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# Tournaments of Values at the European Film Market



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# Tournaments of values at the European Film Market

## 1. Tournaments of values

Film sales markets are important events in the film distribution business, exercising a powerful role over the process of regulating cultural flow and the ways films secure access to both national and international markets. They offer a self-contained marketplace within which sales agents introduce and promote several thousands of films to distributors and other types of buyers in the film distribution business (Smits, 2016, 2017). For sales agents, they are highly competitive events in which only few films are able to build up awareness and raise sufficient attention. As such, they impact on the process of regulating and enabling the circulation of films, as well as over the process of value creation by rendering some films more visible within the sales markets than others.

The role of sales markets and other competitive events has been analysed by scholars in Media and Communication studies as well as Management and Organisation studies. Lampel and Meyer (2008) put together a special issue about field configuring events (FCEs). The focus here is on the most important sales markets and other competitive events as conventions that collectively bring about "social and economic change" in particular fields of business activity (2008:1025). Moeran and Strandgaard Pedersen (2011), in addition, put together an edited collection about value creation processes at sales markets and other competitive events, focussing specifically on fields of cultural activity. Moeran's (2011) own contribution, for instance, takes book fairs as the subject of analysis. Following Arjun Appadurai's concept of tournaments of value, contributors to this edited collection conceive of sales markets and other competitive events as tournaments that stand out from the “routines of [everyday] economic life” (1986:21). In order to highlight that value creation process impact on the commodities being bartered at such events, Moeran and Strandgaard Pedersen (2011:12-14) have further developed the concept of tournaments of value, arguing that they should be understood as tournaments of *values*. In particular, they distinguish between technical/material values, social values, situational values, appreciative values and utility values at festivals, sales markets and other competitive events. Havens (2011), one of the contributors to the edited collection, is more attentive to tournaments within sales markets through which values for cultural commodities are created. For instance, he argues that different levels of access to industry participants at sales markets create different business networks:

> Global television markets permit multiple levels of participation, leading to several distinct yet overlapping tournaments of values, by constructing boundaries that only authorized participants may cross. These boundaries include the entryway to the space of the market, various sales floors within the marketplace, restricted areas of sales floors and booths and various parties and events after the markets close each day (2011:156).

Havens’ interpretation of tournaments is thus related to different organisational forms within a sales market through which values are created, rather than describing the sales market as a single tournament of value. Like Havens (2011) and Moeran and Strandgaard Pedersen (2011), I will adopt the concept of tournaments of values in this paper to analyse how values are ascribed to films at sales markets.

I will develop a case study of the European Film Market (EFM) in Berlin, Germany. The EFM is an integrated section of the Berlin International Film Festival (the Berlinale), which takes place simultaneously. It is one of the three key sales markets in the film industry where the sales and distribution community comes together each year in February, alongside *Le Marché du Film* in Cannes in May and the American Film Market (AFM) in Santa Monica (Los Angeles) in November. Strategically located around the Potsdamer Platz commercial centre in the heart of Berlin, this is a market in which 490 trade exhibitor organisations – sales agencies (known as sales agents) and national film agencies – rented space at the 2015 edition, and worked from exhibition stands or business offices in one of the two official market venues: Martin-Gropius-Bau and Marriott Hotel (EFM, 2015a). Also, a further 50 to 60 sales agencies were working from non-partner hotels. Altogether, they introduced their film collections to distributors and other buyers, such as television broadcasters, film festival programmers, content aggregators and digital providers, with more than 1500 such companies participating (EFM, 2015a).

The EFM lends itself as a useful case study because values are created through both spatial arrangements and physical arrangements in the sales market. In line with the papers of Havens (2011) and Moeran (2011), factors such as the type of exhibition stands as well as the location and size of stands in the market are examples of spatial arrangements through which sales agents create values for films. In addition, values are created through film screenings at the EFM, which are important physical arrangements. Film screenings give an aural and visual presence to the films being bartered, and that is how film markets as well as television markets stand out from other sales markets in fields of cultural activity. Crucially, film screenings provide a better insight into the film sales process, since they are organised by sales agents for individual films. In other words, it provides an opportunity to take the analysis of Havens (2011) and Moeran (2011) further by linking processes of value creation within the market to the actual sales process, which is the point around which the sales market revolves. With this focus in mind, the aim of this paper is to analyse the EFM sales market as an event where important gatekeeping processes are taking place. This raises several questions. How do sales agents make use of spatial and physical arrangements within the EFM to create values for films? How are tournaments of values supportive to the film sales process? And how do sales markets impact on processes of regulating and enabling the circulation of films?

