

Location study: Motion picture sector in Hamburg and Schleswig-Holstein 2017

Location data to the film, VR/AR, animation and games sectors

Results report



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Executive summary: Key results of the location study



1,253 companies in the motion picture industry HH/SH, classical production comprises 560 companies; games with 190 companies are also relevant

Composition of the motion picture industry Hamburg and Schleswig-Holstein in 2016, number of companies according to main field of business



Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017

Location advantages: primarily, the cooperation with the FFHSH and its great commitment is perceived as a definite advantage by film producers

Key facts to the main location advantages from the point of view of the TV and film producers in HH/SH, 01/2017

The work of the film promotion (FFHSH)

- Hamburg and Schleswig-Holstein have closed ranks
- Very sustainable, continuous promotion
- Great confidence in the FFHSH consulting, lobbying and network initiatives
- Uncomplicated and swift filming permission

Film Studio Kiel

- The existence of the Film Studio Kiel is perceived in a very positive light: this is where creative talent and in particular, project development is promoted

Games sector

- On a federal level, the city of Hamburg began to support the games sector at a very early stage and encouraged many games-companies to settle in Hamburg
- Positive: Proximity of politics to industry, networks and events

Networking

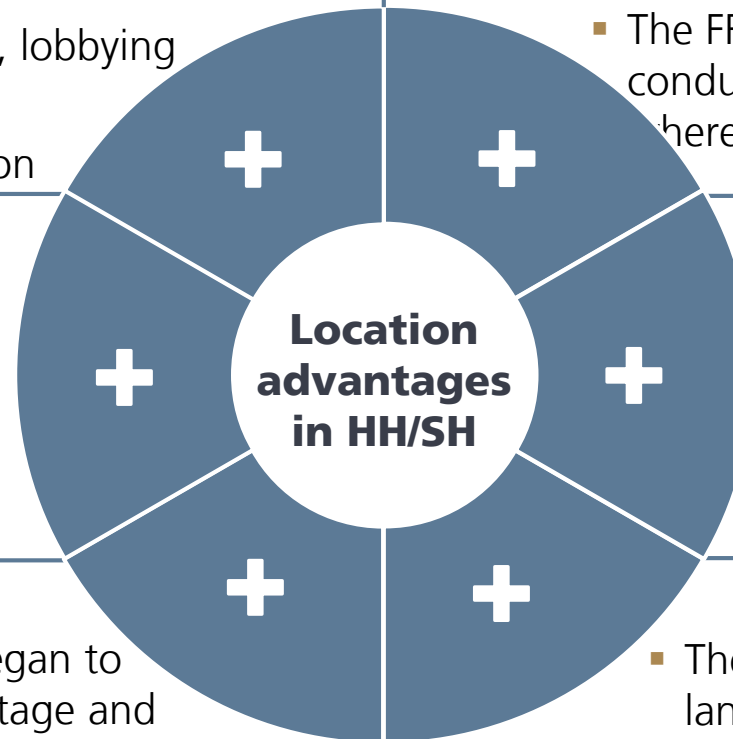
- In the past, film producers were able to develop good creative/personnel/contacts networks
- The FFHSH network events were/are very conducive for this purpose to this purpose, this is here the industry meets

Film-Setting/Talent

- Young film-setting
- Excellent training at the Hamburg Media School with obvious success (numerous awards for the HMS-graduation films)

Others

- The attractive city of Hamburg and the landscape of Schleswig-Holstein is considered a great advantage for the film location as a whole (inspiration, locations, etc.)



Location disadvantages: subsidies are too low on a national level, the film industry should be more evident as a cultural and capital asset

Key-facts to the main location disadvantages from the point of view of the TV and film producers in HH/SH, 01/2017

Funding

- HH/SH with relatively low subsidies on a federal level → limited financial resources
- Subsidies from other sectors would be desirable, for example, innovation- and technology subsidies
- Private investment in films as a cultural asset

Networking with other industries

- Networking with investors and money-donating industries appears expandable
- Awareness of the film industry as an economic factor is not yet adequately raised

Others

- Lack of a tax-system with tax reductions, to make the location more attractive for film-producers
- SH: Lack of structure of film-producing personnel

Films as a cultural asset

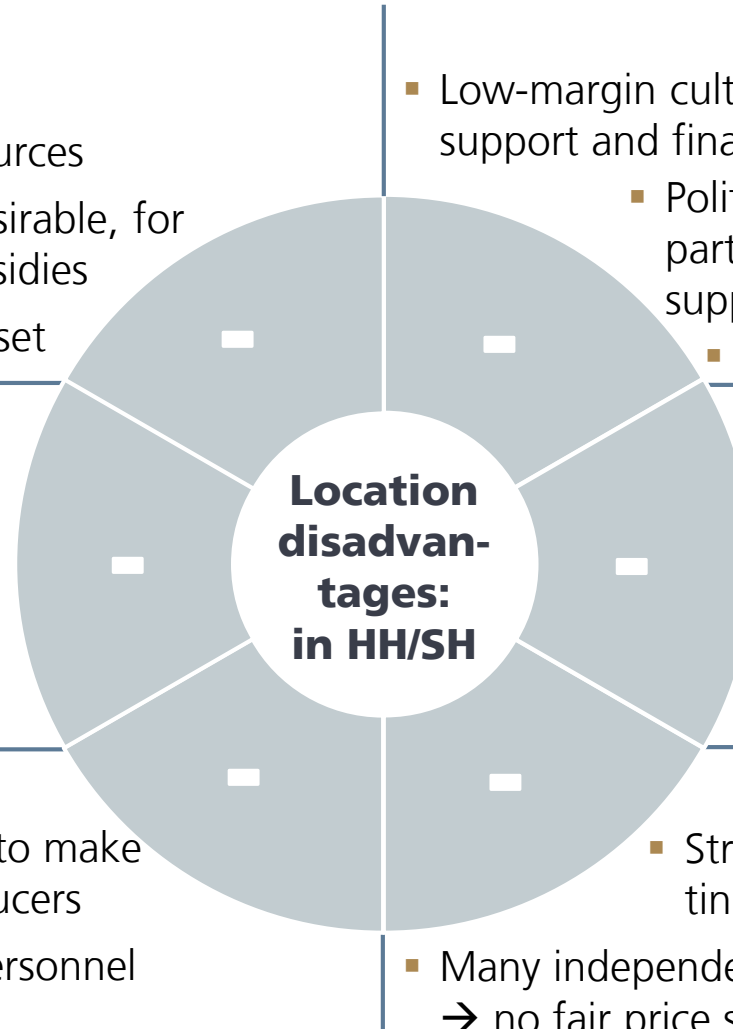
- Low-margin cultural asset film requires additional support and financing from the city
- Politics in HH/SH should become a better film partner, the cultural budget should also support the film industry
- Location marketing is expandable

Training/Talent

- Lack of training programs for the industry, HMS is good, however, structure is lacking for young talent (basic training)
- There are no incentives for young talent, such as cheap rent, offices, etc.

Public-Service Broadcasting

- Structural problem: public-service broadcasting dominates the market (TV and cinema)
- Many independent providers are no longer available, → no fair price structure/competitive pressure



Film producers' requests to the FFHSH: more funding, more networking, better management and project development

Key-Facts to the most important requirements from the point of view of the TV and film producers in HH/SH, 01/2017

Subsidies

- Many producers demand a distinct focus on funding of local film producers, higher entry barriers for international productions
- Rethink the entry requirements Broadcaster or distributors no longer mandatorily on board?

Networking

- More networking with investment and industry, raise awareness for the film industry as an economic factor
- Stronger links to the tourism industry

Support product quality

- Stronger support for the development process
- Eventually, funds could be relocated to the development phase from the production budgets, to implement higher quality projects

Film as a cultural asset

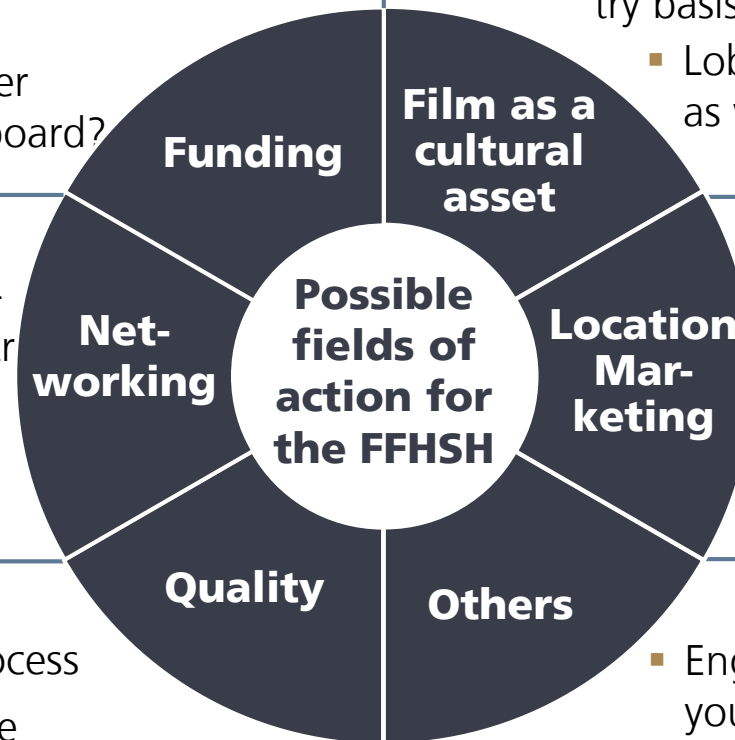
- Lobbying for the film industry: the film industry must be increasingly perceived as a cultural asset, on a cross-industry basis and as an investment object
 - Lobbying should be directed towards industry, as well as private investors – in particular, in Hamburg

Location marketing

- The film industry is a great advertisement for the city, this should be taken advantage of
- Some producers request a stronger presence of international projects in HH/SH

Others

- Engagement in the training sector/boost young talent (training programmes)
- Engagement for summit meeting of the film industry with politics, banks, companies, HMS, art academies, NDR, etc.

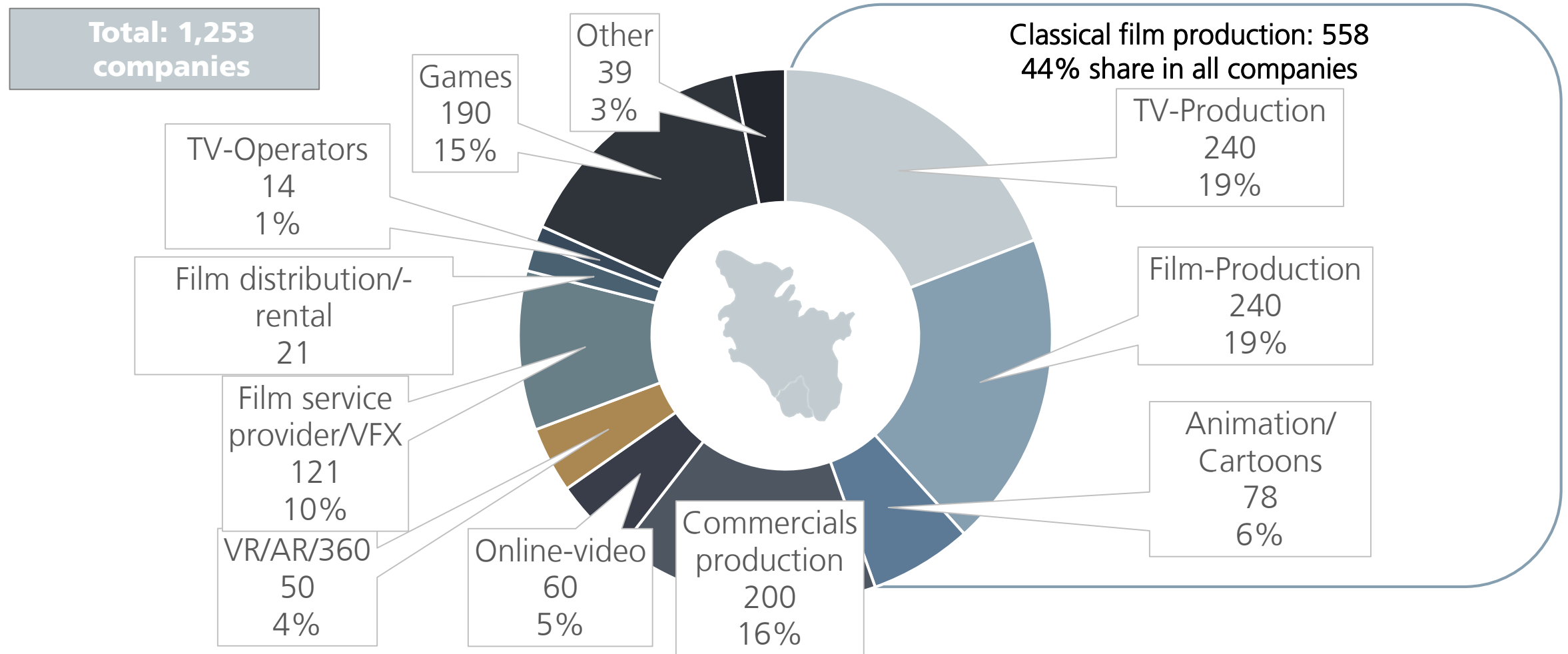


Summary: Motion Picture Industry in Hamburg and Schleswig-Holstein



1,253 companies in the motion picture industry of Hamburg and Schleswig-Holstein, of which 558 are engaged in the classical film production

Composition of the motion picture industry in Hamburg and Schleswig-Holstein 2016
the number and overall share of companies, classified by main business sector



Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017

Motion picture industry in Hamburg and Schleswig-Holstein: approx. 1,250 players with a total revenue of approx. 3,2 bill. euro and 14,451 jobs

Economic data for the motion picture industry in Hamburg and Schleswig-Holstein, 2017

Industry	Company	Branch turnover	Jobs
Film producers (TV/cinema/animation)	558	870 mill. euros	3.500 employees
Advertising agencies (motion pic. ind.)**	200	300 mill. euros	2,000 employees
Games-studios	190	400 mill. euros	4,300 employees
Film service-providers	121	54 mill. euros	850 employees
Online-video producers**	60	15 mill. euros	180 employees
VR/AR/360-degree-video-company**	50	12 mill. euros	150 employees
Sales/Rentals	21	240 mill. euros	220 employees
Private TV-Operators	12	61 mill. euros	506 Employees
Public service TV-Operators (NDR/ZDF)*	2	1.184 mill. euros	2.625 employees
Others**	39	20 mill. euros	120 employees
Summary HH/SH motion picture industry	1,253	3,156 bill. euros	14.451 employees

* Figures for NDR/ZDF and private TV-Operators for 2014 ** Goldmedia estimate

Sources: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, BMWi (2017): Economic significance of the film industry, Castendyk/Goldhammer (2012): Producer analysis 2012, Georg Consulting (2016): Second creative industries report for the Free and Hanseatic City of Hamburg, Statistical Agency North (2015), Goldmedia-Analysis, calculation of the rate of employment and revenue based on the Statistical Agency North, as well as relations at a federal level

The motion picture industry in Hamburg and Schleswig-Holstein comprises approx. 1,250 players from the sectors film, TV, online-video and games

Composition of the motion picture industry in Hamburg and Schleswig-Holstein 2016



classical film production:

approx. 200 with focus on TV and cinema,
78 with focus on animation



commercials producers/
-agencies in the motion
picture industry



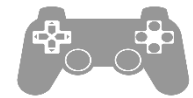
film service-provider



sales/rentals



private TV-providers
and main seat of the NDR



approx. 190
games-studios



approx. 60
online-video producers



approx. 50
companies in the
360-degree/VR/AR sector

39

other

(1): without advertising agencies

Sources: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, BMW1 (2017): Economic significance of the film industry, The media institutes (2015): Economic importance of broadcasting in Germany, BLM/LFK (2016): Web-TV-Monitor 2016, Next Media Hamburg, Goldmedia-Analysis

The classical production comprises approx. 560 companies. Additionally, there are 200 commercials producers and 110 online/360/VR/AR-specialists

Facts regarding the film production
in Hamburg and Schleswig-Holstein 2017



558 film producers

- of which, approx. 200 with focus on TV and 200 with focus on cinema production, as well as 78 in the sector animation and cartoons

- approx. **3.500 employees**

- approx. **870 mill. euro** industry turnover
additionally, there are



approx. **200** advertising agencies, which (also) produce commercials (conservative estimate)

- approx. **2.000** employees

- approx. **300 mill. euro** turnover
plus



approx. **60** companies in the online-video sector
and **50** in the VR/AR/360-degree-video sector

In comparison:

Film production in Germany 2014/2012



4,567 production companies, of which approx.

2,000 are classical producers, of these, 1,220 present a revenue of >100,000 euro

- Of the approx. 1,220 classical producers, a third primarily service the cinema film sector and two thirds, primarily the TV sector

→ in HH/SH, the cinema sector is comparatively strong

- Production revenue (2014): approx. 4,66 bill. euro **4,66 bill. euros**

- *Note: The figures are subject to different databases and are based on different periods, therefore, a direct comparison is not possible.*

- *Based on classic producers, the proportion of companies would be approx. 28% according to these figures, or based on all producers, at 17%*

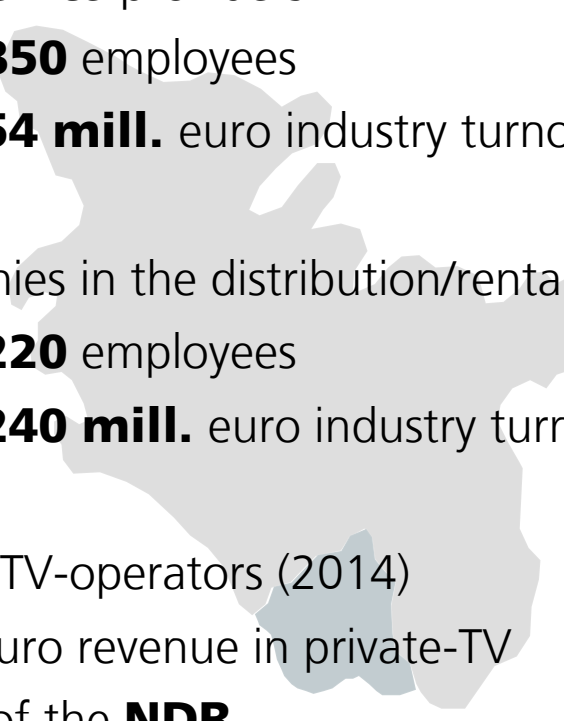





- *In terms of revenue, the proportion would be approx. 25%*

Sources: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, BMWi (2017): Economic significance of the film industry, Castendyk/Goldhammer (2012): Producer analysis 2012, Georg Consulting (2016): Second creative industries report for the Free and Hanseatic City of Hamburg, Statistical Agency North (2015) Goldmedia-Analysis, calculation of the rate of employment and revenue based on the Statistical Agency North, as well as relations at a federal level

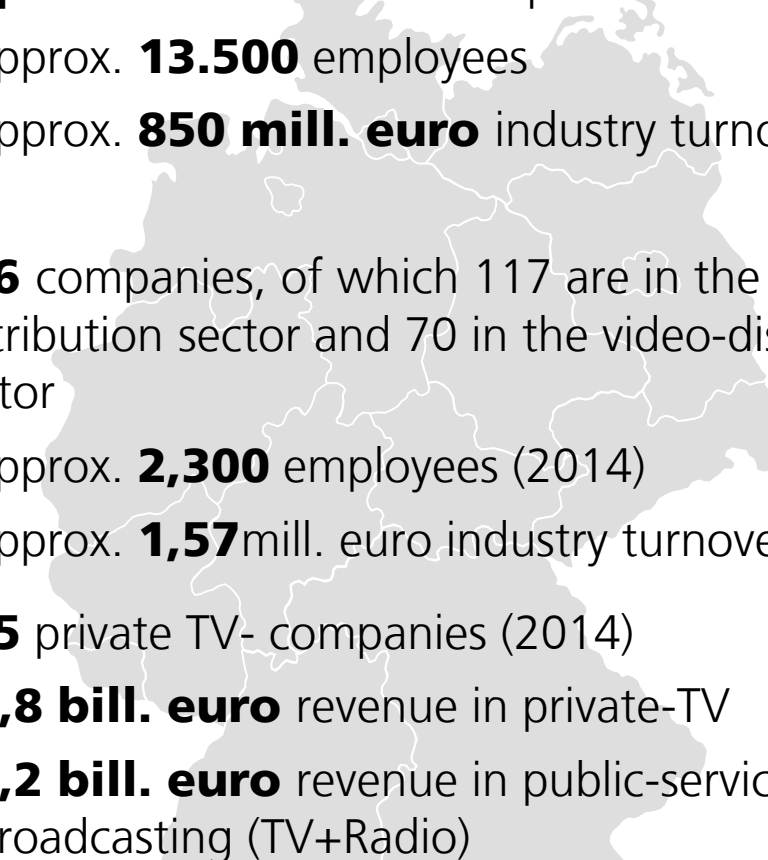



>1,000 employees and approx. 300 mill. euro revenue in the film service-provision sector and sales/rentals. The TV-sector is defined by the NDR

Facts regarding film service-providers, distribution/rental and TV operators in Hamburg/Schleswig-Holstein 2016/2014

- 
- 
-  **121** film service-providers
 - approx. **850** employees
 - approx. **54 mill.** euro industry turnover
 -  **21** companies in the distribution/rental sector
 - approx. **220** employees
 - approx. **240 mill.** euro industry turnover
 -  **12** private TV-operators (2014)
 - 61** bill. euro revenue in private-TV
 -  Main seat of the **NDR**
 - 1,18** bill. revenue by the NDR (broadcasting est.)

