

An In-depth Study on the Film Industry In the Philippines

Submitted by:

**Dr. Leonardo Garcia, Jr.
Project Head**

and

**Ms. Carmelita Masigan
Senior Researcher**

August 17, 2001

FILM INDUSTRY EXECUTIVE SUMMARY

Movies are a powerful force in Philippine society. Movies, more than just a source of entertainment, reflect a nation's personality. On the silver screen takes shape all the hopes, dreams and fantasies of the common man: legends, love, the stuff of myths and make believe. Its heroes become larger than life, often attaining the stature of demigods. They are looked upon as role models, serving as resources of inspiration. But most important, the movie industry has become a vital part of the national economy.

The paper aims to define the industry and its structure, examine the laws that hinder or facilitate its growth as well as the existing associations and what they have done; look into the market potential of the film industry and its foreign market demand; examine supply capability; identify opportunities and threats confronting the industry; prepare an action plan to enhance competitiveness; and recommend a performance monitoring scheme.

The film industry shows that its gross value added is growing faster than the gross domestic product and gross national product. In other words, the industry has a lot of potential to improve further through the years. Extent of growth of firms is primarily Metro-Manila based with Southern Tagalog as a far second. There is more investment in labor or manpower than capital expenditures based on the 1994 Census of Establishments.

Motion picture also called film or movie is a series of still photographs on film, projected in rapid succession onto a screen by means of light. Because of the persistence of vision, this gives the illusion of actual, smooth and continuous movement. The principal types of films are action pictures, social, historical, psychological films, comedy, religious, theatrical, documentary, dramatic, factual films, cartoons, non-artistic films, pictorial reports, and travelogues.

Throughout the 1980s, the Philippines ranked among the top ten film-producing countries in the world. But the unstable nature of the country is reflected in the film industry. Numerous coup attempts, civil strife and an unstable economy have kept down investment in movies; while production costs and taxes have spiraled. The shortage of money has not allowed for updating equipment. It is also unique in Asia for not having placed a quota on foreign films. Since the 1960s, efforts to place quotas on imports have failed regularly in the Philippine Congress. The current trends center on the entertainment and commercial aspects of the movie. The viewing public prefers to watch films which will allow them, even for a while, to escape from the harsh realities of their environment.

The motion picture industry pays one of the highest amusement taxes in the "entertainment category" while being the cheapest form of entertainment. It generates

more than 400 million pesos in taxes for the government. About 450,000 people directly benefit from the industry which includes people from the film production and distribution groups (that is actors, actresses, directors, etc.), employees and workers in the theaters, and other related cinema businesses. The dominance of foreign films could be traced back to the seventies, when foreign films started to eat up the market share of locally produced films. This continued to linger in the eighties up until today.

On the structure of the industry, Filipino filmmakers tend to fall into five categories, namely: the major companies; the strong independents; wealthy individuals who finance a movie not necessarily for profit, but for some special purpose such as promotion of political views and religious beliefs; people who could not enter any of the major film outfits and produce low-budget films of the rated R or X genre; and finally filmmakers whose main concern is to develop alternative cinema. The business lines in the industry are composed of the producers, distributors, and exhibitors. There is also a threat of substitute products like pirated films or movies edited for television; and threat of new entrants like new players who can try the local market with more resources from abroad and then collaborate with a local film producer and do joint ventures.

Laws hindering and facilitating are the MTRCB which is a government arm in charge of classifying films as Restricted, General Viewership, or Parental Guidance; Presidential Decree 1987 or the Act Creating the Videogram Regulatory Board; Republic Act No. 8293 known as the "Intellectual Property Code of the Philippines," plus several bills in Congress that seek to strengthen the VRB and the National Telecommunications Commission's power in combating piracy. There is also the private sector assisting the government in its anti-piracy efforts like the Motion Picture Anti-Piracy Film Council which forged partnership with the Motion Picture Association. On the other hand, the major players on industry associations and organizations are the Film Academy of the Philippines, the Mowelfund, and the Film Development Foundation of the Philippines International Film Festival responsible for funding and providing financial assistance to movie producers who are invited to participate in international film festivals.

An examination of the motion picture production forward linkage shows that the market for film is motion picture distribution and projection. On the other hand, the motion picture distribution and projection forward linkage indicates that one major market to consider is radio and television programming or the development of more films for television broadcasting.

Today, the internationally acclaimed local films are marketed in many parts of the globe like the United States, Europe and Asia. The venues are the international film festivals where foreign distributors can review our films and show them in their respective regions. One major region to reach is the Asia-Pacific region since its culture is similar to us and their people can empathize with our storylines. Vietnam, Indonesia, Malaysia, even Korean and Singapore are good potential markets for our films. Of course, the US, European and Latin American countries are good targets for our "exotic" films.

On supply capability, the motion picture distribution and projection backward linkage shows that a major supplier is motion picture production. On the other hand, the motion picture production backward linkage presents restaurants, cafes, and other eating and drinking places as the major supplier, followed by petroleum refineries and advertising services.

On offered services, our filmmaking is a total production from conceptualization of the story and scripts translating them into a screenplay, actual production or shooting of the film, post-production, and marketing and distributing the film to various exhibitors. Our areas of specialization range from film writing, directing, production or laboratory services, and acting where we have an overflow of movie stars. We conduct training programs on scriptwriting through the Mowelfund or film production companies themselves. Our talents our honed while they are young by Star Circle and GMA's talents to name a few.

An analysis of the strengths and weaknesses of the films industry shows the following considerations:

- Good story and believability.
- Well-written scripts, good acting, competent directing.
- Impediments of being world-class.
- Budget and technology.
- Marketing.
- Taxation.
- Limited government support.
- The high cost of production.
- The dominance of very few big production companies.
- MTRCB as a "censorship" body.
- The star syndrome.
- Interpersonal and intergroup conflicts among the film industry players.

On the other hand, the opportunities and threats confronting the industry are:

- Financial capability as compared to foreign films.
- International exposure and exhibition.
- A luxury of options and abundance of sources.
- Competitive advantage and a distinct image.
- Piracy.
- Television, Cable Television, VCD/VHS/DVD.
- A chance to expand market base.
- Adherence of the local film market to commercial films.

With the preceding considerations, an action plan to enhance competitiveness is therefore recommended in the following areas:

- Market development and promotional strategies.
- Promotion of Filipino films in international markets through participation in film festivals.
- Discover, develop, and/or expand international mainstream or niche markets for Philippine films.
- Encourage and facilitate the participation in international film markets as a step towards the discovery, development and/or expansion of demand for Philippine films abroad.
- Continuous research and development.
- Competition on the level of the country's core competency.
- Invest on technology.
- Continuous training and development and education of current and prospective industry personnel.
- Continuous development in collegiate education on courses related to film.
- Laws and industry governance like major tax deductions, curbing piracy, and review of MTRCB's role as a regulatory body.
- A voice in the government through the formation of the Philippine Film Commission.
- A closer look into the local film market.

The various industry players can take charge in monitoring or regulating themselves to create a good Filipino film -- the association of producers, distributors, exhibitors, and the members of the Film Academy of the Philippines. Award-giving bodies like Manunuri ng Pelikulang Pilipino should be supported to enhance acting, directing, and many areas of technical production. The Film Rating Board should also continue to evaluate good films so that the producers can be entitled to tax rebates. On the other hand, MTRCB should focus on classification and not on censorship for the local film industry to prosper and become world-class.

As a final word, it is crucial to have "Filipino films with a Filipino character" to rise above the clutter and free ourselves from the bondage of our Hollywood standards. The goal is to go global and to go global does not necessarily mean to fight outright, but to race for the recognition of being a unique entity as shown in our films. However, the basic requirements of technology must always be apparent – good sound, good processing, editing and the like.

An In-depth Study on The Film Industry in the Philippines

“The Filipinos spent 400 years in a convent and 50 years in Hollywood.”

(Pelikula, September 1999 Issue)

Introduction

Movies are a powerful force in Philippine society. Movies, more than just a source of entertainment, reflect a nation's personality. That is why it is all the more saddening to note the dismal state of our movie industry. Each week, we are confronted by a sordid parade of sex, violence, and asinine comedies.

On the silver screen takes shape all the hopes, dreams and fantasies of the common man: legends, love, the stuff of myths and make-believe.

Movie heroes become larger than life, often attaining the stature of demigods. They are looked up to as role models, serving as sources of inspiration. But most important, the movie industry has become a vital part of the national economy.

In the constantly changing world of the Filipino film industry, film festivals have become windows through which the Philippines lets the world see its screen images. There has been a number of locally produced films that have received international recognition.

The local film industry includes highly talented and experienced people who have produced outstanding films that have been given recognition and attracted attention here and abroad. In pursuit of success, these producers also have made artistically and commercially viable movies.

The move of the government to establish a council to address the needs of the film industry to produce films with standards that are acceptable to international patrons is a welcome development.

In the light of these developments, this paper aims to probe into the following:

1. Define the industry and its structure, examine the laws that hinder or facilitate its growth as well as the existing associations and their achievements.
2. Look into the market potential of the film industry and its foreign market demand.

3. Examine supply capability.
4. Identify opportunities and threats confronting the industry.
5. Prepare an action plan to enhance competitiveness.
6. Recommend a performance monitoring scheme.

1.0 The Industry

1.1 A Brief Historical Background

The end of the nineteenth century saw the rise of the American imperialist dream that sought to expand the industrialized nation's markets, sources of raw materials and investment opportunities. It went to war with Spain which was politically ailing but still owned the colonies coveted by America. In particular, it targeted Spain's outpost in Southeast Asia, the Philippines, which could be used as a stepping stone to China and its teeming millions.

From 1901 when the American civil government was established in the country to 1946 when the Philippines was granted political independence, the U.S. pacified the islands and then proceeded to Americanize its new colony. This was effected through the colonial government and economy, through the educational system which reached out to the remotest barrios and through the print and broadcast media which spread the sounds and shapes of popular American culture. By the 1950s, many Filipinos had become avid consumers of American products and defenders of the American way of life.

Throughout the American colonial era and the period of the Philippine Republic, Hollywood exercised the strongest influence and pressure on the Filipino film. Having pioneered the development of film technology, America was responsible for introducing into the country the equipment for shooting films, the use of black and white or color film stock, the sound and editing technology, as well as the general techniques of pre-production, production, and the systems of distribution and exhibition. Before the outbreak of the Pacific War, the Filipinos had already adapted the American techniques of filmmaking, and had even adopted the Hollywood-type studio system.

But the Philippines did not only import film technology from America. Throughout the last century, the islands were inundated by the products of Hollywood and its giant multinational companies – MGM, Universal, Columbia, Paramount, 20th Century Fox, Warner Brothers, Walt Disney Pictures. With a worldwide market, these companies sank huge investments into commercial films, which naturally turned out to be more technologically advanced or polished than local products and easily outnumbered

Filipino films, FOUR TO ONE. With capital unimaginable in a Third World country, these American films likewise enjoyed the best distribution systems, dominating the local print and broadcast media with their ads as well as the best theaters in Metro Manila.

Filipino Film Pioneers. The Filipinos during the American occupation easily fell prey to the Hollywood fever. With American film distribution on the rise, plus the Filipino audience’s preference for foreign-made films, American distributors concentrated on promoting their films and sold their studios to local would-be filmmakers.

Among those who embarked on film business was Jose Nepomuceno, who was later to earn the distinction as “Father of the Philippine Movies.” Together with his brother, Jesus, he organized, in 1917, a film studio, Malayan Movies, which declared as one of its goals “the adaptation of the movie industry to the conditions and taste of the country.” But his primary interest was in the making of feature movies. His first film was “Dalagang Bukid” (Country Maiden), a stage play adapted into film. Nepomuceno later accomplished classic masterpieces. His efforts epitomize the Filipino struggle for equal recognition against the floodtide of American colonial influence.

Another outstanding figure was Vicente Salumbides, a former “extra” of Lasky Studio’s Famous Players in Hollywood. In 1925, he too founded his own movie outfit, Salumbides Films. His first film was Miracles of Love, which he produced, wrote, directed, and edited.

It is obvious that the early ventures of these film pioneers were made through feature length movies rather than short films.

1.2 Definition of the Industry

Table 1. Film Industry PSIC Definition

9611	Motion Picture Production
9612	Motion Picture Distribution and Projection

Source: 1994 Census of Establishments

The Philippine Standard Industry Classification defines the film industry into two major classifications, namely: motion picture production (No. 9611) and motion picture distribution and projection (No. 9612). This was taken from the 1994 Census of Establishments. The animation industry does not have a category of its own and is therefore included in the two major classifications of the film industry.

Table 2. Film Contribution to the Philippine Economy

	1994		1998	
	Value		Value	
	(in million PHP)	% Share	(in million PHP)	% Share
GVA	7,390	---	8,729	---
GDP	766,368	0.96	888,875	0.98
GNP	786,136	0.94	931,127	0.94
Employment	15,517	---		---
Total Employment	27,483,000	0.06	31,278,000	
	Growth Rate (%)			
GVA		18.12		
GDP		15.99		
GNP		18.44		
Employment				
Total Employment		13.81		

Source: 1994 Census of Establishments

The Gross Value Added (GVA) or output of the local film industry amounted to P8.7 billion in 1998 versus P7.3 billion in 1994. Its percentage share on Gross Domestic Product and Gross National Product is negligible at 0.98% and 0.94% respectively. This means that the film industry has yet to contribute a significant share to the Philippine economy based on absolute data. Its employment of 15,517 in 1994 excluded actors and actresses and was valued at P27.4 million compared to P31.2 million in 1998. On the other hand, GVA is growing much faster at 18.12% compared to GDP at 15.99% and GNP at 18.44%. This is a healthy indication that the film industry has a lot of potentials for growth. Total employment's growth of film personnel is at 13.81%.

An Understanding of the Nature of the Film. Motion Picture also called film or movie, is a series of still photographs on film, projected in rapid succession onto a screen by means of light. Because of the persistence of vision, this gives the illusion of actual, smooth, and continuous movement. The motion picture is remarkable effective medium in conveying drama and especially in evocation of emotion. The art of motion picture is exceedingly complex, requiring contributions from nearly all of the other arts as well as countless technical skills. Nonetheless, probably no other art has proliferated as much in the 20th century nor any other equal it in popularity or influence.

The motion picture is the newest of the generally recognized "fine arts." During its early development, the motion picture was discounted by many critics for its supposed subservience to commercial interests, for the immediacy of its appeal to the

uninstructed, for its seemingly mechanical technique, and for its apparent lack of an identifiable artist as its primary creator. After the middle of the 20th century, however, increasing attention was devoted to it as a form of artistic endeavor that is as legitimate as the theater, literature, dance, music, or the visual arts.

The key to the study of film content lies in the first scenes. Entertainment films often try to keep the spectator in suspense about the story of the film as long as possible, but educational films try to let the spectator know in the first few scenes just what the spectator can expect to learn from what follows.

A good educational film is organized like an outline with several major teaching points, each with a number of related sub-points. The film will mean more to the spectator if he recognizes the outline on which it is based. In addition to its careful organization, a good film gives the spectator "signposts" that help him recognize the major points. When the pictures fade in, this indicates a new point in the film's "outline." Words printed on the screen usually indicate ideas. Dates, maps, animated drawings present important information. A partial summary of content so far indicates that a new point is coming up. Sometimes there is the brief review which comes at the end of the film summarizing the film's content.

The influence of motion picture increases as the content of the film is directly relevant to the audience reaction it is intended to influence.

Different Types of Films. There are different factors which determine the type of films, such as the following:

1. By reason of the art that predominates, the film may be musical, theatrical, etc.
2. By reason of its producers such as the films of Fellini, of Rene Clair, or of Chaplin.
3. By reason of the kind of life that it reflects such as the films of animals, plants, etc.

The Principal Types of Films

- 1) Action Pictures – these deal with adventure, detectives, American Western, Kung Fu, etc.
- 2) Social Films – these deal with man in his relation with his fellowmen, such as the films of Italian Neorealism.
- 3) Historical Films – these narrate historical events. However, a true historical film does not necessarily reflect with exactitude what really happened (this is

the aim of the documentary film), but depicts a present reality on the basis of historical events.

- 4) Psychological Films – these are films of introspection, the different types of which are representational; they make a profound analysis of character on the basis of reactions and passions.
- 5) Comedy – this is a special type of film. A true comedy film does not seek solely to entertain; it has a more profound aim such as the good film of Charlie Chaplin.
- 6) Religious Films – these stress religious history and dramatic situations involving moral and spiritual values.
- 7) Theatrical Films – here the theatrical techniques predominate.
- 8) Documentary Films – these are a major special type of films with important educational opportunities. Documentary films attempt to tell true and accurate stories about real-life situations and real people.
- 9) Dramatic Films – these portray events in the lives of actual people. They are subdivided into.
 - a) Drama with Thesis – it presents a real-life situation presenting a problem and then courageously suggesting its solution.
 - b) Witnessing Drama – this is drama with a thesis but no solution to the problem is given. It presents the problem or difficulty and then leaves to the audience the task of solving the problem.
 - c) Religious Drama – this presents the powerful influence of the religious factor in life.
 - d) Neorealist Drama – this may be a drama with thesis or a witnessing drama. This kind of film presents life showing all its realities without hiding its hardships.
 - e) Comedy-Drama – this has more or less an ironic tone; it presents the frequent conflicts, manias, and illusions of man in a humorous manner, thus, the spectator learns a lesson painlessly.
- 10) Factual Films – these present ideas and information precisely, using pictures and sound to clarify meanings in ways superior to and different from the usual illustrated lecture.
- 11) Cartoons – these are films which transport the spectators to the kingdom of fantasy.

- 12) Non-artistic Films – the term is self-explanatory: Under this category would be:
 - a) Vaudeville – absurd and scabious comedy.
 - b) Melodrama – has themes that are eternally repeated.
 - c) “Evasions” – fantastic and ingenuous films.
- 13) Pictorial Reports – these are composed of film footage which records events such as track meets or time-and-motion studies as they occurred with little or no editing.
- 14) Travelogues – these give socio-geographic information. If they emphasize only the more attractive aspects of the area, there is a consequent loss of truth and real understanding.

Evaluation of a Film. The film is a public language. The director talks to the audience from the screen. There are three legitimate exigencies which a good film has to satisfy:

- 1) It must show its content, that is, it must say something to the spectator;
- 2) It must present in its proper style, a specific cinematographic style; and,
- 3) It must manifest it well, that is, it must have artistic beauty.

Values of a Film. Art expresses content through beauty. The content of the film is, above all, its message. The director shows what he thinks objectively is goodness, truth, or beauty in a didactic film. The effect of the content of the film is the giving of “ideas”. In a film for entertainment, the content is subordinated to the elements that will create a “commotion” in the will of the audience so that they will accept the message. Thus, it takes into account the psychological factors.

Values of Certain Types of Film. Religious Film: There are films with religious themes but without message nor soul. The transcendency of the mysterious can be filmed without a profound religious message if the film was not done accordingly and with diligent study and research.