Following a consideration of theory and methodology, I will analyse the organisation of exhibition space within the sales market to get an impression of the full range of exhibitors, and to consider their participation in terms of position-taking and visibility in the market. The purpose is to draw parallels with and further develop studies in other fields of cultural activity focussing on the disposition of exhibition space. In addition, I will analyse the organisation of film screenings in various stages of a film's production process. Film screenings are already important during the production stage of films, when the first scenes are shot and a short promo is prepared to show to distributors at the sales market, and continues to the point where the finished film will be on show at the festival screenings, or at the market screenings, or a combination of both. The focus is on film screenings as promotional events, contributing to the process of generating all-important industry buzz. I will conclude with a consideration of how spatial and physical arrangements within the sales market can reinforce each other as tournaments of values, and how they are able to impact on sales processes, with the purpose of demonstrating how sales markets can exert influence over the circulation of films.

## 2. Analysing film sales markets

I will further elaborate in this section on the organisation of exhibition space and film screenings as tournaments of values. More specifically, I will consider how the organisation of exhibition space has been analysed in academic discussions and how sales markets create social hierarchies through the disposition of space. I will also provide a context through which to understand the importance of film screenings at sales markets, and how they can add values to films.

Before I start this discussion, it is worth noting that film scholars and those focussing on the film industry from other perspectives have consistently prioritised the study of film festivals above the study of film sales markets. In terms of discussions about sales markets in the film industry, there is as yet no comprehensive examination of the structure and organisation of such markets, and the impact of processes of value creation within such markets is therefore largely unknown. Ruby Cheung's (2011) study on film sales markets in Asia perhaps bears most resemblance to this subject. Cheung outlines the relevance of various sales markets in Asia by positioning them in relation to the bigger markets in Europe and the US. However, rather than analysing value creation processes within those markets, her discussion remains primarily descriptive and contextual, and is therefore best understood as an introduction to sales markets.

In terms of sales markets in other fields of cultural activity, Havens (2011) and Moeran (2011) have analysed how sales agents participate in television markets and book markets. They note that the organisational structure of sales markets creates opportunities for sales agents to work from more or less exclusive exhibition stands or offices. Therefore, they observe social hierarchies between sales agents, effectively distinguishing between those presenting themselves as more or less powerful companies. Those social hierarchies created within the sales markets have an impact on the values ascribed to the films with which sales agents engage. In particular, they highlight the importance of stand size and stand location as strategies used by sales agents to enhance their presence and visibility within the sales market and stand out from competitors. Thus, Havens (2011:155) notes that the most powerful sales companies hire the biggest exhibition stands or work from private offices in hotels to establish an exclusive position within the sales market, and with access only for selected buyers. Such specific spatial arrangements within sales markets reinforce social hierarchies between sales agents, and that is why they can be understood as important tournaments of values. I will analyse the impact of such spatial arrangements at the EFM. What kinds of sales agents participate in the EFM and how do they participate? How is space allocated to those sales agents? And how does the allocation of exhibition space impact on the process of value creation?

While Havens is very attentive to spatial arrangements in television sales markets, he is less attentive to physical arrangements, such as television screenings. Like screenings at film sales markets, television screenings are a form of promotional activity through which new television series or programmes are introduced to buyers. However, there is also an important difference between film and television markets: the film markets are often organised in joint coordination with film festivals, with the festival screenings taking the form of additional tournaments of values through which films are presented aurally and visually. In terms of how film festivals and sales markets are interrelated with each other, it is possible to draw a comparison with tournaments of values in the fashion industry. Entwistle and Rocamora (2011), for instance, have demonstrated that trade fairs and fashion shows are both events where fashion companies introduce and promote new collections as part of the sales process.

In terms of the EFM, it is important to distinguish between film screenings organised within the EFM sales market (i.e. market screenings), and those organised in the Berlin International Film Festival (i.e. festival screenings). Indeed, while the EFM is a business event with restricted access for industry participants, it is also an integrated section of the publicly accessible Berlin International Film Festival. These two events are connected in the sense that some films are introduced to festival audiences through screenings as part of the official festival programme, while simultaneously being shown to industry participants at market screenings in the EFM. This symbiotic relationship can thus add market and word-of-mouth values to films. However, the two events are distinct in the sense that films shown in the official festival programme are selected by festival committees, while films shown in the sales market are booked by sales agents (EFM, 2015b). Unlike the films selected for the official festival programme, a screening fee is required to book film screenings in the sales market, which are thus very much business transactions rather than artistic celebrations. This calls for an analysis of film screenings in relation to the value creation process. How can screenings be supportive to films? And why are some films able to raise more attention through screenings than others?