In comparison: Film service-providers, sales/rentals and TV operators in Germany 2014

- 
- 
- approx. 1.000** film service-providers
 - approx. **13.500** employees
 - approx. **850 mill. euro** industry turnover
 - 576** companies, of which 117 are in the film distribution sector and 70 in the video-distribution sector
 - approx. **2,300** employees (2014)
 - approx. **1,57** mill. euro industry turnover
 - 305** private TV- companies (2014)
 - 8,8 bill. euro** revenue in private-TV
 - 9,2 bill. euro** revenue in public-service broadcasting (TV+Radio)

Sources: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, BMWi (2017): Economic significance of the film industry, The media institutes (2015): Economic importance of broadcasting in Germany, Georg Consulting (2016): Second creative industries report for the Free and Hanseatic City of Hamburg, Statistical Agency North (2015), calculation of the rate of employment and revenue based on the Statistical Agency North, as well as relations at a federal level

Hamburg is the German games stronghold: the three major browser-game producers are active here, also, international publishers are based here

Facts regarding the game market
Hamburg/Schleswig-Holstein 2017



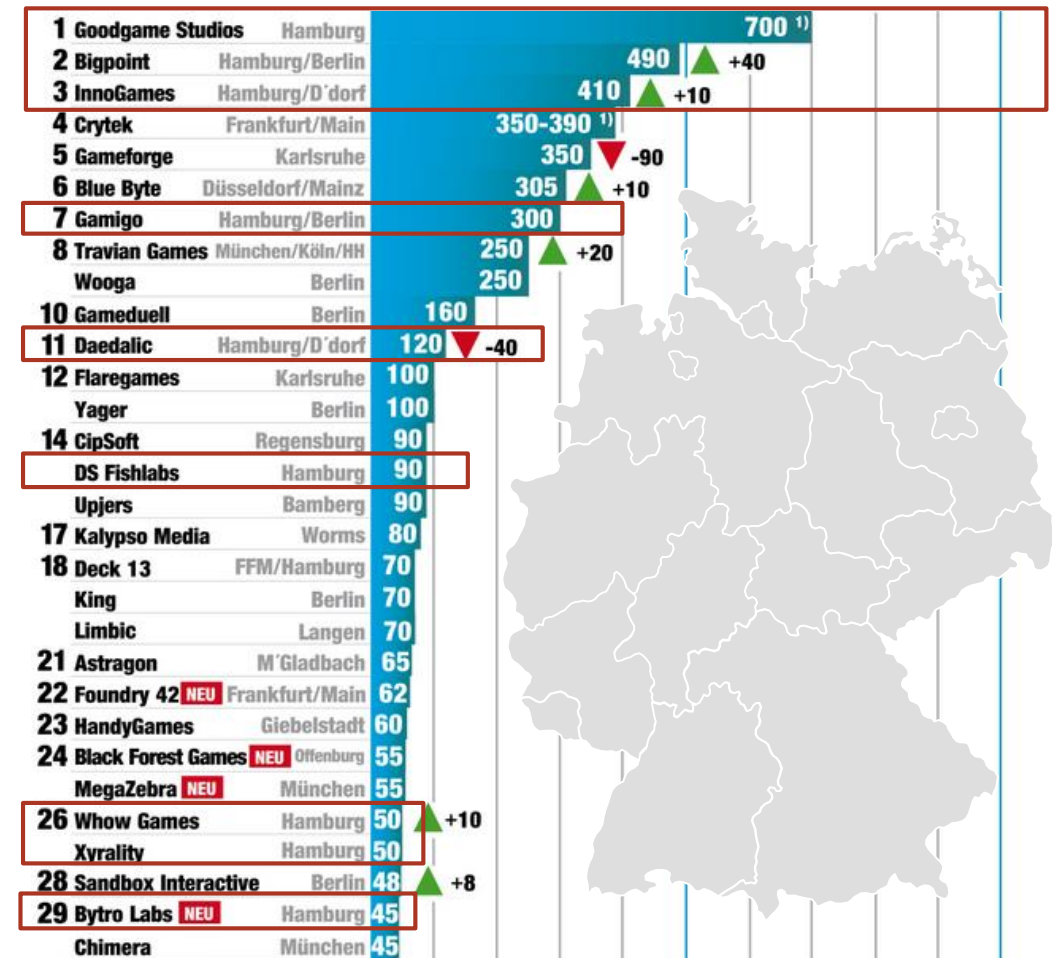
approx. 190 games-studios



- 9 of the major 30 companies, including **the 3 major** companies in Germany:
- Goodgame Studios (approx. 700 employees)
- Bigpoint (approx. 490 employees)
- Innogames (approx. 410 employees)
- Focus on the free-to-play-/mobile-/browsergames sector
- Also, German-/European headquarters of international publishers, e.g., Square Enix, Capcom, Warner Bros
- Additionally, various traditional developers and Indie studios



The 30 major Games-Studios
as per number of employees in Germany, January 2017



* nach Anzahl der Mitarbeiter in Deutschland. Berücksichtigt sind Unternehmen, die Computer- und Videospiele in Deutschland entwickeln. Stand: Januar 2017
Quelle: Firmenangaben / eigene Recherchen. Angaben zum Teil gerundet. © 2017 GamesWirtschaft.de • www.facebook.com/gameswirtschaft
▲▼ = Änderungen gegenüber Erhebung im September 2016 • ¹⁾ Schätzung

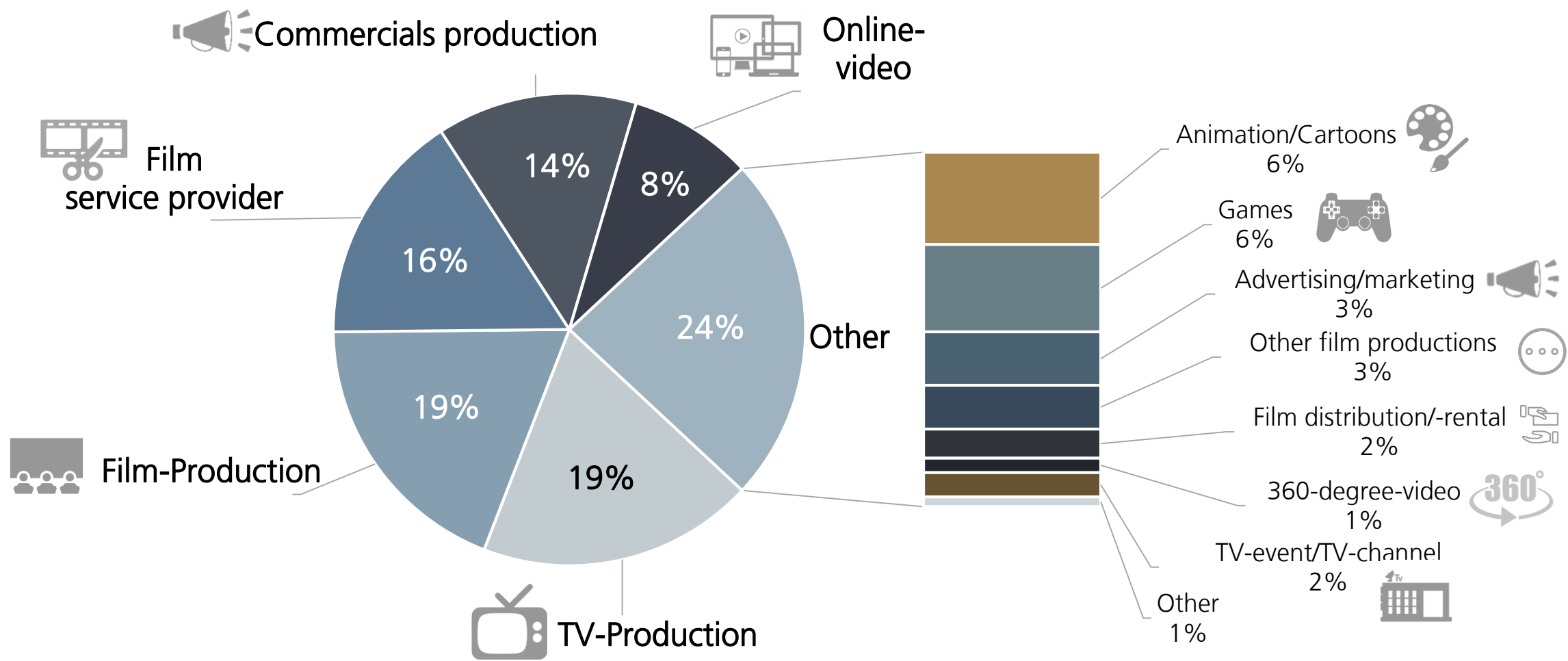
Sources: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, Next Media Hamburg, GamesWirtschaft (2017), BIU (2017):
A Guide to the German Games Industry

Economic Situation of the motion picture industry in Hamburg and Schleswig-Holstein



The main business sectors of the responding companies are located equally in the sectors TV- and cinema-production (total 38%), VFX with 16%

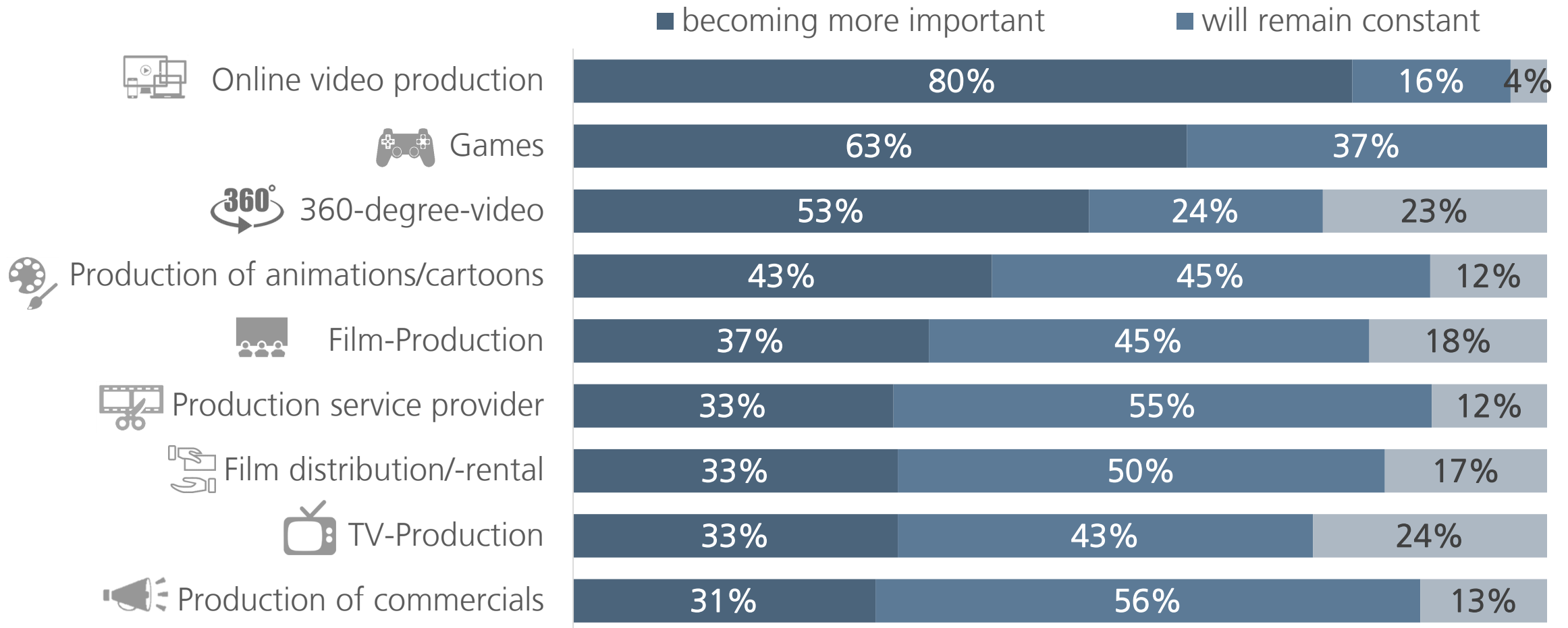
Current main business sectors of the motion picture industry in Hamburg and Schleswig-Holstein, 01/2017



Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Development of the current business areas until 2020: In particular, online video producers expect their industry to acquire increased significance

Assessment of the development of the current business areas until 2020
of the companies of the motion picture industry in Hamburg and Schleswig-Holstein, 01/2017

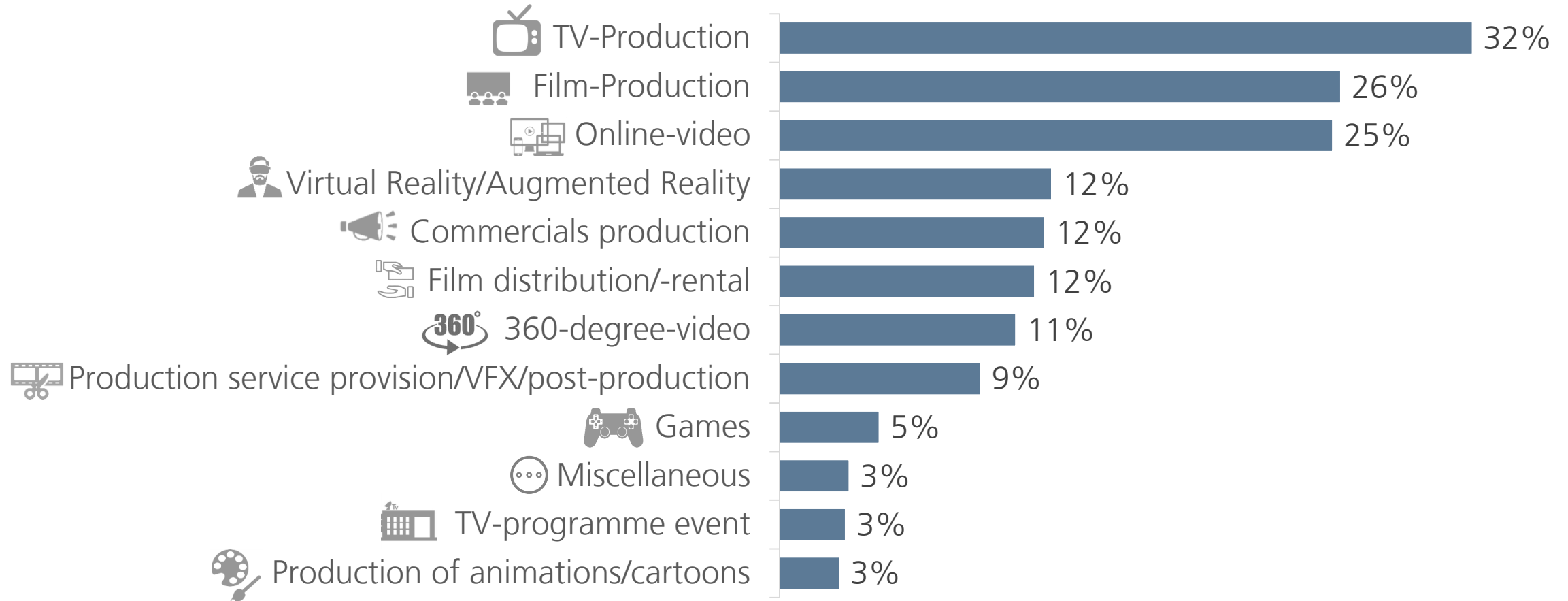


Question: "According to your assessment, how will the importance of your current business areas develop until 2020?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Prospects 2020: Film producers primarily see potential in the classic sectors of cinema and TV, additional potentials in online video and VR/AR

Business fields in which TV and film producers in Hamburg and Schleswig-Holstein will probably additionally engage until 2020, 01/2017



Question: "In which of the following business areas is your organisation expected to engage until 2020 (additionally to your current business fields)?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139; multiple response is possible

The film industry pursues alternative forms of financing, primarily international funding offers, however, also private investors are being targeted

Key facts regarding the most important future business activities of TV and film producers in HH/SH, 01/2017

Formats

- Less classical commissioned productions, new (online) formats become more important, e.g. high-quality series, view on the VoD portals; disagreement regarding the most successful future format: market potential is perceived for all
- In the future, more format options: not necessarily 90 min., possibly shorter formats, respective support is very important

Cross-Media

- Cross-media activities are already being implemented on a project-related basis
 - However, only subject to availability of topics; Topics are not respectively selected/procured
- Many are still uncertain regarding the economic significance of VoD platforms

Animation films

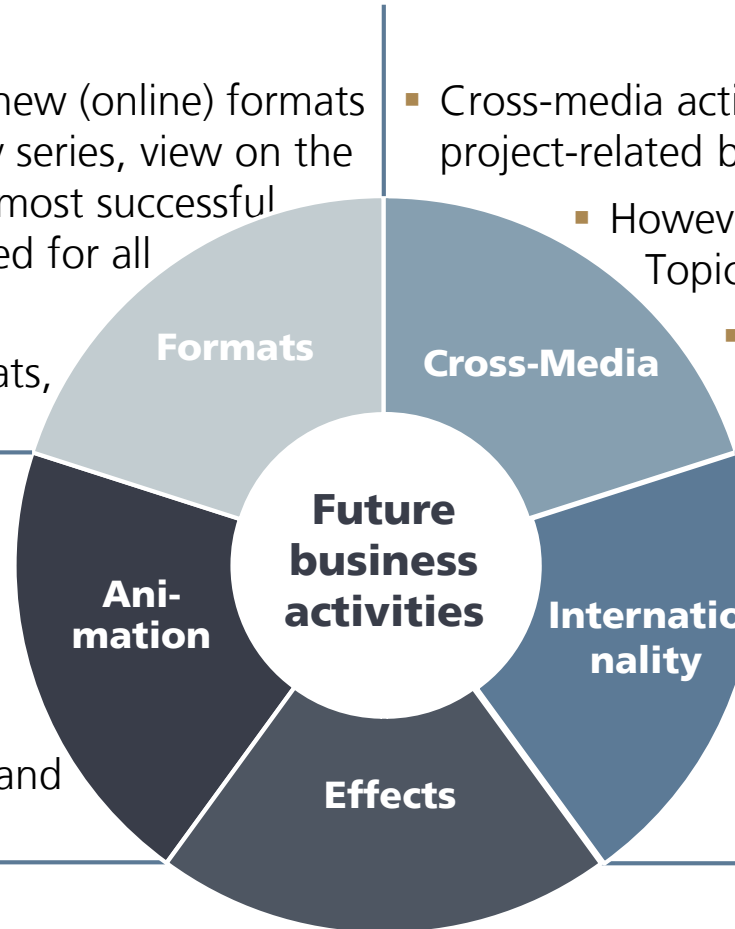
- Extension of the post-marketing in the form of books, merchandising, games and TV series...
- Target group expansion: many companies perceive capacities in the family segment and in content for the up to 14 year-olds

Internationality

- TV and film producers want to cooperate more and beyond Europe
- Materials are selected according to whether they can also be evaluated internationally, primarily to also obtain support in other countries

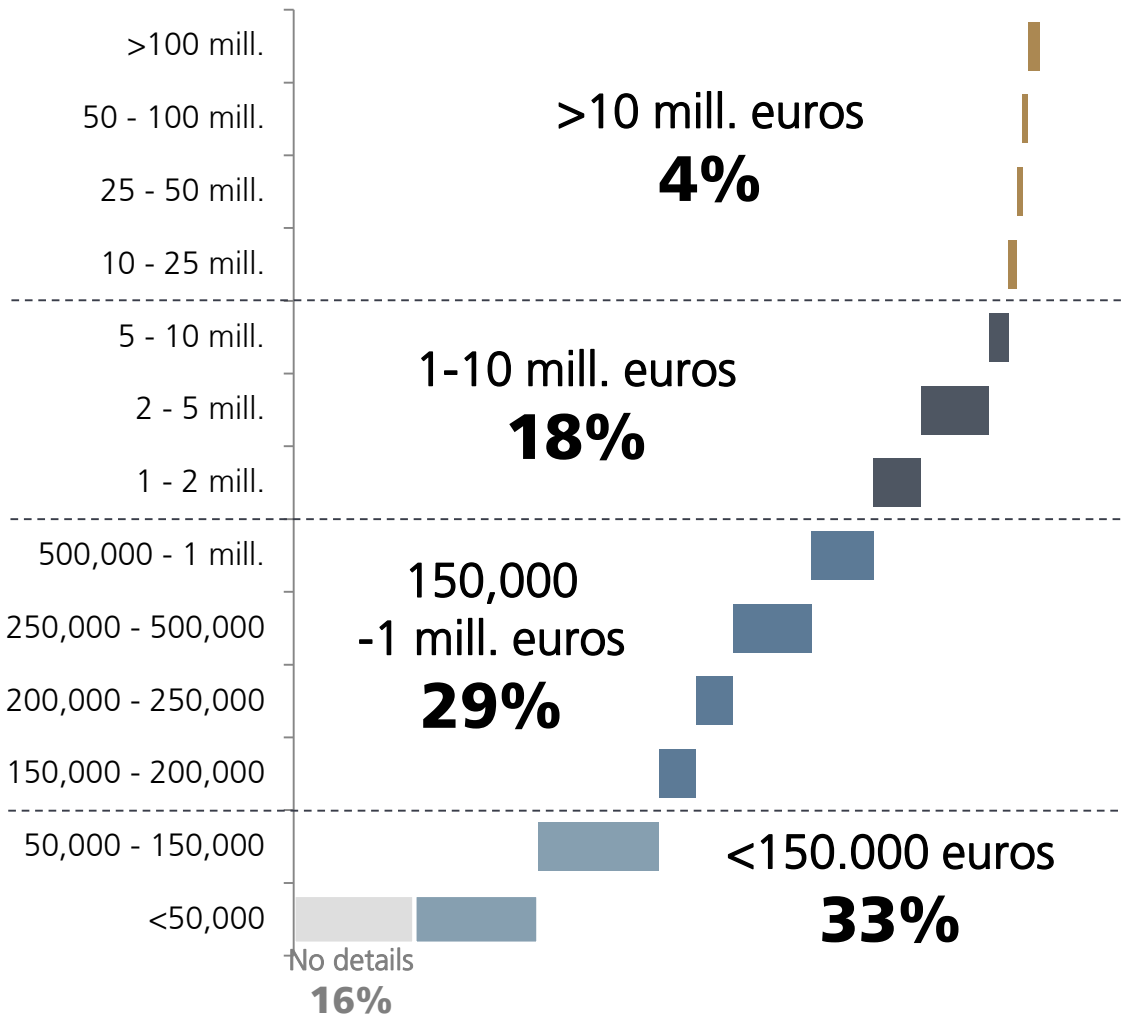
Funding

- Many players would like to move away from classic film funding and search for venture capital and possibly also private investment from other industrial sectors/industries – more lobbying for film as art and culture is desired

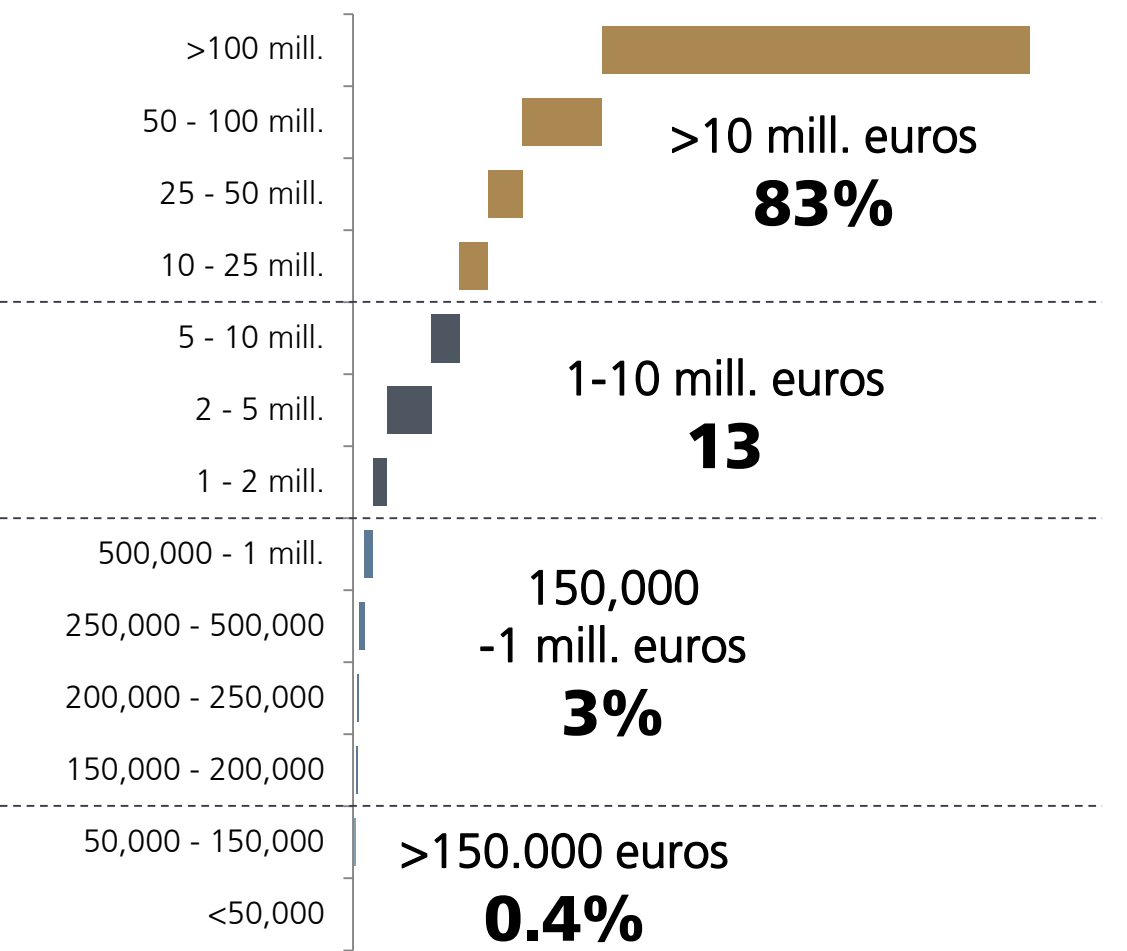


Revenue distribution: The top 4% of the companies in the film industry consolidate 83% of sales, whereas the smallest 62% account for only 3% of sales

Distribution of the companies of the motion picture industry in HH/SH accord. to revenue in %, 01/2017



Distribution of the revenue of the companies of the motion picture industry in HH/SH in %, 01/2017

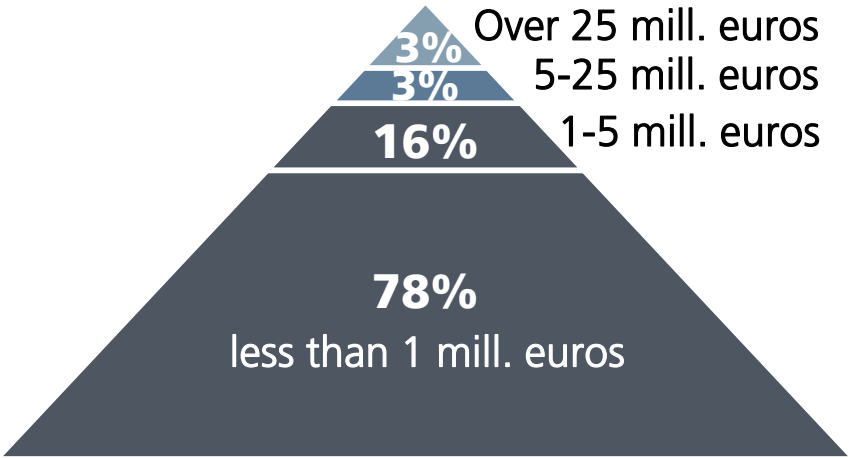


Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; estimate: Gold Media (average values) on the basis of the information provided by the respondents