- 1) Film of Evasion: The argument usually is phantasmic and sometimes even unreal. If it does not renounce its artistic quality, it can be a true film. However, it must know how to bring the spectator back to reality in order to betray him; it must be as if the spectator after some moment of dreaming wakes up to reality.
- 2) Educational Film: The main purpose of this film is to educate and instruct. It is most often used in developing skill, although it has many other uses related to information and attitudes.

Analysis of a Film. Film is an artistic language which is expressed by means of images in motion, with or without sound. To evaluate a film, the following must be analyzed:

- a) Thematic Aspect – its nature, realism, truthfulness, morality, beauty of the message;
- b) Specific Aspect – the shooting and mounting at the service of the message;
- c) Aesthetic Aspect – the aesthetic use of the specific elements, the beauty of the whole, its harmony and rhythm;
- d) Structural Aspect – the entire film as a whole. The structure is the total organization of the film in expressing its message artistically.

1.3 Scope of the Industry

Throughout the 1980s, the Philippines ranked among the top ten film-producing countries in the world, although the industry was beset with many problems and the number of films was down from the 1971 peak of 251. In 1987, total production was 139, a drop from the 151 of the previous year. Forty production companies were in operation.

The unstable nature of the country is reflected in the film industry. Numerous coup attempts, civil strifes and a depleted economy have kept down investment in movies, while production costs and taxes have spiralled. One handicap of many filmmakers is that shortage of money has not allowed for updating equipment. Thus, 25-year old cameras, sound and light equipment, which one director said belonged in the Smithsonian Institution, are used.

The Philippines is unique in Asia for not having placed a quota on foreign films. Since the 1960s, efforts to place quotas on imports have failed regularly in the Philippine Congress.

The current trends in the cinema industry center on the entertainment and commercial aspects of the movie. The viewing public prefers to watch films which will allow them, even for a while, to escape from the harsh realities of their environment. They patronize stories which enable them to identify themselves with the characters. Recently, the most favored type of pictures are action and comedy. (MediaWatch, The Philippine Cinema Industry)

There are numerous constraints and problems that the cinema industry faces which affect its role as an effective medium for values formation. Among others, the

following are considered as critical to the implementation of the Cinema Program. These are 1) limited government support; 2) high cost of production; 3) interpersonal and intergroup conflicts among cinema industry people; 4) dominance of the big players in the industry; and 5) the cinema industry has also to deal with the “idiosyncratic” censorship of the Movie and Television Review and Classification Board (MTRCB).

In the economic field, the commercial cinema industry alone provides employment to more than 75,000 people. It also generates more than P400 million pesos annually for the government in the form of taxes.

As an instrument of cultural development, the cinema industry is acknowledged to be most effective in the propagation of a nation’s language, customs, traditions, rituals, and beliefs. It therefore contributes to better understanding and communication among a people of diverse cultures and languages. The industry also records events and takes custody of historic records, and, as such, serves as a potent preserver of cultural heritage.

The motion picture industry pays one of the highest amusement taxes in the “entertainment category” while being the cheapest form of entertainment. It generates more than 400 million pesos in taxes for the government. About 450,000 people directly benefit from the industry which includes people from the film production and distribution groups (that is actors, actresses, directors, etc.) employees and workers in the theaters, and other related cinema businesses.

The major backbone of the entire industry is the feature film – Tagalog or English. Its primary outlets are the theaters and its average lifetime is roughly eight to ten months, having completed a round of about 250 to 350 theaters nationwide. The other outlets are television and video venues. The use of television as a channel for exhibition of films has increasingly become significant in the last decade. Films recently shown in theaters can already be seen on TV screens a few months after it has been exhibited in Metro Manila theaters.

In retrospect, as it was in the seventies when the competition between foreign and local films was significantly amplified by the unrestricted influx of foreign films, this phenomenon continued to linger in the eighties.

The dominance of foreign films could be traced back to the seventies, when foreign films started to eat up the market share of locally produced films. As shown in the following tables, foreign films really have a stronghold in the domestic market and continues to capture the patronage of the Filipino audience.

Table 3. Comparison of Foreign and Local Films Previewed by the MTRCB 1970-1979

YEAR	FOREIGN	LOCAL	TOTAL	PERCENTAGE
1970	486	245	740	33.1
1971	561	268	829	32.2
1972	543	201	744	27.0
1973	600	160	760	21.0
1974	607	143	750	19.1
1975	480	155	635	24.4
1976	470	175	645	27.1
1977	456	162	618	26.2
1978	477	139	616	22.6
1979	539	170	709	23.9
TOTAL	5,219	1,818	7,046	
AVERAGE YEARLY	522	182	705	25.8

Source: Movie Television Review and Classification Board (MTRCB)

Table 4. Comparison of Foreign and Local Films Previewed by the MTRCB 1980-1989

YEAR	FOREIGN	LOCAL	TOTAL	PERCENTAGE
1980	575	280	855	32.7
1981	364	185	549	33.7
1982	370	181	551	32.8
1983	324	144	468	30.8
1984	250	152	402	37.8
1985	266	158	424	37.3
1986	220	179	399	44.9
1987	259	167	426	39.2
1988	288	164	452	36.3
1989	289	142	431	32.9
TOTAL	3,205	1,752	4,957	
AVERAGE YEARLY	321	175	496	35.3

Source: Movie Television Review and Classification Board (MTRCB)

Though the Philippine film industry faces a bleak future, there are still sparks in the darkness. One of the brightest among them is the progressive young director, Raymond Red. Red gained international acclaim for several times. He calls his movies “alternative films.” These, he says focus on the aesthetic aspect of movies. They are made not for financial gain, but to carry across some message to educate,

explain, and inspire. In an alternative film, there is greater room for creativity. Sex and violence are depicted only when they are necessary or natural part of the story; they are not used as the central theme, and never exploited for the sake of commercial success.

The prospects of good films in the Philippines, according to Red, is very bleak. But he stresses, that there are encouraging signs. Whenever foreign film festivals come around, the low-budget films of alternative Filipino moviemakers are invariably invited. That fact is a clear sign, says Red, that good filmmaking has managed to endure – that in the general garbage heap of the Filipinos, a few worthy gems still manage to shine.

In his speech at the Metro Manila Film Festival “Gabi ng Parangal” in December 1998, the former President Joseph Estrada vowed to help the movie industry by reviving the Film Ratings Board and spearheading a move to convert the multimillion peso amusement tax collection into a fund for the development of the local industry.

Industry insiders admit that the market for local movies continues to dwindle as Hollywood productions lord it over at the tills. Other reasons are the insipid and hackneyed formulas of local movies and the competition from cable TV. Local movies also have been eclipsed by the high-tech wizardry of Hollywood productions. Even theater operators are starting to feel the second rate quality of local movies against Hollywood pictures.

SM Cinemas operations manager Ricky David, Jr. agrees that the high-tech quality of Hollywood movies attracts Filipino audiences. “Local movies use stereo or mono sound, while foreign releases use digital sound and DTS or Sony Digital Dynamic Sound,” David explains. “Just for sound system and effects, we cannot compare foreign films with local movies. The quality of Hollywood movies, in terms of budget and effects, is very different from ours.”

David says English movies have higher sustainability compared with Tagalog productions. “Although the first week gross of Tagalog movies are financially rewarding, the revenues will drop in the second week,” he says. “But English movies can sustain their earnings even for several weeks.”

David further stresses, “On opening day a movie has to gross at least PhP50 thousand in an SM cinema. Otherwise, we recall them. There are very few Tagalog films which we retain for a second week run, but English films stay in the theater for weeks since people continue to watch them.”

Pointing to the results of past years’ Metro Manila Film Festivals (MMFF), 1997 is so far, the worst year in Philippine cinema history. MMFF grossed 20% lower in 1997 than the earnings in 1996 which was also 20% lower than 1995 receipts. The poor showing of local movies had prompted theater owners to reverse their 1996 ratio of booking films. Instead of giving local movies a 60% ratio over 40% foreign, it was now the other way round; 70% foreign films to 30% local movies.

The currency crisis of 1997 had compounded problems in movie production shifting from bad to worse. Before the peso depreciation, a big budget movie cost between PhP15 million to PhP20 million, a medium-budget movie between PhP5 million to PhP8 million, and a low-budget movie from PhP2 million to PhP3 million. After depreciation, the only budget that their executive producers could realistically consider was PhP 12 million, including promotion. Anything lower or higher was either out of the question or too risky.

The year 1998's total output of 145 new films is 54 less than the previous year's 199 record. On the overall, the output of Regal Films, MAQ, and Good Harvest (combined total: 35 films) was still the one to beat. At the head of the pack was Chito Rono's "Curacha, Ang Babaeng Walang Pahinga," whose shock waves caused titanic tremors all the way from Mowelfund's Kasaysayan at Pelikula in February to Jess Sison's Centennial Film Celebration in June and the Toronto Film Festival in Canada in September 1998.

At first, "Curacha" seemed headed for oblivion when Sison's MTRCB gave it an X-rating because of Rosanna Roces' "daring" scenes, but the Malacanang Appeals Committee reversed the decision and allowed the film to be shown uncut. Set against the backdrop of the aborted coup d'etat against President Cory Aquino's government in 1989, the film drew vivid parallellisms between Rosanna's personal life as a "torera" (live sex Performer) and the turmoil of the times.

To offset negative criticism for her "pito-pito" movies whose quality, according to some, was greatly undermined by her shoestring budgets, Mother Lily directed supervising producer Joey Gosiengfiao to mount a Good Harvest Film Festival at a Megamall Cinema in October. The Festival featured 10 new films by outstanding but inactive veteran directors and their new generation counterparts. The impressive list included Mario O'Hara, Behn Cervantes, Jeffrey Jeturian, Lav Diaz, Chris Michelena, Ces Evangelista, Junn Cabreira, Jimmy Ko, and Jose Johnny Cruz. Ben Cervantes who had not made a film in two decades, opened the festival with his social realist "Masikip, Masakit, Mahapdi", an anthology based on three-one-act plays by Alberto Florentino: "The World Is An Apple," "Cavorting With Angels," and "Cadaver." His low budget for talent fees did not prevent Cervantes from assembling a magnificent cast composed of Jaclyn Jose, Joel Torre, Julio Diaz, Rita Magdalena, Hazel Espinosa, Rita Avila, Daniel Fernando and Allan Paule. But having to finish the movie in 10 shooting days was an excruciating experience.

In the words of a film reviewer, Lito B. Zulueta, not only did this film "manage to achieve something close to a classic cinema" but it also helped to "point the way to the deliverance of Philippine cinema." (Philippine Daily Inquirer, 10/11/98). It was the highest grosser of the festival.

The other discovery of Good Harvest was new filmmaker Lav Diaz whose movie, Serafin Geronimo: Ang Kriminal ng Baryo Concepcion, was based on a winning script

which he also wrote and submitted as an entry in the annual scriptwriting contest sponsored by the Film Development Foundation of the Philippines. It was chosen by Festival Programmer David Overbey as a Philippine entry in the 1999 Toronto International Film Festival.

If Regal's focus was on local exhibition, Viva Films' strategy was the opposite. Instead of cutting down on the budget, the thrust was on market expansion. The Viva/Neo/Falcon Films combined accounted for a total output of 21 pictures in 1998, some of which are now regularly shown in Guam and other places where there is a heavy concentration of Filipino workers and expatriates.

The efforts to show their films regularly in Guam have paid off handsomely for Viva. After successfully showing the Bong Revilla-Charlene Gonzales starrer, "Ben Delubyo," to a full house at the 3 month old Guam Megaplex in Tumon, Viva followed it up with action-drama, "Balasubas," starring Ace Espinosa and Pia Pilapil. Next came the romantic melodrama, "Dahil Ba Sa Kaniya?," starring Aga Muhlach and Mikee Cojuangco. This was the first time RP movies were shown regularly in Guam.

The third in most number of films made in 1998 was Star Cinema with 18 pictures. Of this number, only one was a co-production, Carlos Siguion-Reyna's "Ang Lalaki sa Buhay ni Selya." The investment paid-off handsomely for Star Pacific Cinema when Selya returned from the 1998 Berlin International Film Festival with a Teddy Special Jury Award and a string of offers to show in other international film festivals.

An experiment that paid off well was the premiere showing in Hong Kong of April, May, June before it opened in Manila.

Star Cinema producers Malou Santos and Eric Cuatico banked heavily on serious dramatic fare with Lualhati Bautista's "Bata Bata, Paano ka Ginawa?" directed by Chito Rono and starring Lipa City Mayor Vilma Santos.

Quality, not quantity, was the overriding concern of GMA Films executives Butch Jimenez and Jimmy Duavit when they channeled a major hunk of their film budget into the making of only one picture, Marilou Diaz-Abaya's "Jose Rizal."

In his review, Pablo A. Tariman hailed the movie as "a Filipino film for all seasons." (Philippine Star, 7/1/98) Another writer described it as "a movie that was taking almost forever to finish." Nestor U. Torre's comment that some viewers at the premiere showing found the film "difficult to follow" was shared by others who nevertheless agreed that it was "definitely an important film and an emphatic human viewing experience that succeeded in making the beloved hero live again." (Philippine Daily Inquirer, 7/3/98)

When it opened to Filipino audiences at the 24th Metro Manila Film Festival in December, there was no doubt that Jose Rizal would romp off with both critical acclaim

and box-office success. But it was equally evident that its huge cost of production (reportedly PhP70 million) could not be recouped by domestic exhibition alone and GMA must pin its stakes on world distribution.

GMA Films had started its 9-picture output for 1998 with Jun Urbano's "My Guardian Debil," a low budget satirical comedy which also had modest returns. This was followed by Marilou Diaz-Abaya's "Sa Pusod ng Dagat" which had a world premiere in Berlin and an official press conference, a rare honor accorded a Filipino film at any international film festival. After seeing "Sa Pusod ng Dagat" in Berlin, the director of the Lincoln Film Center, Richard Pena, wrote GMA producers Butch Jimenez and Jimmy Duavit, inviting their film to grace the 1998 Philippine Centennial Celebration in New York City as the opening film at the Lincoln Center.

"Sa Pusod ng Dagat" did not fare well at the local tills when it opened at Manila theaters in June, but GMA pinned its hopes of ROI on foreign film buyers. Among the interested parties were international film distributors who wanted to show it in Switzerland, Canada, Singapore, and some parts of the United States and Europe.

Table 5. 1998 Philippine Film Industry Output

Producers	No. of Output
1) Regal, Good Harvest, MAQ Films	34
2) Viva, Neo, Falcon Films	23
3) Star Cinema	18
4) GMA Films	09
5) Seiko, Taurus, Shangten (4 each)	12
6) Premiere, Skorpion (3 each)	12
7) Rainbow, Skorpion, Amaritz, GP, Filmmakers Workshop (2 each)	12
8) One-picture producers	<u>30</u>

Table 6. Forms and Types of Films Produced in 1998

Forms and Types	No. of Output
1) Drama	48
2) Sex-Oriented	46
3) Action	31
4) Comedy	15
5) Fantasy	03
6) Historical	01
7) Musical	<u>00</u>
Total	145

Table 7. Recent Films which Made it to International Film Festivals

	Film	Director
1)	Kahapon May Dalawang Bata	Carlitos Siguion-Reyna
2)	Lalaki sa Buhay ni Selya	Carlitos Siguion-Reyna
3)	Saranggola	Gil Portes
4)	Rizal	Marilou Diaz-Abaya
5)	Muro-Ami	Marilou Diaz-Abaya
6)	Ang Criminal ng Barrio	Lav Diaz
7)	Hubad sa Ilalim ng Buwan	Lav Diaz
8)	Pila Balde	Jeffrey Jeturiann
9)	Anino	Raymond Red
10)	Flor Contemplacion Story	Joel Lamangan

1.4 Structure of the Industry

1.4.1 Profile of the Firms in the Industry

Table 8. Profile of Firms

Number of Firms	4,609 firms
Employment	15,517 people
Gross Revenue	PHP1.796 billion
Gross Value Added	PHP7.39 billion
Total Labor Compensation	PHP0.327 billion
Book Value of Assets	PHP0.728 billion
Labor Productivity	PHP22.57/PHP 1 investment in labor
Capital Productivity	PHP10.15/PHP 1 investment in capital

Source: 1994 Census of Establishments

There were 4,609 film establishments recorded in the 1994 Census of Establishments employing 15,517 people minus actors and actresses. Gross revenue was at P1.7 billion, while gross value added was at P7.3 billion. Labor productivity was pegged at P22.57 worth of one investment in labor, while capital productivity was at P10.15 worth of one investment in capital. In other words, the industry invested more on manpower than capital equipment in 1994.

Table 9. Regional Distribution of Film Establishments

Region	No. of Firms		Total Employment		Gross Revenue (PHP '000)	
NCR	1,587		4,541		716,061	
9611	58		251		58,071	
9612	1,529		4,290		657,990	
CAR	81		268		19,056	
9611	0		0		0	
9612	81		268		19,056	
ARMM	25		121		6,343	
9611	0		0		0	
9612	25		121		6343	
I	299		1,003		51,229	
9611	7		23		563	
9612	292		980		50,666	
II	151		638		84250	
9611	0		0		0	
9612	151		638		84250	
III	395		1,352		134,257	
9611	4		8		254	
9612	391		1,344		134,003	
IV	676		2,107		227,101	
9611	15		52		2,062	
9612	661		2,055		225,039	
V	205		740		41,477	
9611	3		8		364	
9612	202		732		41,113	
VI	286		873		107,024	
9611	7		28		1,293	
9612	279		845		105,731	
VII	190		774		79,325	
9611	0		0		0	
9612	190		774		79,325	

VIII	63	207	13,741
9611	0	0	0
9612	63	207	13,741
IX	110	501	122,071
9611	0	0	0
9612	110	501	122,071
X	186	844	59,731
9611	0	0	0
9612	186	844	59,731
XI	230	806	100,689
9611	3	6	149
9612	227	800	100,540
XII	125	742	33,539
9611	0	0	0
9612	125	742	33,539
TOTAL	4,609	15,517	1,795,894

Source: 1994 Census of Establishments

On regional distribution of film establishments, the National Capital Region controls the industry with 4.5 million total employment valued at P716 million, followed second by Southern Tagalog (Region 4) at 2.1 million employment valued at P227 million, and third by Central Luzon (Region 3) at 1.3 million employment valued at P134 million. Rank No. 4 in terms of gross revenues was Western Mindanao (Region 9) at P122 million, Rank No. 5 was Western Visayas (Region 6) at P107 million, and Rank No. 6 was Southern Mindanao (Region 11) at P100 million. The rest were below the P100 million mark.

