖRDERUNG BADEN-WUERTTEMBERG (MFG)

The MFG film fund programme supports culturally significant film projects to advance the local film industry in the southwest of Germany. A shareholder of MFG is the regional broadcaster SWR.

ADDRESS:	Breitscheidstrasse 4 70174 Stuttgart Germany
TELEPHONE:	+49 (0)711-90715400
FAX:	+49 (0)711-90715450
E-MAIL:	filmfoerderung@mfg.de
WEBSITE:	www.mfg.de/film
CONTACT PERSON AND DESIGNATION	Ms Gabriele Röthemeyer, CEO
FINANCIAL FUNDING	Annual budget: ca. Euro 10 million. Previously co-productions supported are <i>Buffalo Soldiers</i> and <i>Vaya con Dios</i> .
CATEGORIES OF THE PROJECTS FINANCED	The annual budget covers support for scriptwriting, preproduction, incentive funding, production of film-, TV- and video projects, postproduction, digital content, distribution and support of cinemas. Even though it is not precisely mentioned in MFG's regulations, it is extremely important that a foreign applicant works together with a German production company. According to the MFG, applications without a German partner do not have a high chance of approval. MFG organises annual co-production meetings for producer and broadcasters from Baden Wuerttemberg, Bavaria, Austria and Switzerland.
REQUIREMENTS FOR THE APPLICANTS:	MFG supports quality projects with a cultural or other connection to Baden-Wuerttemberg. A condition for the granting of funds is that the producer reinvests 120% of the funds received in the region.
FINANCING IN RESPECT OF LOAN REPAYMENT	Conditionally (success related) repayable loans.

3.7 NORDMEDIA FONDS GMBH

Nordmedia is the joint Media Company of the German Federal States of Lower Saxony and Bremen. The aim of the company is the quantitative further development and boosting of media activities in Lower Saxony and Bremen. Funds are injected into Nordmedia by the two states as well as the public broadcaster NDR, ZDF and Radio Bremen.

ADDRESS:	Expo Plaza 1 30539 Hanover Germany
TELEPHONE:	+49 (0)511-123456-0
FAX:	+49 (0)511-123456-29
E-MAIL:	Info@nordmedia.de
WEBSITE:	www.nordmedia.de
CONTACT PERSON AND DESIGNATION	Mr Thomas Schaeffer, Executive Director
FINANCIAL FUNDING	Annual budget: ca. Euro 10 million. The decision to grant funds is made by the funding committee of Nordmedia, consisting of representatives of the institutions responsible for providing funds to Nordmedia. Funded films were e.g. <i>Head On</i> , <i>Das Wunder von Lengede</i> and <i>Back to Gaya</i> .
CATEGORIES OF THE PROJECTS FINANCED	Nordmedia funding supports film and media productions in all phases of development. Marketing costs are also supported. Nordmedia funding consultants liaise with applicants to develop comprehensive proposals to attract funding.
REQUIREMENTS FOR THE APPLICANTS:	A condition for the granting of funds is that the producer reinvests 125% (or a minimum of 100%) of the funds received from Nordmedia in Lower Saxony or Bremen during the production of the project. It is not essential to work with a German co-producer, however, co-operation with a German partner is recommended. He is especially helpful when progressing through the approval and administration process.
FINANCING IN RESPECT OF LOAN REPAYMENT	Support is usually given in the form of a subsidy. Conditionally loans are only granted in cases where it is possible and realistic to repay the loan using proceeds from the project.

4 Private Media Funds

German investors have invested more than Euro 9 billion entity capitals in so called “media funds” since 1999 (2003 Euro 1.76 billion). Due to tax advantages this type of investment has a market share of 17% of all closed investment funds.

The private funding system has recently been criticised locally as benefiting Hollywood productions, without adding value to the German economy/film industry. According to Merrill Lynch German film funding co-financed 15-20 percent of all major Hollywood movies in 2001. Hence the Media funds are often referred to “Stupid German Money”.

To try to limit the investment outside Germany a new media decree was released by the German Federal Ministry of Finance (Bundesministerium der Finanzen, BFM) in August 2003. It reinforced the private partnership rules and states under which conditions media fund shareholders can be classified as producers and not purchasers. Investors must act as true producers, exercising their decision-making power through an investor committee (*Investitionsbeirat, IB*).

Despite stricter laws there was a total of Euro 1.7 billion invested in Film productions in 2003. Around 80 percent of the amount went into film productions in the USA. Amongst German funded film projects in the past were for instance: “Lord Of The Rings”, “Terminator”, “Chicago”, “Mission Impossible” and “Gangs Of New York”.