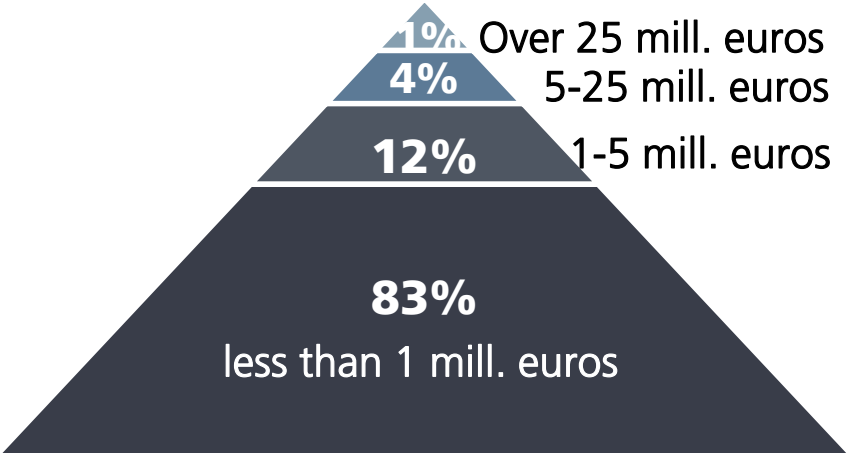


The structure of the film producer company size categories in Hamburg/Schleswig-Holstein corresponds to the typical triangular structure

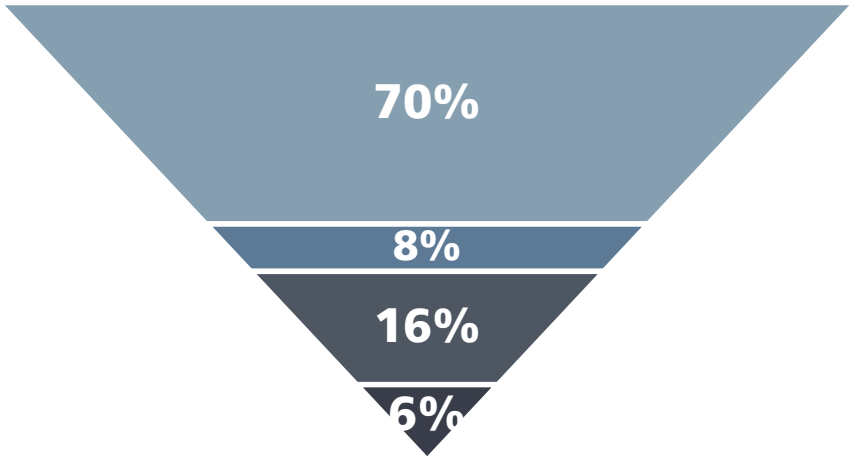
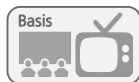
Distribution of TV and film producers in HH/SH according to revenue size categories, 01/2017



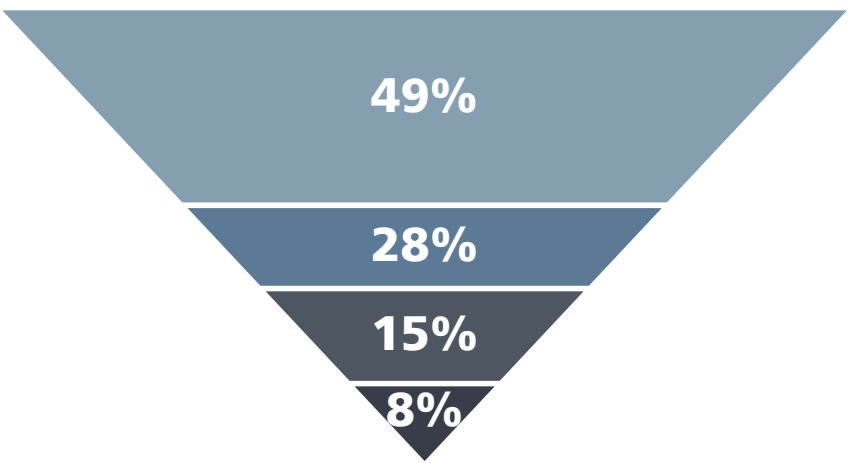
Distribution of TV and film producers in Germany, according to revenue size categories, 2010



Estimate of the distribution of the sales of the TV and film producers in HH/SH, 01/2017



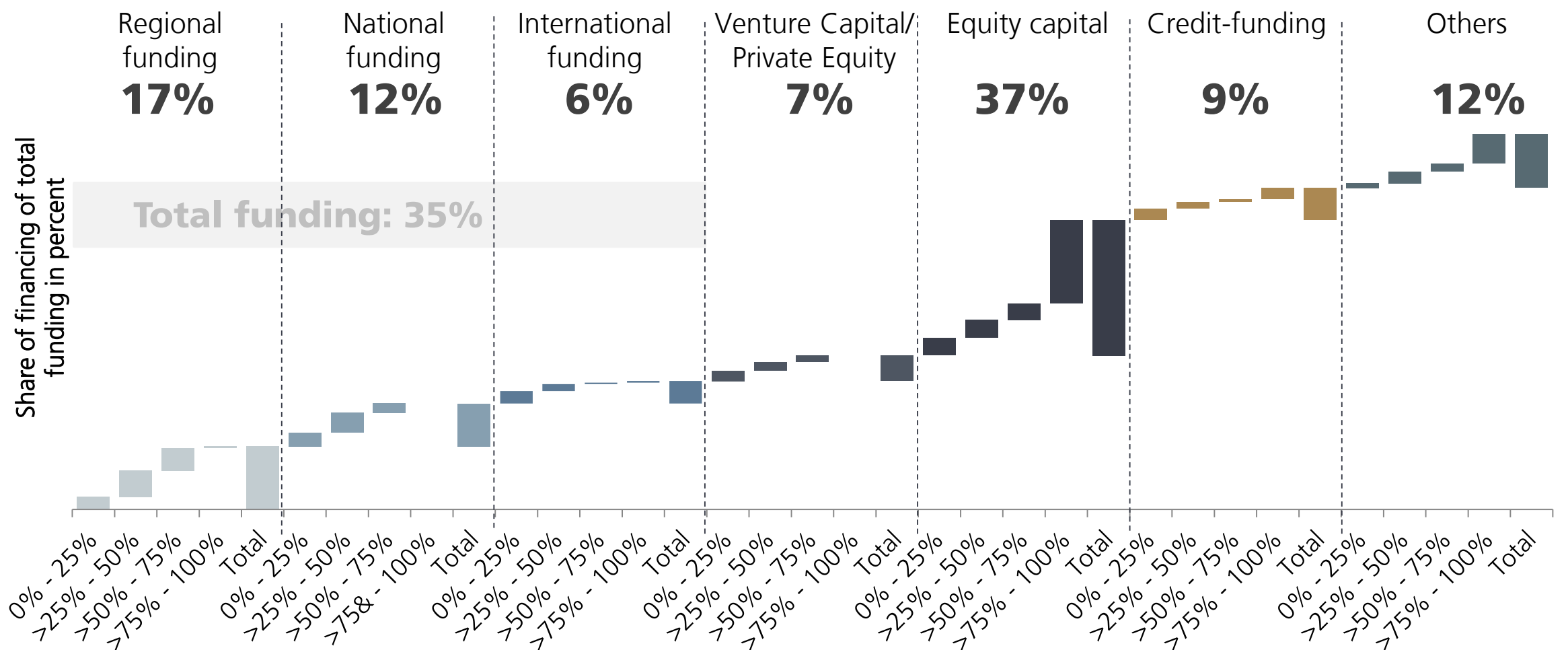
Estimate of the distribution of the sales of the TV and film producers in Germany, 2010



Source: above location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, presentation of the sample n=104; Goldmedia estimate (average values) based on the details provided by the responding companies; below producer study 2012: Data for the film and television industry in Germany 2011/2012, base: Distribution according to sales tax statistics 2010

Project funding 37% of a project are on average funded with own capital; regional (17%) and national (12%) funding follows

Average share of project-funding types in the overall funding of all projects of the companies of the motion picture industry in Hamburg and Schleswig-Holstein, 01/2017

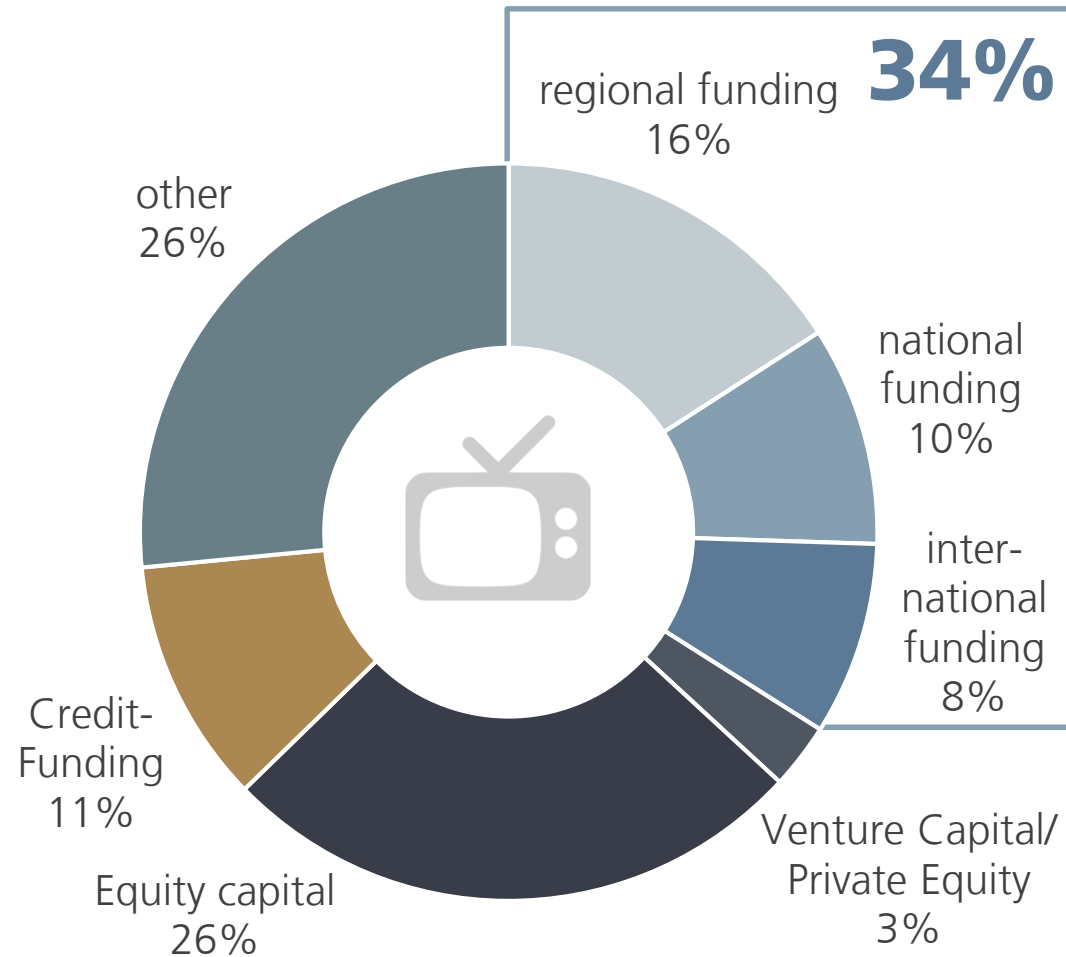


Question: "Which types of project funding do you apply and how much is the usual share of the total funding of the project?"

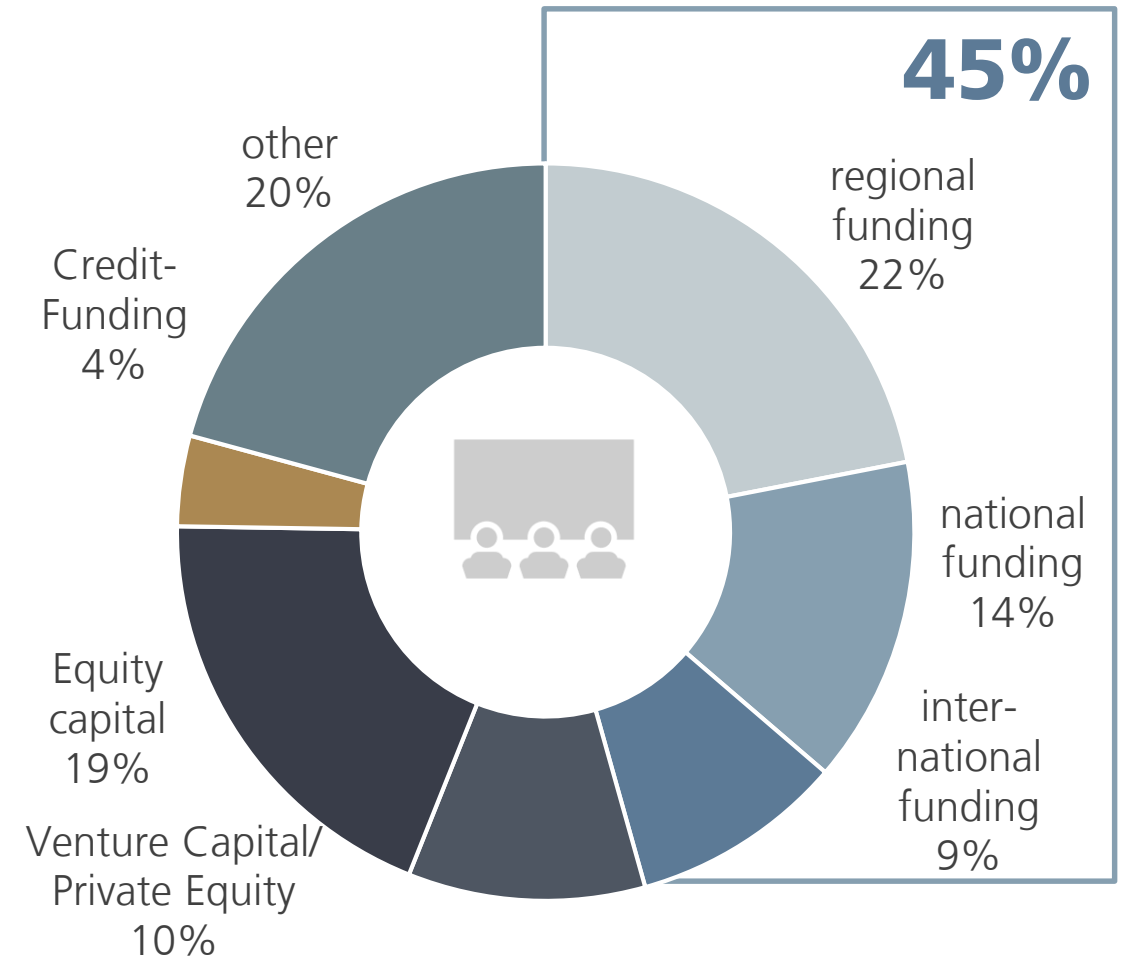
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

In terms of the TV-producers, the funding share amounts to an average of 34%, film producers on average, fund the 45% with funding resources

The average project funding for the TV-producers in HH/SH, 01/2017



The average project funding for the film-producers in HH/SH, 01/2017



Question: "Which types of project funding do you apply and how much is the usual share of the total funding of the project?"

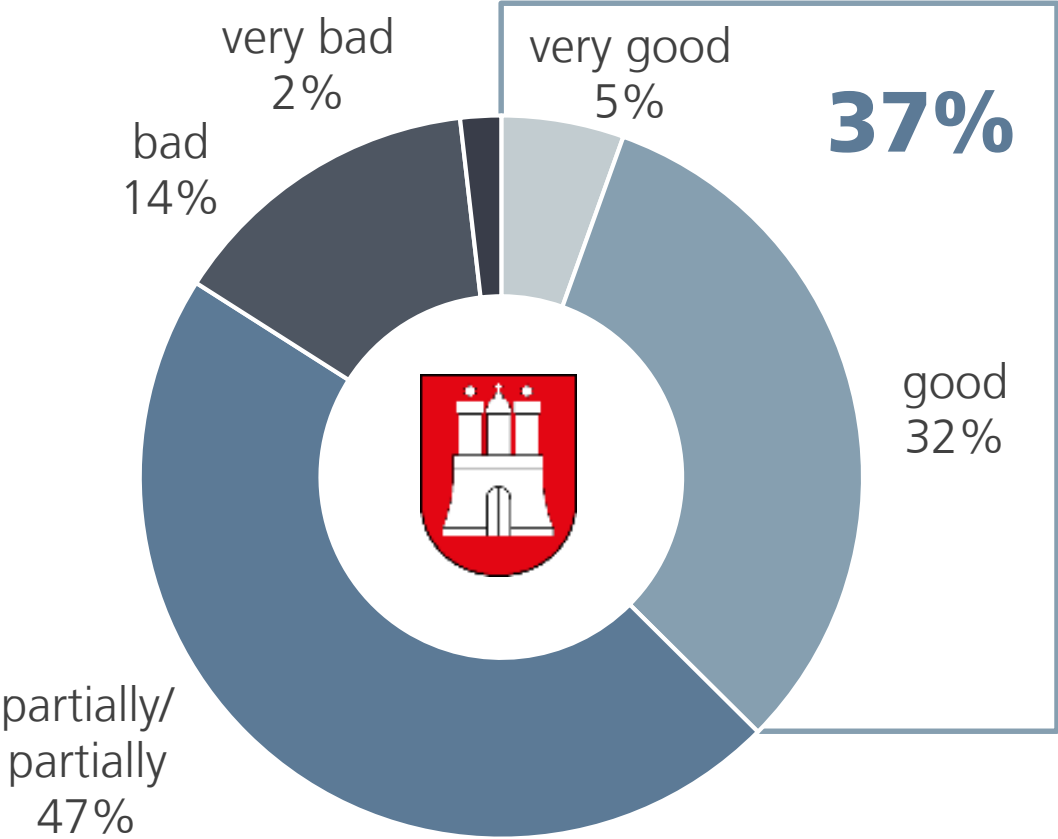
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

The current economic situation is assessed as good or very good by 37% of the companies in Hamburg – and only by 26% in Schleswig-Holstein

The assessment of the economic situation of the own company, motion picture industry in HH, 01/2017



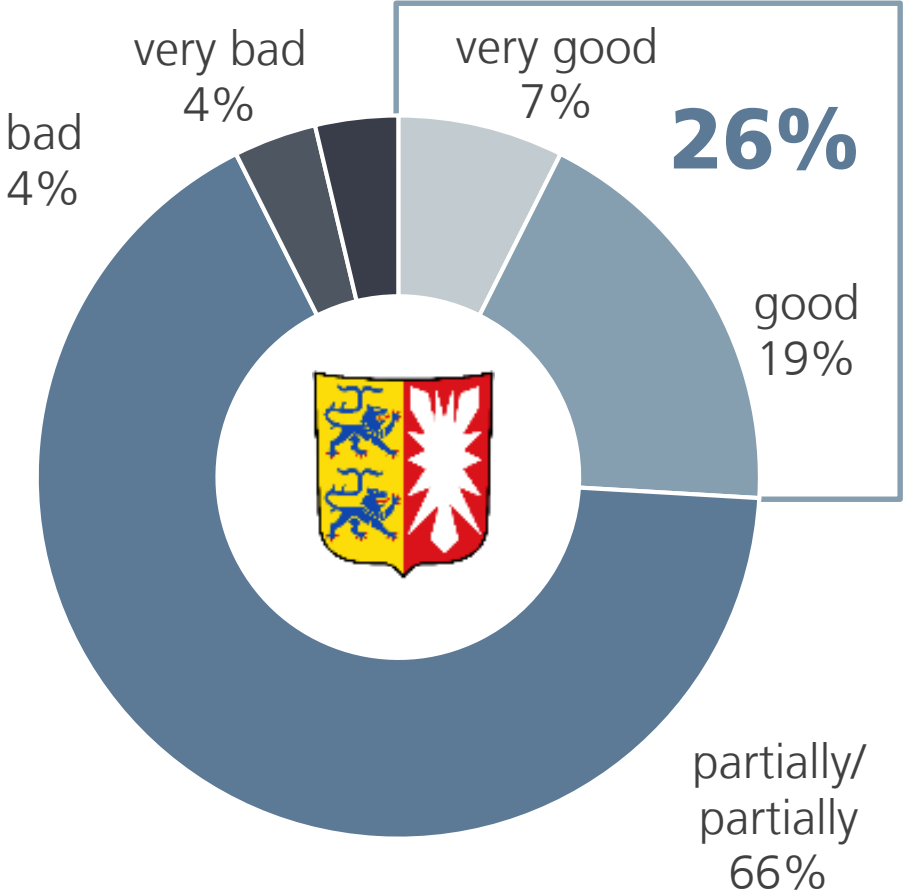
“Our current economic situation is... ”



The assessment of the economic situation of the own company, motion picture industry in SH, 01/2017



“Our current economic situation is... ”



Question: “How would you assess the economic situation of your company?”

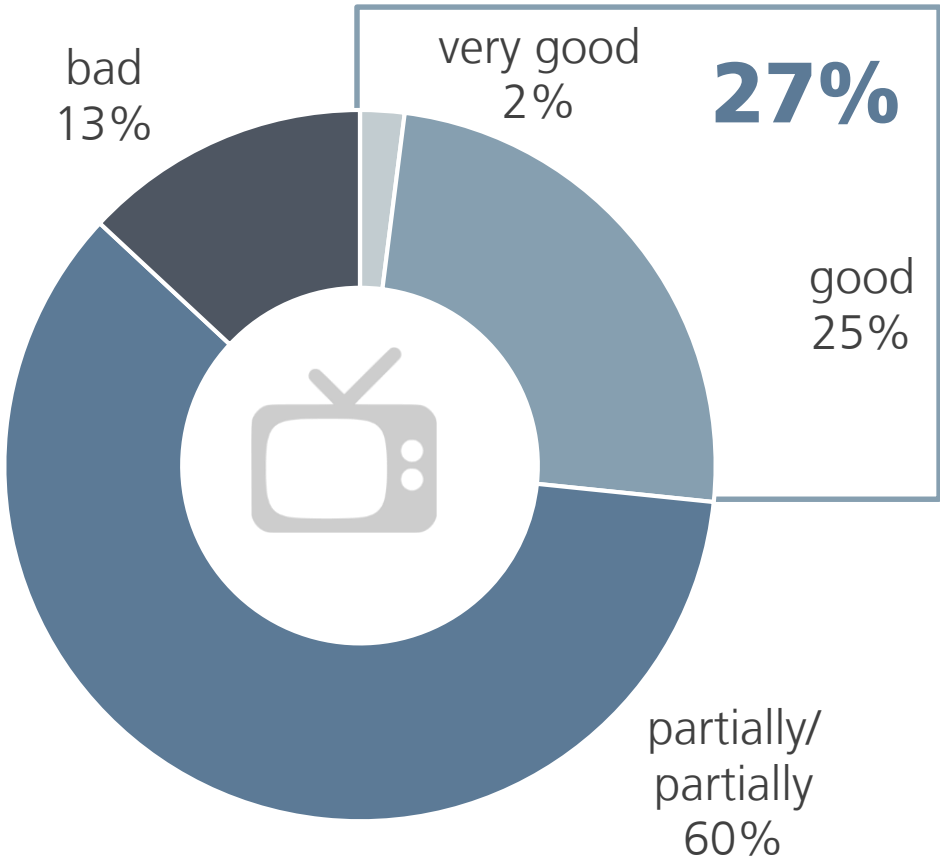
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Current status: 27% of the TV-producers in HH/SH assess their economic situation as good, against only 17% of the film producers

The assessment of the economic situation of the own company, TV-producers in HH/SH, 01/2017



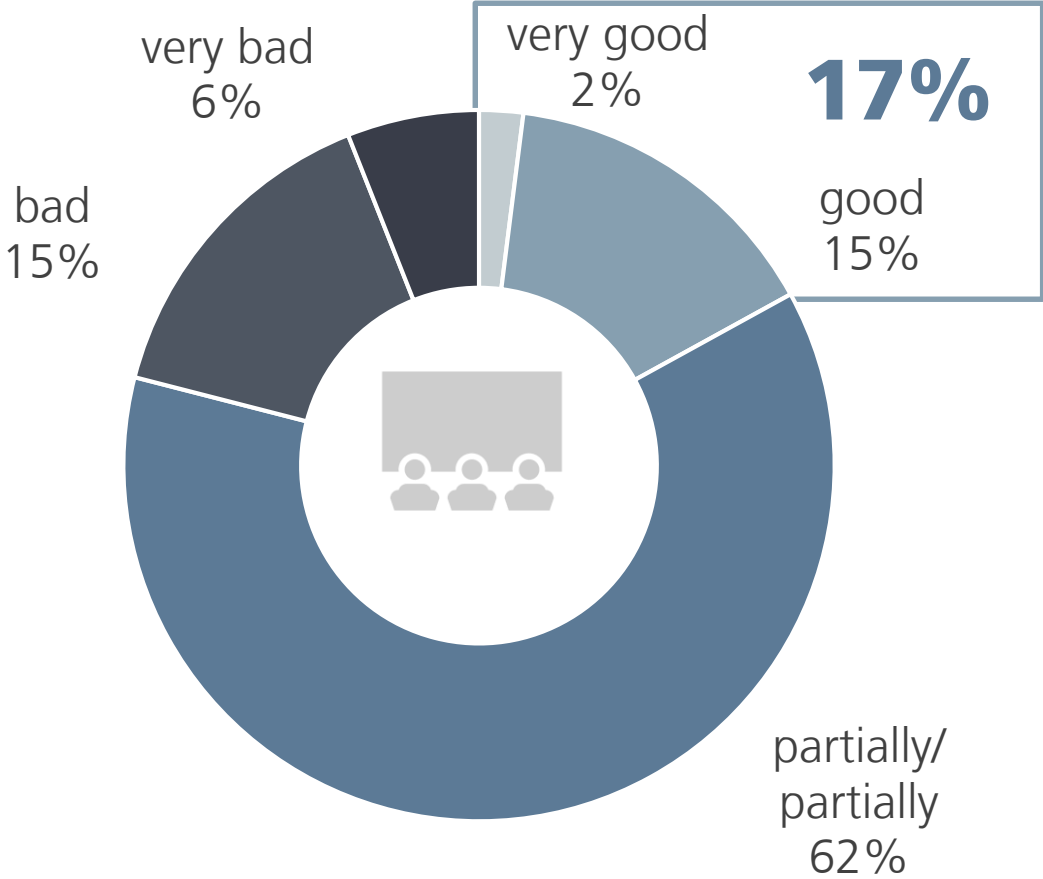
"Our current economic situation is..."