Table 10. Profile of Top 8 Motion Picture Projection Companies (PHP '000)

	1998	1997	% Change
Gross Revenue	386,584	232,026	66.61%
Net Income	-158,703	-175,531	9.59%
Total Assets	742,657	706,451	4.88%
Equity	-317,468	-153,432	106.91%
Capital Output Ratio	1.92	3.04	-36.84%
Index of Profitability			

The Top 8 Motion Picture Projection Companies Based on 1998 Gross Revenue (PhP '000)

	Gross Revenue	Market Share
Bohol Quality Corp.	193,659	50.09
West Avenue Theaters Corp.	48,932	12.66
FSM Cinemas, Inc.	35,437	9.17
Rajah Broadcasting Network, Inc.	27,002	6.98
Scorpio Theater Mgt. Corp.	23,255	6.02
Imperial Cinema, Inc.	21,718	5.62
Mayfair Theater, Inc.	20,822	5.39
Ayala Theaters Mgt., Inc.	15,759	4.08

Source: 1999-2000 Top 7000 Corporations
1999-2000 Next 5000 Corporations

Gross Revenue of the top 8 motion picture projection companies shows a total of P386 million in 1998 versus P232 million in 1997 or a percentage change of 66%. Net income was P --158 million in 1998 versus P –175 million in 1997 or a percentage change of 9%. The table indicates the top 8 motion picture production companies did not earn enough. On the other hand, the specific companies belonging to the top 8 shows that Bohol Quality Corporation generated P193 million gross revenue with a market share of 50%, followed by West Avenue Theaters Corp. with only P48 million gross revenue and a market share of 12%. The rest had lower than 10% market share.

Table 11. Profile of the Top 14 Motion Picture, Radio, Television and other Entertainment –Related Companies (PHP '000)

	1998	1997	% Change
Gross Revenue	749,642	794,337	-5.62%
Net Income	23,496	51,263	-54.17%
Total Assets	2,271,487	2,272,174	-0.30%
Equity	1,741,165	1,764,520	-1.32%
Capital Output Ratio	3.03	2.86	5.94%
Index of Profitability	1.35	2.91	53.61%

The Top 14 Motion Picture, Radio, Television and other Entertainment-related Companies Based on 1998 Gross Revenue (PhP '000)

	Gross Revenue	Market Share
Star Cinema Productions, Inc.	162,130	21.63
Regal Entertainment, Inc.	157,920	21.07
Film Experts, Inc.	78,625	10.49
Maganavision, Inc.	55,904	7.46
Premiere Entertainment Productions	48,734	6.50
Electromedia, Inc.	45,187	6.03
Production Village Corp.	44,480	5.98
Optima Digital, Inc.	42,329	5.65
Valrose Cinema Enterprises, Inc.	28,966	3.86
Supreme Motion Pictures, Inc.	25,739	3.43
Seiko Films, Inc.	21,319	2.84
Advertising Ventures, Inc.	20,184	2.69
Nova Production Int'l Corp.	8,888	1.18
Dison Enterprises, Inc.	8,877	1.18

Source: 1999-2000 Top 7000 Corporations
1999-2000 Next 5000 Corporations

The profile of the top 14 motion picture, radio, television and other entertainment-related companies shows a gross revenue of P749 million in 1998 versus P794 million in 1997 with a percentage change of -5.62%. Net income in 1998 was P23 million versus P51 million in 1997 with a percentage change of -54.17%. Again the table indicates a negative financial profile. Specifically, however, Star Cinema Productions had a gross revenue of P162 million with 21.63 market share, closely followed by Regal Entertainment with a gross revenue of P157 million and a market share of 21.907%. Third was Film Experts with a gross revenue of P78 million and a market share of 10.49%.

--Rivalry among Existing Competitors

Filipino filmmakers tend to fall into five categories:

- 1) The first are the **major companies**: Star Cinema, GMA Films, Regal, Viva, and Seiko. Having hundreds of millions of pesos in asset and capital, they bind the major movie stars with fat contracts and generous advances. They produce all the box office or blockbuster hits. Their studios churn out 12 to 30 pictures a year; they own several big theaters and have tie-ups with the largest theater circuits in Metro Manila, assuring them of a massive chunk of the market.

- 2) The second are the **strong independents**. These people have been in the business for more than 15 years and are well established in the industry. They wield financial clout, and are able to depend solely on their own funds. They are equipped with know-how and expertise, and each can produce two to four big or average pictures a year. They can easily get good bookings or playdates from Metro Manila to provincial theater clients.
- 3) The third category consists of **wealthy individuals who finance a movie not necessarily to make a profit, but for some special purpose, such as the promotion of political views or religious beliefs**. Another reason may be to please their artistic inclinations. Some of these people even hold degrees in cinema arts, or have some knowledge of filmmaking. They usually come in for a one-shot deal; they are attracted to movies because of the glamour, or are simply dilettantes.
- 4) The fourth category is often made up of **people who could not enter any of the major film outfits, or find employment outside the movie industry. They produce low-budget films of the rated R or X genre**, intended only for provincial and private showing. They rely on funds extracted from friends, or cajoled from loan sharks and theater owners.
- 5) These are **filmmakers whose main concern is to develop alternative cinema**. Despite their limited funds, they have chosen to repudiate the present trend of crass commercialism. They have broken away from mainstream; they are not formally organized, nor are they members of any cinema or guild.

--The Business lines in the Industry

The film industry in the Philippines is composed mainly of three important business lines that are interdependent with each other. These components are: 1) Film Production; 2) Film Distribution; and 3) Film Exhibition.

Producers

The producers are those which bankrolls film production. In 1999, these producers made a total of 140 films a year, the fourth largest in the world. This comprises approximately a third of the films shown here with the other two-thirds comprising the foreign movies. Most of the times, these local producers are also the distributors of their own films, while there are still other producers who enter in a distribution agreement with larger film companies.

Distributors

Distribution, meanwhile, makes up the next phase in the film business. Distributors are in charge of marketing films, acting primarily as the marketing arm. In the Philippines, film distributors are classified into three categories, with the principal players per category listed as follows:

1) Major Distributors

Also known as the majors. They are distributors of Motion Picture Association of America (MPAA) companies otherwise known as American film companies.

Table 15. Major Distributors

a. Warner Bros.	Warner Bros. Pictures
b. Viva	20 th Century Fox
	Paramount
	Universal
	Metro Goldwyn Mayer
	Dreamworks
c. Columbia	Columbia Tri-Star
	Buenavista

2) Independent Distributors

Distributors of foreign films acquired from the major and/or independent film companies.

Table 16 Independent Distributors

a. Pioneer	
b. Sky-Jemah	Miramax
c. Viva	20 th Century Fox
	Paramount
	Universal
	Metro Goldwyn Mayer
	Dreamworks
d. Columbia	Columbia Tri-Star
	Buenavista

3) Local Distributors

Distributors of locally produced films

Table 17 Major Distributors

a)	Regal Entertainment
b)	Viva Films
c)	GMA Films
d)	Star Cinema
e)	Seiko Films
f)	Solar Films
g)	Millennium Films
h)	OctoArts Film
i)	MAQ
j)	RS Production
k)	Good Harvest Production
l)	Neo Films
m)	Falcon Films
n)	Taurus Films
o)	Starlight Films
p)	Rainbow Films
q)	Shangten Films
r)	Skorpio Films
s)	Starlight Films
t)	Premier Entertainment
u)	Reyna Films
v)	FPJ Productions
w)	RVQ Productions
x)	Diamond Harvest
y)	Other independent producers

For the majors, some have their own distribution outlets in the country like Warner Bros. and Columbia Tri-Star. Sometimes, producers can distribute their own productions as in the case for the local distributors like Star Cinema and Viva Films. Also local distributors can enter into an agreement with foreign film producers for the distribution rights like what was done by Viva Films.

Exhibitors

--The Bargaining Power of the Exhibitors (the Customers of Filmmakers)

The exhibition circuits, on the other hand, provide quality theaters to the audience, run the film according to schedules set by the distributors, provide additional

in-house marketing, and seek theatrical opportunities. In short, theaters act as a distribution channel of movies although they can still perform promotional activities.

Before, exhibition is controlled by two circuits: Greater Manila Theaters Association (GMTA) and the Metro Manila Theaters Association (MMTA). These two booking associations monopolized the exhibition industry. They controlled all exhibitions both for local and foreign films. To be a member of the circuit, theater owners had to pay a booking fee.

But the evolvement of bigger conglomerate of cinemas stunted the monopoly of the two associations. These multiplexes proved to be effective in drawing movie audiences. Again, these malls drew more audiences also because of the convenience and comfort it provides, like spacious guarded parking areas, groceries, retail outlets, etc. Metro Manila theaters account for 18% of the total movie theaters and 34% of all screens in the Philippines.

Table 18. Exhibitors

THEATER GROUP	NO. OF THEATERS	PERCENTAGE OF SALES
SM	11 with 97 screens	26
Ayala	5 with 29 screens	14
MMTA	20 with 200 screens	9
GMTA	17 (single houses)	6
Robinson's	4 with 25 screens	8

(Source: Warner Bros. Records)

Corresponding to the economic performance of the country, the Philippine film industry has been declining for the past few years although the share of the foreign films is getting bigger.

Table 19. Film Market Share

Independent	19%
Local	38%
Major	43%

(SOURCE: WARNER BROS. RECORDS)

The Philippine movie industry generates almost PhP 1 billion annually in taxes for the government. More than 450,000 people directly benefit from the industry, including those from the film production and distribution groups; writers, actors, actresses, directors, film editors, theater employees, and countless other cinema-related businesses.

And yet, despite all its glitz and glamour, the movie business is a declining industry.

TECHNOLOGY

-- The Bargaining Power of Suppliers

A Look at Technology in Filipino Filmmaking

As the millennium approaches, the local movie industry intensifies its interest in the realm of the technical. The series of high-risk investments made recently by major studios point to a more adventurous outlook. Filmmakers will want to believe that their producers have finally seen the light – that in order for Philippine cinema to be more globally competitive, the producer must put a more serious eye on the art of movie photography.

In previous years, the best tools in the country's film trade seemed to be the exclusive property of the advertising industry. The production value invested on TV commercials allowed the commercial directors and cinematographers to be virtual masters of their domain, commanding a wide array of state-of-the-art camera and lighting systems, and making the studio their playground for sampling the new and the radical. In the meantime, most of their colleagues in the movie realm helplessly looked on as the six to seven-figure fees of the megastars ate away at the camera department's budget, often forcing them to use low-grade equipment.

In 1997, Carlitos Siguion-Reyna hired Yam Laranas, a commercial cinematographer, as his Director of Photography for "Ang Lalaki Sa Buhay Ni Selya." Laranas used the newly-imported ARRIFLEX 535b camera and KODAK's newest film stock, the Vision 320T and injected the film with a fresh look. Chito Rono followed suit. His new film, with Neil Daza as cinematographer, also uses the ARRI 535b camera acquired by a relatively new film outfit called Lightscape.

Here's a quick glance at Philippine Cinema's latest acquisitions:

Cameras

Types of Cameras

Arri 535b

This lightweight companion camera for the Arriflex 535 system is incredibly quiet, making it ideal for live sound production. Its arriglow viewfinder brightness control system has contrast adjustment capability. It also has an electronic inching button and electronic footage counter alongside the mechanical one. The camera can run film at 3 frames per second up to 60 frames per second and can be programmed at certain speeds. Shutter adjustment can be used with fixed settings at every 15 degrees from 15 degrees to 135 degrees and 144 degrees, 172.8 degrees. The 144 degree is specially helpful in reducing the chance of getting flickers from unstable HMI lighting

fixtures. Star Cinema, Lightscape and Crown Seven have one or two for their production units.

Arri 435ES

A new MOS camera system replacing the popular Arri 35-3. The electronic shutter and the programmable speed features enable the cinematographer to achieve extraordinary effects. In a continuous camera operation, film speed can be shifted with the shutter self adjusting to compensate for light loss and maintain original depth of field. RS Video and Cineforce offer 435ES for rent.

The Moviecam Camera System

Another Live Sound Camera System recently available here is the Moviecam. Initially used in filming Marilou Diaz Abaya's Rizal, this camera owned by Filmex is often referred to as the true rival of Panavision in terms of simplicity and ease of use. The moviecam is absolutely quiet and stable and is often outfitted with the best Cooke zoom and prime lenses.

Lenses

Types of Lenses

High Speed Prime Lenses

Most notable of high speed primes are the Zeiss T 1.3 super speed lenses. Available focal lengths are at 18mm, 25mm, 35mm, 50mm, 65mm, and 85mm. Each lens has multilayer coating on all glass to air surfaces to optimize color saturation and purity. This guarantees uniform color correction and interchangeability.

Variables Prime Lenses

The Arri-Zeiss variable primes system is the most advanced high performance lens system available. The VP1, VP2, and VP3 combine for a continuous 16mm to 105mm range and maintains an absolute T 2.2 when changing focal lengths. These lenses would allow filmmakers to work faster in conditions that offer little time to shoot, like for instance the magic hour.

Swing Shift System

Swing Shift lens system is an innovation that allows the cinematographer to control the perspective and depth of field within a shot. The system consists of the main bellows unit that allows movement of the lens relative to the film and several different lenses mounted in special lens boards.

Special Tools

The Arri Varicon

A couple of years ago this contrast enhancement kit found its way to our shores via Star Cinema and RS Video. The kit is a system for controlling contrast in your film. It provides a continuously adjustable contrast over the entire photometric range of the film without affecting its resolution. It flashes a controlled and even amount of light to the shadowed area during exposure giving the operator the freedom to reduce contrast while observing the results in the viewfinder. Varicon adds more detail in dark areas and can add color to shadow areas without affecting the highlights.

The Color Meter

The varying color temperatures of natural and artificial light sources pose a great problem for the production that requires consistency in look and feel. The color meter deals with the shifting of color temperatures. With corresponding color correction filters, this device allows the cinematographer to control color temperature and introduce color corrections during filming.

Film Stocks

Faster, wider latitude, better contrast and color saturation, sharper images and better grain structures are what filmmakers look for in their film stocks. Kodak, industry leader in film technology development, has made these latest products available worldwide.

Vision 800T Color Negative

This is the world's fastest color negative motion picture film made available recently. It has an exposure index of 800 in tungsten light and 500 in daylight. It offers the speed and latitude you need and the color reproduction that enables you to intercut seamlessly with other stocks. The speed does not take away the sharpness and grain structure one would expect from products of slower speed. This implies an extended daytime and magic hour shooting time, or less lighting equipment.

Vision Premier Color Print Film

A quantum leap forward in film technology, this new print film stock produces richer blacks, more saturated colors and cleaner performance. Cinematographers strongly believe that the use of this stock may eliminate the need for custom contrast and color enhancement processes in film laboratories.

The Shape of Things to Come

Special Processing Techniques

Custom processes are very popular in US and Europe. To create a distinguishing visual style, cinematographers collaborate with film laboratory technicians to formulate special techniques to improve the visual palette. Local film labs may soon be compelled to concoct their own versions of these custom processes in order to keep up with the demands of the film industry.

Silver retention process among others is an image enhancing technique that primarily affects the contrast, color saturation, grain and level of black density in print images. This lab induced effect gives the film a special look depending on the degree of application.

Technicolor's ENR

Named after its inventor Ernesto Novellie Rimo, this custom silver retention process was designed upon Vittorio Storaro's request. First used in Red's, this step was used in all his subsequent works, among them Dick Tracy, Little Buddha, and The Last Emperor. ENR is a proprietary color positive developing technique which allows for a controlled amount of silver to be redeveloped, thus increasing the contrast and giving more detail in the shadow areas.

Acquiring the above tools and techniques is a vital factor to the growth of Philippine cinema. The technology is here and the time is now to capitalize while the industry has the momentum.

--Threat of Substitute Products

Even before a movie is released for in the market, pirated versions of films are already distributed and could be found almost everywhere. One thing that attracts people to these "stolen" videos and discs is the cheap selling price for an almost the same quality as the original ones. These pirated videos and discs are priced as low as PhP30 per VCD. Hence, making film pirates comprise almost 80% of the video market.

Another substitute is the proliferation of movies edited for television and/or movies made for television. This becomes an even greater problem once recently shown movies in theaters are immediately aired on television. Hence, moviegoers would rather wait at their own living rooms to watch their favorite films.

--Threat of New Entrants

While it is true that there are less independent producers joining the bandwagon of filmmaking due to a slump in the industry, there will always be risk takers who would produce films. Foreign new players can always try the local market and succeed even with a limited budget since they have more resources from abroad. What they can do is collaborate with a local film producer and do joint ventures.

1.5. Laws Hindering/Facilitating

The MTRCB

The Movie and Television Review and Classification Board is a government arm in charge of classifying film as Restricted, General Viewership, or Parental Guidance. Hence, in the act of classifying films, it assumes the function of censoring films with scenes that are objectionable. It has instituted guidelines both for movies and television to protect the interest of the greater majority who may encounter films that may be rated X or not allowed for public viewing. In this regard, a number of producers and particularly directors object once their films are to be sanitized to conform to "decency" and "good taste." They claim that some MTRCB reviewers are either very strict or too lax in reviewing films thus hindering the growth of the local film. They also claim that there is a double standard in classifying films -- too strict for local films and considerate in foreign films with the so-called objectionable scenes. The way the MTRCB people interpret the implementing guidelines of MTRCB as mandated by law now becomes a matter of personal decision. Whoever is head of the MTRCB also influences the profile of the Board -- overly strict during the time of Manoling Morato and quite permissive during the time of Armida Siquion Reyna. The consoling factor is that there is an Appeals Board at the Malacanang Palace which can change an X rating of film but even this is dependent on who are in the Appeals Board. For instance, the resignation of some reviewers considered to be supporters of progressive films at both Boards now "endanger" quality films with some explicit scenes. More recently, the resignation of the newly appointed MTRCB Chief Dr. Nicanor Tiongson because of the pull out of the film "Live Show" due to Church intervention is another major blow to MTRCB as a "classifying" body. Dr. Alejandro Roces, former secretary of education, is now the head of MTRCB.

On Film Piracy

Film piracy is the illegal and unauthorized sale, lease, reproduction, television airing or public exhibition of a copyrighted motion picture. It is a crime that has resulted in as much as Eight Million Philippine Pesos (Php 8 million) in annual losses for movie producers, theater owners and legitimate video distributors. These losses, in turn, limit

the film industry's capacity to generate employment, earn revenue, and contribute to the Philippine economy.

What laws do film pirates violate?

Presidential Decree 1987, otherwise known as an Act Creating the Videogram Regulatory Board (VRB) provides for the legal framework for videogram regulation in the country. It calls for the registration of all businesses intending to engage in the sale, lease, importation, exportation, reproduction, exhibition, and showing of videograms with the VRB (Sec. 6) It also prohibits the reproduction, sale and rental of any videogram without the consent or approval of the film's producer, importer or licensee (Sec. 7) and without the videogram being registered with VRB (Sec. 8). PD 1987 provides a mandatory penalty of three months to one year imprisonment plus a fine or not less than fifty thousand Philippine pesos (PhP 50,000) to anyone who violates its provisions (Sec. 9).

Republic Act No. 8293, otherwise known as the "Intellectual Property Code of the Philippines," Part IV thereof, covers copyright protection on audiovisual works. The IP code confers on the copyright owner the "exclusive right to carry, authorize or prevent" the reproduction, dramatization, public distribution, rental, public display, public performance and other forms of communication to the public of a copyrighted material, and mandates that such imports should not be used to violate, annul or limit the rights of the copyright owner (Section 190.2) This means that imported videograms are limited to personal use and cannot be re-sold, leased out, aired or shown for profit. Finally, the law increases penalties for copyright infringement. Apart from requiring the transgressor to pay actual, moral and exemplary damages (Section 216), the law also provides for criminal penalties. First time offenders will be meted out a one (1) to three (3) year prison term plus a fine ranging from fifty thousand Philippine pesos (PhP50,000) to one hundred fifty thousand Philippine pesos (PhP150,000). Multiple offender may be meted a six (6) to nine (9) year prison term and a fine as high as one million five hundred thousand Philippine pesos (PhP 1.5 million).