## 3. Observing sales agents at the EFM

The empirical analysis draws on four days of participant observation at the EFM 2015. I was able to register for market accreditation, which gave me the same access to locations and events as sales agents and distributors, including access to film screenings organised within the EFM sales market. This enabled me to observe the organisational structure of the sales market and the stands from which sales agents worked. Because I introduced myself to sales agents as an academic researcher, I did not participate in exactly the same way as distributors normally do. I gained access to individual stands and watched promos of films in development, but my capacity to observe meetings or the process of negotiating distribution deals was limited. For instance, I entered the hotel office of the US sales agent The Weinstein Company, where I talked about the sales market with some of their representatives and watched some of their promos, but I did not have one-to-one meetings.

In addition, I used my professional relationships with distribution professionals to observe work practices at the sales market. For instance, I joined the Manager Director of a Dutch distribution company for a few hours at the sales market. While we explored different sections of the sales market, she informed about the market structure and the ways in which sales and distribution professionals conduct business. Through the same contact, I obtained access to an informative meeting between her and a German sales agent in which a number of films in development were discussed. I was introduced as someone with a key interest in film distribution, rather than as a colleague. This meeting was helpful to learn about the way films are introduced to distributors and the tone of such conversations. Such meetings are usually organised in advance of more specific meetings in which contractual terms are negotiated for specific films. I used my professional relationships with distribution professionals also to meet informally for drinks in the evenings to talk about my observations at the sales market and discuss attractive projects on offer in the marketplace. Such conversations were important to test and confirm my understanding of business proceedings at the sales market.

I spent much of my time in the official locations of the sales market. I consulted the exhibitor guide, which included a floor plan of the sales stands and all participating exhibitors. From my observations, it became clear that the majority of sales agents consisted of only two or three sales persons, and most participated in booths coordinated by national film agencies, the so-called umbrella stands. A much smaller group of between 50 and 80 sales agents were larger organisations, usually comprising more than five representatives, and they could afford to set up offices in individual stands or hotel rooms. While those larger sales agents represented most of the higher-profile, big-budget films for sale at the EFM, the smaller sales agents dealt with smaller, more specialist films.

I also analysed film catalogues from individual sales agents, which included information about the status of their films in various stages of the film production process. It became clear that film projects on offer at the EFM ranged from low-budget films to medium-budget films and even big-budget mainstream films. Although the majority of the projects were low-budget films, a limited number of much more high-profile films stood out. For instance, the powerful US sales company IM Global represented the $40 million budget *Hacksaw Ridge* (2016), directed by Mel Gibson, while the powerful US company Sierra/Affinity represented the $20 million budget *Gold* (2016), with film actor Matthew McConaughey in a leading role.

In addition, I analysed screening schedules of films handled by each sales agent. Such schedules included screening dates for various types of screenings – that is to say, for festival screenings accessible to festival audiences and industry participants with festival accreditation, for market screenings accessible only to industry participants with a market badge, for press screenings accessible only to registered press members, for festival premieres accessible to invited guests and press members, and for private screenings or promo reels organised for a select group of buyers. Those screening schedules of individual sales agents thus provided an insight into the way films are introduced to buyers, the trade press, and festival audiences. I also consulted the daily editions of the trade journals *Screen International*, *Variety* and *The Hollywood Reporter* that were specifically produced for the EFM. Such journals were important to learn about the latest developments within the sales market and to get a sense of industry buzz through reports about film deals, reviews and advertisements.

Additional information about the organisation of the market was collated from the official Berlinale website, and from interviews with the Market Director, Matthijs Knol, and the Head of Administration, Tilmann Vierzig. The interviews provided an opportunity to learn further about the organisation of exhibition space and film screenings, and to improve my knowledge of the market structure.

## 4. The organisation of exhibition space

The centrally located Potsdamer Platz area in Berlin has been the centre of the EFM since 2000. The gradual growth and expansion of the EFM in the last 17 years resulted in the need to relocate to locations in and around this area. In particular, trade observers note that the EFM has developed rapidly since 2006, when the market organisers decided to move into a bigger market building, the Martin-Gropius-Bau, which is also located in the Potsdamer Platz area. Brown (2005), for instance, notes that the market capacity increased from 170 exhibitors to 300 exhibitors in 2006. Given the fact that the sales market continued to grow even further, the Marriot Hotel became the second official market building in 2009 (Pham, 2009). This marked the beginning of a new infrastructure that has remained in place up to the present.

I will now discuss how sales agents position themselves within these official locations of the sales market. As noted above, there was also a group of 50 to 60 sales agents that worked from non-partner hotels, and they are also included in the analysis.

### *4.1 Exhibition space in the Martin-Gropius-Bau*

The Martin-Gropius-Bau (MGB) is the main exhibition centre of the sales market, comprising 104 stands spread over two floors (EFM, 2015c). It is best understood as a venue where industry professionals conduct business in a relatively informal atmosphere. In terms of the creative orchestration of exhibition stands in the MGB, the Director of the EFM, Matthijs Knol (2015), noted in an interview that they exerted full control over the positioning and coordination of stands, and this allowed them to create a business environment that was supportive for sales agents large and small.