The assessment of the economic situation of the own company, film-producers in HH, 01/2017



"Our current economic situation is..."



Question: "How would you assess the economic situation of your company?"

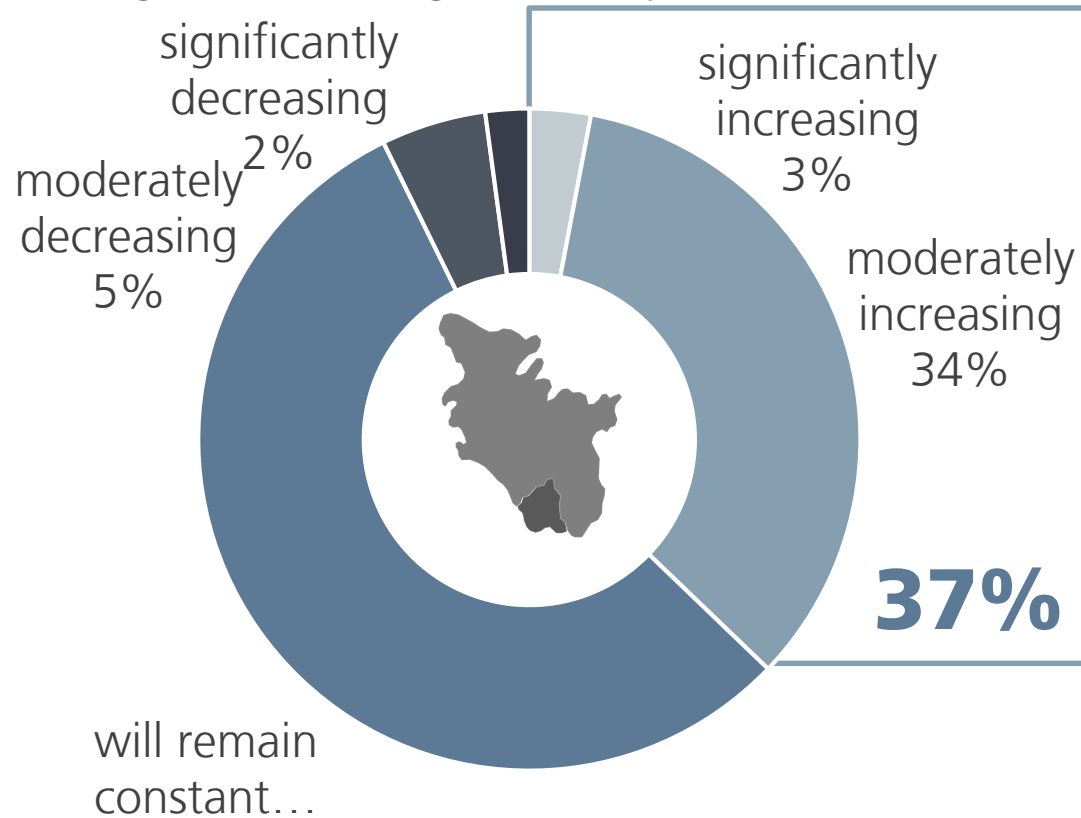
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

Employee development: More than a third of the companies plan to employ more personnel in 2017, only 7% expect redundancies

Forecast for the employee development in 2017 for the motion picture companies in HH/SH, 01/2017



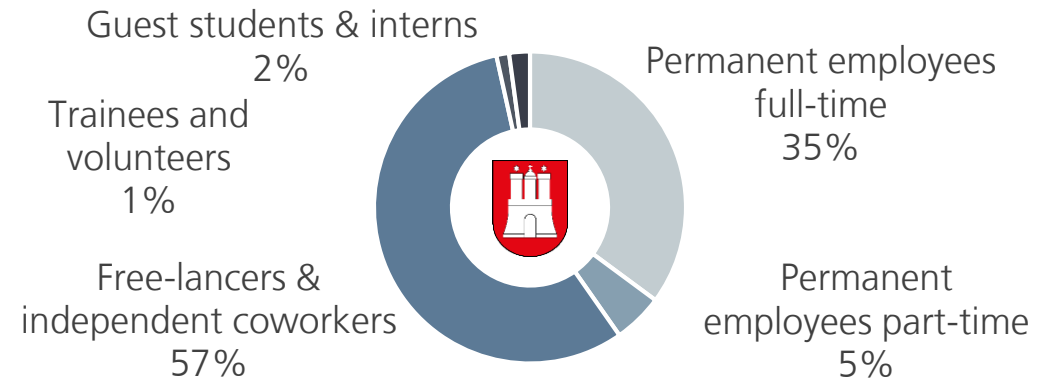
"The number of our employees at the location Hamburg/Schleswig-Holstein during 2017 is expected to..."



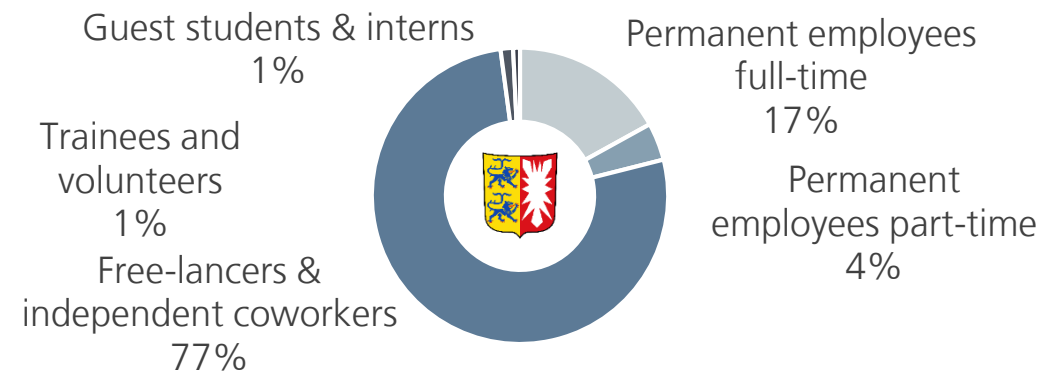
Question: "How will the number of employees in your company in Hamburg/Schleswig-Holstein 2017 develop in comparison to the previous year??"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Distribution of the employees in the companies of the motion picture industry in Hamburg, 01/2017



Distribution of the employees in the companies of the motion picture industry in Schleswig-Holstein, 01/17

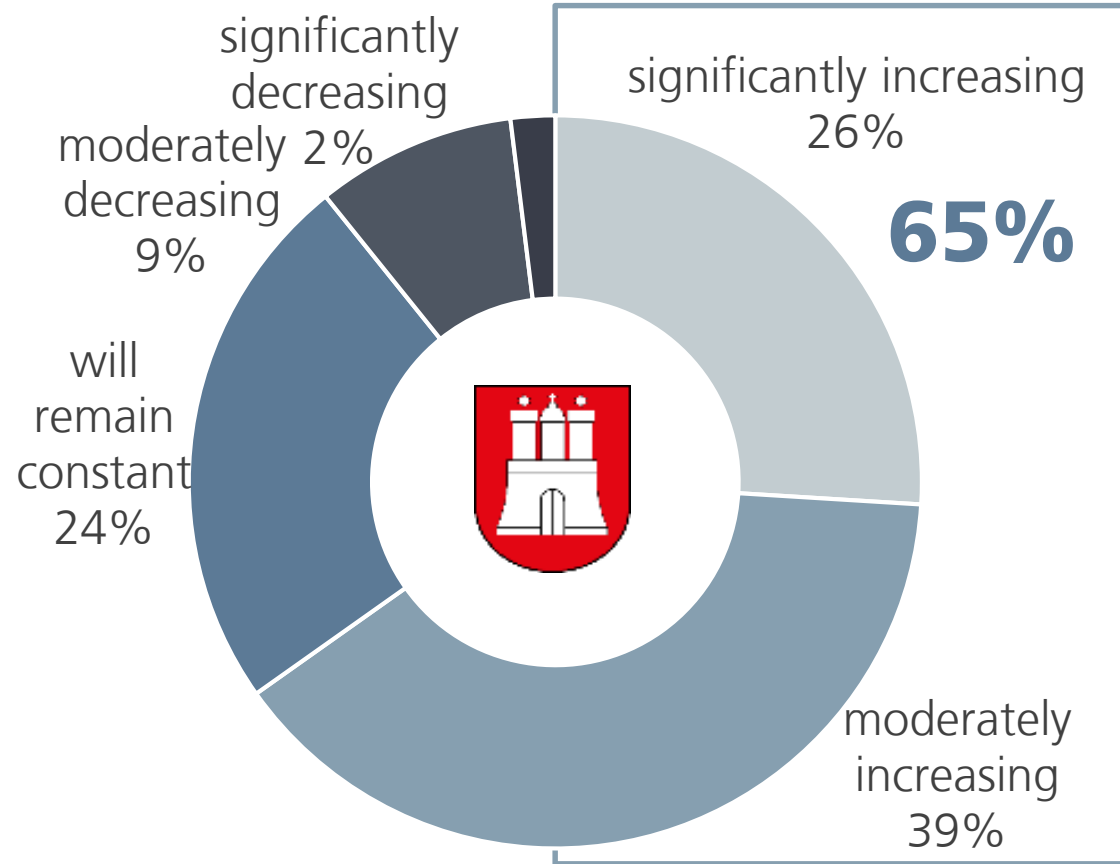


Positive revenue prognosis: Approx. two thirds of the companies in Hamburg and Schleswig-Holstein expect increasing revenues until 2020

Economic expectations until 2020,
motion picture industry in Hamburg, 01/2017



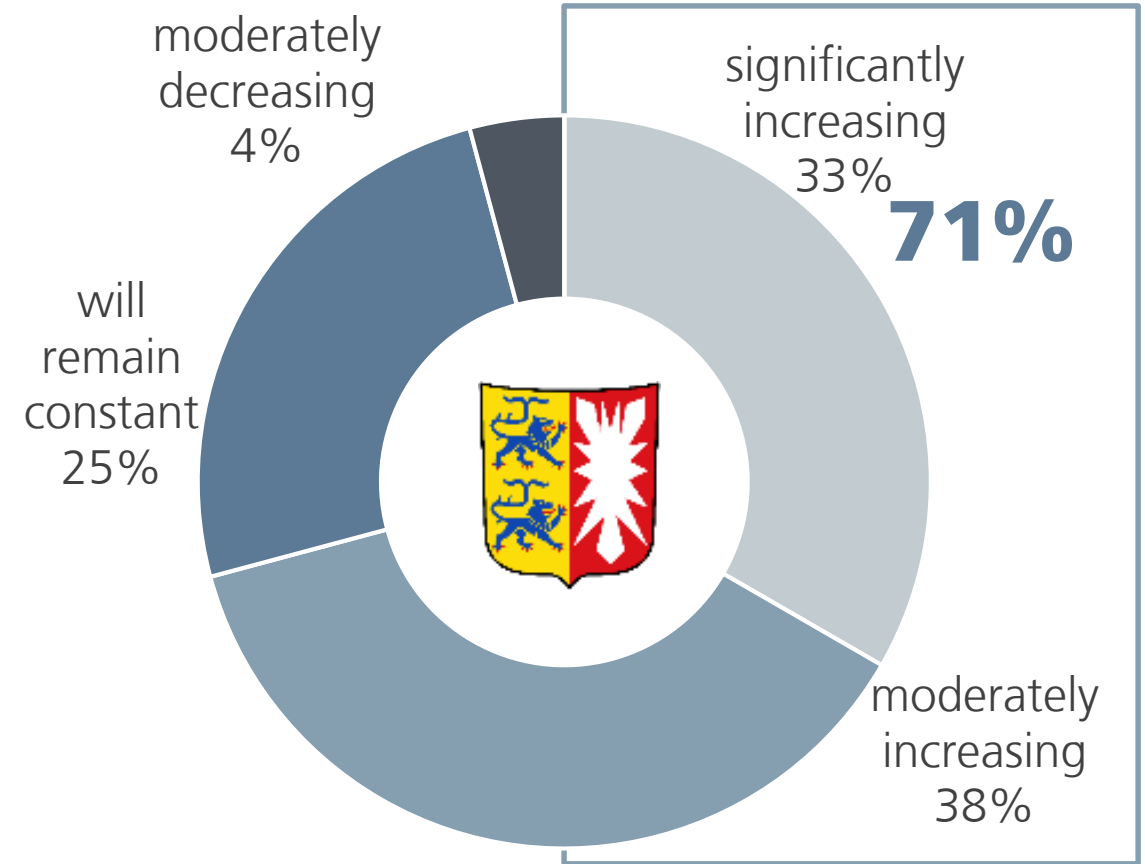
"Until 2020, we expect our revenue to probably..."



Economic expectations until 2020, motion
picture industry in Schleswig-Holstein 01/2017



"Until 2020, we expect our revenue to probably..."

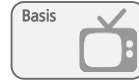


Question: "What are your economic expectations until 2020?"

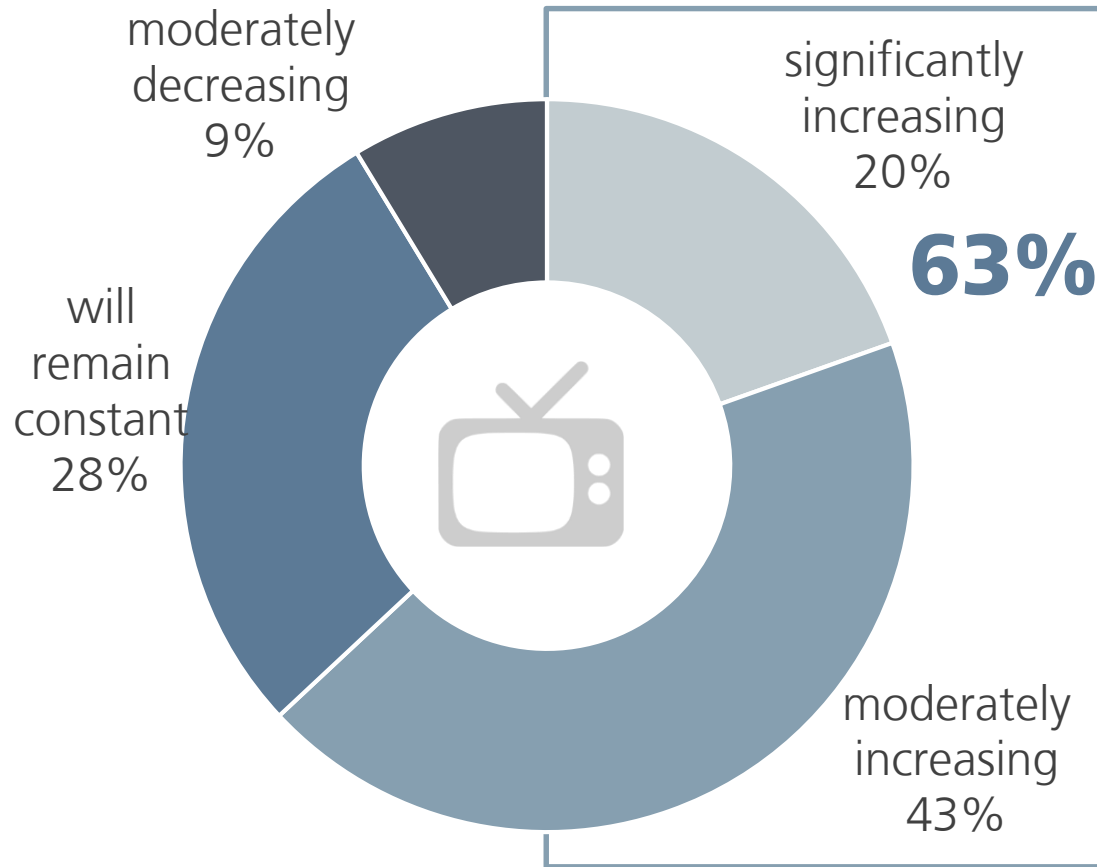
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Prospects: Approx. three-quarters of the film producers expect increasing revenue until 2020, as for the TV-producers, it is barely two-thirds

Economic expectations until 2020, TV-producers in Hamburg and Schleswig-Holstein 01/2017



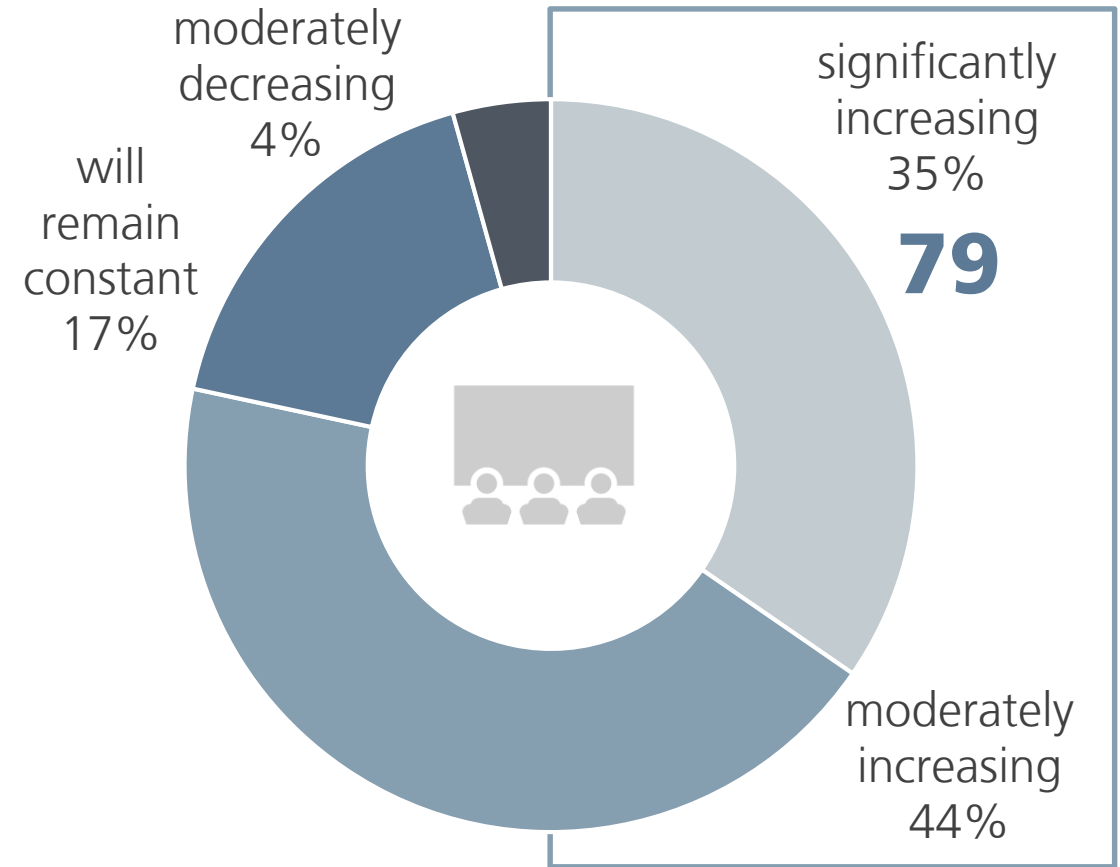
"Until 2020, we expect our revenue to probably..."



Economic expectations until 2020, film-producers in Hamburg and Schleswig-Holstein 01/2017



"Until 2020, we expect our revenue to probably..."



Question: "What are your economic expectations until 2020?"

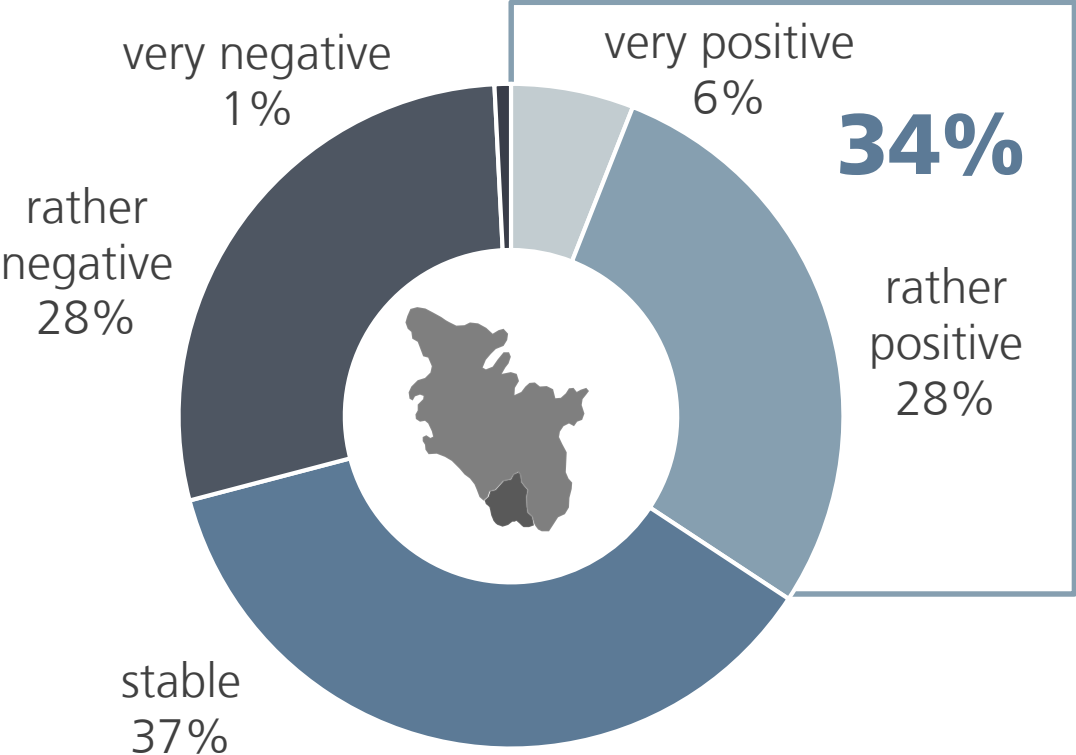
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

Development prospects: A balanced picture regarding the development of the motion picture industry in HH/SH until 2020

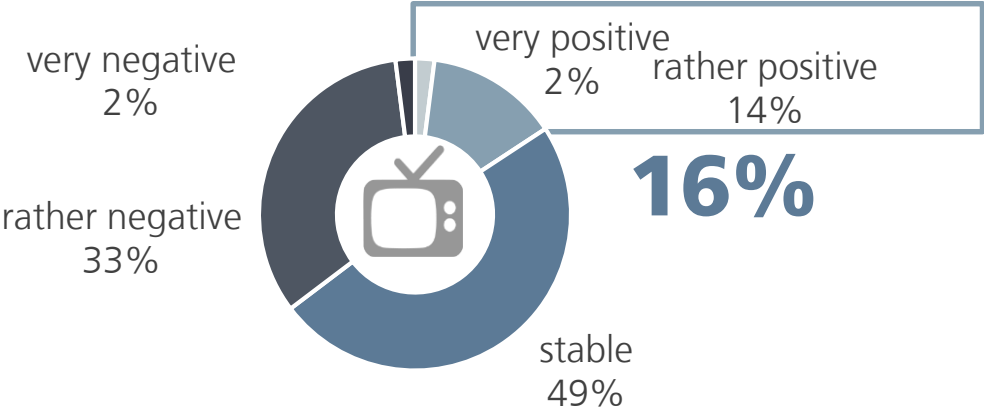
Economic development of the motion picture industry until 2020, all companies in HH/SH, 01/2017



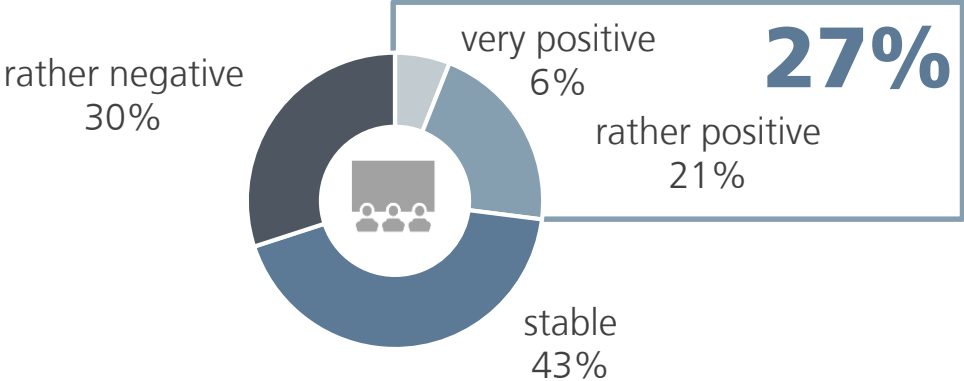
"The motion picture industry at the location Hamburg/Schleswig-Holstein is expected to develop... by 2020.... "



Economic development of the motion picture industry until 2020, all TV-producers in HH/SH, 01/17



Economic development of the motion picture industry until 2020, all film-producers in HH/SH, 01/17



Question: "According to your opinion, how do you think the motion picture industry at the Hamburg/Schleswig-Holstein location will develop economically until 2020?"