What is the Government and the Private Sector doing about film piracy?

Various government agencies are currently involved in the fight against piracy. Aside of the Videogram Regulatory Board (VRB), the National Telecommunications Commission (NTC) is also undertaking efforts to curb cable piracy. Cable companies are now required to submit sworn statements of their programming schedule as well as on videograms they intend to show in their programming.

The Intellectual Property Office (IPO) was created under RA 8293. The designation of courts where intellectual property rights cases could be heard and decided on was likewise mandated by law.

There are also several bills pending in Congress that seek to strengthen the VRB and the NTC's powers in combating piracy in their respective fields. Among these

are Senator Ramon Revilla and Senator Ramon Magsaysay Jr.'s bills on cable television regulation.

The private sector has also been actively assisting the government in its anti-piracy efforts. The Motion Picture Anti-Piracy Film Council, Inc. (MPAFPC), an association of Filipino film producers, theater owners and video retailers--has established Task Force that assists the VRB and the National Bureau of Investigation (NBI) in its anti-piracy operations. The MPAFPC has forged a partnership with the Motion Picture Association, a group representing seven major Hollywood studios, in its anti-piracy efforts.

1.6. Film Associations and Organizations

In 1981, attempts were made to uplift the dismal state of the film industry. An executive order declared the promotion and development of the movie industry a matter of state policy.

The Film Academy of the Philippines. The Film Academy of the Philippines was established under the auspices of the Film Board, as was the Film Fund, an organization that would grant loans without collaterals to selected film projects. A Board of Standards was created, which would grant tax rebates and rate films. A Film Archive would serve as a repository for deserving movies. Under these institutions, the industry flourished.

A year later, another Executive Order created the Experimental Cinema of the Philippines. The ECP was one of Imelda Marcos' pet projects. It enjoyed numerous privileges, including freedom from censorship and exemption from all kinds of taxes. The ECP absorbed the functions of the Film Board, ran the Film Center, maintained the Film Archive, and organized the Manila International Film Festival. It became virtually a producer, importer and exhibitor rolled into one.

This concentration of power stifled the industry's growth. Worse, the Film Fund lent itself out of existence. It failed to collect on its loans, and by 1986 collectibles had reached PhP11 million. Exasperated, Marcos abolished the ECP because of its tarnished credibility. In its place she created the Film Foundation, which became largely ineffectual as the events of 1986 overtook it.

The Mowelfund. The Movie Workers Foundation, Inc. (MOWELFUND) is the only one of its kind in Asia. It undertakes two kinds of programs: 1) social welfare program for movie workers and 2) development program to uplift the movie industry. It has been able to undertake this programs for 23 years without any prodding from the government or outside. The MOWELFUND represents the industry's concern for its

own people and the industry's future. It is a non-stock, non-profit private organization managed by a Board of Trustees composed of leaders and artists in the Philippine Cinema.

Under the social welfare program, a member receives a maximum medical aid of PhP 7,000.00 per hospital confinement of PhP 12,000.00 with surgery. A death aid of PhP 35,000.00 is paid to the beneficiaries of members. MOWELFUND aids till the end of 1996 totaled PhP 23,508,563.50. The MOWELFUND celebrated its 23rd anniversary on the March 8, 1997 with an Annual Free Clinic Day exclusively for about 5,000 members and their families.

Under its development program, the establishment of a MOWELFUND Film Institute (MFI) in 1979 marks its most significant and enduring contribution to the local movie industry. Many outstanding new talents in the local movie and advertising world are products of the MFI.

Since 1975 to 1985, it was instrumental in propagating local films in a foreign film dominated market through a Metro Manila Film Festival, and for several years, regional film festivals in the provinces. Significantly, it sponsored the First Filipino Film Festival in the US and Canada in 1976, and sent seven scholars to the United States in 1982 for a two-year filmmaking grant.

The MFI workshops in directing, cinematography, photography, animation, scriptwriting, stunts, documentary, acting which used to take place only during summer have progressed to becoming periodic events and eagerly anticipated by many young film and video enthusiasts. Its outreach program provides screening and lectures in universities and public places. The Movement magazine, published by MFI, is the country's only publication exposing independent cinema as well as mainstream cinema.

Not only through the various workshops, seminars, film festivals and outreach programs does MOWELFUND play a role in uplifting the Philippine movie industry. Its library and archives which include valuable documents and photos on Philippine cinema prove invaluable to students and researchers of cinema studies marking this edifice the only center of its kind in the country.

The MOWELFUND works closely with the Film Academy of the Philippines (FAP) and the Philippine Motion Picture Producers Association (PMPPA) which are both movie industry umbrella organizations. The Foundation's funds are derived from donations and fundraising activities. The MOWELFUND Plaza in Quezon City serves as its home.

MOWELFUND along with the entire Philippine Cinema industry gained the support of Philippine President Fidel V. Ramos who declared under Proclamation No. 448 the period from 25 September 1994 to 26 September 1995 as the Diamond Anniversary of the Philippine Cinema. A befitting grand reunion of movie personalities from all generations shared a memorable evening at the PICC.

When the celebration of the 75th year commemorating the founding of the Philippine Cinema ended, it was an opportune time to celebrate the centennial celebration of the World Cinema right here in the country. The MOWELFUND Film Institute (MFI), the National Commission for Culture and Arts (NCCA), the Film Development Foundation of the Philippines (FDFP), the Department of Tourism (DOT), the Film Academy of the Philippines (FAP) and the Network for the promotion of Asian Cinema (NETPAC) made it possible for Manila to participate in world-class event of gigantic proportions.

The Film Development Foundation of the Philippines International Film Festival Committee (IFFCOM)

The International Film Festival Committee (IFFCOM) is an organization responsible for funding and providing financial assistance to movie producers who are invited to participate in international film festivals. But prior to approval of funding, producers undergo certain procedures and must comply to a number of requirements. Not all invited producers can easily avail of financial assistance.

I. Procedures and Requirements

- a.) Financial assistance will be made available to a Filipino movie which is invited to participate for the first time in any of the international film festivals on the IFFCOM approved list. No grants will be given to any Filipino movie participating in an international film festival that is not on the IFFCOM approved list.
- b.) Upon qualification as an official entry to the international film festival, the producer of the selected film shall furnish IFFCOM with a copy of the official letter/fax of the invitation signed by the festival director or programmer, on the official letterhead of the international film festival, complete with address and telephone/fax numbers. Pertinent materials (brochures, guidelines, rules) related to the Festival which are sent to invitee shall also be furnished IFFCOM for proper coordination.
- c.) The highest ranking Producer in the film outfit shall fill up an official application form requesting for a subsidy. IFFCOM does not grant a subsidy without a request from the film outfit.
- d.) The Film Producer shall furnish IFFCOM the complete ENTRY FORM sent by the International Film Festival.
- e.) The Producer shall submit to IFFCOM a complete list of the participants to the

International Film Festival (director, actor/s, producer, others) with addresses and telephone numbers.

Table 20 List of International Film Festivals Accredited by IFFCOM (As of February 7, 2000)

<u>NO.</u>	<u>TITLE</u>	<u>DATE</u>	
		<u>FROM</u>	<u>TO</u>
1	Berlin International Film Festival	15-Feb	26 Feb
2	Cannes International Film Festival	09-May	20-May
3	Chicago International Film Festival	12-Oct	29-Oct
4	Edinburgh Film Festival	13-Aug	27-Aug
5	Fukuoka Asian Film Festival-Focus on Asia	14-Sep	24-Sep
6	Hongkong Film Festival	25-Mar	09-Apr
7	Karlovy Vary Int'l. Film Festival	28-Jun	06-Jul
8	Locarno Int'l. Film Festival	02-Aug	12-Aug
9	London Film Festival	02-Nov	19-Nov
10	Los Angeles Academy Awards (OSCARS)	25-Mar	
11	Melbourne Film Festival	20-Jun	06-Jul
12	Nantes Festival des 3 Continents	21-Nov	28-Nov
13	New Delhi Int'l. Film Festival of India	11-Jan	20-Jan
14	New York Film Festival	29-Sep	05-Oct
15	Pusan (South Korea) Int'l. Film Festival	10-Oct	18-Oct
16	Rotterdam Int'l. Filmfestival Rotterdam	24-Jan	04-Feb
17	San Francisco Int'l. Film Festival	18-Apr	06-May
18	San Sebastian Int'l. Film Festival	14-Sep	24-Sep
19	Singapore Int'l. Film Festival	April	
20	Tokyo Int'l. Film Festival	22-Sep	01-Oct
21	Torino Festival Int'l. Cinema Giovanni	10-Nov	18-Nov
22	Toronto Int'l. Film Festival	07-Sep	16-Sep
23	Vancouver Int'l. Film Festival	29-Sep	15-Oct
24	Venice Mostra Int'l. D'Arte Cinematografica	30-Aug	09-Sep

- f) The Producer shall submit to IFFCOM the name, address, telephone/fax of the submitting firm.
- g) IFFCOM will consider each request for subsidy on a case-to-case basis before granting approval either partially or in full, but in no case shall the amount exceed the maximum prescribed budget of PhP 845,500 per film. The maximum amount prescribed for the details of this grant are as follows:

	Maximum of
1. English translation of the Script.	PhP 35,000.00
2. Spotting to be done by the film editor. This process may be done on a used print but with footage intact	PhP 18,000.00
3. One fresh print of the film which includes the positive raw stock and film projector prior to its shipment for sub-titling; except at the film laboratory and for inspection purposes by the lab only. This subsidy will be for the first International Film Festival invitation only.	PhP50,000.00
4. Sub-Titling in ENGLISH of one print. Cost of sub-titling in a foreign language will be done on a case to case basis. First International Festival invitation only.	PhP80,000.00
	\$ 2.000.00
5. Transportation (by plane – Economy class), board and lodging expenses for five days of one person who will supervise the subtitling. First International Film Festival only.	PhP 77,500.00
6. Transportation (Economy class) of a maximum of four from the following actor/s scriptwriter, cinematographer, production designer, editor, sound director and musical director. In the event that host Festival has no provision for film director, he takes the place of any of the 4 persons mentioned above.	PhP 208,000.00
7. Hotel Accommodations (room cost only) of the four delegates for seven (7) nights (\$200/night)	PhP 224,000.00
8. Per diem of US \$100 each day for the four delegates, plus \$100/day for Director x 7 days	PhP 112,000.00
9. Subsidy for a press kit	PhP 50,000.00
h) Budgetary Items identified as a), b), c), d), e) and l) are for FIRST FESTIVAL PARTICIPATION ONLY. The grant of Items f), g), and h) may be considered on a case-to-case basis, depending upon the importance of the Festival and the funds available of IFFCOM.	
i) Airfare budget will be adjusted depending upon the territorial distance. (For example, Mla-Hongkong-Mla will be less than Mla-Toronto-Mla).	

However, the route to the Festival destination must be the nearest point from Manila. (Example, Mla-Toronto via USA, not Mla-Toronto via Europe.

- j) All expenditures should conform strictly to government accounting/auditing rules and regulations governing the use of public funds. They must be accompanied by Official Receipts. Cash advances shall be subject to liquidation within one month after returning from a trip abroad.
- k) In the event that a Filipino film is nominated as one of the five (5) finalists for the Best Foreign Language Film by the Academy of Motion Pictures Arts and Sciences (AMPAS) in Hollywood, U.S.A., the IFFCOM may increase the delegation as well as the subsidy. The same applies for the Cannes Film Festival in France.

The IFFCOM shall inform Film Producers, upon request, about relevant matters pertinent to the International Film Festivals, Film Markets, New Technology in filmmaking, and most specially about matters related to Delivery Schedules in the event that a film is picked up for international distribution.

- l) All communications with each beneficiary film will be addressed to the film's PRODUCER only. All correspondence with IFFCOM must be made on the film producer's company stationery containing the letterhead of the firm.

II. Clarification of IFFCOM Policies

- a) **PRODUCERS MUST ADVANCE EXPENSES.** All expenses relative to a film's participation in any of the accredited international film festivals shall be taken care of by the Producer. A Certificate of Performance signed by the IFFCOM Delegate to the International Film Festival must be submitted to the Foundation which shall be the basis for processing of reimbursements.
- b) **SUBTITLING SUPERVISION.** The person who will supervise the subtitling of the film abroad, to be financed by IFFCOM under Section II/E of the Rules and Guidelines shall be ANY ONE of the following: Director, Scriptwriter, Film Editor, or any Professional Film Translator of the Producer's choice.
- c) For Festivals who provide subsidy for official delegates other than the director (Ex. Fukuoka), IFFCOM will undertake to shoulder the pertinent expenses to complete the delegation of four (4).

- d) IFFCOM REPRESENTATIVE. For cost effectivity, only one IFFCOM Representative shall go with the Philippine delegation regardless of the number of films participating in any international film festival. A separate budget will cover the item for the IFFCOM representative.
- e) The IFFCOM shall not be responsible for the application and subsequent selection of any film to any International Film Festival. Application is the responsibility of the film producer while the selection is the privilege of the selection committee of the festival. IFFCOM shall have nothing to do with the selection of any film.

2.0 MARKET POTENTIAL/FOREIGN MARKET DEMAND

The Filipino filmmaker has a great potential market awaiting him out there. One major reason why he cannot recoup his investments is because he only focuses on local consumption -- first by showing the film in the Metro Manila area then making the rounds in the provincial areas. If he goes beyond and sees opportunities outside of the Philippines, then the Filipino film can easily generate big revenues unimagined before.

Today, the internationally acclaimed local films are marketed in many parts of the globe like the United States, Europe and Asia. The venues are the international film festivals where foreign distributors can review our films and show them in their respective regions. One major region to reach is the Asia-Pacific region since its culture is similar to us and their people can empathize with our storylines. Vietnam, Indonesia, Malaysia, even Korea and Singapore are good potential markets for our films.

On the other hand, since there are Filipino migrates now all over the globe like Filipinos in the West Coast of USA, Hong Kong, and Saudi Arabia, the local filmmaker can market their products in these areas and recover their investments. What is critical, however, is the kind of film to be marketed to suit the needs of these foreign moviegoers or Filipino moviegoers who are now based abroad.

Table 21. Motion Picture Production Forward Linkage

INDUSTRY	VALUE	SHARE
		(%)
Motion picture production	12185	1.09
Motion picture distribution and projection	1080753	96.83
Theatrical production and entertainment	8166	0.73
Public administration and defense	15000	1.34
TOTAL	1116104	100.00

Source: 1994 Input-Output Table, NSO

The 1994 Input-Output Table of the National Census of Statistics revealed that motion picture production was primarily forwarded to motion picture distribution and projection with a value of P1.08 billion or a significant share of 96%. Other industries motion picture production is forwarded to are public administration and defense (1.34%), other motion picture production companies (1.09%), and theatrical production and entertainment (0.73%). The table clearly indicates that the industry is primarily intended for distribution and projection locally, regionally, and abroad.

Table 22. Motion Picture Distribution and Projection Forward Linkage

INDUSTRY	VALUE	SHARE
		(%)
Motion picture production	8943	3.63
Motion picture distribution and projection	788	0.32
Radio and TV programming	146305	59.41
Other recreational and cultural services	90232	36.64
TOTAL	246268	100.00

Source: 1994 Input-Output Table

Table 22. Motion Picture Distribution and Projection Forward Linkage

INDUSTRY	VALUE	SHARE
		(%)
Motion picture production	8943	3.63
Motion picture distribution and projection	788	0.32
Radio and TV programming	146305	59.41
Other recreational and cultural services	90232	36.64
TOTAL	246268	100.00

Source: 1994 Input-Output Table, NSO

On the other hand, Table 22 showed in the 1994 Input-Output Table of NSO that motion picture distribution and projection is further forwarded to radio and television programming with a value of P146 million and a market share of 59.41%, followed considerably by other recreational and cultural services at P90 million with a share of 36.64%. Distribution and projection are further forwarded to motion picture production at 3.63% and another stage of motion picture distribution and projection at 0.32%. With this table, it can be inferred that the local film industry has a big market awaiting for television broadcasting considering the trend on viewers watching films instead at the comfort of their living rooms via television.

Table 23. International Demand for Film Industry Professionals, 1995-2000

Country	Job Classification	1995	1996	1997	1998	1999	2000	Rank
	Operators Sound-Equipment and							
Saudi Arabia	Cinema Projectionists	24	17	10	4	1	19	4th
Australia	Actors and Stage Directors	29	4	4	2	2	4	5th
Japan	Choreographers and Dancers	20,381	15,495	25,637	26,715	29,586	35,539	1st
	Composers, Musicians and							
Japan	Singers	2,120	2,350	4,464	8,327	4,315	23,967	2nd
Saudi Arabia	Photographers and Cameramen	70	34	40	41	60	35	3rd
	TOTAL	22,624	17,900	30,155	35,089	33,964	59,564	

*Average Annual Growth Rate of -13.59%

Source: POEA

There is a demand for film technical staff as shown on Table 23. Saudi Arabia hired 60 photographers in 1999 although this was reduced to 35 in 2000. On the other hand, from one operator for sound equipment and/or cinema projectionist in 1999, 19 personnel were hired in 2000. The table indicates that there will be a demand for technical manpower not only locally but abroad.

2.1 Film Consumption in the EU and the US

After the major decline in cinema-going in Europe from 1960 onwards, the situation started to improve in the early 1990s, largely as a result of the pulling power of films and the modernization of cinemas, in turn linked to the rise of the multiplex on a number of national markets as well as the revitalization of some European national film industries. Over the last four years, there has been an 18% rise in cinema-going in the EU, which accounted for 17% of total "audiovisual consumption" in 1996. If consumption of films through pay TV were included, that proportion would rise to an estimated 28%.

Between 1988 and 1996, there was a remarkable change in the breakdown of film consumption in the EU by format: video sales and pay TV made spectacular progress, while the figure for video rentals was quite small compared with the figure for the US market.

Table 24. Film Consumption

Trends in the EU and the US, 1988-1996

	EU, 1988	EU, 1996	US, 1988	US, 1996
Cinema	41.0%	31.3%	36.7%	23.9%
Video Rental	39.9%	14.2%	26.4%	32.4%
Video Sales	5.1%	20.4%	5.3%	19.7%
Pay TV	13.9%	34.0%	31.6%	21.9%

Source: Screen Digest

2.2 The Film Industry in the EU and the US

The cinema occupies a steadily diminishing place in the business cycle and the revenue structure of the film industry in terms of consumption. While exploitation in cinema theaters (the so-called “show-case”) provides the criteria for setting the price at which the film will put on the market in all the other media, only a very small proportion of the revenue for a film comes from box-office taking, and that proportion is set to shrink further, to 5% by 2020 according to some forecasts.