The central hall of the MGB was used as both a social space and a business space. Many industry professionals gathered there to network, but there were also two large exhibition stands. These were allocated to the Creative Europe/MEDIA programme, EU's flagship support mechanism for the audiovisual industries, and the Spanish Film Agency, which brought together various sales agents and film bodies from Spain. They had a strong presence in the market because of the central location of their booths. Most of the exhibition stands of sales agents, however, were located in the hallways surrounding the central hall of the EFM. The informal atmosphere in the MGB was also evident in terms of the arrangement of the exhibition stands in the MGB, with many stands facing each other and designed with open ends, making them very accessible for market participants. In fact, while they were integrated into the public space, they also functioned as private spaces.

Moeran (2011:130) notes that such spatial arrangements in the sales market underline the importance of visibility. In particular, he notes that visibility is important in relation to the location and size of exhibition stands. Crucially, visibility is therefore a means through which power is exercised, since a bigger stand demonstrates that sales agents are prepared to invest more in their positioning in the EFM. This is underscored by the fact that the rental price of an exhibition stand at the EFM relates to the size of stands: the price of an individual stand at the MGB was €420 per square metre in 2015 (EFM, 2015a).

The size of stands also matters because bigger stands have more privileges in terms of design and equipment, which has an impact on the business experience of buyers. For instance, the MGB guidelines (2015) demonstrate that small booths of between 9 and 15 square metres are open stands comprising one table and four chairs, while bigger booths of between 16 and 30 square metres include two tables and eight chairs, but also one closed office, which allows the sales team to conduct business with buyers privately. Then there are two even larger stand sizes: stands of between 31 and 55 square metres come with two closed offices, and stands of 56 square metres or more come with three closed offices. For stands of those sizes, wall segments are also provided as a means to further promote specific films. Beyond the fact that the bigger stands are more visible in the market than smaller stands, it is clear that they offer more flexibility in the sense that some business meetings are organised in the open space, while other meetings take place in closed offices with restricted access.

The MGB guidelines also demonstrate that the cost of exhibition stands depend on whether sales agents decide to hire an individual stand or join a so-called umbrella stand. In terms of individual stands, they are usually shared between two companies to reduce the costs of rental, but some companies can afford the luxury of hiring such stands exclusively by themselves. In terms of umbrella stands, they are usually coordinated by national film agencies to accommodate three or more companies, which may involve sales agents and/or national or regional film institutions. For instance, I observed that the UK umbrella stand, called 'We Are UK Film', offered space to small UK sales agents such as Dogwoof, Parkland Films and AV Pictures, as well as UK film institutions such as the British Film Institute, Creative England, Creative Scotland and Northern Ireland Screen. The main advantage for those organisations is that they are able to hire exhibition space as part of a larger group, without the need to hire at least nine square metres individually. Given the limited space on umbrella stands and the relative smallness of these different companies, their sales teams usually consist of only one or two representatives. It is clear that such smaller sales companies working from umbrella stands participate in the EFM differently than sales agents working from more prestigious, individual stands.

With such diverse interests at stake for specific types of sales agents, the planning and organisation of the EFM sales market involves responding to the competing demands of these participating sales agents. In making decisions about the allocation of exhibition space in response to the requests of different types of sales agents, the EFM notes that they apply two conditions in particular (EFM, 2015d). First, they are "taking into consideration the overall layout of the EFM and the nature of the Exhibitor's activities." Secondly, while they make an effort to "fulfil the Exhibitor's requests in terms of stand/office size and location", they give "priority to companies returning from year to year, however, without the guarantee of the same space being available each year". Thus, even though sales agents may be prepared to invest in an exclusive exhibition stand or office at a particular location of the sales market, the market organisers are not always able to accommodate their requests. Because the market organisers retain the right to make decisions about the allocation of exhibition space, services and facilities, the pressure on such decisions inevitably grows if competition is fierce and space is scarce.

In terms of exhibition space allocated to sales agents in the MGB at the 2015 sales market, I observed that the biggest individual stands were allocated to some of the largest and most successful European sales agents, such as Wild Bunch, Pathé and Gaumont from France, Hanway and Protagonist from the UK, Beta Cinema from Germany and Fortissimo Films from the Netherlands. Further, I observed that very few American sales agents worked from individual stands in the MGB because they preferred to work from the associated hotels in the area. Another important observation is that the biggest umbrella stands in the MGB were allocated to national film agencies from the so-called ‘big five’ markets within Europe: Germany, Spain, France, Italy and the UK. Other large umbrella stands were taken by film agencies from Scandinavia, Russia, Creative Europe, and the global film trade association IFTA.