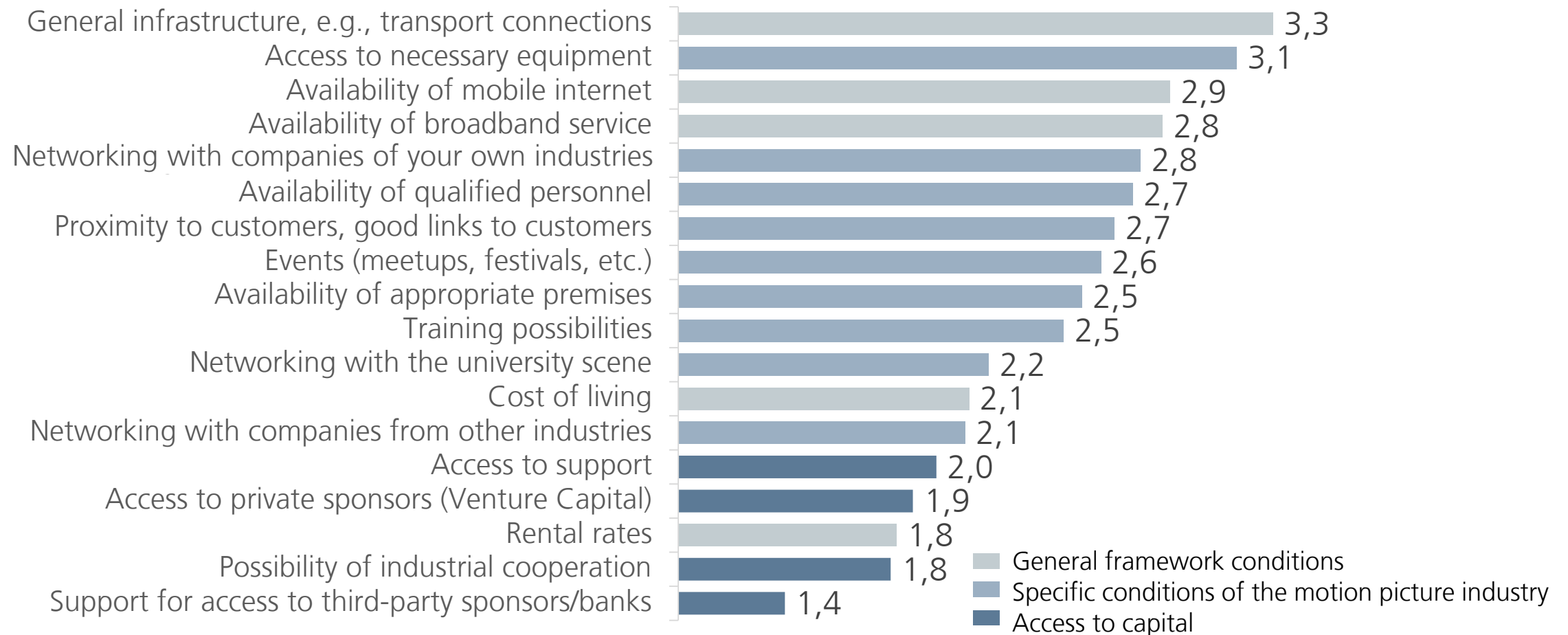
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, left side: n=306, right side: n=139

Estimates for location factors Hamburg and Schleswig-Holstein



General infrastructure and access to equipment are the most important location advantages, access to third-party capital most significant disadv.

The most significant location factors of the motion picture industry in Hamburg and Schleswig-Holstein according to the estimates by the companies of the motion picture industry, on a scale from very bad=1 to very good=4, 01/2017



Question: "How do you assess the following characteristics of your region?"

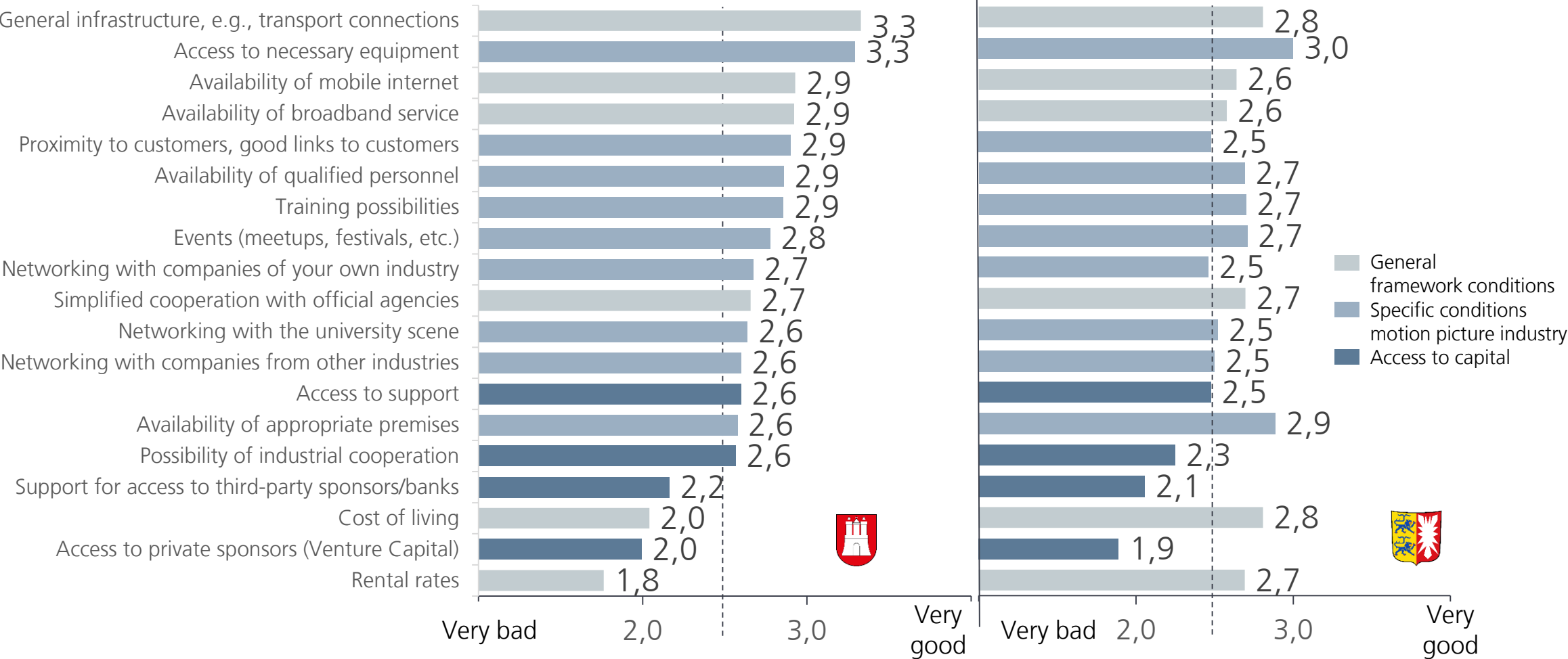
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

Schleswig-Holstein provides better availability of suitable premises, lower cost of living and rental prices in comparison to Hamburg

On a scale from very bad=1 to very good=4

Assessment of the location factors by the motion picture industry in Hamburg, 01/17

Assessment of the location factors by the motion picture industry in SH, 01/17



Question: "How do you assess the following characteristics of your region?"

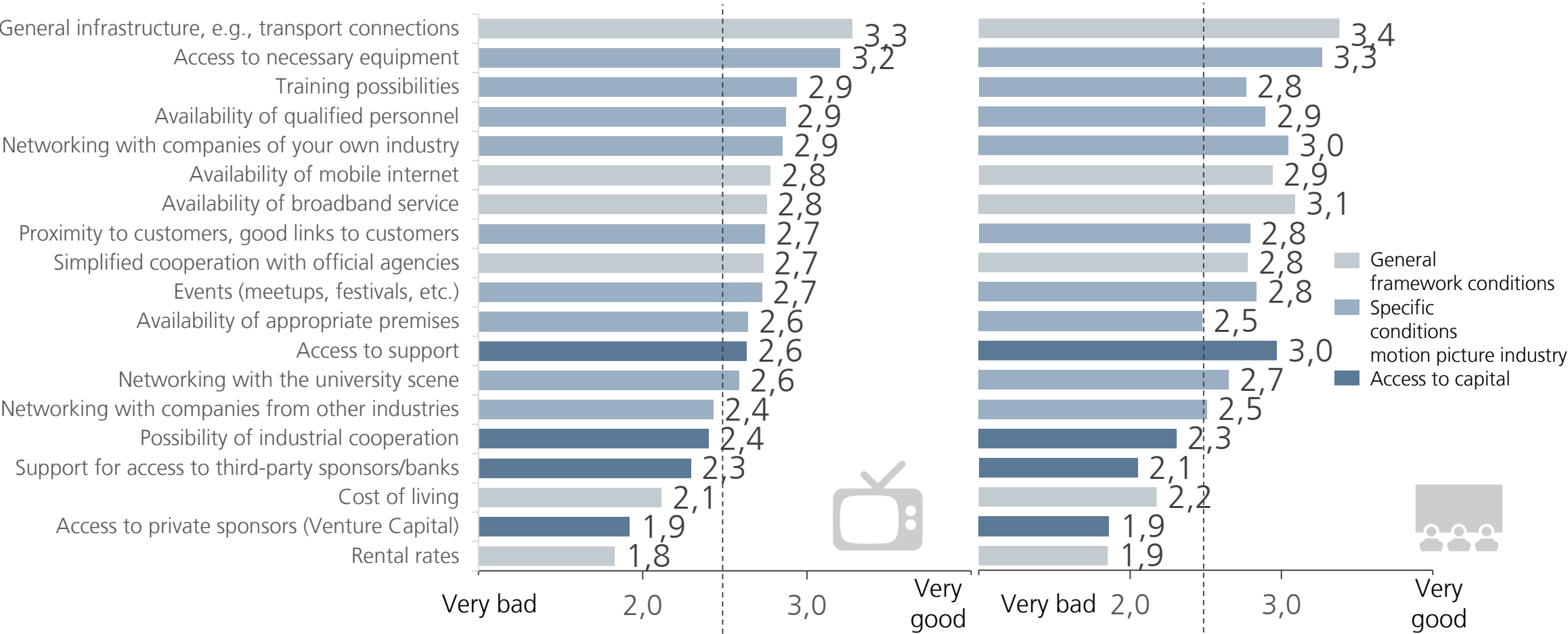
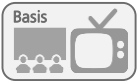
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

TV producers with more negative assessments, except in terms of opportunities for training and industrial coop. and to access to third-party capital

On a scale from very bad=1 to very good=4

Assessment of the location factors on behalf of the TV-producers, 01/2017

Assessment of the location factors on behalf of the film-producers, 01/2017



Question: "How do you assess the following characteristics of your region?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

Location advantages: primarily, the cooperation with the FFHSH and its great commitment is perceived as a definite advantage by film producers

Key-facts to the main location advantages from the point of view of the TV and film producers in HH/SH, 01/2017

The work of the film promotion (FFHSH)

- Hamburg and Schleswig-Holstein have closed ranks
- Very sustainable, continuous promotion
- Great confidence in the FFHSH consulting, lobbying and network initiatives
- Uncomplicated and swift filming permission

Film Studio Kiel

- The existence of the Film Studio Kiel is perceived in a very positive light: this is where creative talent and in particular, project development is promoted

Games sector

- On a federal level, the city of Hamburg began to support the games sector at a very early stage and encouraged many companies of the games industry to settle
- Positive: Proximity of politics to the industry, networks and events

Networking

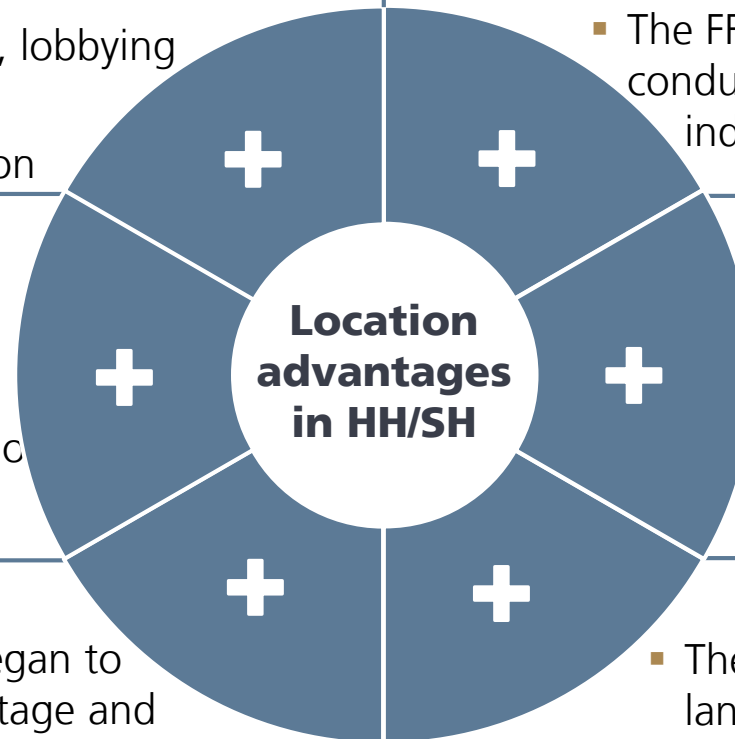
- In the past, film producers were able to develop good creative/personnel/contacts networks
- The FFHSH network events were/are very conducive for this purpose, this is where the industry meet

Film-Setting/Talent

- Young film-setting
- Excellent training at the Hamburg Media School with obvious success (numerous awards for the HMS-graduation films)

Others

- The attractive city of Hamburg and the landscape of Schleswig-Holstein is considered a great advantage for the film location as a whole (inspiration, locations, etc.)



Location disadvantages: subsidies are too low on a national level, the film industry should be more evident as a cultural and capital asset

Key-facts to the main location advantages from the point of view of the TV and film producers in HH/SH, 01/2017

Funding

- HH/SH with relatively low subsidies on a federal level, → limited financial resources
- Subsidies from other sectors would be desirable, for example, innovation- and technology subsidies
- Private investment in films as a cultural asset

Networking with other industries

- Networking with investors and money-donating industries appears expandable
- Awareness of the film industry as an economic factor is not yet adequately raised

Others

- Lack of a tax-system with tax reductions, to make the location more attractive for film-producers
- SH: Lack of structure of film-producing personnel

Film as a cultural asset

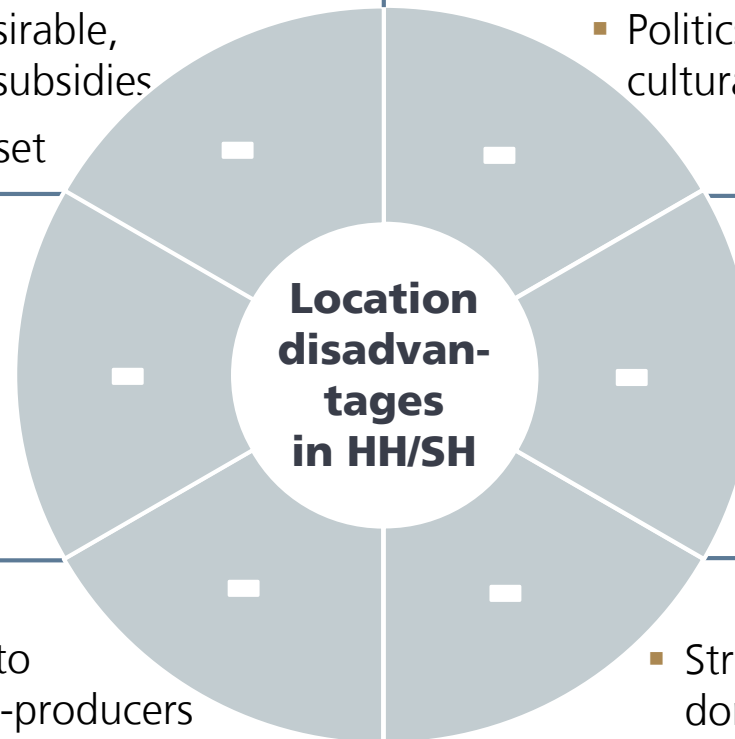
- Low-margin cultural asset film requires additional support and financing from the city
- Politics in HH/SH to become a better film partner, cultural budget to also support the film industry
- Location marketing is expandable

Training/Talent

- Lack of training programs for the ind., HMS is good, however, structure is lacking for young talent (basic training)
- There are no incentives for young talent, such as cheap rent, offices, etc.

Public-Service Broadcasting

- Structural probl.: public-service broadcasting dominates the market (TV and cinema)
- Many independent providers are no longer available, → no fair price structure/competitive pressure

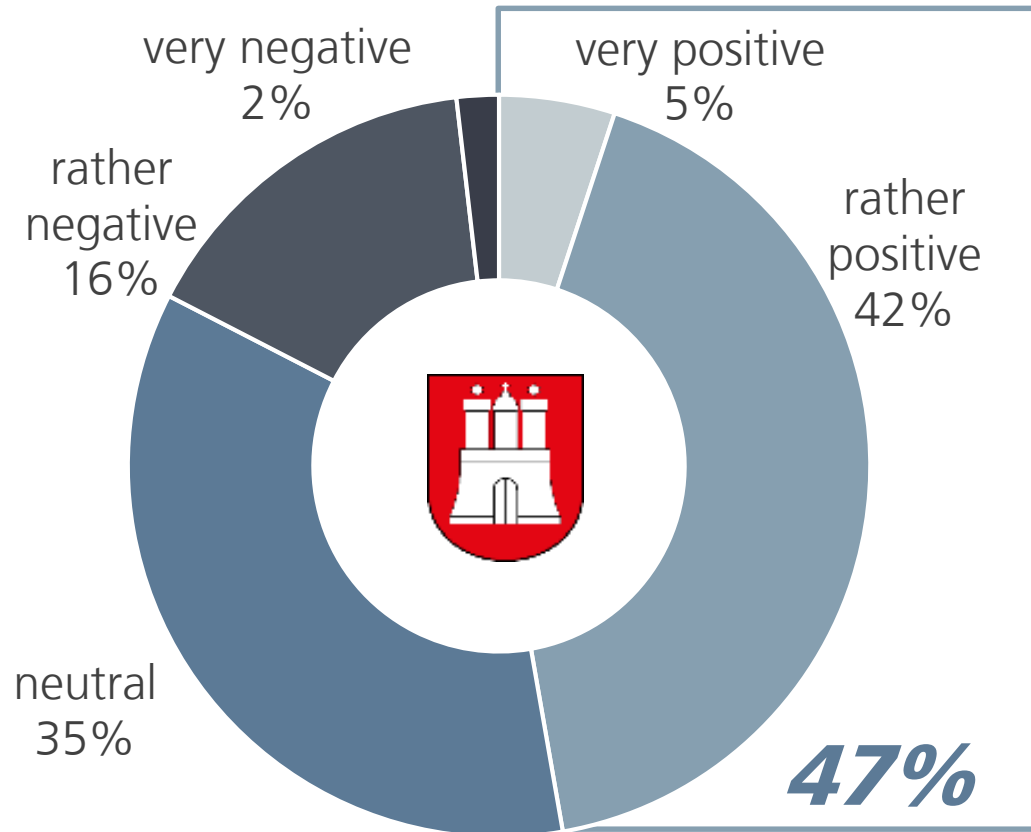


Labour market: 47% of the Hamburg motion picture industry players assess the labour market positively, against only 23% of the those from SH

Assessment of the situation on the labour market by the motion picture industry in Hamburg, 01/2017



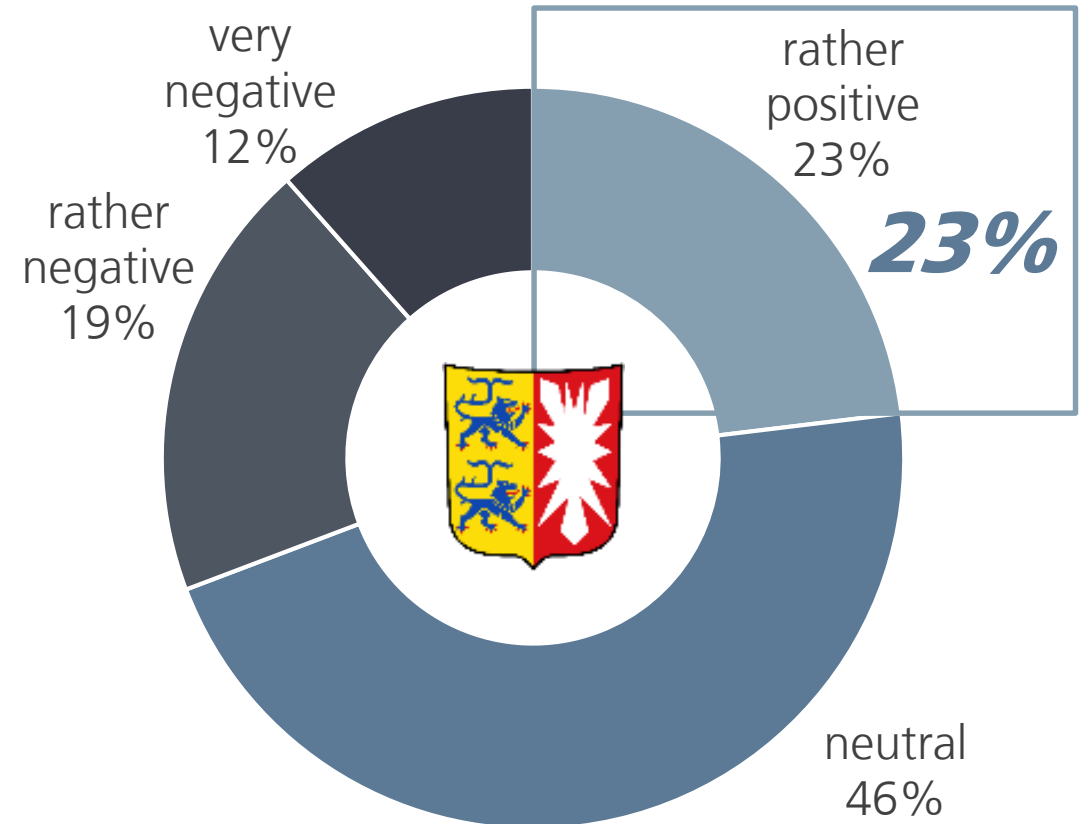
"The labour market situation at the location Hamburg is..."



