



Guidelines

Funding for the distribution of Swiss films and co-productions in foreign countries

Effective from 1 July 2016. Based on Articles 6 to 12 of the FDHA Ordinance on Measures to Promote the International Presence of Swiss Cinematography and the MEDIA Compensation Measures.

1 Objective of distribution funding

In order to improve the visibility of Swiss films in foreign countries, the Swiss Federal Office of Culture subsidises the distribution of Swiss films for cinema release in Europe. SWISS FILMS is responsible for the administrative implementation of these measures.

2 Requirements

2.1 Applicants

Any independent Swiss production company may apply provided:

- its main activity is film production;
- it is registered in the commercial register;
- it holds the majority of the rights for the film for which it is seeking funding;
- it has a distribution agreement with a professional distribution company based abroad.

2.2 Eligible films

The subsidies may be allocated to fiction, documentary and animated films of at least 60 minutes:

- which was the first public theatrical screening in Switzerland no longer than 18 months ago;
- which were produced as Swiss films or as recognised Swiss-foreign co-productions with a Swiss director and Swiss executive producer¹;
- that are intended to be first released in cinemas;
- that have no access to distribution assistance from the MEDIA support programme from the EU.

Films that are generally excluded from cinema promotion under the Film Act, including commissioned and advertising films, pornography, films glorifying violence or with racist content, do not qualify for subsidies.

¹ The co-producing company with the following responsibilities according to the co-production contract: completion of the film, budget, the right to issue directives to the most important employees, in particular to the director, copyright regulations (screen adaptations etc.) and the Final Cut.

2.3 Eligible costs

Eligible costs include:

- a) production of promotional material;
- b) purchase of advertising space;
- c) press work abroad;
- d) other promotional activities;
- e) copies or digital media;
- f) dubbing and subtitling.

Please note:

- Only the costs directly incurred from promotion and distribution in cinemas are taken into account.
- The distribution costs do not include the distribution guarantee costs.
- Only costs claimed by external service providers proven by corresponding invoices are eligible.

3 Application procedure

Swiss producers must submit their application to SWISS FILMS (by post to the following address: SWISS FILMS, Daniela Strika, Neugasse 6, 8005 Zurich (support@swissfilms.ch) by one of the four predetermined application deadlines and **at the latest two months before the release of the film in cinemas**.

The application must include:

- a completed application form signed by the producer and by the distribution company, as well as the following
- enclosures:
 - commercial register extract for the distribution company
 - list of titles released by the distributor in the last two years including box office and screens per film
 - copy of the signed and dated distribution agreement
 - declaration from the licensor that the applicant has complied with all its contractual obligations
 - certificate of Swiss origin or a co-production certificate issued by the Swiss Federal Office of Culture

Please note:

- Each application must be presented for only one country of distribution.
- All the enclosures must be submitted with the application. Incomplete applications will not be considered.
- All the enclosures must be presented in one of Switzerland's three official languages (German, French or Italian) or in English, with the exception of the extract from the commercial register.
- The amount requested in support must not exceed 50% of the eligible costs (this corresponds to the 'Total net distribution costs' on the form).

4 Evaluation of the application

The application is evaluated based on the criteria listed below by the 'Release and Diversity Committee'. The Federal Office of Culture bases its decision on the recommendations of this committee and provides a copy of the decision to SWISS FILMS. As a general rule, the Federal Office of Culture shall reach its decision three to four weeks after the application deadline.

4.1 Evaluation criteria and their weighting

The evaluation criteria and their weighting are summarised in the following table:

Criteria	Points (maximum: 100)
Foreign distribution potential	30
Quality and extent of the release in cinemas	30
Distributor's contribution	20
Consistency of the distribution budget with the planned release in cinemas	10
Distributor's experience	10

Projects reaching at least 70 points can receive support. The projects that reach at least 70 points are given 5 additional points when the film is released in a country that has signed a co-production agreement with Switzerland.

If the amount for all eligible projects exceeds the funds available as of the application deadline, financial support is allocated to the projects with the highest number of points.

5 Subsidy rates and calculation

As part of the distribution plan, the Federal Office of Culture each year publishes the maximum subsidies by country. In 2016, the maximum subsidies awarded per film are

- CHF 50 000 for distribution in Germany, France, Italy and Austria
- CHF 30 000 for distribution in other European countries.

The financial support may not exceed 50% of the eligible costs (this corresponds to the 'Total net distribution costs' on the form). The subsidies are paid in two instalments of 50% each.

5.1 Calculation example

The final amount of the subsidy is calculated as follows. The positive difference between Total 1 (= total approved subsidy plus net distribution revenue) minus Total 2 (= distribution costs) is divided by two. The result is deducted from the approved second instalment to produce the final amount of the second instalment that the successful applicant will receive. It should be noted that this amount should not exceed the approved subsidy total. Below is an example:

Calculation example in CHF:

Approved amount (total):	20 000
First instalment (50%):	10 000
Second instalment (50%):	10 000

After settlement:

Total subsidies (incl. others):	30 000
+ net revenue:	30 000
Total 1 = Revenue =	60 000

Total 2 = Distribution costs = 50 000

	60 000 (Total 1)
	-50 000 (Total 2)
(Total 2 - Total 1) : 2 =	10 000 : 2 = 5 000

Second instalment = 10 000 - 5 000 = 5 000 (definitive second instalment)

6 Terms of payment

Subsidies to foreign distributors will be disbursed by SWISS FILMS directly.

The first instalment is paid when release in cinemas is guaranteed and the proof of residual financing is presented.

The second instalment is paid after presentation of the invoice. To receive the second instalment, the recipient of the subsidy must provide SWISS FILMS with documentary proof of the box office numbers achieved (including a list of cities, cinemas, admissions and net revenue) and of the distribution costs (proven by the corresponding receipts) no later than 14 months after the scheduled cinema release of the film.

Furthermore, the recipient of the subsidy agrees to transfer to SWISS FILMS one copy each of any advertising material used for the film (posters, flyers, invitations, etc.), one DVD of each country version of the subsidised film and evidence of reactions to the film release (reviews, press clips, etc.).

7 Reference to the Federal Office of Culture and SWISS FILMS

The Swiss Federal Office of Culture and SWISS FILMS must be cited as partners and their respective logos must appear on all advertising and communications media. SWISS FILMS will provide the required material.