### *4.2 Exhibition space in the Marriott Hotel*

The organisational structure of the second market location, the Marriott Hotel, is markedly different from the MGB due to the nature of the Marriott as a high-end business organisation providing overnight accommodation and other services. Although the Marriott Hotel is thus not specifically designed for the purpose of organising a temporary marketplace for films, I observed that it is nevertheless a popular location because it offers a combination of luxury and exclusivity that appeals to some of the biggest sales agents in the distribution business.

Further, what makes the Marriott Hotel unique in its structure is that sales agents participated in ‘stands’, ‘offices’ or ‘suites’, which were spread over four floors. Thus, on the first floor, they created a small business marketplace comprising 29 exhibition stands, which was in many ways similar to the orchestration of exhibition stands in the MGB. Most of them were relatively small umbrella stands allocated to non-European film agencies. There was, in addition, a much more formal and exclusive way of conducting business, whereby trade exhibitors worked from private hotel rooms that were transformed into temporary offices. Such offices were allocated to about 40 sales agents spread over different floors. Knol (2015) notes that the creative influence of the EFM was very limited in terms of changing the design or decoration of those rooms. The business experience in those hotel offices was therefore very different from the way sales agents participated in exhibition stands.

Thus, hotel offices are closed rooms and usually accessible by invitation only. Most of the offices were single rooms hired by individual sales companies rather than national film agencies. The rental price of a single-room hotel office was €8,000 per room, which is the equivalent of the price for a 19 square metre stand in the MGB, but these hotel offices were smaller (EFM, 2015a).

In addition to single-room hotel offices, I also observed that some companies hired bigger suites, or several single-room offices next to each other. For instance, the French sales agent StudioCanal hired one of those suites. They used one room as a lounge where distributors and other buyers could watch promos of their films, while other rooms were more secluded to allow private business meetings to take place. The rental price of these more spacious hotel suites was much higher, starting at €16,800 on the first and second floor, while the prices for a suite on the top floor were only available upon request. It is thus clear that some sales agents deliberately hired such suites to stand out from others and present themselves as powerful companies. In this respect, the location of suites also impacted on their competitive positioning, as the biggest sales agents demonstrated: EuropaCorp (France) hired three rooms which constituted a whole wing of the second floor; eOne (Canada) and StudioCanal (France) worked from private suites on the top floor, with a view over the city centre; FilmNation (US) was the only trade exhibitor that was located on the ground floor, close to the main entrance.

Just as in the exhibition halls in the MGB, it is clear that there is a social hierarchy between sales agents in the Marriott Hotel, demonstrating how values are created through the positioning of sales agents in the sales market. The importance of visibility is once again the decisive factor that enables some companies to stand out from others.

### *4.3 Exhibition space in non-partner hotels*

Although much of the sales activity was concentrated around the two official EFM locations, a further 50 to 60 companies were based in non-partner hotels such as the Ritz-Carlton, Grand Hyatt, Maritim and Mandala, also conveniently located in the Potsdamer Platz area. The fact that this involved some of the most powerful sales companies in the distribution business, with many of them from the US, made their participation nevertheless important. Chief among them were US sales agents such as IM Global and Relativity Media in the Ritz-Carlton Hotel, and Lionsgate, Mister Smith, Sierra/Affinity and the Weinstein Company in the Grand Hyatt Hotel.

From conversations with representatives of various sales agents and distributors, it became clear they deliberately separated themselves from other companies by working from those non-partner hotels, forcing buyers to rotate between various locations. They argued that there are various reasons why they have a preference for other hotels. First, he notes that such arrangements are also taking place at the AFM sales market and the Cannes sales market. Second, he notes that such arrangements have developed in the past. Third, he notes that some companies want to position themselves differently within the market, and indeed stand out from companies participating in the official locations, underscoring that 'prestige' is important for such companies. Havens (2011) confirms this point about the importance of prestige. Drawing on participant observation at television sales markets, he notes that the fact that some sales agents do not formally take part in the official sales market, but nevertheless work from non-partner hotels, should be understood as a "profound statement of power and prestige" (2011:152). For such companies, he further notes that their "absent presence seems to be a more effective business strategy than skipping the market altogether" (2011:152).

In terms of differences observed between official EFM markets locations and non-partner hotels, it is clear that while the MGB resembled a business marketplace, and the Marriott Hotel combined the atmosphere of a luxurious hotel with the ambience of the marketplace, the non-partner hotels were more formal still (Table 1). The atmosphere inside the non-partner hotels, for instance, was not so frantic as in the Marriott Hotel, where industry professionals used the lobby as a meeting place. The fact that these sales agents in non-partner hotels did not work from stands, but only from private offices or suites, also underscored that they operated as part of a relatively small-scale but high-prestige business network.