Assessment of the situation on the labour market by the motion picture industry in SH, 01/2017



"The labour market situation at the location Schleswig-Holstein is..."



Question: "How do you assess the situation on the labour market (availability of skilled workers and trainees) in your industry and your location?"

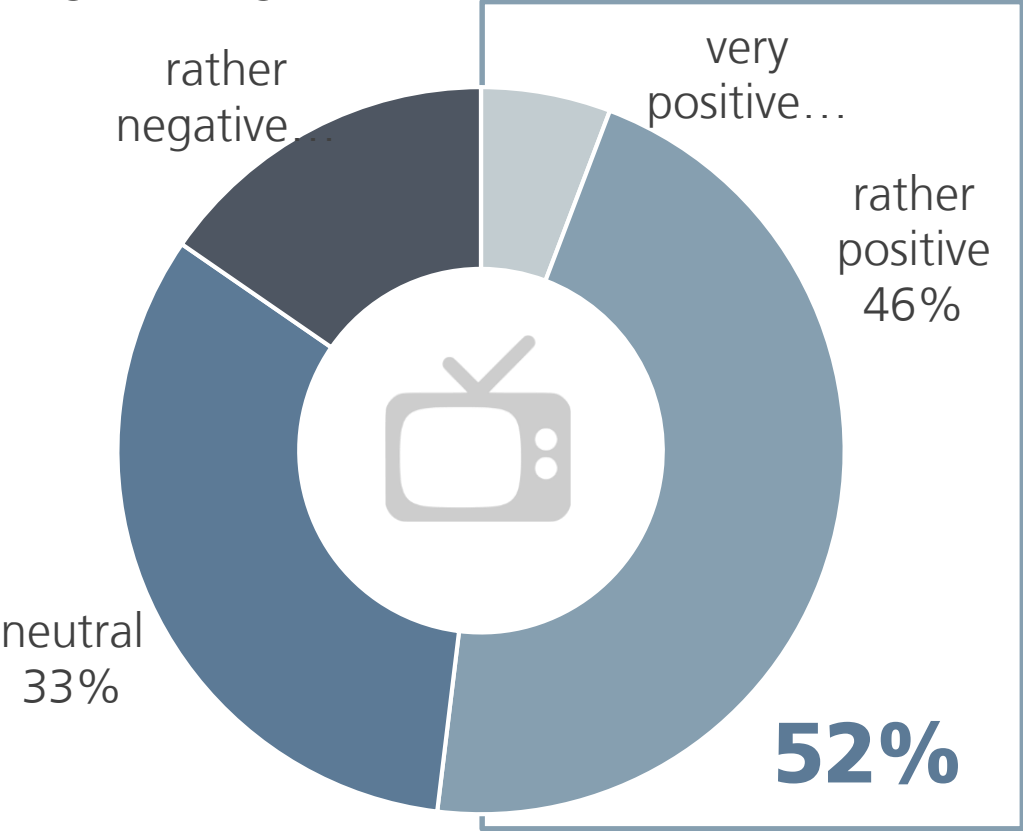
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

The labour market situation is assessed as positive by more than half of the TV-producers, against 41% of the film-producers

Assessment of the situation on the labour market
TV-producers in HH/SH, 01/2017



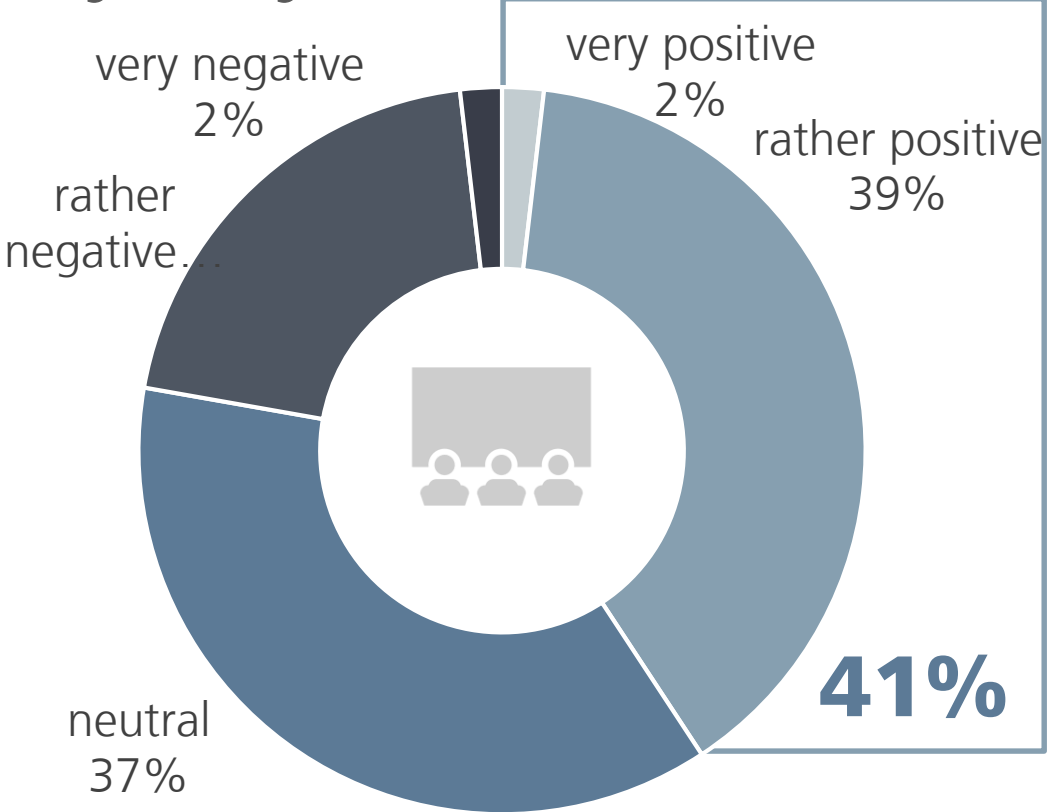
*"The situation on the labour market at the location
Hamburg/Schleswig-Holstein is..."*



Assessment of the situation on the labour market
film-producers in HH/SH, 01/2017



*"The situation on the labour market at the location
Hamburg/Schleswig-Holstein is..."*



Question: "How do you assess the situation on the labour market (availability of skilled workers and trainees) in your industry and your location?"

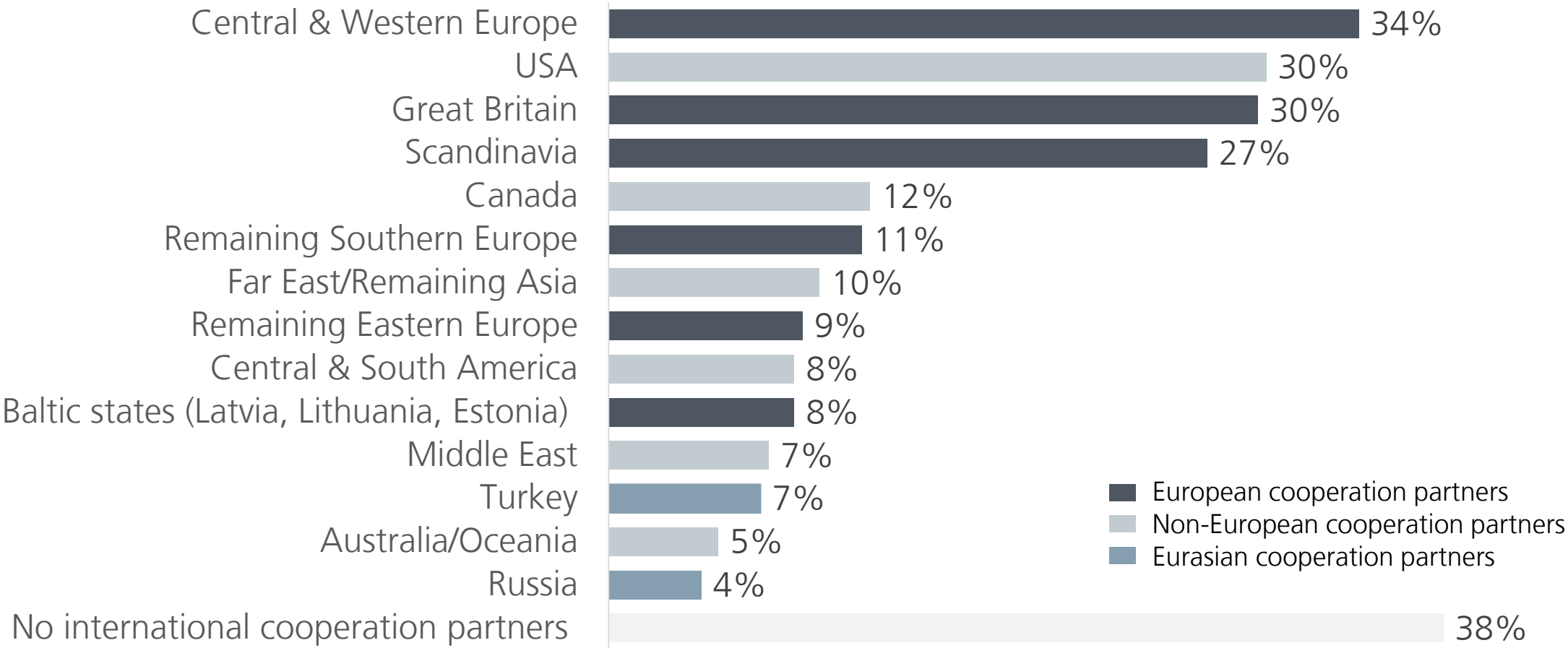
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

Networking in the motion picture industry in Hamburg/Schleswig-Holstein



Cooperation: Majority of the int. project partners are based in central and western Europe, the USA and the UK. 8% cooperate with the Baltic states

International cooperation locations of the companies of the motion picture industry in HH/SH,
Share of the responding companies in %, 01/2017



Question: In which regions does your company maintain international cooperation partners?

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; multiple replies possible

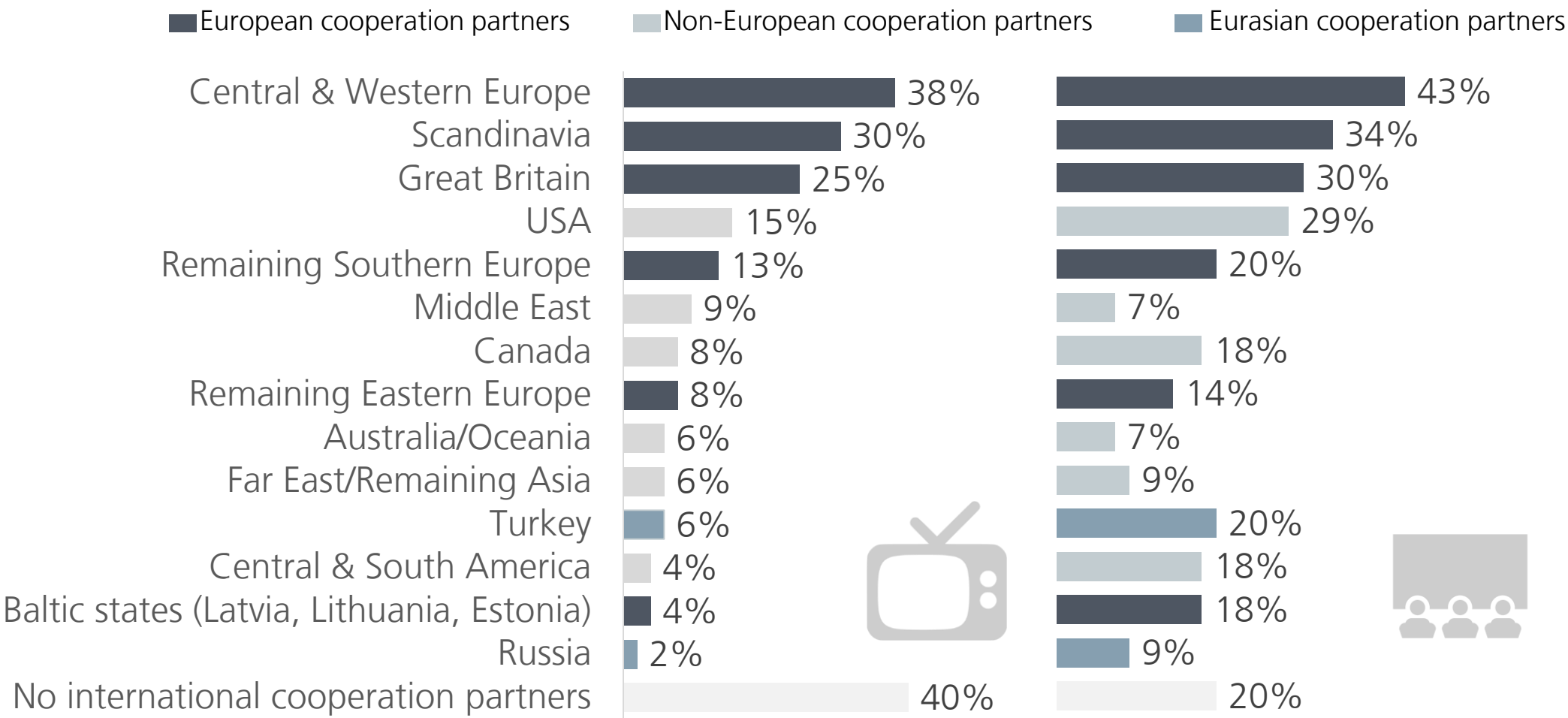
Film-producers: 80% of the film- and 60% of all TV-producers in Hamburg and Schleswig-Holstein maintain international cooperation partners

Share of the respondent companies in %

International cooperation locations of TV-producers, 01/17



International cooperation locations of film-producers, 01/17



Question: In which regions does your company maintain international cooperation partners?

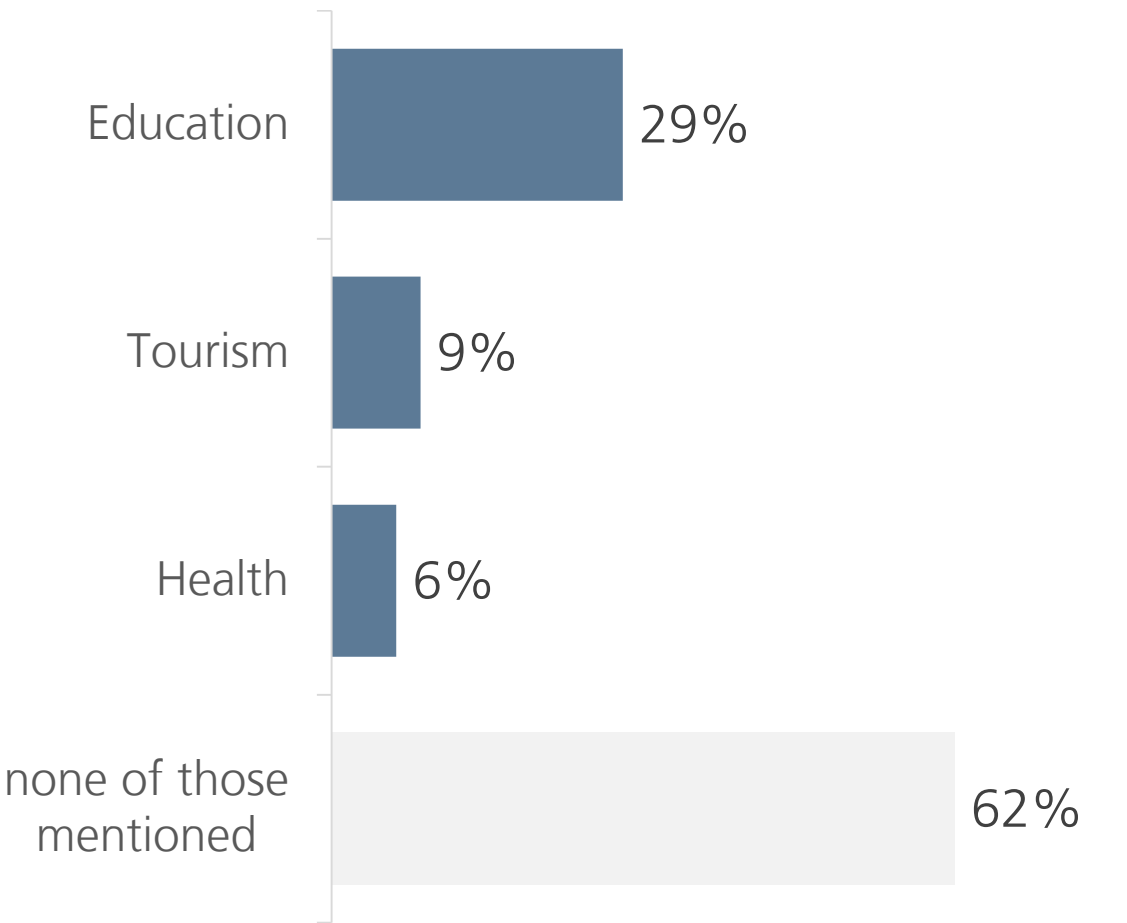
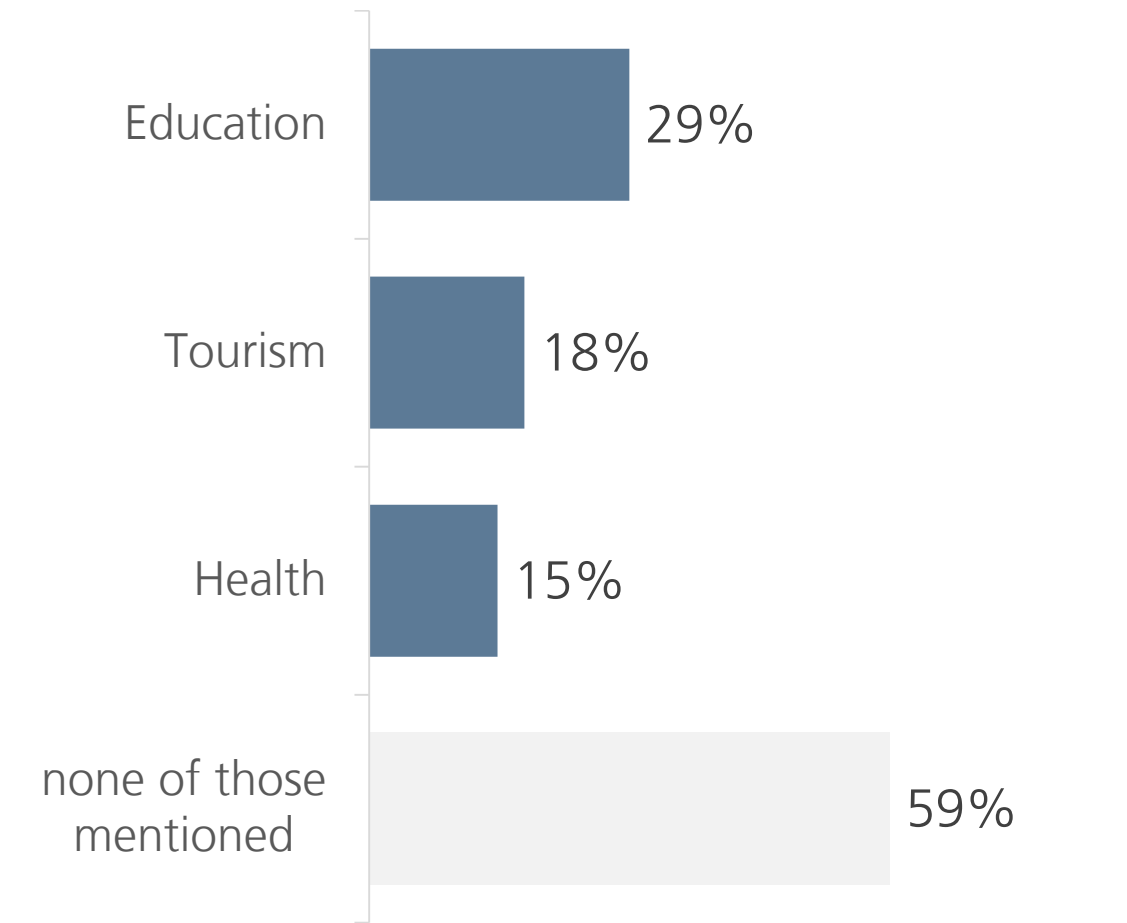
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139; multiple response is possible

Motion picture industry as service provider: 29% of the respondent companies are engaged in education, 18% in tourism and 15% in health

Additional industries linked to the companies of the motion picture industry in HH/SH, 01/2017



Additional industries linked to the TV- and film-producers in HH/SH, 01/2017



Question: "For companies of which sectors are you (also) engaged as a service provider?"

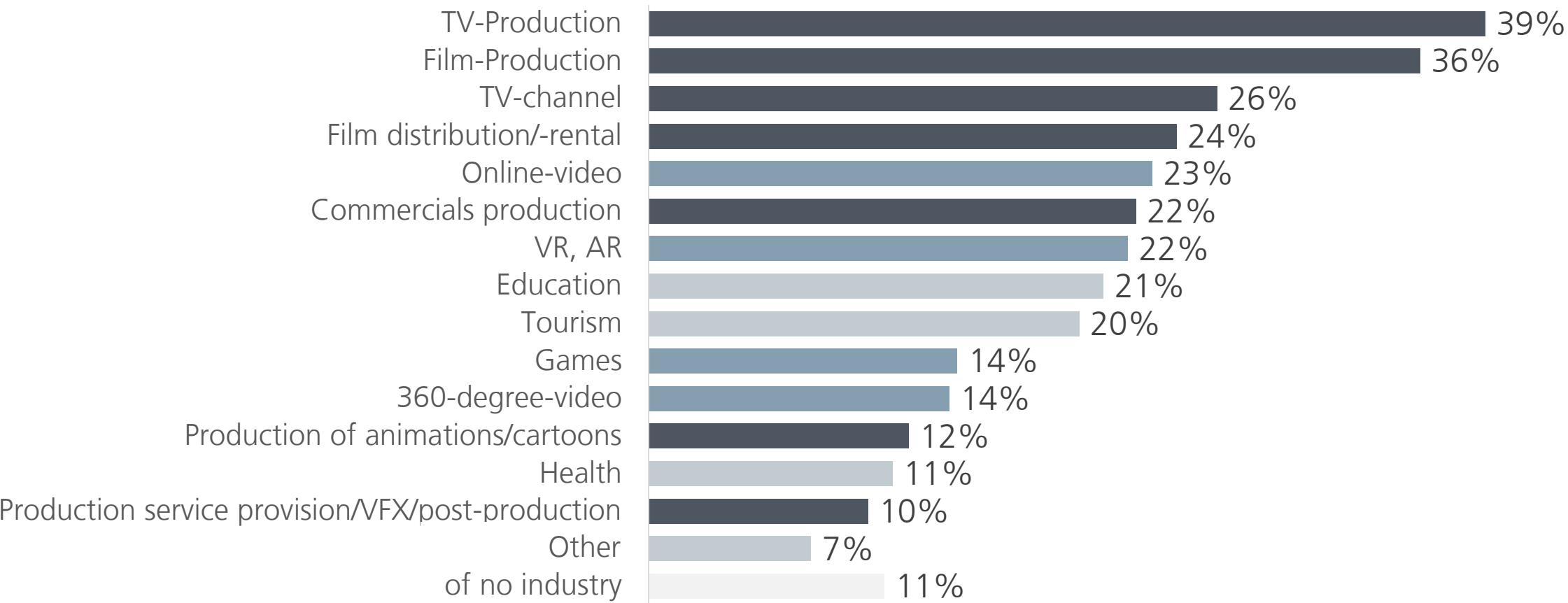
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, left side: n=306, right side: n=139

There is a further need for networking primarily with the classic film industry – need for contact with newer and alien sectors is less pronounced

Sectors, to which, according to the view of the enterprises of the motion picture industry of Hamburg and Schleswig-Holstein, an increased level of contact is desirable, 01/2017



■ Classic motion picture industry ■ New motion picture industry ■ Other sectors beyond the motion picture industry