There are around 35 companies offering private media funds of which 18 have joined together forming the interest group Verband Deutscher Medienfonds, VDM (Association of German Media funds). The association has recently been actively defending the role of private funds. VDM claims that part of the funding is invested in Germany.

Verband Deutscher Medienfonds, VDM (Association of German Media funds)

Mr Michael Oehme

Söhnleinstrasse 17

65201 Wiesbaden

Germany

Tel: +49 (0) 611- 26 76 610

Fax: +49 (0) 611- 26 76 621

www.medienfondsverband.de

Email: info@finanzmarketingberatung.de

The top ten German media funds are namely:

- 1) Alcas/KGAL, Euros 389.1 m (Euros 250 m).
www.alcas.de
- 2) Hannover Leasing HL, Euros 253.2 m (Euros 371.1 m).
www.hannover-leasing.de
- 3) VIP Vermoegensberatung, Euros 238.4 m (Euros 61.3 m).
www.vip-muenchen.de
- 4) Ideenkapital/GVP/Mediastream, Euros 231.5 m (Euros 292 m)
www.ideenkapital.de
- 5) ApolloMedia, Euros 111m (Euros 70.2 m)
www.apollomedia.de

- 6) LHI Leasing, Euros 98.7m (Euros 41 m)
www.lhi.de
- 7) DCM Deinboeck, Euros 64.9 m (Euros 46m)
www.dcm-ag.de
- 8) SachsenFonds, Euros 46.7m (Euros 45.7m)
www.sachsenfonds.com
- 9) ABN Amro, Euros 42m (-)
www.abnamro.com
- 10) Bolu GmbH, Euros 37.8 (Euros 25.8m)

Amount raised from investors in 2003 (amount raised in 2002)

Source: Fund specialist Stefan Loipfinger

New Zealand companies will need to analyse each of the Media funds and their catalogues carefully. This will allow them to select the most suitable media fund for their projects. Unfortunately, the catalogues are often available in German only as the main purpose is to inform German investors about the funds. Films will be considered on a case-by-case basis.

Apollo Media will launch a new website by the end of 2004 (www.apollomedia.de) Film producers who are interested in media funding can then go through Apollo Media's criteria. This site will also be available in English. This service is not yet common in the branch. Apollo Media financed Whale Rider. The contact was established through South Pacific Pictures resulting from dealings with Apollo Media in the past.

Christina Weiss, Germany's Minister for Culture & Media criticises the current situation where German film fund investments flow mainly into the US film industry rather than benefiting the local industry. However, no concept has been drafted up to change this situation. Weiss has the producers lobby group film20 on her side (www.film20.de). Recently film20's secretary general Georgia Tornow observed that Germany is the only country where the incentive for investors i.e. their tax advantage is not linked to a local spend. Film20 recommends looking into a combination of UK's sale & leaseback and Canada's tax credit models, which require spending a certain percentage of the fund capital on films in the respective country.

5 How to approach the German market best

The first step for a New Zealand entity would be to find a German co-production company, as this is a requirement for the applicants. Funding institutions can be of assistance in this matter. However, this service will be limited to providing lists of German producers. The institutions are not authorized to act as an agent and to choose a producer for a project. Selecting a co-producer from a list would be a rather anonymous procedure and therefore this approach is not recommended.

The best approach would be to visit the European co-production market e.g. to participate at Film festival in Cannes, Rotterdam or Berlin, personally presenting the film project to potential co-production companies. The Rotterdam's "CineMart" is a co-production market and generally viewed as 'the place to be' for international filmmakers looking for film funding. The event brings together producers and co-production partners as well as film financiers.

6 Sources

1. Screen International
2. State Ministry of Cultures, BKM
3. www.bundesregierung.de
4. Public Aid Mechanisms for the film and the Audiovisual Industry in Europe
http://www.obs.coe.int/oea_publ/funding/00002095.html
5. Focus Germany, c/o Filmstiftung NRW Tel.: +49-211-930 500, Fax: +49-211-93050-85,
email: info@filmstiftung.de, www.focusgermany.de
6. www.medienmaerkte.de.
7. Germany resource directory
8. ApolloMedia
9. Stefan Loipfinger, market fund specialist
10. mbp Medien, www.mbp-medien.de
11. Websites of the organisations, which are mentioned in this report

Prepared by:

Kirsten Tschorn
Marketing Consultant
New Zealand Trade and Enterprise Hamburg