Various executives of various sales agents and distributors noted in information conversations that many of the sales agents in non-partner hotels rely on the services of the public relations company DDA for their business office arrangements. On their website, DDA notes that they provide "fully equipped offices" at a range of festivals and sales markets, including "Sundance, Berlin, Cannes, Edinburgh, Venice, Toronto, MIPTV, MIPCOM and AFM in the film and television business" (DDA, 2015). They also note that they have developed a strong expertise in terms of organising publicity campaigns at these festivals and sales markets.

Table 1. Differences between business locations at the EFM.

| **Locations** | **Martin-Gropius-Bau** | **Marriott Hotel** | **Non-partner hotels** |
|---|---|---|---|
| Exhibition space | Stands | Stands, offices, suites | Offices, suites |
| Individual sales agents | Mostly European | Mostly European and American | Mostly American |
| National film agencies | Many | Mainly in the exhibition area | None |

| | | | |
|---|---|---|---|
| Service | EFM | EFM | DDA |
| Atmosphere | Casual and informal | Neutral | Formal |
| Stand size | Flexible | Flexible and fixed | Fixed |
| Accessibility | Open | Open and closed | Closed |

Note: these categorisations should be understood in relative terms. There are, undoubtedly, exceptions and overlaps.



Identifying the differences between various types of sales agents reveals the scope and size of the international sales community, and the important role of tournaments of values within the sales market. The fact that this field is so fragmented supports the claim that the allocation of exhibition space is critical to the film sales process (Havens, 2011; Moeran, 2011). Those differences between sales agents played out within and beyond the official EFM locations. As already argued by Knol (2015), those social hierarchies are by no means unique to the EFM sales market. It is, for instance, possible to draw parallels with the market structure of the Cannes film sales market. Figures provided by *Le Marché Du Film* (2015) demonstrate that 515 trade exhibitor organisations worked from exhibition stands and another 129 from offices in hotels or apartments in 2015, with others working from non-partner hotels and apartments.

### 5. The organisation of film screenings

I also observed that the positioning of sales agents at sales markets is broadly indicative of the range of films they represent. This is important for understanding how specific films are introduced and promoted within the sales market. The film sales process is organised in various stages of a film's production. Thus, at one extreme, the distribution rights for bigger budget, more mainstream films are sold in a pre-production stage because the financing of those films is heavily reliant on pre-sales deals. For instance, trade reporter Keslassy (2013) notes that the French sales agent EuropaCorp presold the distribution rights for *Lucy* (2014) to distributors in France, Benelux, Portugal, China and Japan, while Universal Pictures acquired the rights for all the remaining markets in a pre-production stage. At the other extreme, the rights for smaller productions, which make up the vast majority of films on offer at the EFM, are usually sold to distributors when films are completed. It is for those completed films in particular that screenings become an important tournament of values, further supporting the film sales process.

As noted above, films on offer at Berlin may be screened in the film festival or in the sales market. Thus, 443 films were shown in the film festival and 748 films were shown in the EFM sales market in Berlin in 2015 (EFM, 2015e). More specifically, the EFM organised 1,014 market screenings for 748 films, while another 1,098 screenings were organised for the 443 films in the festival programme (EFM, 2015e). There was some overlap between these programmes, with 132 films shown in both the film festival and the sales market. In particular, films selected for the most prestigious festival programmes, such as ‘Competition’ and ‘Panorama’, were also shown in the sales market. The film festival and the sales market thus provided a context in which films could potentially benefit from an all-important buzz generated by industry, press and audience response, which in turn could immediately influence distribution negotiations about such films.

I observed that both types of film screenings were important to the process of introducing and promoting films at the EFM, but they served different purposes. Festival screenings were organised primarily for festival audiences (made up of invited guests, critics, reviewers and a self-selecting section of the general film-going public) and only involved films chosen by festival programmers. Market screenings, by contrast, were specifically organised for industry professionals with the purpose of exhibiting the newest films on offer beyond the constraints of the festival.

### *5.1 Market screenings at the EFM*

Sales agents were required to pay screening fees for market slots within the EFM, and in return retained the right to decide how they made use of those slots and who was allowed into those screenings, as Knol (2015) noted in an interview. Most of the films in the market screenings were either finished or nearly finished, and had been introduced at other festivals and sales markets before, but market screenings were also used to introduce films in development. The bigger companies, in particular, used such slots to show 'promo reels', involving promos or trailers from several films in their catalogue, with the purpose of establishing distribution deals at this early stage of their production. Such promo reels were mostly presented at the beginning of the sales market to give buyers an impression of what is available before the negotiations about films started. For instance, large European sales organisations such as Pathé, Wild Bunch and Gaumont showed their film promos on the first day of the EFM.