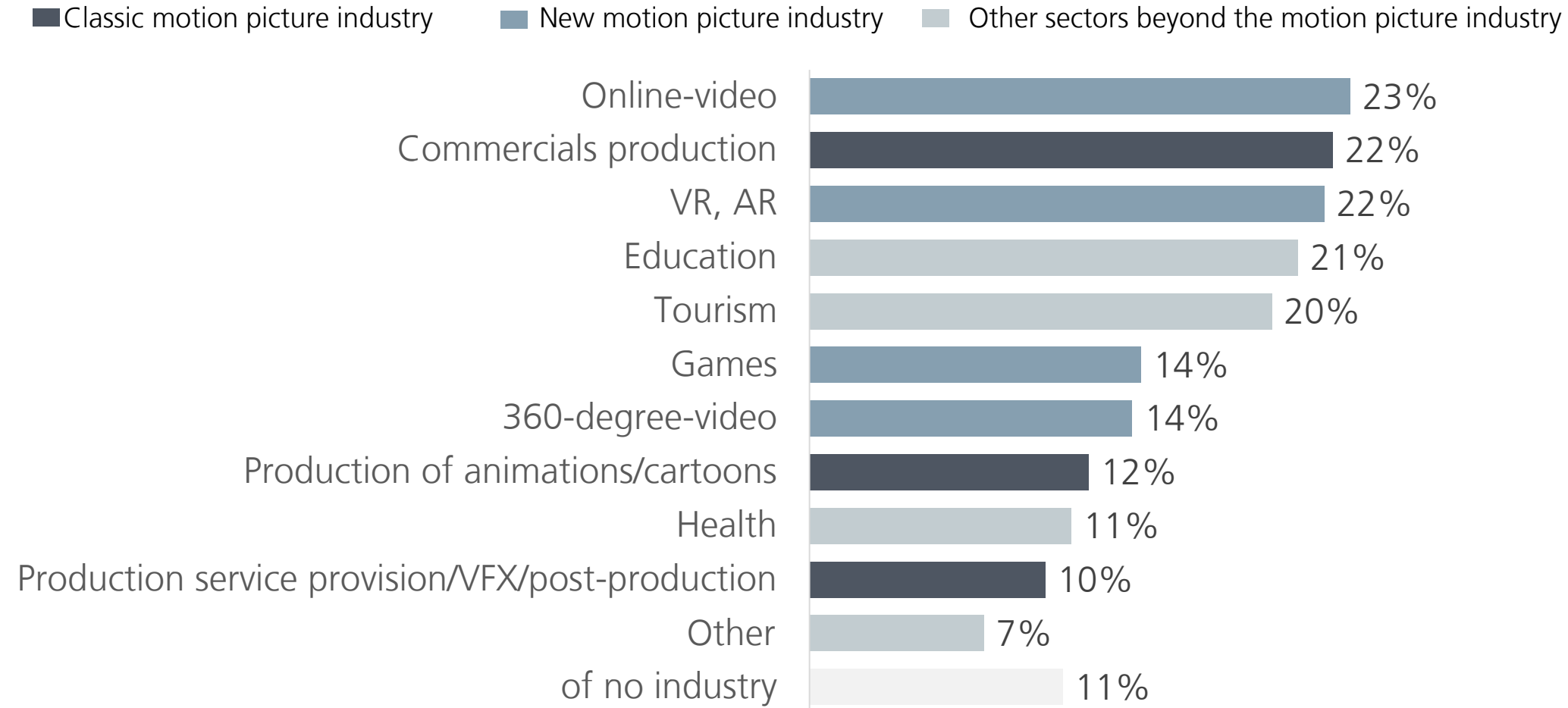


Question: "To which sectors would you welcome an increased level of contact?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; multiple response is possible Goldmedia

Networking requirement: primarily in the field of the new moving image sectors, there is a desire for an increased level of contact

Sectors, to which, according to the view of the companies of the motion picture industry of Hamburg and Schleswig-Holstein, an increased level of contact is desirable, 01/2017

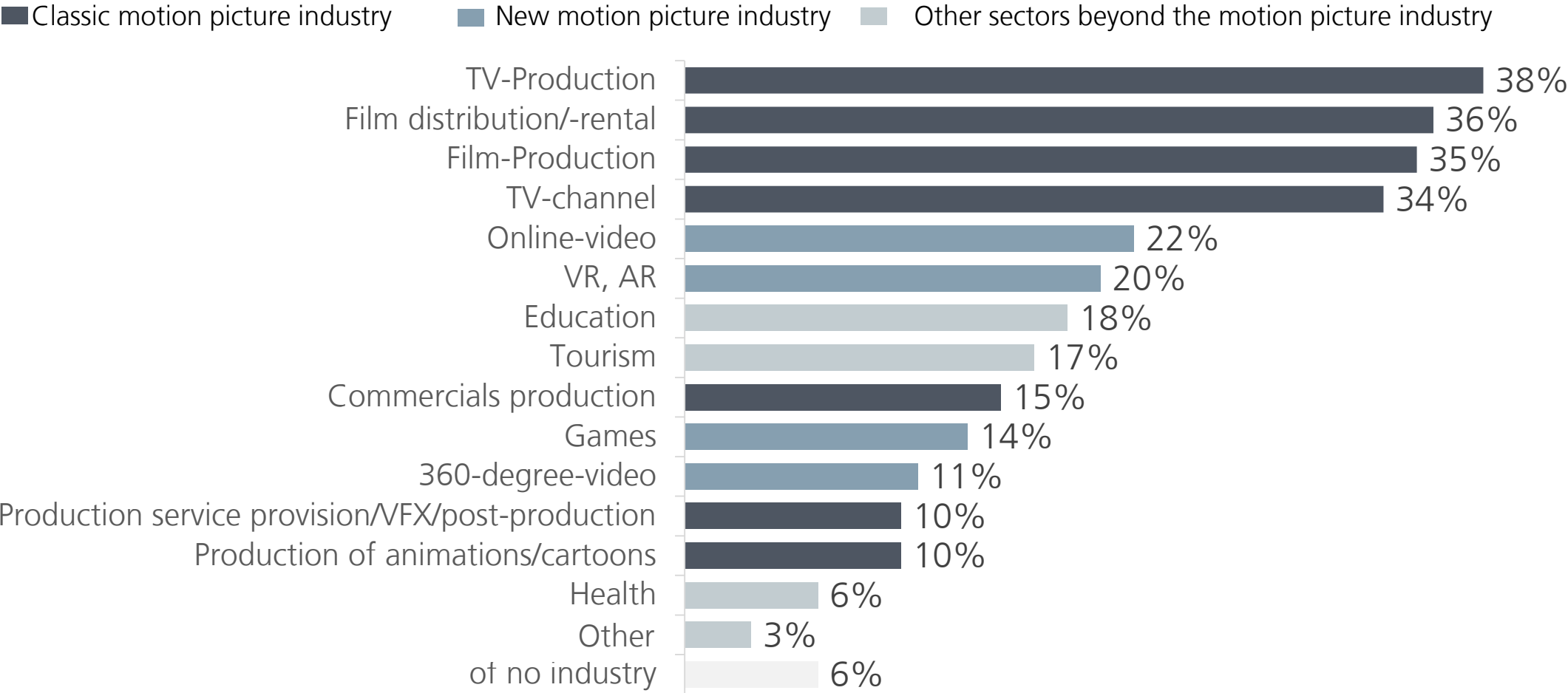
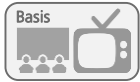


Question: "To which sectors would you welcome an increased level of contact?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; multiple response is possible Goldmedia

There is also a desire for an increased level of contact among the TV- and film-producers, primarily within the classic motion picture industry

Sectors, to which, according to the view of the TV- and film producers of Hamburg and Schleswig-Holstein, an increased level of contact is desirable, 01/2017



Question: "To which sectors would you welcome an increased level of contact?"

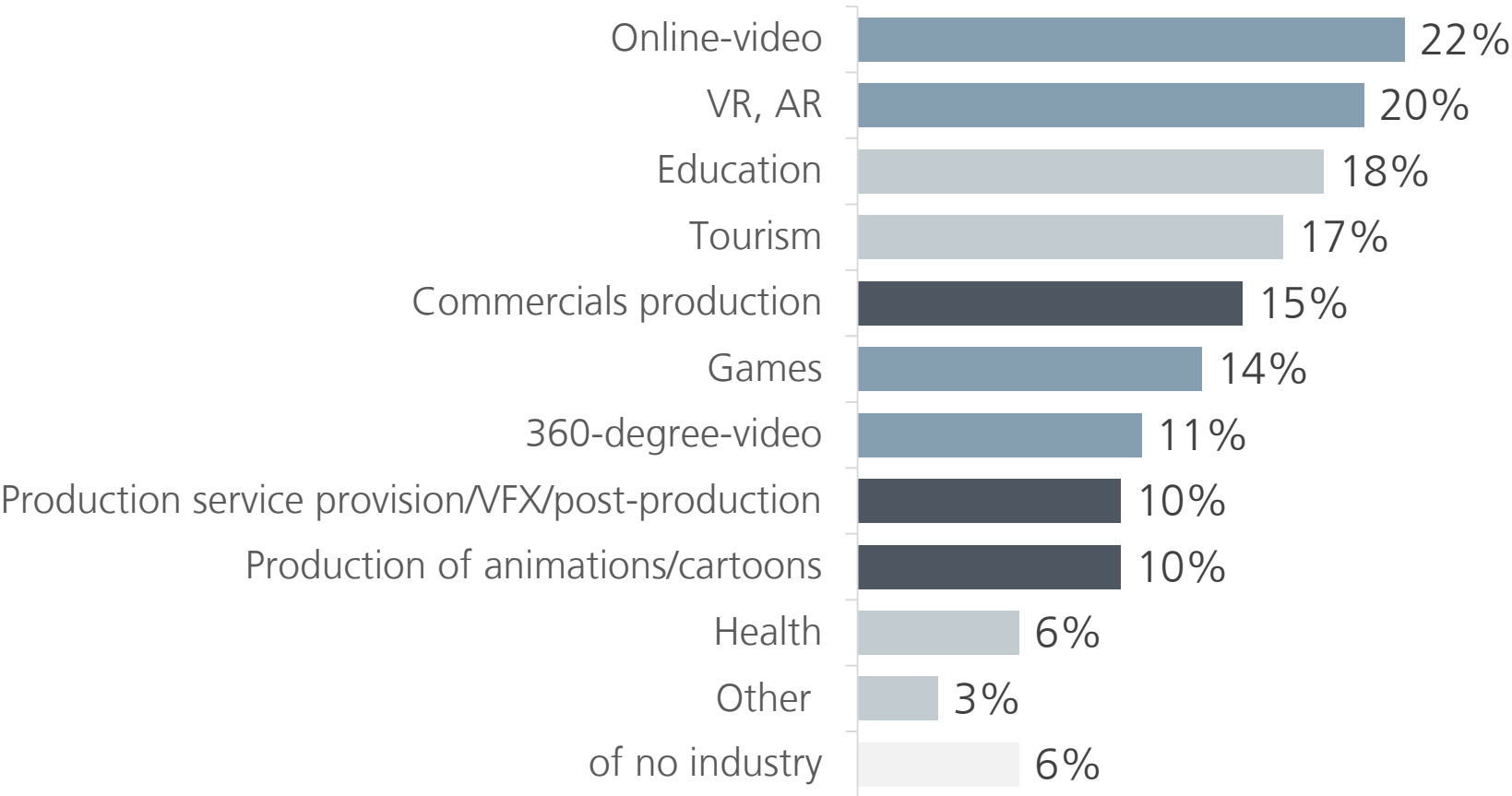
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139; multiple response is possible, assignment of the sectors: Goldmedia

In the case of film producers, there is a desire for an increased level of contact beyond the traditional sectors, primarily for online video and VR/AR

Sectors, to which, according to the view of the TV- and film producers of Hamburg and Schleswig-Holstein, an increased level of contact is desirable, 01/2017



■ Classic motion picture industry ■ New motion picture industry ■ Other sectors beyond the motion picture industry

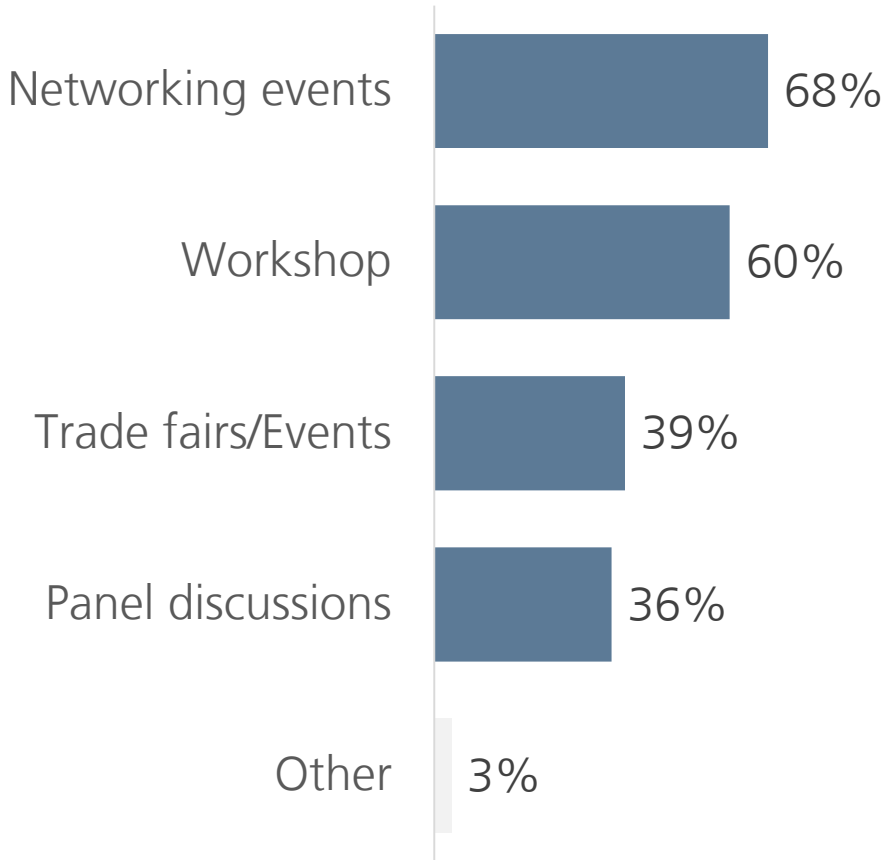


Question: "To which sectors would you welcome an increased level of contact?"

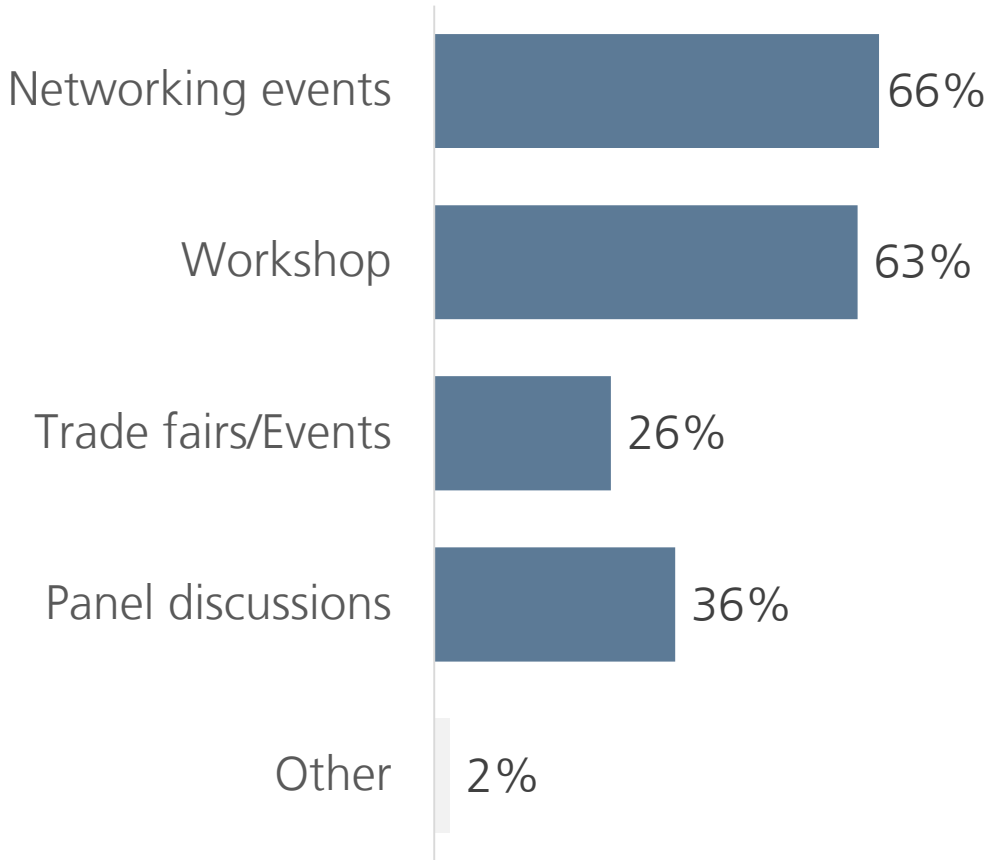
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139; multiple response is possible, assignment of the sectors: Goldmedia

Networking events and workshops as preferred contact channels for the film industry in HH/SH. Trade fairs are less relevant for the film production

Desired type of contact inter-mediation to other sectors of the motion picture industry in HH/SH, 01/20



Desired type of contact inter-mediation to other sectors of the TV- and film production in HH/SH, 01/20

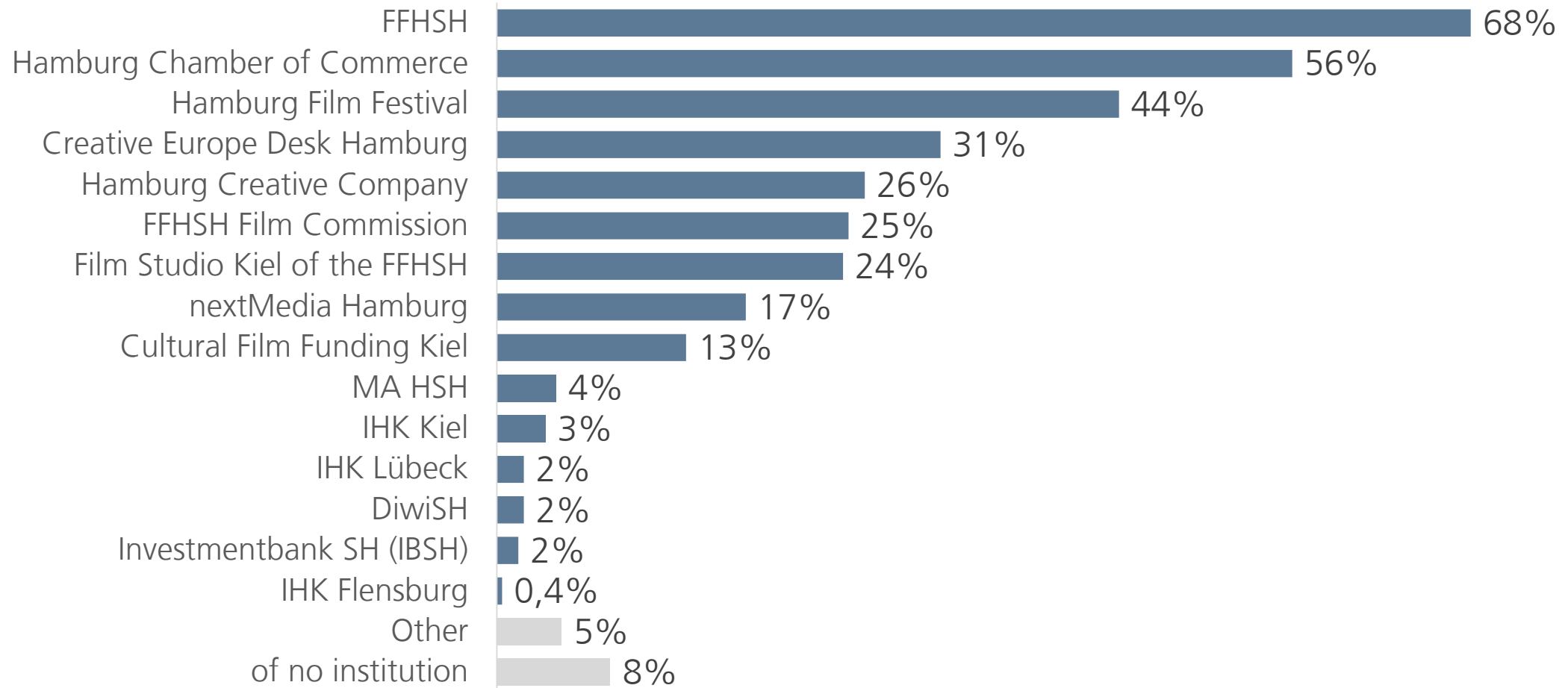


Question: “Which type of contact inter-mediation to other sectors do you prefer?”

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, left side: n=306, right side: n=139; multiple replies possible

Well-linked: Two-thirds of the companies maintain contact to the FFHSH, 56% to the Chamber of Commerce, 44% to the Hamburg Film Festival

Share of the companies of the motion picture industry in Hamburg and Schleswig-Holstein, which already maintain contact with a regional institution, 01/2017

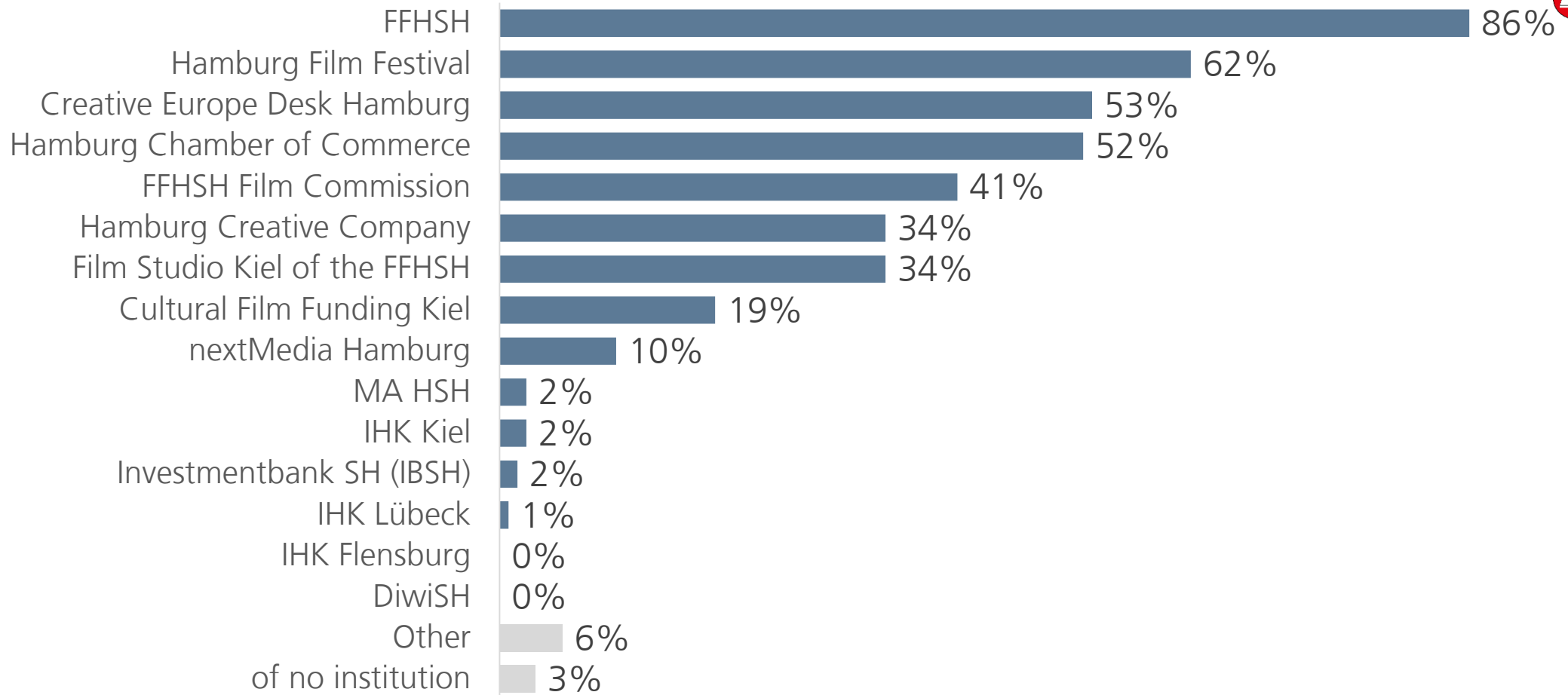


Question: "With which regional institutions do you already maintain contact?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; multiple replies possible

Of the TV- and film producers, 86% maintain contact with the FFHSH, 62% with the Hamburg Film Festival, 53% with the Creative Europe Desk

Share of the TV- and film producers in Hamburg and Schleswig-Holstein, which already maintain contact with a regional institution, 01/2017