The lion’s share of the revenue comes from the sale of broadcasting rights to television channels (unencoded and pay TV) and videos. A number of companies generate extra income through sidelines such as video games and accessories relating to film.

In Europe, income from video sales has exceeded box-office takings since 1994, and television is now the biggest income generator. Over the last five years, revenue from films shown on pay TV has risen 66%, making it the medium par excellence for the consumption of feature films in the EU. In four years, revenue from pay TV has risen to double that of video rentals.

The market is being transformed by the development of pay-per-view, near-video-on-demand and VoD proper, as digital technology catches on. Television may soon become the biggest source of income for the film industry.

Table 25. The Film Industry in the EU and the US

Source of Revenue	World	Growth 94-95	United States	Growth 94-95	Europe	Growth 94-95
Advertising	46.9%	9.1%	46.7%	4.2%	42.5%	15.8%
Video	15.6%	4.2%	18.6%	1.3%	10.9%	7.8%
Cable	13.1%	12.2%	20.6%	10.0%	7.7%	23.0%
License Fees	10.7%	3.5%	0.4%	3.0%	21.4%	2.8%
Cinemas	6.3%	4.5%	6.5%	1.8%	7.2%	9.5%
Pay TV	7.4%	14.7%	6.2%	4.4%	10.7%	22.8%
PPV	0.5%		1.0%		0.0%	

Source: IDATE

2.3 Market Share of non-national European Films in the European Union

In the absence of data, it is difficult to assess with any accuracy the proportion of non-national European films screened. Some data about the screening of non-national European films can be found in the study made by the FIAD (Federation Internationale des Associations de Distributeurs) for the MEDIA II Programme. Average attendance topped 1 million only in the case of 21 of the 700 films under review; it was below 50,000 for the great majority of films.

In the European Union, films seldom travel outside their country of origin in the European Union. In 1996, a total of 700 million tickets were sold in Europe as a whole, some 100 million tickets were sold at home for domestic productions, i.e., 16% of the market share against about 6% for European films outside their country of origin.

Recent information obtained from distributors by the MEDIA Programme for the implementation of the system of automatic support for the distribution of non-national European films shows that the bulk of the audience for these films is in France and Spain, which together account for almost 50% of the market for them. In a country like Spain, with no more than 14% of the total audience in Europe, a figure of 22% of cinema-goers for non-national European films is surprising. On the hand, the low figure for non-national European films in Britain, which is the third largest cinema market in Europe, is equally surprising given the success of British films in Europe in general.

Table 26. Consumption of non-national European Films in the European Union (1996)

France	23%
Spain	22%
Germany	13%
Italy	10%
Belgium	6%
United Kingdom	3%
Other	23%

Source: MEDIA II Programme

Based on an analysis of 70% of the tickets sold in the European Union, the European Audiovisual Observatory has drawn up a list of the 40 greatest commercial hits in the whole of the European Union in 1996. Only 10 films are European productions, the first are American, apart from *Trainspotting* in the 13th place with 7.95 million tickets sold (*Independence Day* topped the list with 35 million). Films which were a success in Europe in general are on par with comedies like Werner – *Das Mub Kesseln!*, *Il Ciclone* and *Les Trois Freres*, having only a limited geographical distribution, which demonstrates the limited market potential for this genre outside national frontiers.

Table 27. Non-national European Films (Declaration of admissions in 1996*)

Country	No. of Distributors	No. of films screened	No of Admissions
Austria	4	73	1,020,852
Belgium	12	89	1,936,497
Denmark	7	43	788,132
Germany	10	40	4,030,272
Spain	19	121	6,665,380
Finland	6	55	161,675
France	19	62	7,179,023
Greece	4	29	422,114
Ireland	2	10	358,993
Iceland	3	33	53,257
Italy	6	39	2,997,208
Luxembourg	6	40	24,694
Netherlands	6	41`	448,516
Norway	5	56	1,184,265
Portugal	3	77	683,503
Sweden	6	39	794,239
United Kingdom	6	23	839,046
TOTAL	124	870	29,587,666

Source: Media II Programme (Data available at : <http://www.d-and-s.com>.)

*Raw data being checked by national bodies

2.4 Films Shown in Cinemas

In line with the upward trend noted in 1991-94, there was a 3.61% increase in the number of cinemas in 1994-95. The total number of cinemas in the European Union is 20,208. The same trend can be observed in the United States where the growth rate is still higher (+6.78%) and the number of cinemas totals 29, 731.

Attendance has risen by 18% since 1993, the year when the recovery started. The European market is only half the size of the American market even though the European population is 25% larger than the United States. In the last 10 years, 1996

was the record year, when the estimated growth rate of attendance was over 7%, with 700 million seats having been sold. The growth potential has not yet peaked, considering it is estimated that the annual average is 1.8 cinema visits per person in Europe, compared with 4.2 in the United States.

Audiences are growing most rapidly in Spain, and lately, the United Kingdom and Germany may oust France from pole position. In the European Union, the five largest markets, which are also the largest producers, account for 85% of the seats sold.

Table 28. Trend of Cinema Audiences (1995-1996)

Country	1995	1996	Trend
Germany	124.5	132.9	+6.7%
Spain	89.1	101.1	+22.2%
France	130.1	136.3	+4.8%
Italy (6 months)	44.3	46.6	+5.2%
United Kingdom	114.9	123.8	+7.7%
European Union	652.2	706.2	+7.3%
United States	1,222.2	1,265.0	+3.5%
Japan	127.0	119.7	-5.7%

Integration

From the preceding tables, it can be inferred that there is potential market for films in the West particularly the United States and Europe. In the European Union for instance, there are a number of countries which patronize non-European films. The Philippines can then engage in marketing efforts to sell our local films. These local films should not be limited for traditional theater consumption which is still on the rise but market them for television broadcasting or video rental rights. This move should likewise apply in the Asia-Pacific region where our cultures are similar to our neighbors and can therefore appreciate our local films.

2.5 The Asian Film Industry

The currency devaluations and economic slowdown in Southeast Asia have destroyed the once-legendary appetites of Asian buyers; and this spells trouble for the many U.S. companies that depend on sales to the region in order to get their films financed.

In South Korea, where the mighty chaebols Daewoo, Hyundai and Samsung continually compete to outdo one another -- like U.S. conglomerates Coca-Cola and PepsiCo -- buying has practically ground to a halt.

"This crisis could put a lot of independent Korean distributors out of business, especially those companies that are not aligned to one of the big industrial groups and therefore do not have the resources to ride out the storm," says Intermedia Films' president of distribution, Tim Haslam. And although the Asian market has a reputation for favoring low-budget action films over other genres, most observers agree that the impact of this crisis is pervasive.

"Producers, sales agents, lenders: Everyone is going to be affected," says film financier Lew Horwitz.

In pure economic terms, South Korea is not the worst-hit territory (the Indonesian rupiah has lost more than 50% of its value against the dollar this year, after falling by 50% last year), but it is the most significant as far as Hollywood is concerned.

"When the going was good, Korea alone could account for 30% to 40% of a film's budget," says Pascal Borno, president of Kushner-Locke Intl. (K-L). "And Brazil and Korea together could get a film into production."

U.S. companies feeling the pinch more than others are those that have gap-financed their films with a South Korean pre-sale. On a film budgeted at \$3 million, the sales agent might have raised \$2 million in presales, leaving \$1 million to be gap-financed by a bank, on the basis of further sales once the film is completed. However, many Asian buyers are now requesting either a re-negotiation of their original pre-sales deals, or a delay in payment.

"The bulk of my transactions in Korea are with Daewoo," Horwit says, "and they are telling me that although they intend to honor their agreements, they can't pay anything now. I'm not expecting any money until the end of the year." While sellers suspect that buyers will use the recession to deflate prices in the long term, they recognize that it is in their best interests to work with their partners.

Trimark, for example, has proposed throwing additional films into its buyers' existing deals; K-L is mulling giving its customers temporary reductions. Others are looking at pan-Asian rights deals and co-productions on future projects.

SINGAPORE

In the eye of the financial cyclone that is battering most of Asia, the region's cinema operators are staying relatively calm and hoping the storm will have a minimum impact on their business. However, the U.S. majors say the currency meltdowns have wiped 20% off their film rentals in Asia in the past few months, and that could worsen depending on how South Korea's economic crisis plays out.

Exhibitors say the rate of multiplex development will slow markedly in Manila, Jakarta, Bangkok and Kuala Lumpur as shopping mall developers put a freeze on new

projects. Ticket sales have fallen in Thailand and Manila, but the box office is buoyant in Malaysia and Indonesia. The currency devaluation means some exhibitors are paying 20% to 40% more to equip new cinemas.

The first six months of 1998 was a critical period in Thailand as claimed by Gerald Dibbayawan, general manager of the 73-screen Entertain Golden Village circuit, who expressed anxiety shared by many Asian traders. As the economy worsened, more people substituted at-home entertainment such as homevideo. Video piracy was likewise getting worse for cinemagoing.

Entertain GV had planned to open 100 new screens in 1999, but with some developers opting not to embark on new projects for at least two years, only now 50 screens will come on stream.

Similarly in Indonesia, the leading chain 21 Group lowered its forecast of screen debuts in 1999 from 42 to somewhere between 15 and 25.

Malaysia's 113-screen Golden Screen Cinemas is confident of hitting its target of 200 screens within three years, although some mall projects look "iffy," according to assistant general manager Irving Chee. He expected industry wide grosses would wind in 1999 from 20% to 30% up versus 1996, noting that the country's financial difficulties "have not been felt by the man in the street yet."

The Paramount/Universal co-venture United Cinemas Intl., which has 16 screens in Japan, is angling to enter Korea and looking at other Asian markets. "The Southeast Asian (B.O.) boom is still only in the latter part of its infancy," United Intl. Pictures VP Steve Ashmore said at a CineAsia seminar. Ashmore noted that at the end of 1996 there were only 50 multiplexes consisting of more than seven screens in Southeast Asia, including Taiwan and South Korea. He calculated there were only 100 cinemas with four to six screens, and there has been an 8% growth of screens overall since 1992.

He estimated that of the 6,000 screens in the region, Western product can access only about 2,900 screens; most of the balance are second-run houses that are reserved for local films. Ashmore argued that quotas are ineffective, noting B.O. shares of national pictures in most Asian territories have fallen dramatically in the past three years. The problem is "the pictures themselves, not insurmountable competition from U.S. films," he said.

In Thailand, local films now command just 18% of the market, down from 30% last year, and in Hong Kong the decline of Chinese films has been paralleled by a jump in U.S. majors' product from 10% in 1992 to 49% today.

The CineAsia trade show has 110 booths where equipment and concessions suppliers hawked their wares. Despite lighter foot traffic, some companies reported brisk business and the presence of high-quality buyers.

John Rochester, chief executive of U.S.-owned Reading Australia, was shopping for gear for his fledgling loop. Reading plans to spend close to \$150 million to build 110 screens after warding off legal challenges to several projects from Australia's entrenched chains.

CineAsia wrapped on a high note with previews of MGM/UIP's "Tomorrow Never Dies" and Fox Int].s "Titanic" -- both hailed by exhibitors as the perfect antidotes to the economic blues.

HONG KONG

In his first address since the July 1 hand-over to China, territory chief executive Tung Cheehwa pleased the industry with a pledge of government support for the ailing movie industry.

Hong Kong films peaked at the box office in 1992, when 215 local productions generated about \$167 million, 82% of the total for that year. Since then, according to Motion Picture Industry Assn. (MPIA) figures, total box office for local fare has dropped by 38%, while foreign features have soared to more than 70%. Overall box office revenue has slipped to 12% below the peak years.

Golden Harvest chairman Raymond Chow applauds Tung's announcement that the government will open a film office to facilitate local productions and allocate land to build a studio complex. "These two decisions will do more to assure the future of our industry than a vault full of subsidies," Chow says.

MPIA chief executive Woody Tsung also hails Tung's statements. "He recognized the importance of the film industry," Tsung says. "No government in the past has given the industry such attention. We have high hopes. If that's what it takes to improve the industry, we're for it." Tsung insists that this is not the first step on a slippery slope toward the government control that has helped cripple film industries elsewhere. "The industry has always been a commercial operation and the government would not want to control it," Tsung says. "I don't see why anyone should be worried."

The Hong Kong stock market, following the crash of currencies throughout Southeast Asia, has increased financial worries. Nevertheless, Tsung notes it is too early to determine the box office repercussions.

According to MPIA figures, 253 films - both foreign and local - had been released and the total takings reached \$94.2 million. In 1996, a total 414 films were released and revenue amounted to \$157 million. Attendance is averaging 2 million visits per month, which is on track to top previous year's total of 22.2 million. The sector got a boost from an industry wide move earlier in the year to offer half-price tickets.

With no major competition on the horizon, "The Lost World: Jurassic Park" looks certain to take the 1997 box office crown. With revenues of about \$7.5 million, the spawn still trails its parent, "Jurassic Park," Hong Kong's all-time top grosser at more than \$8 million. "Lost World" bested Jackie Chan's picture, "Mr. Nice Guy," which took in about \$5.1 million.

Hong Kong's film industry is recovering, with output expected to rise by between 30%-50%. Raymond Wong, chairman of the Movie Producers and Distributors Association of Hong Kong, said the territory's producers are investing more to increase output because they have earned more from video rights. He said producers also received funding from Internet companies.

U.S. investment in Hong Kong films appears to be on the rise, which in turn helped the industry to recover, said Crucindo Hung, chairman of the Hong Kong, Kowloon and New Territories Motion Picture Industry Association. Increased cooperation among U.S. companies and Hong Kong film directors and movie stars led to more opportunities for local film companies.

Hong Kong films are becoming more popular abroad and more Hong Kong directors and film stars are gaining international recognition.

BANGKOK

The glory days of the budding media titans in Southeast Asia ended with the severe devaluation of the Thai currency, the baht, which set off the Asian economic crisis in 1997. But in Thailand's film industry, one family -- the Poolveraluk clan -- remains above the fray. Brothers Chumreon, Chumlorn and Cassem (the multiple C names reflect an old Chinese custom; there are over 20 Vs among the next generation's monickers) immigrated to Thailand from China more than 50 years ago.

In 1948, Chumreon started a coffee shop next to a cinema in downtown Bangkok. The owner of the moviehouse, who used to drop by for coffee every day, mentioned one day that he wanted to sell the theater, which was not doing well. So the brothers formed a Chinese-style holding company and took over management of the cinema.

Since then, their family ties and Thai loyalties have routinely set the tone for the brothers' business plans. Indeed, Chumreon's determination to have his business remain 100% Thai led him to turn down a 1994 offer by Australia's Village Roadshow exhibition chain to form a partnership and create multiplexes throughout Thailand. Instead, Chumreon introduced brother Chumlorn to the Village Roadshow/Golden Harvest offer, leading to the formation of Entertain Golden Village (EGV), which quickly became Thailand's largest theater chain (about 86 screens), capitalized through the venture partners.

Chumreon's 39-year-old son Vicha gradually began to take over his father's business to establish the successful Major Cineplex circuit, which includes the largest

imax theater in Asia. Chumlorn's sons Vichai and Visute ran EGV. A friendly family rivalry between EGV and Major Cineplex helped on multiplex development in Thailand. As the number of screens grew, so did the need for product.

When major distributor, 20th Century Fox and UIP proved stingy in releasing pictures, Visute tied up with Miramax and other companies to begin releasing under a new distribution company, Entertain Pictures. Looking to exercise his creative bent, Visute also set up a small production company -- Tai Entertainment. After a few nondescript releases, he partnered with director Nonzee Nimbutur in 1996 to produce "Dang Bireley's Young Gangsters," which reached No. 1 at the Thai box office. Tai Entertainment followed that in 1998 with the ghostly love story "Nang Nark," which became Thailand's then-highest-grossing film, pulling in more than 150 million baht (\$4 million), and 1999's transgender-themed "Satrelek."

Dads Chumreon and Chumlorn are now happily in retirement, but the next generation of the Poolveraluk family continues to dominate the movie business in Thailand.

SEOUL

Blockbuster action movies do not always require a blockbuster budget. Take the case of South Korea's spy thriller "Swiri," which cost less than \$3 million to produce but grossed an estimated \$27.5 million domestically, besting "Titanic" to become the nation's all-time top box office draw.

"Swiri" opened No. 1 in neighboring Japan, grossing over \$7 million with more than 1 million admissions. No other Asian film has done that before in Japan, says Ryou Bongcheon, executive director for Kang Je Gyu Film, the eponymous production company of the movie's director.

"Swiri" has a tautness sorely lacking in some of Hollywood's bloated productions. Ryou, who screened the film to U.S. acquisition executives at the American Film Market, says a common reaction was "How come this kind of movie came from Korea?"

Having already screened in Hong Kong, Japan and Taiwan, negotiations with Columbia TriStar for North American rights and possibly worldwide rights outside Asia could be concluded. Ryou says he is aiming for \$7 million upfront. Separate talks are under way with Fox to get the film onto screens in Asian territories such as Singapore and Malaysia.

"Swiri" is not an isolated case. After years of living in the shadow of Hollywood imports, Korean productions came into their own in 1999 with nine releases ranking in the top 20 at the local box office. The third most successful film of the year, the black comedy "Attack the Gas Station!," used a single location for its tale of a gang of four who commandeer a service center out of their frustration with society. It sold more than 2 million admissions, compared with around 6 million for "Swiri."

"Attack" effectively tapped into the psyche of fast-changing South Korea, where a venture-company boom is producing overnight millionaires while many more struggle to eke out a living. Unlike much of the big-budget fare from the U.S., many Korean productions come from the vision of one director-writer. Due to relaxed government censorship rules, these films are taking an unflinching look at both the nation's past and present.

A prime example is surprise hit "Peppermint Candy," about a middle-age man who reviews his life and role as a policeman during the repressive government rule of the 1980s. Civilian rule was restored in 1992 but such a film would have been unthinkable just a few years ago.

Scheduled to be released last fall, the sex-saturated "Lies" captured headlines through much of 1999 after it was repeatedly rejected for theatrical release by the Korea Media Advisory Board. Dealing with a sadomasochistic affair between a high school girl and a middle-age man, the board refused to approve it in its original form. Director Jang Sun-woo dug in his heels and refused to make cuts.

The controversy spilled over to the Korea Film Commission (KOFIC) -- an organization tasked with promoting domestic films locally and abroad -- where conservative and liberal commissioners waged a pitched battle for control all summer. The conservatives won the battle but perhaps lost the war when "Lies" -- sans 17 minutes of its most explicit scenes -- was finally released to a respectable run. (A widely circulated pirated CD-ROM version undoubtedly cut into sales.)

"Our goals are to increase domestic film production, improve production infrastructure, create international markets for Korean films and foster international co-financing and co-productions," KOFIC's Paul Yi says.

The biggest news in Korea's film business has been the robust performance of domestic movies. The local industry captured a 35.9% market share in 1999 compared with a low of 15.4% hit in the 1990s. Interestingly, the gain was at the expense of imports. Paul Shin, a booking manager at leading chain Seoul Cinema Town, says Korean films were up 20%, while foreign product was down by the same percentage.