Another way of introducing films was through private screenings organised by sales agents for a select group of distributors only. Those private screenings are sometimes combined with promotional activity such as a question and answer (Q&A) session with directors or well-known film actors. An example of such promotional activity is the $15 million film *W.E.* (2011), which was directed by the well-known American star Madonna. Trade observer Lodderhose (2011) notes that the American sales agent IM Global had Madonna flown over to the Berlin sales market in February 2011 to show invited distributors and cinema exhibitors several important scenes of her film, and to inform them in more detail about her vision. This was a promotional strategy developed to impress those distributors and cinema exhibitors, while at the same time generating buzz for the film in the sales market. The Director of IM Global, Stuart Ford, underscores that Madonna's presence sent "an important message" to distributors, demonstrating that she is "willing to travel and support the film" (cited in Lodderhose, 2011).

In addition, film screenings provided an important opportunity for completed films to be shown in the sales market. The main purpose here involved convincing buyers of the film's potential and negotiating further distribution deals, but those screenings were also important because they were attended by programmers from international festivals, who may then introduce those films to audiences in their local or national markets. In particular, such screenings provided important opportunities for small-scale, low-budget films to be picked up by festival programmers and gain access to the international festival circuit.

***5.2 A case study of 45 Years (2015)***

Given the important role of market screenings and festivals screenings as tournaments of values, I will develop a case study of the UK production *45 Years* to analyse how the film was introduced and promoted. *45 Years* (2015) formally premiered at the 2015 Berlin International Film Festival, and was also on show in the sales market. The film was directed by the up and coming British filmmaker Andrew Haigh on a budget of less than £1.5 million, with substantial financial support from the UK public institutions Creative England, Film 4 and the British Film Institute. Trade observer Macnab (2014) notes that the German sales agent The Match Factory became involved at the pre-production stage and sold the film to the distributor Curzon Artificial Eye in the UK home market at the 2014 Cannes Film Festival, just after completing shooting. *45 Years* was subsequently prepared for the Berlin Festival in February 2015, where it was selected for the 'Competition' programme, the most prestigious and competitive section of the festival.

The festival nomination had an important impact on the comparative status and positioning of *45 Years* as the few films selected for the competition programme were introduced within the festival in a more exclusive way than other films. Thus, they were given a special gala premiere to which the director and leading members of the cast were expected to support the film in front of the press and invited guests in the Berlinale Palast, the biggest and most prestigious screening venue of the festival. The competition films were also introduced to the press and shown publicly to festival audiences as part of the official festival programme, with three additional festival screenings and two additional press screenings for the media following the gala premiere.

Figure 1. The cover of *Screen International* on the first day of the EFM.


The sales agent The Match Factory used the Competition selection as a means to further consolidate buzz surrounding the release. They organised three extra screening slots in the sales market and promoted the film in the trade press. The following pattern emerged from this strategy:

- On Thursday, at the first day of the EFM, the *Screen International* market edition opened with a cover fully dedicated to *45 Years*, which announced screening dates in the festival and market programme, including one press screening on Thursday evening (figure 1).
- The gala premiere and two other press screenings were scheduled for the next day, Friday.

- The first trade press reviews appeared on Friday and Saturday in the special market editions of *Screen International*, *Variety* and *The Hollywood Reporter*.
- There were three more festival screenings scheduled on Saturday, and one market screening, followed by further market screenings on Sunday and on Thursday.

In terms of the timing of those screenings, this was an almost ideal trajectory from which the film stood to benefit, particularly because most of the business negotiations about films start at the beginning of the EFM and most of the industry participants stay only four or five days. Screening dates in the first few days of the market were therefore beneficial to the film sales process.

### *5.3 Positioning films in sales markets*

The Head of Film Administration of the EFM, Tilmann Vierzig (2015) noted in an interview that the festival and market programmers make decisions about the programming of film screenings. In terms of the allocation of screening space, priority is given to festival screenings. Festival programmers reserve a select number of screening rooms and time slots for each of the festival sections, and the films selected for each of those sections enjoy more or less the same privileges in terms of the location and size of screening rooms (Vierzig, 2015). For instance, *45 Years* and other Competition films were shown in the bigger screening rooms of the festival. Because some of the biggest screening rooms and the most popular time slots are already reserved for festival films, Vierzig notes that the programmers of market screenings can book the bigger screening rooms only for some films, while others are shown in smaller screening rooms. Thus, a team of three film experts, including the well-known president of the EFM, Beki Probst, make decisions about the programming of market screenings (Vierzig, 2015). According to Vierzig, their decision-making is typically based on the perceived potential of films, where the reputation of the sales agent, the producers, the director and the leading actors are important factors.