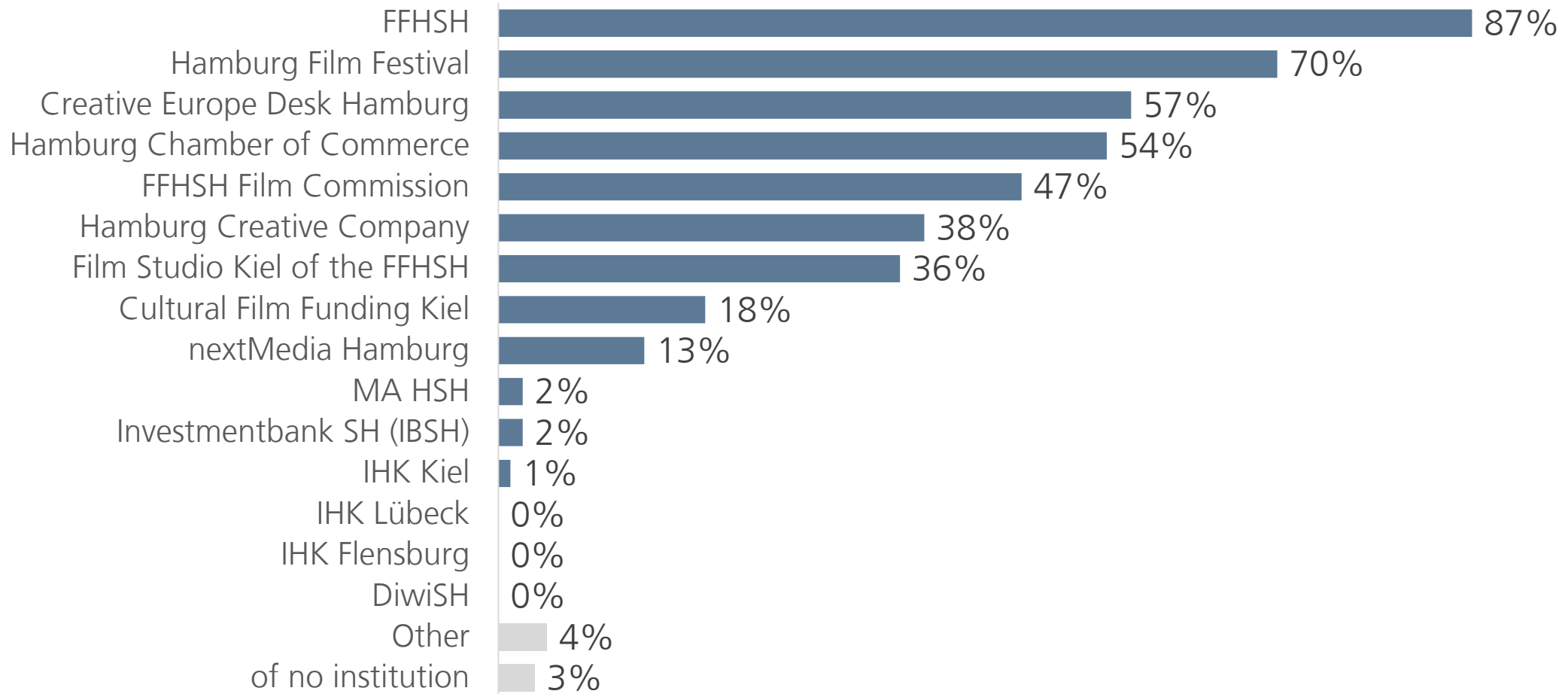


Question: "With which regional institutions do you already maintain contact?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139; multiple response is possible

87% of the Hamburg film producers maintain contact with the FFHSH, 70% with the Hamburg Film Festival, 57% with the Creative Europe Desk

Share of the TV- and film producers in Hamburg and Schleswig-Holstein, which already maintain contact with a regional institution, 01/2017

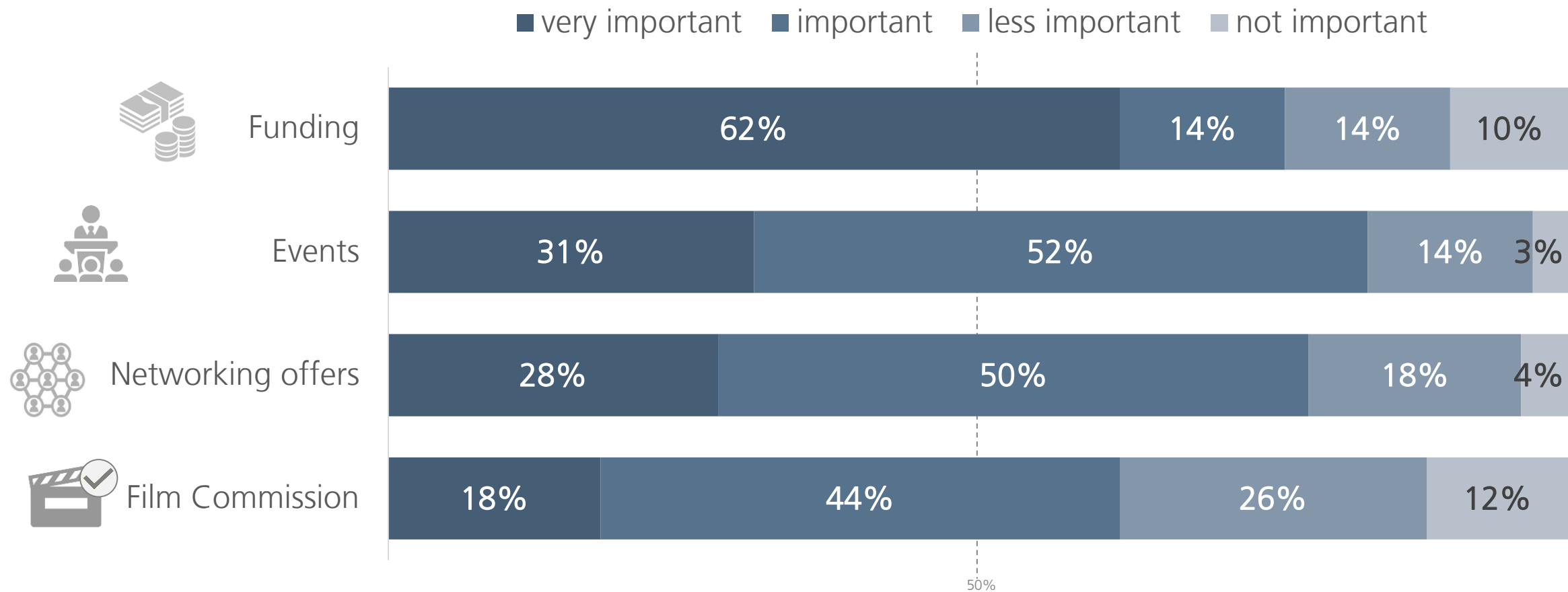


Question: "With which regional institutions do you already maintain contact?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=107; multiple response is possible

Motion picture industry: Funding resources are very important for two-thirds. Events and networking offers are also highly relevant

The relevance of the work of the FFHSH and the Kiel film workshop Kiel for different sectors for the own company
From the point of view of the motion picture industry in Hamburg and Schleswig-Holstein, 01/2017

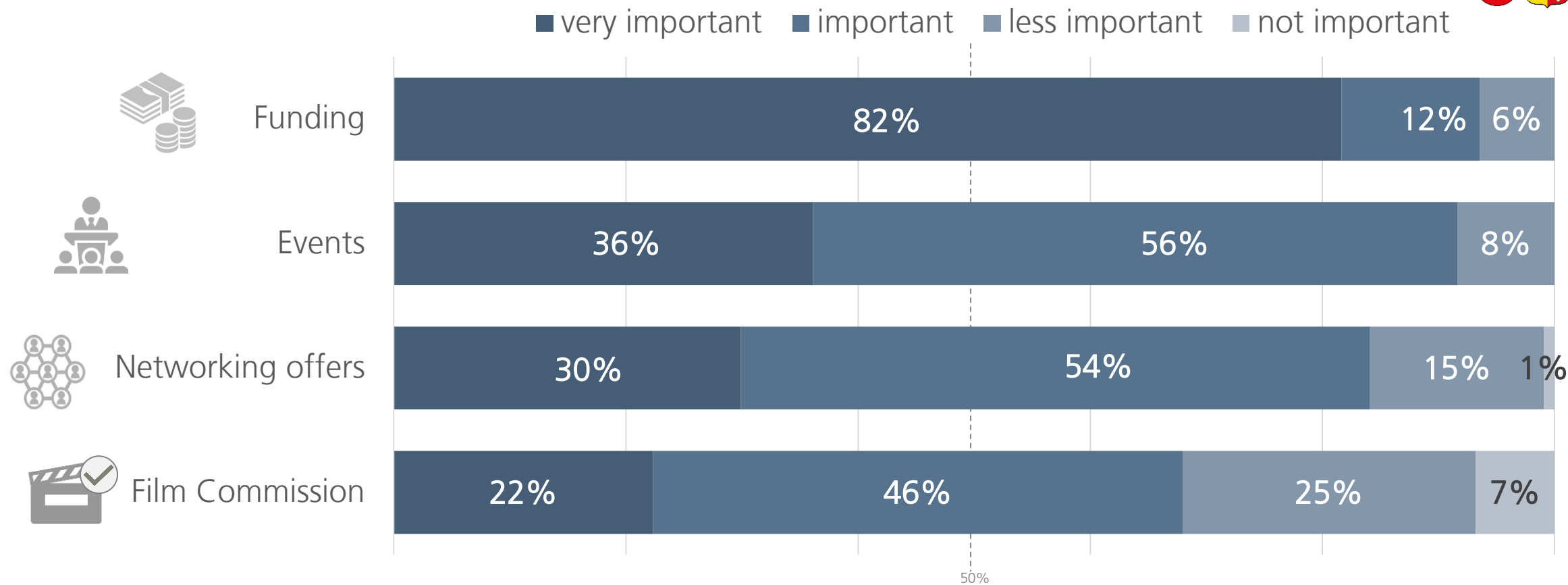


Question: "How important is the work of the Film Funding Hamburg Schleswig-Holstein (FFHSH) and the Kiel Film Workshop for your company in the following sectors?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306

TV- and film producers: For 82%, the funding of the FFHSH/Kiel Film Workshop plays a very important role, events are important for 92%

The relevance of the work of the FFHSH and the Kiel Film Workshop for different sectors for the own company
From the point of view of the TV- and film producers in Hamburg and Schleswig-Holstein, 01/2017

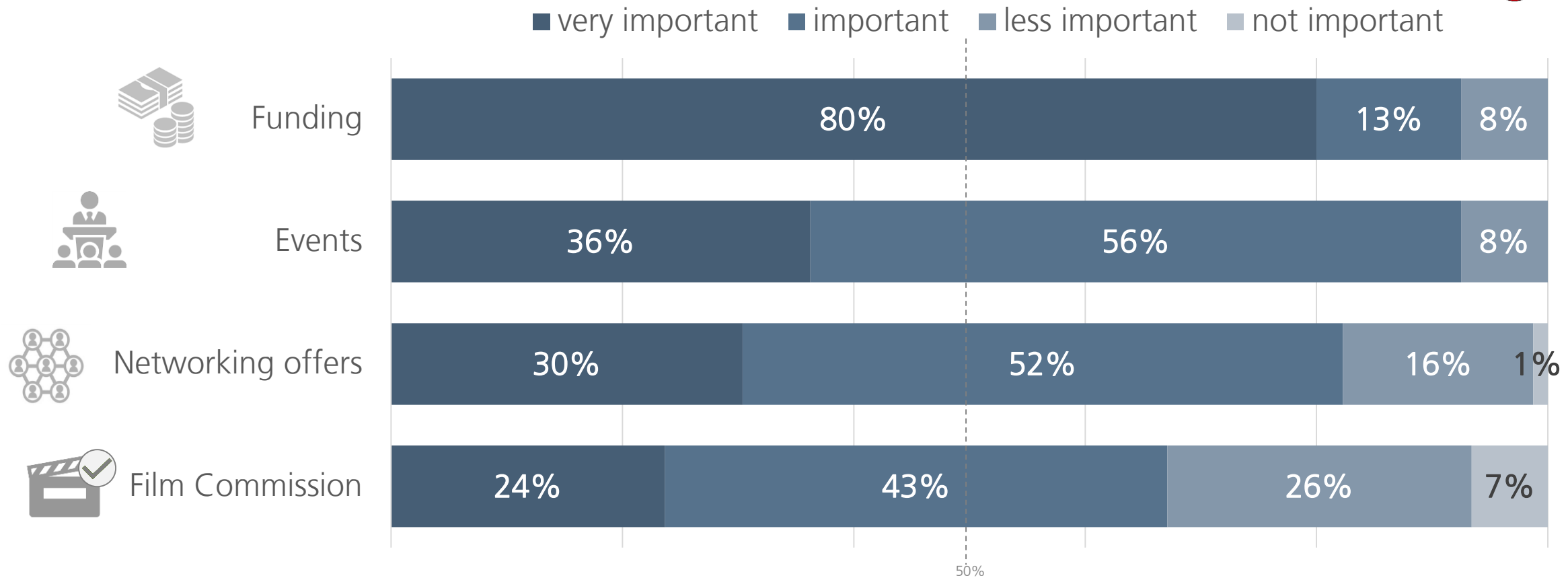


Question: "How important is the work of the Film Funding Hamburg Schleswig-Holstein (FFHSH) and the Kiel Film Workshop for your company in the following sectors?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=139

Film producers in Hamburg: For 80%, the funding of the FFHSH/Kiel Film Workshop plays a very important role, events are important for 92%

The relevance of the work of the FFHSH and the Kiel Film Workshop for different sectors for the own company
From the point of view of the TV- and film producers in Hamburg, 01/2017



Question: "How important is the work of the Film Funding Hamburg Schleswig-Holstein (FFHSH) and the Kiel Film Workshop for your company in the following sectors?"

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=107

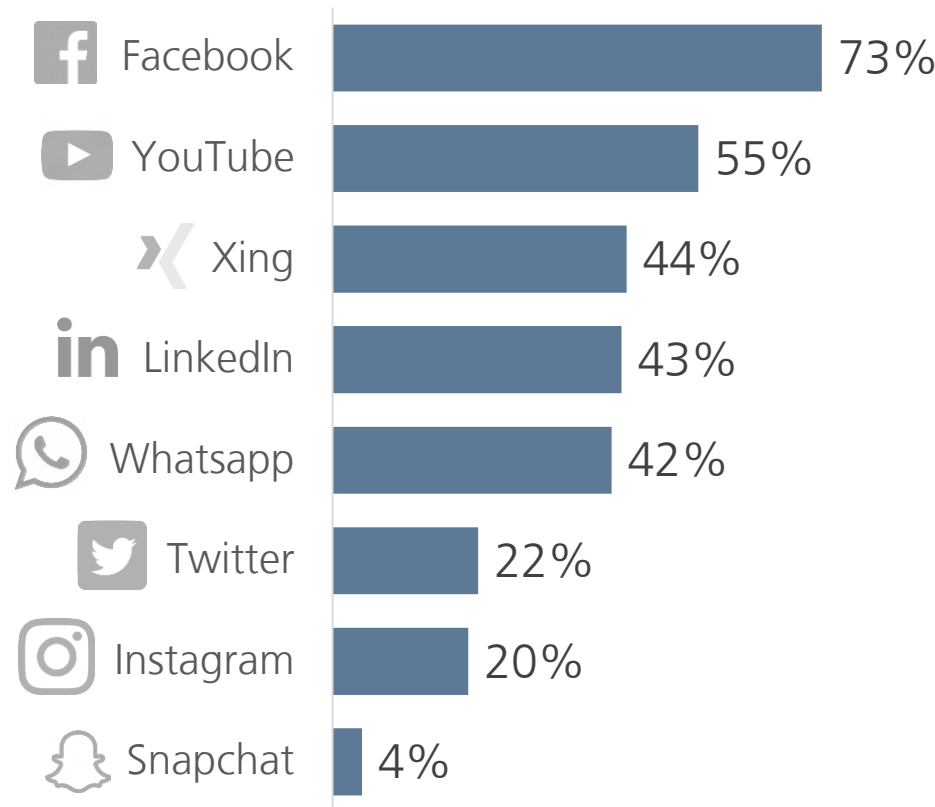
Facebook is the most used and by far, the most important social media platform for more than half of the companies

Social media channels used for comm. with customers, partners, etc., of the motion picture ind. in HH/SH, 01/2017

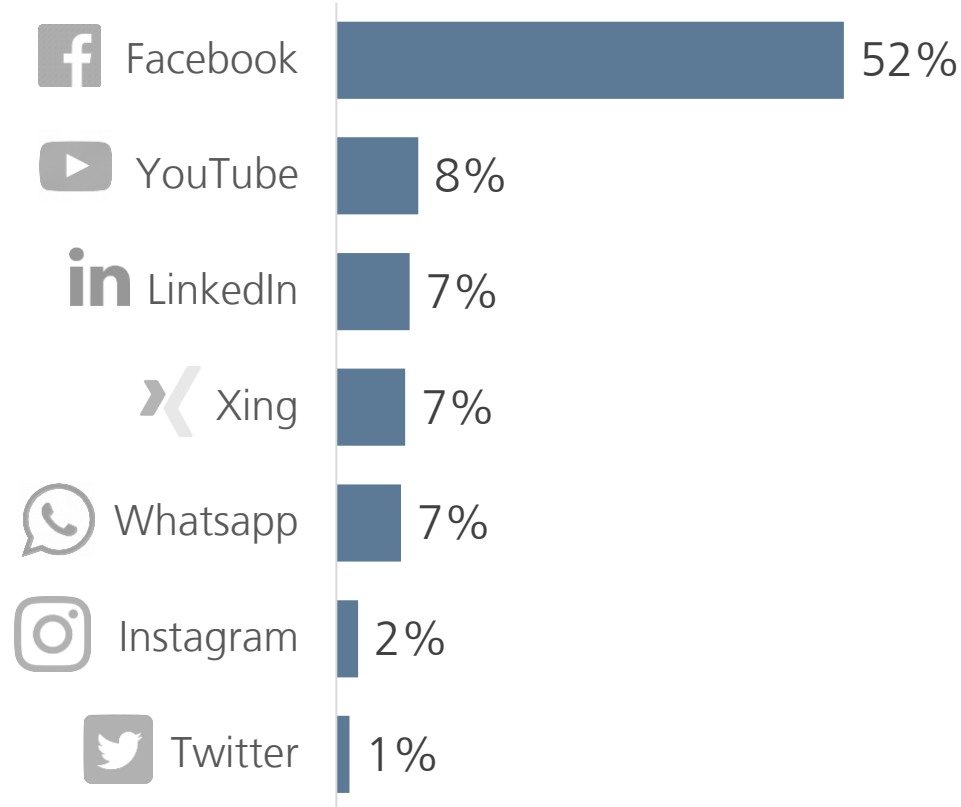
The most important platform for comm. with clients, etc., of the motion picture ind. in HH/SH, 01/2017



Applied platforms



Most important platforms



Question: "Which social media channels do you use for the communication with customers, partners, etc.? And which platform is the most important for you? "

Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017, n=306; multiple replies possible

Conclusion and recommendations for action



Film producers' requests to the FFHSH: more funding, more networking, better management and project development

Key-Facts to the main location advantages from the point of view of the TV and film producers in HH/SH, 01/2017

Subsidies

- Many producers demand a distinct focus on funding of local film producers, higher entry barriers for international productions
- Rethink the entry requirements Broadcaster or distributors no longer mandatorily on board?

Networking

- More networking with investment and industry, raise awareness for the film industry as an economic factor
- Stronger links to the tourism industry

Support product quality

- Stronger support for the development process
- Eventually, funds could be relocated to the development phase from the production budgets, to implement higher quality projects

Film as a cultural asset

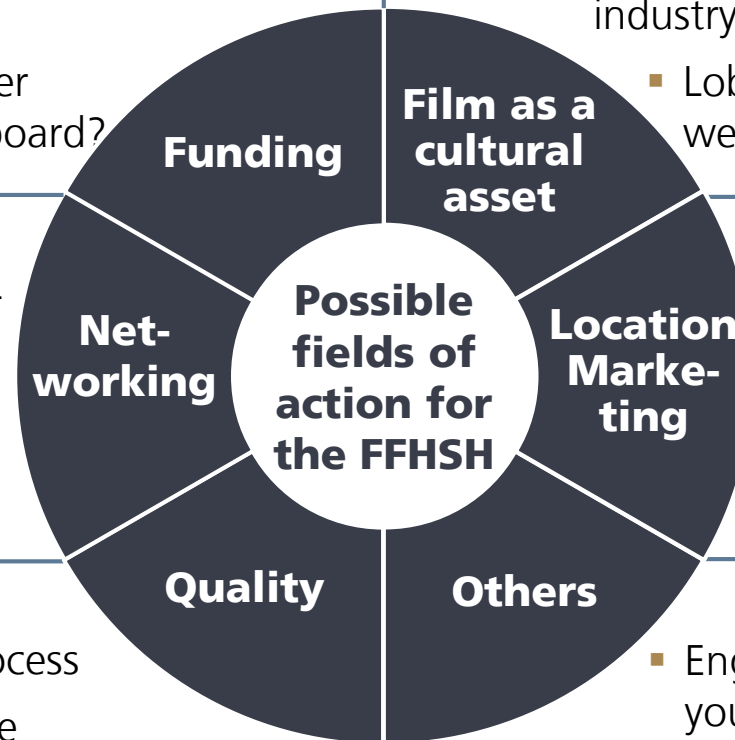
- Lobbying for the film industry: the film industry must be increasingly perceived as a cultural asset, on a cross-industry basis and as an investment object
- Lobbying to be directed towards industry, as well as private investors, in particular in HH

Location marketing

- The film ind. is a great advertisement, this should be taken advantage of
- Some producers, however, request a stronger presence of international projects in HH/SH Projects in HH/SH

Others

- Engagement in the training sector/boost young talent (training programmes)
- Engagement for summit meetings of the film industry with politics, banks, companies, HMS, art academies, NDR, etc.





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Audit design, methodology and sample



Location analysis motion picture industry in Hamburg/Schleswig-Holstein 2017: Regarding market definition, study goals and methodology

Customer and definition of the market

Customer:

- Film-funding Hamburg Schleswig-Holstein (FFHSH) within the framework of the EU-project CROSS MOTION
- Period of analysis: September 2016 until March 2017



Market delimitation/market definition:

The location study includes all companies of the motion picture industry in Hamburg and Schleswig-Holstein:

- TV- and film production, animation, cartoons
- Production service provision/VFX/post-production
- Production of documentaries and commercials
- Online video and 360-degree video, VR, AR
- Games
- Film distribution/-rental
- TV-event/TV-channel

* Note: the four-digit WZ-codes contain the relevant five- and six-digit sub-categories
Source: Location study: Motion picture industry in Hamburg and Schleswig-Holstein 2017

Assessment goals and methodology

Assessment goals:

- Presentation of the film/VR/AR/animation and games companies in Hamburg and Schleswig-Holstein
- Survey of the economic data, the business areas, business models and financing structures
- Determination of the status quo as well as the demand for further education and networking opportunities, etc.

Methodology:

- Primary data survey among 1,354 motion picture companies in Hamburg and Schleswig-Holstein in the film, VR/AR, animation and games industry, via an online survey
- Recorded WZ-categories/NACE-codes: 5911*, 5912*, 5913*, 5821*, 6020*, 7311*
- 11 expert discussions with representatives of the sector
- Market estimates: Projection by Goldmedia for normal distribution on the basis of corporate information

Location study: The motion picture industry in Hamburg and Schleswig-Holstein 2017 - Methodology and data collection of the company survey

Basic summary, registered offers and response rate 2016/17

- **Basic Summary:**
All companies of the motion picture industry (TV, cinema, online and advertising film production, animation/cartoons, film service providers, VFX, 360-degree, VR, AR and games), with a main or secondary seat in Hamburg and Schleswig-Holstein
- **Number of the registered companies 2016:**
1,252 relevant companies in the motion picture industry in Hamburg and Schleswig-Holstein
- **Number of the providers, which were technically available and were contacted:** (with a valid phone number/e-mail address): 1,354 companies, of which 452 companies were retrieved from the FFHSH distribution list
- **Response rate:**
306 providers participated (= 23% overall absorption);
142 companies, of which 452 companies were retrieved from the FFHSH distribution list (= 31% absorption)
- **Period of the survey:**
December 6, 2016 – January 16, 2017

Information on the sample company survey 2016/2017

- Four per cent of the companies declared an annual turnover of more than 10 million euros, 18% between 1 and 10 million euros and 62 percent of less than 1 million euros; 16 percent did not provide any information

- Display of the results in the following clusters:



all motion picture companies in /SH (306)



all film- and TV-producers in HH/SH (139)

Sample: Information on main and secondary seat in HH/SH

Basis: 306 companies