Early 2000 shows a similarly upbeat trend for domestic productions, with "The Foul King," a dark comedy about a banker-turned-pro wrestler, becoming a major breakout hit since its release in February. It has sold around 2 million admissions. Fortunately for the nation's filmmakers, recent box office successes have sent money flowing into the industry from a myriad of venture funds. Quite a contrast to earlier years when domestic productions had "no hope and very little return from the point of view of investors," says Kim Seung-bum, head of the new venture fund Tube Investment.

Tube joins a growing list that includes Mirae Asset, UniKorea, Kookmin Venture Capital, Korea Technology Bank Corp. and TeraSource Venture Capital Co. Almost all

these funds -- many flush with cash from investments in technology startups -- have pledged to provide at least 10 billion won (\$8.3 million) in financing to various productions.

As with "Swiri," sights now turn to expanding the appeal of Korean films internationally -- especially in Asia.

"The Hong Kong movie industry grew because of international sales," says Lee Eun, co-president of Myung Film. He says the Korean market is simply not large enough to support the industry on its own. "We have to reach the international market in order to survive."

Adds Hah Seong-gun, a media team manager with the deep-pocketed KTB: "We can co-produce with other Asian countries. We could build a new market. Our films could be seen not only in Korea but the Asian market. The Korean film business could grow 10 times in size."

Table 29. TOP FILMS OF 1999 (KOREA)

Rank	Title	Seoul admissions	Country of origin
1	Swiri (Shiri)	2,500,000	Korea
2	The Mummy	1,260,000	U.S.
3	Attack the Gas Station!	962,000	Korea
4	The Matrix	910,000	U.S.
5	Tarzan	830,000	U.S.
6	Star Wars: Episode I -- The Phantom Menace	820,000	U.S.
7	The Sixth Sense	790,000	U.S.
8	Tell Me Something	740,000	Korea
9	Nowhere to Hide	672,500	Korea
10	Love Letter	650,000	Japan
12	Happy End	563,000	Korea
13	Yongary	500,000	Korea
16	Ghost in Love	370,000	Korea
18	Phantom--The Submarine	360,000	Korea
20	Ring Virus	320,000	Korea

Seoul accounts for about 40% of ticket sales. Provincial theaters outside major cities remain largely uncomputerized, making exact figures hard to come by.

RELATED ARTICLE: AT A GLANCE
POPULATION: 47 million
CINEMA SCREENS: 507 (100 more expected within the year).
FILMS RELEASED IN 1999:45 local; 229 foreign
FOREIGN PIX BY TERRITORY: U.S. (159), Europe (33), China (16),

Japan (4), others (8)
THEATER ADMISSIONS (Seoul only): 9,063,895 for local films (35.9%) 16,206,111 for foreign films (64.1%)(*)
TV AD REVENUES: 1.49 trillion won (\$1.24 billion)
AVERAGE LICENSE FEE FOR U.S. TV SERIES HOUR: \$3,500 to \$4,000
AVERAGE LICENSE FEE FOR U.S. MOVIES: \$50,000 to \$400,000
CABLE PENETRATION: 895,000 households
CABLE CHANNELS: 29

(Sources: Korea Film Commission, Korea Broadcasting Advertising Corp., KBS, MBC)

KUALA LUMPUR

Malaysia may be coping with the Southeast Asian economic crisis better than its neighbor Indonesia, but the country's entertainment industries are enduring a painful squeeze. A raft of film and TV production companies has either shuttered or temporarily gone on hiatus.

Only one indigenous pie, "Dream Princess," a youth-angled romance laced with songs, made money (grossing a healthy \$800,000), and no new films have yet been announced, since the ringgit's devaluation has increased the average budget by 30% to about \$400,000.

Measat Broadcast Network System's Astro, is laying off 300 of its 1,500 staffers and drastically scaling down in-house production, despite a steady increase in subscribers. The firings and axing of programs resulted in fierce competition for jobs at new broadcaster NTV 7.

Owned by property group Encorp and based in Sarawak, East Malaysia, the upstart channel is relying heavily on imported series such as "Xena: Warrior Princess," "Hercules: the Legendary Journeys".

"We're cutting volume by 100 hours this year," laments Ida Rahaya Noor, whose seven-year old company Eurofine acquires and produces programming for pubcaster RTM's two channels, private web TV3 and NTV 7. She's signaling a 25% cut to the 400 hours a year Eurofine usually supplies to broadcasters.

Berjaya Productions formerly one of the country's most prolific film and TV producers, has temporarily called a halt, and its executive director Pansha is looking for cinemas for his latest pie "Hitman."

Nizarman Prods' latest release, "Only Friends," was a box office dud and shooting of its most recent picture was aborted after about 15% of the film was in the can. The problems facing film producers are compounded by the recent closure of the Odeon cinema in Kuala Lumpur, which had been the home of Malay films since the 1940s.

A handful of local films produced are on the shelf, adjudged as not being commercial enough to merit playdates at the multiplexes springing up in the Klang Valley surrounding the capital.

TV3 has axed a number of in-house series, including three talk shows and daytime series "Melody," but continues to commission a lot of programs from its subsidies, Grand Brilliance and Animated & Post Production Techniques. Some Indian producers fear TV3 will significantly cut back on bought-in programming.

Grand Brilliance producer of "Dream Princess," which had intended to turn out 24 films a year, has only two titles to release: "Man Spider," Malaysia's first animated feature costing \$1.2 million, and a sequel to "Maria Marianna II." The Information Ministry slashed RTM's budget by 25% - a cutback of \$12 million. As a result, RTM has pared its acquisition budget by 15%, which affected some foreign programs bought but not delivered.

SINGAPORE

Times have changed in the film exhibition business in Singapore. Gone are the days when two main exhibitors -- Shaw and Cathay -- had exclusive rights to their own stable of Hollywood majors. Gone, too, are the days of bug-infested lumpy seats with broken springs and sound systems that further muffled Marlon Brando's mumbles.

These days, Singaporeans no longer prefer Chinese movies to Western pies. Hollywood rules the box office, and Western movies are far more dominant (75% of box office receipts) than Chinese movies ever were (60% at their height in the late '70s).

The cinema scene in Singapore is growing by leaps and bounds as multiplexes mushroom. On the drawing board -- pending government approval for the redevelopment -- is an eight-plex, a joint venture between long-time rivals Shaw and Cathay (of their respective Changi and Bedok cinemas).

Vee King Shaw, the Shaw Organization director in charge of theaters and development, states, "You need more halls to provide a full choice of movies. You've got to play all the popular films, as well as the art films." The Shaw Organization is receiving the Exhibitor of the Year.

According to Vee King, operators are happy with 35% occupancy, which means that with multiplexes, exhibitors can show Asian and Western movies at the same time. A multicultural mix helps boost the occupancy of some halls.

Golden Village, the biggest cinema chain in Singapore, with 50 screens, has taken to showing Hindi and Tamil movies in its suburban multiplexes. For the Shaw Organization, the movie exhibition-distribution line accounts for only 2%-3% of its multimillion-dollar revenues. It is what the descendants of Shaw, brothers Run Me and

Run Run, call "a hobby." Even so, Vee King acknowledges that multiplexes are ideal anchors for commercial properties. "Without the Lido, we couldn't get \$21 for shop space on the ground floor, which is currently occupied by Japanese department store chain Isetan."

Also, Shaw has only just begun leveraging on ticket sales through concessions sales of sweets, popcorn and soft drinks. Vee King admits to learning about the importance of concessions through CineAsia. "In the U.S., it accounts for \$1 per seat sold. At Lido, we're only doing 30[cts.]-400[cts.]. Until recently, we didn't even have a concession stand there. We're learning."

Shaw operates 47 of the 131 screens in Singapore and is the second largest chain after Golden Village. That itself is amazing, given that Shaw's "almost died in 1987," Vee King says. "We had been losing money for nearly four years then. Fortunately, the government reduced entertainment tax that year from 35% to 10%. That was 25% more from the box office in our pockets." The 10% entertainment tax was abolished in 1994 with the introduction of a 3% goods and services tax. The tax break moved Shaws to build multiplexes at Prince Jade (now operated by UA), the Savoy and the Republic. But Vee King wishes that the CineAsia conventions had begun in the 1980s rather than in 1994. "If I knew then what I know now, I'd have built six-plexes instead of two-plexes back then," he told Variety.

Shaw's flagship multiplex, Lido 8, received top marks in a recent survey of moviegoers conducted by the Straits Times, a national daily. Patrons praised its central location, variety of films and comfortable seats. According to Vee King, such comfort is not cheap. He sees the cost per screen at \$570,000-\$715,000.

"Multiplexes require very good sound insulation, as well as digital sound. You need to build cinemas of high standard these days, and give a high priority to comfort," he says. Having just added three new screens (with much smaller halls) to Lido (which went from one to five and then to eight), Shaw is opening another two six-plexes over the next two years in the suburbs (Balestier and Sembawang). Also waiting for government approval are plans to redevelop a second old suburban hall into a six-plex.

According to Vee King, moving to the suburbs makes sense, because "as the number of screens grow, cinemagoing will also increase." Product mix being a critical factor, Shaw is in a joint venture with Chinese film distributor Eng Wah in a four-plex in Chua Chu Kang, a suburban new town. "Chinese movies account for 25% of the box office now," Vee King said, "but we still need Chinese product, especially in the suburbs."

Cathay Organization also is reinventing itself to keep up with Singapore's changing cinema scene. It has re-entered the filmmaking business by funding the highly successful local production "Army Daze," based on a popular stage play by Michael Chiang (with a budget of \$500,000).

Opening soon in Loyang is a \$3 million facility, Cathay Vidfilm, a joint venture with the U.S. post-production company, Vidfilm. Cathay Vidfilm. will provide state-of-the-art post-production services and enable the transfer of film to video (including digital video) format, which will save film libraries, including Cathay's own distinct library of Malayan films. Cathay has sold its entire Chinese film library to Sony for cable broadcast this year.

Table 30. Singapore Film Biz by the Numbers

SCREENS	* 1995: 99 * 1996: 131
ADMISSIONS	* 1995: 18.13 million * 1996: 14 million (through October)
ANNUAL BOX OFFICE GROSSES	* 1995: \$77 million * 1996: \$81 million
FEATURE FILMS RELEASED	* 1995: 290 * 1996: 300
FEATURE FILMS BANNED	1995: 29 * 1996: 20

3.0 Supply Capability

Before we examine the offered services of the local film industry, let us take a look first on the backward linkage for both motion picture distribution and projection and motion picture production.

Table 31. Motion Picture Distribution and Projection Backward Linkage

Industry	Value	Share
		%
Motion picture production	1080753	42.06
Electricity	390581	15.20
Petroleum refineries	187469	7.30
Radio and TV programming	149000	5.80
Photographic studios including commercial photography and related services	105926	4.12
Letting, operating, real estate, residential or non-residential, other real estate activities	82353	3.20
Wholesale and retail trade	67889	2.64
Restaurants, cafes & other eating and drinking places	55904	2.18

Pulp, paper and paperboard	51949	2.02
Other lodging places	50001	1.95
Others	347852	13.54
Total	2569677	100.00

Source: 1994 Input-Output Table, NSO

The backward linkage is a presentation of the suppliers of motion picture distribution and projection. As seen on Table 31, this particular sector of the motion picture industry is derived from production of such films valued at P1 billion with a share of 42.06%. This is followed by electricity valued at P390 million with a share of 15.20%, and petroleum refineries valued at P187 million with a share of 5.80. Motion picture distribution and projection will therefore thrive with local production of films.

Table 32. Motion Picture Production Backward Linkage

Industry	Value	Share (%)
Restaurants, cafes, & other eating and drinking places	102630	20.00
Petroleum refineries	69516	13.54
Advertising services	48510	9.45
Electricity	40270	7.85
Mfr of stationeries', artists' and office supplies	35564	6.93
Letting, operating real estate, residential or non-residential, other real estate activities	25435	4.96
Mfr of photographic and optical instruments	23958	4.67
Wholesale & retail trade	17862	3.48
Mfr of misc. chemical products	17336	3.38
Other repair shops, n.e.c.	15325	2.99
Others	116817	22.76
TOTAL	513223	100.00

Source: 1994 Input-Output Table, NSO

The second sub-sector of the local film industry is the motion picture production. The backward linkage shows that one of its major suppliers is the industry of restaurants, cafes, and other eating and drinking places valued at P102 million with a share of 20%. This is followed second by petroleum refineries valued at P695 million with a share of 13.54%, and third by advertising services valued at P485 million with a share of 9.45%. The rest are seen on Table 32. From the results, it can be inferred that the business of film production is dependent from a number of suppliers like the restaurants industry which supply film production outfits the food of the talents and crew, and even provide them the facility in case they are used as scenes or segments of a film. Gasoline and transportation expenses are likewise needed during shooting of films, just like advertising services to promote the film.

3.1. Offered Services

Filmmaking in the Philippines is a total production from conceptualization of the story and scripts translating them into a screenplay, actual production or shooting of the film, post –production, and marketing and distributing the film to various exhibitors. Today, film stories are taken from winning novels like Palanca award winners or from current crop of filmwriters. Competitions are even conducted to get the best stories for film. A director is tapped to handle the shooting of the film and in the pre-production stage gets involved with the producer in the hiring of the key technical crew like cinematographer, sound man, lights man, and other members of the production staff. Together with the producer, they identify the talents who will portray the various major and minor roles and even show the scripts to major stars for review of their roles. In the actual shooting, the services of the make-up/prosthetic artists and the props men are also taken into consideration for continuity and visual impact. On the other hand, the post-production stage already includes animators if needed and various technical engineers. Upon completion, the services of the PRO , the publicity writer, other merchandisers, and the stars themselves are tapped to market and promote the film extensively. It is a full-line of services particularly happening among major producers who may have their own technical staff and contracted production houses. A number of them like Star Cinema and GMA Films have their own television network to promote trailers that can reasonably catch the attention of potential moviegoers. For independent producers, they sub-contract most of the services but see to it they get good people so they can produce marketable films.

3.2. Areas Specialization

Some filmmakers have a good crop of film writers who are recognized in their craft and are winning awards. Among them are Ricky Lee, Raquel Villavicencio, Carlos Caparas, Doy del Mundo, Lualhati Bautista, etc. These writers are mostly sought after by producers if they want to produce good, well-meaning films.

Directing is another area of specialization the country is known for. Lino Brocka made a name in international film festivals during his era like “Bona,” “Kapit sa Patalim,” “Orapronobis,” “Macho Dancer,” and a lot more. Today, there are a number of good directors making a name for themselves, the likes of Marilou Diaz-Abaya of “Jose Rizal” and “Muro Mami”, Joel Lamangan for “Flor Contemplacion Story,” Carlitos Siguion Reyna for “Curacha, Ang Lalaki sa Buhay ni Selya,” and a number of award-winning films, Jose Reyes Javier for his teen-oriented movies, Laurice Guillen, Eddie Garcia, and even Fernando Poe Jr. under the pseudonym Ronwaldo Reyes.

The local film industry also offers production or laboratory services like LVN Studios, RS Video, and some new digital-oriented production houses with state-of-the-art facilities.

There is an overflow of movie stars who have contracts with Regal Films, Viva Vilms, Star Cinema and GMA Films. Some outstanding ones, however, would rather have non-exclusive contracts like Maricel Soriano, Edu Manzano, Eddie Garcia, Fernando Poe Jr, Rudy Fernandez, Lorna Tolentino, Philip Salvador and the like so that they can appear in films made by independent movie producer and be paid a hefty sum. Also in particular, Star Cinema and GMA Network develop a pool of young talents to appear not only on their television networks but likewise on their respective film productions.

3.3. Expertise/Technical Competence of Manpower

A number of technically competent manpower can be tapped in joint local and international productions to be shot here in the Philippines. Goodbye America and The Legacy were shot locally but marketed internationally with a more limited budget compared to foreign productions by using our local talent. Joint venture production, therefore, is an area where the industry can adequately offer its services. Filipino animators are world-class because they produce animation for US films.

3.4. Quality and Quantity of Training

The local film industry likewise requires training manpower who can produce, direct good films and provide technical expertise on the many production aspects of the production. Some of its talents even have to resort to taking courses on direction abroad to acquire competence. While it is true that there are too many graduates of mass communication, the art of filmmaking requires rigid training and discipline.

The second aspect of training is on scriptwriting. A good story is the heart of film production since this is the film content. The scripwriting workshops periodically conducted by MOWELFUND and the scriptwriting competitions instituted by some film outfits are good venues for training. The industry needs to scout for good stories like those made by PALANCA Literary Award Winners but these stories should likewise be transformed into screenplays to capture the medium of film.

Technical competence is a must to be world-class. Hence, while we need this equipment, we likewise need manpower who can be trained to operate them and make additional wonders with their creativity.

Finally, as earlier mentioned, there is a need more talents who can break the star syndrome and act well. That's Entertainment of Kuya Germs was somehow a good training then. Today, it is the Star Circle and GMA's talents. If schools can put up an

Institute for Acting like what other countries do, the industry will not be tied up with big name stars who get a tremendous chunk of the production budget.

4.0. Strengths and Weaknesses

As Atty. Espiridion Laxa, Chairman of the Film Academy of the Philippines (FAP) emphasizes, in order for a movie to be considered a quality one, it must possess the following features: 1) good story, 2) believability, 3) well written script, 4) good acting, 5) competent direction, and 6) technical aspects such as sound, photography, music, cinematography, etc. should be world-class.

4.1. Good Story and Believability

Atty. Espiridion Laxa says that when it comes to the features of a quality film, the local films are highly capable of coming up with such ever since Philippine Cinema started to flourish. This idea was further boosted by director Jose Mari Avellana (son of film pioneer, Lamberto Avellana), who said in an interview that when it comes to sources of good stories for film, the Philippine culture is so rich of such. He emphasized that Philippine literature, languages, arts, etc. are areas from where filmmakers can cull subject matters and concepts which can be considered viable materials for film production. The richness of the Filipino culture could be explored and translated into film outputs.

4.2 Well Written Scripts, Good Acting, Competent Directing

Well written scripts are not a problem when it comes to the local film industry because according to Rolfie Velasco of MOWELFUND, regular training of human resource is always conducted. The association takes care of existing workers like actors, editors, and movie workers. Scriptwriting seminars and workshops, film production, video production seminars are regularly conducted, Velasco emphasized.

The local movie industry, as Atty, Laxa further noted, “is comprised of very good actors and competent directors. There is no question when it comes to human resource capabilities and competence.

So, why can't filmmakers come up with fresher and better material for their movies? Some say that the absence of good scripts is the problem, but this is not true. The imaginative and substantial scripts are there, but producers and directors do not turn them into films because they think they are “uncommercial.” Trouble is, even the “commercial” film formats no longer click with local moviegoers, so producers should reconsider their currently limited options. They should also take their cue from exceptional films that have enjoyed strong public support and patronage, like Jose “Rizal” and “Muro Ami”. In fact, some “commercial” producers declared that they would

like to try producing “quality” projects like those two films, in the hope that they too will make a lot of money.