Returning to the example of *45 Years*, I will demonstrate in more detail how such decisions impact on the film sales process. The market programmers positioned *45 Years* as one of the key films in the sales market by scheduling the first two market screenings in the opening weekend. The first screening on Saturday was organised at one of the bigger screening rooms of the CinemaxX cinema, with a capacity of 300 seats. Knol (2015) noted in an interview that sales agents generally have a preference for screenings at around 11.00am or 3.00pm to avoid that films are being shown during lunchtime or dinner in the evening, and this first screening of *45 Years* was conveniently scheduled at 3.00pm. The second screening on Sunday was programmed at a smaller room with a capacity of 182 seats in yet another big cinema, CineStar. Although the timeslot at 7.30pm during dinnertime was less favourable, I observed first-hand that the room was fully packed. The scheduling of both screenings in the opening weekend was thus advantageous to the positioning of *45 Years* within the market, particularly when taking into account that screenings of more than 700 films were programmed in the same week.

Thus, what has become clear in this example of *45 Years* is that factors such as the location, time slot and size of screening rooms helped to secure a strong presence within the sales market. Because the film was also well received at the festival, with positive reviews in the trade press, it attracted substantial buzz and clearly became a popular project. The Match Factory announced after the festival that it closed distribution deals in as many as 30 markets "around the world", including the US and key territories in Europe (Wiseman, 2015).

Although *45 Years* may be an unusually successful example, it demonstrates how festival and market screenings functioned as tournaments of values and added values to the film sales process. Indeed, a combination of both types of screenings may support films considerably. On the other hand, generating buzz through film screenings remained restricted to a select number of films and was certainly not achieved by the majority of films.

## 6. Conclusion

What has emerged in this paper is that sales markets endow films with significant values. The case study of the EFM has demonstrated that the process of value creation at film sales markets is inextricably tied to the production context of films, beginning at the point when sales agencies develop projects and introduce films as concepts, and continuing through subsequent stages in which additional attention is generated through actual film materials and screenings. In focusing on spatial arrangements as well as physical arrangements through which values are ascribed to films, this paper has taken the discussion about value creation at sales markets further, extending to the actual sales process of films.

In line with observations by Havens (2011) and Moeran (2011), it is clear that sales markets create social hierarchies between participating sales agencies, with the biggest sales companies working from the biggest exhibition stands or from exclusive hotel suites, underscoring the importance of visibility within the sales market. Indeed, as Havens (2011) argues, such exclusive positioning is very much a statement of prestige and dominance, a way of exercising power, as well as providing their clientele with a specific business experience. In other words, these spatial arrangements take the form of a tournament through which values are ascribed to sales agents and the films they represent.

What risks getting lost in this sort of discussion is an argument that ties together the importance of exhibition space with the effectiveness of film screenings, giving an aural and visual presence to the films being bartered. Given the highly competitive environment at the EFM sales market, in which thousands of films are introduced and promoted, film screenings are important to the process of building buzz and word-of-mouth interest around individual films, and generating free publicity through reviews by newspaper critics. I identified various forms of screenings, including private screenings, promo screenings, market screenings, press screenings, public screenings, with each of them serving its own purpose in relation to the value creation process of films. This analysis of film screenings demonstrated that there are more or less exclusive ways of introducing and promoting films, with some sales agents organising private screenings for a select group of distributors to promote specific films in various stages of development, underlining the importance of film screenings as tournaments through which values are created. In addition, the case study of *45 Years* demonstrated the symbiotic relationship between the festival and the sales market, providing a context from which films can benefit by generating extra attention. I argued that factors such as screening location, screening capacity and screening time matter to the value creation process and the ability to secure a strong presence within the sales market. Film screenings are thus important tournaments of values through which power is exercised and some films are able to raise more attention than others.

This paper has also drawn attention to the impact of value creation on the film sales process. While there are important differences in how bigger and smaller sales agencies position themselves in the market, there are also differences in how they are selling films. It is clear that the bigger sales agencies sell the most attractive film projects, and that the financing of such films is heavily reliant of pre-sale deals in a pre-production stage. The sales process of those films relies primarily on promotional activity through private screenings and/or promo screenings. Smaller sales agencies, on the other hand, sell mostly smaller film projects. Their films are usually sold to distributors by the time that films are completed. It is for those completed films in particular that market screenings, press screenings, festival screenings become important tournaments of values, substantially supporting the film sales process if they are able to generate attention and industry buzz.

Overall, what has become clear is that sales markets are the point where important decisions about films are made, where sales agencies negotiate access to international markets, and where they exert influence over the sort of access given to specific films. It is therefore important to understand sales markets as events that impact on processes of gatekeeping.

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