Former president of the Cinematographer’s Association of the Philippines, Sergio Lobo, has this to say, “Filipino actors, directors, and editors are very competent and able, it is just that they need the proper break and exposure and incentives.”

4.3. Impediments of Being World Class

Atty. Laxa and Rolfie Velasco stressed, “the local film industry is full of talented individuals very much capable of developing and conceptualizing quality films. However, if the needed technology meant to fully bring the concepts to realization is not gotten hold of, then justice will never be given such good concepts and scripts.”

4.4. Budget and Technology

Reyes cites the technology available for Hollywood movies are so advanced that it is not impossible for them to come up with hi-tech sci-fi films such as “Star Wars,” “Independence Day,” “Matrix,” “Gladiator,” among others.

The equipment used by Filipinos is not as sophisticated as those used abroad. As of the moment, the Philippine movie industry still uses the mono sound system, which requires actors to dub their voices. Many producers refuse to shift to live sound recording or the Dolby Surround, since it entails another half of a million peso budget for this kind of sound technology.

To reiterate what Atty. Espiridion Laxa, Chairman of the Film Academy of the Philippines (FAP) said: “In order for a movie to be considered a quality one, it must possess the following features: 1) good story, 2) believability, 3) well written script, 4) good acting, 5) competent direction, and 6) technical aspects such as sound, photography, music, cinematography, etc. should be world-class.” He says that although a movie already possesses the first five aspects but fails to conform to the technical requirements, it ceases to be a quality movie because the technical aspect enhances and brings to life the other features as well; hence, if one fails in the technical side, everything is affected, and it ceases to be a quality film. One edge of foreign movies over local movies, according to Atty. Laxa, is technology. The Philippines is far behind in terms of technology used. In terms of funding, local producers lack such; hence, the inability to acquire modern technology to produce world-class films.

Mr. Rolfie Velasco, executive director of the MOWELFUND, has this to say, “when we exhibit local films alongside Hollywood Films, the local film suffers, they get pulled out of the theaters due to reasons that they are not earning, and in their place come foreign movies. He further stresses that alongside the local films, there is no doubt that foreign films, primarily Hollywood movies, are better produced; and with this, there arises the need for local movies to upgrade its system, specifically technology. Mr. Velasco further stresses that in order to conform to quality standards, a film must

primarily consider the technical aspect in order to live up to the standards of quality. In international film festivals, if producers do not record sound in stereo or Dolby, such film will not be chosen. Second, if canned music is used, definitely, it will not qualify at all because it has to be digital music. It must outright conform to the technical criteria. In order to achieve the technical standards, technology ought to be updated and constantly upgraded. Technology requires funding. "Quality films cost money," Atty. Laxa confirms.

4.5. Marketing

More importantly, Reyes reminds everyone that film is also a commodity. "To sell your movie, you have to have the machinery to market it," he says.

Most film producers who put premium on budget, are the same companies who own big media corporations such as GMA Films which has GMA 7, Viva Entertainment which is a blocktimer in channels 7 and 13, and Star Cinema, the sister company of ABS-CBN channel 2.

Reyes points out that these television stations are their marketing arms, which sell their movies by bombarding prime time with countless movie trailers. "Besides, they have their own clique of bankable stars," he adds.

On top of it all, Star Cinema and Viva have their respective recording companies, along with cable stations of their own to show their movies.

Table 33. List of Top Ten Tagalog Films for Year 2000

Rank	Title	Est. Attendance	Production
1	Minsan Minahal Kita	88.0k	Star Cinema
2	Anak	70.1k	Star Cinema
3	Kailangan Ko'y Ikaw	49.3k	Viva
4	Muro Ami	43.6k	GMA Film
5	Ang Dalubhasa	33.4k	Millenium
6	Tunay Na Tunay	18.6k	Star Cinema
7	Bukas Na Lang Kita Mamahalin	15.8k	Viva
8	Pedro Penduko	13.7k	Viva
9	Ayos Na Ang Kasunod	12.7k	Millenium
10	Madame X	9.7k	FLT Films

(Source: Ayala Cinemas Records)

One of the major problems of our film industry is its weak position in relation to foreign films. The government imposes no limits on the number of foreign films that enter the country. Film importers are levied basically the same taxes as those of Filipino movie producers. Hence, it is significantly cheaper to import a film than to produce one locally.

The technical superiority of foreign films enables them to capture a sizable portion of the domestic market. In catering to this large following, theater owners have placed local producers, especially small ones, at a disadvantage in negotiating for exhibition bookings. In fact, over the past 10 years, local films have made up just 35.3% of the movies submitted to the Movie & Television Review and Classification Board for preview.

4.6. Taxation

The film industry is also a victim of onerous TAXATION. From the income on gross exhibition, a full one-third goes to the government in amusement taxes. In addition, the producer has to shell out money for tariff and custom duties on unexposed cinematographic films. Presently, the government charges 30% of amusement taxes, and additional P 0.25 per ticket for cultural tax. Aside from the fix tax rate that the government is charging, it also charges a 10% Value-Added tax. Add to these review and classification fees, inspection fees, license and permit charges, and you have the highest movie taxes in the world today, adding up to a staggering 52%– 55% on gross receipts alone. To be a certified box office hit, a movie has to make more than PhP20 million in its Metro Manila run alone. If a movie costs PhP20 million to produce, it has to gross PhP60 million for the producer to at least break even.

Moreover, Filipino filmmakers labor under huge production costs. To break even, a producer must gross PhP12 million from a PhP4 million film budget. Two-thirds (2/3) of the gross goes to the theater owners and taxes, and the remaining one-third (1/3) to the producer.

According to Atty. Laxa, taxation in the Philippine scenario as compared to foreign countries is very heavy (See Appendix). The United States of America does not charge amusement tax, Japan charges only a very meager 5% amusement tax, and so with Thailand among others. The conclusion therefore is that there will a better supply of good films and more producers will produce films if taxation is drastically reduced.

4.7 Limited Government Support

Under the present dispensation, low priority is given to the development of the Arts. This attitude limits improvements in the industry in terms of policy direction. The low priority given to the development and upliftment of the quality of film are evident in the almost nil support for the activities of the industry.

4.8 The High Cost of Production

In a previous study done by the Development Academy of the Philippines (1991), it also expressed a concern over the high cost of production. Due to heavy taxes, producers can no longer focus on socially relevant films but rather concentrate on the commercial value at the box office potentials of their pictures and the use of bankable stars to guarantee the return on investments. The unstable economic condition and the difficulty of sourcing capital add to the burden of producers in coming up with good film projects. The theater owners, too, are in the same situation. The relatively cheap prices of admission tickets as against the huge amusement taxes paid by theater owners and the competition among theaters justify their concern for selecting and exhibiting viable pictures.

4.9 The Dominance of Very Few Big Production Companies

Regal, Viva, and Seiko produce mainstream films which rake millions of pesos without consideration to values or socially relevant messages. The proliferation of formula films (sex-violence) have become the weekly main fare on the big screens. It is heartening though that new production outfits like Star Cinema and GMA Films come up with more selective films designed for film festival competitions and export.

4.10 TRCB as a “Censorship” Body

Despite the freedom of expression espoused during the reign of Ms. Armida Siguion-Reyna, the MTRCB still has a seeming absence of well-defined functions, rules and regulations. The creativity of filmmakers is suppressed due to compliance with MTRCB policies. Although there is need to regulate and monitor the films being shown to protect the interest of viewing public, what is really suitable to the audience remains an issue. A more current example is the film “Live Show” shown before an international audience, and now banned thus causing the resignation of the new MTRCB Chief Dr. Tiongson. It is high time we define the parameters by which MTRCB should operate.

4.11. The Star Syndrome

The “star syndrome” adds to the producer’s burden. Stars are paid enormous talent fees, thus taking a big chunk of the producer’s budget. However, the hiring of “bankable” stars is inevitable, since the producers are fixated on recovering their investments at the box office.

Local movie producers face delay in the collection of their one-third share from the gross exhibition income. Remittances from theater owners take on the average from two to three months or, at the extreme, six months, which in turn creates liquidity problems for the producer.

Thus, mounting taxes and production costs stifle whatever inspiration remains in producers to create worthwhile films. The producers instead focus on the box office potential of their pictures; they resort to such safe and well-tested themes as SEX, VIOLENCE AND NUDITY to ensure some measure of profit.

For years now, movie producers and distributors have bewailed the rise of “piracy” on the high seas of the local entertainment scene. It is said that 30%-40% of films’ potential income is lost because unauthorized tapes of new movies can be bought on the sly weeks before those films start their commercial run in town.

What is critical now is to develop new talents so that there will be an abundant supply of manpower who can play very important roles in well-meaning films. The strategy of Star Cinema and GMA Films of developing young talents, train them on television and tap them on film are good moves.

4.12 Interpersonal and intergroup conflicts among the film industry players

The DAP 1991 study also identified that the relationship of theater owners and producers are adversarial in terms of coming up with mutually beneficial business agreements relating to the films to be exhibited in the theaters. The theater owners can select the kind of films for exhibition and most often they choose films that would rake in money more than showing films that have socially relevant messages. Likewise, the producers can dictate the content of the film, so much so that directors, scriptwriters and other production crew members are sometimes compelled to follow their ideas. This limits therefore what the directors can possibly do to contribute to the production of films which would have socially relevant values.

5.0 Opportunities and Threats

A review of threats and opportunities can provide further crystallization to some strategic recommendations for the film industry:

5.1. Financial Capability as Compared to Foreign Films.

Cost of filmmaking is rapidly increasing. However, the number of movie audiences is also declining.

Film critics have emphasized that “Hollywoodish effects” do not necessarily entice Filipino moviegoers. It is the quality of the film that will make the audience want to watch it. But film directors and producers believe otherwise.

Factors which led to the weak competitive position of local films against foreign films are as follows:

- a) It is much cheaper to import films than to produce them locally;
- b) Government has not imposed limitations on the number of foreign films that should enter the country;
- c) Preference of theater owners for foreign films has placed local producers at a disadvantage in negotiating for exhibition bookings; and
- d) Foreign films have captured a significant portion of the domestic market.

However, Jose Javier Reyes assures that this is not the end of Philippine Cinema.

In the constantly changing world of the Filipino film industry, film festivals have been the traditional windows through which the Philippines lets the world see its film wares. There have been a number of locally produced films that have received international recognition.

5.2. International Exposure and Exhibition

There are still Filipino films that make it to International Film Festivals like “Kahapon May Dalawang Bata,” “Lalaki sa Buhay ni Selya” by Carlitos Siguion-Reyna, “Saranggola” by Gil Portes, “Rizal” and “Muro-Ami” by Marilou Diaz-Abaya, “Ang Criminal ng Barrio” and “Hubad sa Ilalim ng Buwan” by Lav Diaz, and Jeffrey Jeturian’s “Pila Balde.”

There is also the Raymond Red’s victory in Cannes International Film Festival with his short film “Anino,” Joel Lamangan’s “Flor Contemplacion Story” at Cairo International Film Festival, and Carlitos Siguion Reyna who bagged the Best Picture Award in the Palm Beach International Film Festival alongside “Pila Balde”’s Gold Award in Worldfest Houston.

However, Joey Reyes notes that directors and producers are not the only ones to be blamed. The problem lies in the hands of the common Filipino moviegoer.

The Filipino films’ exposure to foreign viewers via the international film festivals provides an avenue to gain awareness, attention, and ultimately recognition. This recognition sprouts from the knowledge gained first of the film’s country of origin, the content of the film which manifests the distinct culture and image projected by the people, and the ideals and ideas of a society. Hence, such film festivals promote not only the film output itself but the ideals, people, and culture of a society whose nation

was recognized through the film medium. Patronage is likely to take its place once recognition is achieved.

5.3. A Luxury of Options and Abundance of Sources

Director Jose Mari Avellana, son of film pioneer Lamberto Avellana says, “Filipino moviegoers can help uplift the standards of Philippine cinema by first patronizing whatever film is brought to the attention of the movie-going public. If, according to film authorities, a film gains patronage if it conforms to the standards and expectations set by the movie-going public, then by all means, producers and moviemakers should bear in mind that there is an abundance of sources from where filmmakers can derive their stories and themes from – the allied areas and fields of film and the arts. If foreign films are able to show their culture via their outputs and gain patronage from people outside the confines of their culture, then it is also possible that Filipino culture can also gain patronage when it is translated to film.

The hope is that the new film audience will support both old and new producers’ more enlightened and imaginative projects. Only when producers, filmmakers and viewers work in tandem can local movies get themselves out of the rut.

In his paper entitled, “Saan na ba, Ano na ba, Papaano na...Ang Pelikulang Pilipino,” Jose Javier Reyes stresses, “Filipino films may look like poor copies of big budgeted Hollywood pictures.” He further cites that Hollywood films are given exorbitant budgets, say 100 million dollars while the budget of a Filipino film may go as low as US\$70,000 to as high as US\$580,000. “That is just the amount spent on catering on any Hollywood picture,” Reyes states.

Moreover, an average Filipino film uses around thirty thousand feet of raw film, while Hollywood uses the same amount for a single day of shooting. This was confirmed by Chris Lee, former president of Columbia Pictures, producer of the Oscar Award winning film, “As Good As It Gets.”

Also, Hollywood films are not marketed in the USA alone. Most often, these films are shown in other parts of the globe where they reap most of their earnings.

5.4. Competitive Advantage and a Distinct Image

It is because the gaze is geared towards such local movies being pitted against Hollywood productions that allows Filipinos to say that local films are very much below par in terms of patronage. The production aspect is just one angle to be considered in filmmaking, and for sure one which is capable of spending a high budget is that one producer which will emerge the most technologically capable production outfit. But that is just in terms of the production aspect. This is the ultimate edge of foreign movies,

primarily American films. But the other side of the equation shows an abundance of resources Filipino films can capitalize upon: a wealth of resources/materials to be translated into film, competent human resource, and a distinct culture which gives the film a distinct image which sets it apart from other nation's outputs, hence building the desire of the viewing public to know what really is in store for them through such film. This gives a chance for alternative films to be tapped for exhibition.

5.5. Piracy

PIRACY is another major problem threatening the film industry. The industry is currently beset with a condition where there is a rampant production and distribution of pirated films. Film pirates are those individuals who resort to such illegal acts. They plunder about 60% of the total earnings generated every year.

There are two forms of pirated materials: one is the VHS format, where pirates execute a process called film transfer in order to reproduce a pirated version of the motion picture. Another type is the VCD format, where the so-called analog tapes are transformed into a more advanced format, the digital format. From here, pirates convert the copy into an MPEG file, and finally transfer it via a CD Writer. Many big time movie pirating companies use a machine known as the "stamper", which can produce 30,000 copies per hour or about 240,000 copies per day.

That is why raids are regularly conducted on video outlets suspected of duplicating and selling pirated tapes of films. Despite these raids, however, the pirates persist. In fact, they have now gone beyond video cassettes and are now selling VCDs at greatly reduced prices. Authorized VCDs of new movies are priced at something like PhP425 at legit outlets, but the colorum VCDs cost only from PhP100 to PhP120 each. Prices can be brought down that drastically because the pirated tapes do not pay video royalties to the films' producers or distributors, and no taxes to the government. Of course, when one buys a pirated VCD, he runs the risk of getting his hands on a lemon, a poor version copied on the run in moviehouses abroad during screenings of those movies, weeks before they open in the Philippines. This is apparently the case with quite a number of the fake VCDs sold here because they have images that do not "fit" the TV screen since they were shot near the movie screen. In addition, the sound is bad, and movie patrons can sometimes be seen crossing in front of the camera and vocally reacting to what is being shown in the theater. Some tapes even have Chinese subtitles.

Authorities in the film industry believes that the trade in pirated VCDs is on the rise. In fact, there are little stores that now specialize in unauthorized tapes. Why are they not raided? It is surmised that these pirates have the right connections with some important people.

It could help if the buyers of these cheap tapes are better-informed about the very negative effects of this trade in pirated VCDs and CDs. If a producer makes less money, he will have to cut back on his production budget or rely more on commercial plot and character formulas than on quality concepts. Hence, the ones who really lose out in the end are not the producers, but the film artists and the viewing public. In buying cheap tapes, we are robbing the producer, the filmmaker, the distributor, the government, and the people.

5.6. Television, Cable Television, VCD/VHS/DVD

For a number of seasons now, the local film industry has been having a hard time competing against imported movies at the box office. Time was when two or three, and sometimes even three or four new local films would open in theaters each week, but these days the number has gone down to one or two. What accounts for this slump?

First, some viewers have gotten tired of the industry's predictable formula movies and quickies. Now that admission prices have gone up, moviegoing has ceased to be a weekly kneejerk activity, and viewers now think twice before going to the flicks. Since they have become more selective, they opt to see movies that have bigger stars, fresher material and better production values and, in many instances, foreign films win out. Another factor is the fact that many Filipinos have been working abroad, where they have been directly or subliminally exposed to better or more professionally produced entertainment.

When they return home, they look for better shows and films and no longer have the patience for trite formula fare and some big local stars' limited performance range. In addition, some of these OCWs bring home TV sets and VCRs and have thus gained access to shows that are less expensive than new films. Then there is the rise of the mall theater circuit, made up of cineplexes with six, eight, 10 or 12 theaters each, many of them with state-of-the-art facilities. These are over a hundred such theaters in malls, and they comprise a new theater circuit with its own crowd, made up of more educated, moneyed and discriminating viewers who expect more value for their entertainment peso.

Television has become another market outlet and source of revenue for film producers. It is also used as an advertising medium for the exhibition of new films in Metro Manila theaters. Producers also invest in the production of TV/video features using their own pool of stars. TV audience ratings have in fact proven that the most highly rated locally produced shows are either reruns of feature films of the big producers or the features which they produce especially for television.

5.7. A Chance to Expand Market Base

On the other hand, the threat of these new substitutes, being cable TV, VHS/VCD/DVD provides an opportunity for filmmakers to gain a more expansive audience if they re-edit their films for commercial television and cable television.

Cable television subscription is now a trend and operations in this type of medium is unceasing, hence the chance for filmmakers to exhibit their productions in various channels within reach of the viewing public.

5.8 Adherence of the Local Philippine Market to Commercial Films

The current trends in the cinema industry center on the entertainment and commercial aspect of the movie. The viewing public prefers to watch films which will allow them, even for a while, to escape from the harsh realities of their environment. They patronize stories which enable them to identify themselves with the characters. They favor trash films dealing on sex, violence, and comedy. This orientation is an ongoing threat to the growth of the local Films since very few socially relevant films will be patronized. There is a need, therefore, for a massive information campaign to elevate the standards of film viewing by our local Filipino moviegoers for our local films to succeed in the local market.

6.0 Action Plan Enhancing Competitiveness

The proponents of this study came up with certain plans and programs to meet the problem/s head on.

Bases of such recommendations were taken out of primary data gathered such as in-depth interviews. Hence, the Master Plan of the Philippine Film Board is further enhanced and given the necessary details for implementation in a practical sense.

Strategies must then be able to conform and address the following objectives:

- To provide the means by which Philippine producers can develop and distribute a larger quantity of better quality Philippine films;
- To develop bigger and more sophisticated Philippine audiences in the Philippines and internationally;
- To provide higher returns on investment for film production and distribution.

6.1 Marketing

Lack of information and marketing programs are said to hinder the patronage and demand for local Filipino films. It is then recommended that a Massive Information

Campaign be launched for this type of industry. Such Information Campaign strategies and programs would ultimately comply and fulfill the following:

- a. Create and build awareness on our local films for export particularly to foreign film distributors who can market our films for international exhibition.
- b. Promote the Filipino talent -- our actors and actresses, directors, scriptwriters, and technical crew – to the foreign filmmakers who may need their services and that they can offer a competitive advantage because of their facility to speak the English language and the ability of the technical crew to take English instructions from these filmmakers.
- c. Promote the services of our production companies and the extent of services they can provide like the case of Philippine animation studios which now produce Hollywood films.
- d. Tap the Philippine embassies and the consulates in marketing our Filipino films abroad. Provide the embassies with the needed information materials on our outstanding films and personnel to be marketed to foreign filmmakers in various parts of the globe.

6.2. Market Development and Promotional Strategies

Modern marketing calls for more than developing a good product, and making it available to target customers. Organizations/companies must also communicate with their customers. Communication makes it possible for the right message to be projected and imparted for a given product. This function then takes its course through promotional strategies. Promotional strategies in the form of advertising, public relations and publicity, direct marketing, sales promotions, personal selling, and e-marketing. For instance, devote some ads of our outstanding films in appropriate media vehicles like print in specific regions where we can show our films. Use press publicity and collaborate with press agents who can feature films in their respective publications. Develop visually attractive brochures, leaflets and flyers and stir up awareness. Tap government personnel in the embassies to market Filipino films. And start developing movie website of outstanding films for global consumption with connection, for instance with yahoo, or even banner ads for a start. Institute integrated marketing communications program (IMC) for superior films to gain wider patronage.

Movies are products intended for various types of viewers. Philippine films in particular are in need of certain promotional strategies.

6.3 Promotion of Filipino films in international markets through participation in film festivals.

Conceptualization and dissemination of direct marketing communication materials such as flyers, brochures, etc. to organizers of international film festivals. These materials would pave the way towards the recognition of a movie/motion picture as a product of the Philippines. This then may lead towards fully taking part and joining in a given film festival. Direct communication materials should be supplemented by public relations materials in the form of press/photo releases and feature articles which could be placed and published in various foreign print media. The country can send bigger delegations by bringing local actors and actresses, directors, writers and producers who can speak well and articulate Philippine entries to such festivals.

Accreditation of more international film festivals is highly encouraged and recommended. The more accredited festivals accounts for a possibility of more exposure in the global arena.

6.4 Discover, develop, and/or expand international mainstream or niche markets for Philippine films.

If Filipino films are directly placed to compete against western films primarily those of Hollywood's, they will never be accorded full attention to by the audience. Filipino films cannot directly compete and unseat western films, hence, the need to dwell upon and capture a segment of the market in which they may be sure of being recognized and patronized, thus enhancing their acceptability and profitability. This then calls for the application of the concept of NICHE MARKETING.

There is a need to look for and discover market segment/s in which such films will be profitable, in the first place. Smaller firms in a market, or even larger firms that lack established positions often adopt market-nicher strategies. They specialize in serving market niches that major competitors overlook or ignore. Nichers avoid major confrontations with the majors by specializing along market, customer, product, or marketing mix lines. Through smart niching, low share firms in an industry can be as profitable as their larger competitors.

It is then recommended that Filipino filmmakers gear towards exhibition of their films in a market which would easily or better understand what it intends to communicate as a medium. That then would call for these producers to promote their films primarily to the Filipino audience and alongside with the Filipino audience is the Asian audience. Culture, beliefs, and ways of life of Asians are similar, hence, understanding and appreciation of the content is easier and more apparent.

Tap Asian market where similar cultures exist, hence the probability of ease of comprehension of Filipino films in the Asian market which may lead to patronage in the Asian scenario. Penetration of the Asian market for a start would little by little broaden

the Filipino film's market base. The Asian audience then becomes the primary target market of Filipino films.

On the other hand, since the European and US market adore "exotic films" where we are good at like "Azucena," "Live Show," "Tuhog," or "Macho Dancer," we can then apply a different marketing strategy for this Western market and focus on the "Exotica."

Segmenting markets into niche markets and adopt specific marketing strategies to these particular segments may mean better patronage for local films.

6.5 Encourage and facilitate the participation in international film markets as a step towards the discovery, development and/or expansion of demand for Philippine films abroad.

This strategy would call for incentives to various filmmakers. Incentives could emanate from the government via an increased and full support of film producers to take part in as many international film festivals in the world. Procedures and processes attendant to the participation of Filipino film producers could then be reviewed and evaluated, and even revised to ensure ease of participation in international film festivals. Funding is one significant aspect in incentives plans. The bigger delegation, the likelihood of being noticed and attended to by foreign film buyers.

This then calls for the formulation of policies and recommending measures to fully develop the film industry's economic potential in the Niche Market/s.

6.6. Continuous Research and Development

Atty. Espiridion Laxa stressed that in order for Filipino films to gain international recognition and patronage, such ought to conform to standards acceptable to the international market. This gives prime focus on the theme and concepts presented in film. Such should be ones which the international audience could identify with. Atty. Laxa even recalls the prime of his movie producing years where he was able to gain international recognition when he produced movies with themes patronized by the international market. Such themes he also adapted in the local setting: Western movies (Zaldy Zornack movies patterned in accordance with John Wayne movies – Philippine Style, James Bond type of movies, where he starred his brother Tony Ferrer, making "sidekicks" the hero in his films (a time when a sidekick in Hollywood movies became a "star" in the person of Steve McQueen), action and detective movies. Now, the local industry has the recent Robin Padilla-Regine Velasquez movie patterned in the light of the Hugh Grant-Julia Roberts movie, "Nottinghill."

Such details and information could always be taken out of research, and research needs funding and budget. It is a matter of knowing what the market looks for in movies at this point in time, before coming out with a production output. Since there is gold mine in hitting the Asian market, it is best to examine the culture, traditions, and

mandatories in this regional market like the Moslem countries, the Confucian countries, and the westernized Asian countries and identify films which can be marketed to them.

6.7 Competition on the Level of the Country's Core Competency

The threat of foreign films is understandable since they have a big budget and they are really made for a global audience. The Philippines cannot compete at cost. But as a strategic recommendation, Filipino films can compete on content, in other words, the search for the "Filipino film" with a character of its own. It does not have to be expensive as proven by previous award-winning OSCAR films in the foreign language category. It is a matter of highlighting that area where the country is good at. "Tanging Yaman" for instance will likely be a hit in closely knit societies like Asian countries and Latin American countries.

6.8 Invest on Technology

Though the plot is interesting, actors and actresses competent, writers are creative and innovative, manpower is complete and skilled, if the means to produce an output is mediocre, the product will never be at par with the best films it would intend to compete with. Technology should be upgraded and updated in filmmaking. Sound, music, dialogue, and production concerns are totally dependent upon technology. It is always proper to purchase equipment used by major filmmakers and film cities abroad and use them in our local production. In this regard, efforts must be created to be ready with enough films with sub-titles particularly during film festivals when immediate transactions are held. If local films for international festivals have only one specimen copy with sub-titles, then the country may lose the business if it does not have enough of them. The local film industry needs the technology to hasten sub-titling of films.

6.9 Continuous Training and Development and Education of Current and Prospective Industry Personnel

Invest in the establishment of a Film Institute where continuous education of industry personnel will take place. This Institute will provide enrichment courses and workshops to actors, actresses, directors, writers, etc. Not only will this provide enrichment courses but such will also enable the industry to discover and enhance new talents. The Actors Workshop Foundation headed by Mr. Leo Martinez is a good avenue for honing the skills and talents of our actors and actresses.

The Film Institute similar to what MOWELFUND is currently doing should likewise provide training and hands on experience to film and communication arts students by placing them in various media and film organizations for PRACTICUM.

6.10 Continuous Development in Collegiate Education on Courses Related to Film

Universities and Colleges offering courses in such fields as business, arts, and sciences could incorporate in their curriculum subjects or even introduce courses on film and animation. When the topic is on film, educational institutions ought to look at it from different perspectives which, in one way or the other may enable Filipino filmmakers, instructors, and students to fully explore and utilize the craft. In order to really boost this area in the Philippine setting, curriculum enhancement must take its course in such areas as:

- a) **The Arts** – in its entirety, film requires an aptitude in the arts. Such a field requires creativity, imagination, and artistry. Creative innovativeness must be harnessed in people who want to venture in this field. Hence, schools offering an array of courses in the arts must also include film arts among its listing. With this, facilities and resources to do the job must be also be properly supplied and given attention to.

Though artistry is indispensable in this field, it is not the end all and be all of animation, for with this, PRECISION must go hand in hand, and such an element could not be automatically assured of when we talk of mere creativity and artistry. Here then comes the concept of another field to consider in film – SCIENCE.

- b) **Science** – artistic movements and creative execution need precision alongside. Though, science and mathematics are relevant, it is not totally a must to infuse a large amount of units in film and animation, but simple subjects in the sciences, which might enable the filmmaker like an animator to fully calculate the precision of movements, can be included in the curriculum. Symmetry and synchrony can be attributed not just to the artistic skill but to scientific skill as well.

When the issue is quality achieved via the arts and science, the output can never be fully realized if nobody knows about it, more so if nobody patronizes it, then everything is of naught. In order to further make animation as a craft flourish and gain consumer acceptance in both the local and international arena, then another field must be taken into account in making animation earn. Then here the field of BUSINESS should be considered.

- c) **Business** – with creativity and precision, a work of art is produced, but then it remains as a work of art and nothing else if it will not earn for its creator/s. In the Philippine scenario, the film industry can earn by properly communicating such a business in both the local and global markets. So in here, another concept is included, and that is the business aspect. Here then is another field by which film as a course/subject could be structured.

6.11 Laws/Industry Governance

In terms of laws, it is suggested by the industry that incentives be effected to Filipino filmmakers. These are incentives in the form of regulating taxation. Other countries, for instance, are given incentives such as reimbursements and rebates.

As of now, laws give way for the influx of foreign films which are then given the preference to earn rather than locally films. Therefore, it is also suggested that such laws be rewritten in such a way that it protects the industry in terms of the products and services it promotes to its markets with foreign competition at the sides. Laws ought to support the internal capabilities of local filmmakers.

Other countries such as Canada and Japan are given a lot of incentives by their respective governments; hence, internal capabilities are highly enhanced and made full use of.

Meanwhile, there is a need to review the functions of the MTRCB – is it really meeting the original intentions of its existence which is a regulatory body or does it really assume the function of censorship even before a film is shown? Perhaps it would seem best if the industry organizes its own self-regulatory body with members coming from the industry itself. Since abuses of film producers like committing acts of pornography are covered by Philippines laws, an industry body instead of MTRCB can best work for the interest of the local film industry.

6.12 A Voice in the Government

In probably almost all nations, there is no such thing more powerful in business than having a voice in the government. Businesses earn clouts and contacts and eventually support from the government via a voice through organizations and associations created for certain fields of endeavor. One specific means to gain a valid voice in the government is by way of creating a so-called **Philippine Film Commission**. This will enable our filmmakers to be represented in the government; hence, creation of such would make their voices valid and most of all heard. Just like the Philippine Basketball Association, and other commissions, the film industry can come up with one in order to be given a stand in the government. This would eventually make business more viable and feasible of recognition and patronage, and support as well. Once support from the government comes along, no doubt, its international exposure is assured.

6.13. A Closer Look at the Philippine Market

The recommendation to market the Filipino film abroad is a critical concern of all players in the movie industry. However, there is also need for a concerted effort to

educate local moviegoers in patronizing socially relevant films that can help provide a better quality of life for our people. Hence, values-oriented films should also be a focus of the filmmakers through a three-pronged strategy as expounded by the DAP 1991 study:

- a. The generation of the support and participation of critical industry sectors vis-à-vis the production of socially relevant films;
- b. The effecting of the commercial viability of socially relevant/value-infused films; and
- c. The development of the demand for value-infused films by upgrading the cultural and aesthetic values and tastes of the Filipino audience.

To accomplish the preceding specific strategies, the industry should be given the capability to produce socially relevant films and provide attractive incentives. The recent Metro Manila film festival is a good pilot case of supporting well-meaning films to be shown during the Christmas season. “Tanging Yaman,” “Death Row,” “Sugatang Puso,” “Markova Comfort Gay,” and the like are the kind of films that should be strongly supported by our local audience. If the country has these excellent films for exhibition, more and more Filipinos would be enlightened on who and what the Filipinos are and their creative abilities in producing such films. More incentives should therefore be given to local producers who will not exert an extended effort to film them, show them here, and promote them abroad.

Through continuous education and re-education of the local market who use to shun the Filipino film and can now appreciate excellent films of social relevance, then, the country will have a captive market locally and a goldmine globally.

7. Performance Monitoring Scheme

The various industry players can take charge of monitoring themselves to create a good Filipino film -- the association of producers, distributors, exhibitors, and the members of the Film Academy of the Philippines who are the people behind the success of film. Award-giving bodies coming from the industry should be promoted to enhance acting, directing and the many areas of technical production. On the other hand, the Manunuri ng Pelikulang Pilipino—the movie critics—should tirelessly evaluate films and award the deserving ones to provide a different perspective. The Film Rating Board should also continue to evaluate good films so that the producers can be entitled to tax rebates. This will surely motivate more industry players to produce better quality films.

One critical concern of the producers, however, is the MTRCB—the Movie, Television, Review Classification Board—which should focus on classification and not

ensor films to provide ingenuity and creativity to directors and not restrict their film materials. The members should evaluate scenes in context and not just outrightly delete objectionable scenes. Having said this statement, however, the members should review films and advise the producers/directors themselves to exercise self-regulation if the filmmakers go beyond what is contextual. Hence, the MTRCB can oversee the “fly-by-night” producers who are out to make a killing in the box-office with utter disregard to the sensibilities of the moviegoers. The Board should likewise supervise the strict implementation of “Rated R” films in all local moviehouses and provide disciplinary sanctions to concerned producers/exhibitors.

Local filmmakers should continue to participate in international film festivals, monitor results and provide wide publicity both here and abroad to create an awareness to such quality films. With this, the Filipino attitude towards our local films will eventually change and will patronize them.

FINAL WORD

Hollywood belongs to the west. It conforms to the standards and expectations of the west. The Philippines is located on the other end -- the eastern side. If the west has its own character, the east has its own, too. The country is not below par when it comes to resources if compared to the west because the Philippines has its own strengths. And the east with its own share of resources builds its own distinct character. Such character could be manifested in various aspects, primarily in the resources the country possesses and the output of such resources inherent in its own areas. And one such material wherein one's distinctiveness as a nation is held manifest is that product called film. Through this particular medium, the Filipinos can show the world who they are as a nation and as a people. This medium provides an avenue for to show the Filipino character as a society. Hence, the more Filipino films exhibited to the world, the more the world will know about the country and be able to appreciate at.

Having “Filipino films with a Filipino character” will enable the country to rise above the clutter and free itself from the bondage of Hollywood standards. The Philippines can be likened to a “David competing against the Goliaths of filmdom – that is Hollywood.” At the end it emerges not really a winner, (not a loser definitely) but somebody different and distinct, all it owes to its own little strength – the culture, the character. This brings about the competitive advantage in the midst of a filmmaking battlefield.

The goal is to go global, and to go global does not necessarily mean to fight outright, but to race for the recognition of being a unique entity as shown in the local films. However, the basic requirements of technology must always be apparent – good sound, good processing, editing and the like.

APPENDIX B

GUIDELINES ON THE INVESTIGATION AND PROSECUTION OF OFFENSES DEFINED AND PENALIZED UNDER ARTICLE 201 OF THE REVISED PENAL CODE, AS AMENDED BY PD NO. 969 (IMMORAL DOCTRINES, OBSCENE PUBLICATIONS AND EXHIBITIONS, INDECENT SHOWS). (Department Order No. 26)

Supplementary to the provisions of Department Circular No. 5, s. 1989 (Prescribing a Uniform Procedure for the Disposition of Inquest Cases) and Rule 112 of the 1985 Rules on Criminal Procedure, as amended and, in response to the need and desirability to provide a uniform criteria upon which to base the quantum of evidence required by prosecutors in the determination of probable cause involving offenses defined and penalized under Art. 201 of the Revised Penal Code, as amended, the following guidelines are hereby prescribed:

1. In cases where the Movie and Television Review and Classification Board (MTRCB, for brevity) files a criminal complaint pursuant to Sec. 3(i) of PD No. 1986, MTRCB shall immediately furnish the investigating prosecutor with copies of the pertinent records/documents/evidence in its possession together with the sworn-complaint of the official responsible therefor, stating the cause of action; and
2. In cases of obscene exhibition(s) and indecent show(s) the investigating or inquest prosecutor shall determine the existence or absence of probable cause based on the sworn complaints of witnesses whom may be members of the law-enforcement authorities including photographs or reproductions of the alleged obscene shown or exhibitions. However, the presentation of photographs/reproductions is not indispensable for the filing of the appropriate information in Court if other evidence adduced can establish probable cause.

For strict compliance.

Adopted, 5 August 1991

Appendix C

MTRCB IMPLEMENTING RULES AND REGULATIONS

Pursuant to Section 3(a) of Presidential Decree No. 1986, the Movie and Television Review and Classification Board (MTRCB), hereby enacts and promulgates the following Rules and Regulations:

CHAPTER I

DEFINITION OF TERMS

SECTION 1. Definition of Terms. — As used in these Rules and Regulations, the following terms shall mean:

a. **BOARD** — The Movie and Television Review and Classification Board (MTRCB) created under Presidential Decree No. 1986;

b. **MOTION PICTURE** — A series of pictures projected on a screen in rapid succession, with objects shown in successive positions slightly changed so as to produce the optical effect of a continuous picture in which the objects move whether the picture be black and white or colored, silent or with accompanying sound, on whatever medium with whatever mechanism or equipment they are projected or recorded for instant showing, for the purpose of these Rules, the material in which the motion picture is contained and preserved.

The term "**film**" as here used is synonymous with "**motion picture**".

c. **TELEVISION BROADCAST** — A public showing of images (video) and sounds (audio) via free television whether Very High Frequency (VHF) or Ultra High Frequency (UHF), to include cable television and other limited audience distribution.

d. **THEATRICAL DISTRIBUTION** — A public showing or exhibition of motion pictures in theaters, moviehouses, or any other places imposing admission fees to persons for entertainment, education, information and advertisement.

e. **NON-THEATRICAL DISTRIBUTION** — A public showing of full length or short feature motion pictures through the use of mobile or non-mobile projection equipment for which no admission fee is charged. This includes showing of full length and short feature motion pictures exclusively to civic organizations, societies, clubs and other similar groups including juvenile, educational, documentary, cultural, scientific, journalistic, industrial, sales, public relations and instructional films.

f. **GENERAL VIEWING** — This refers to motion pictures made available to the general public for viewing whether through film libraries or such similar organizations.

g. **GENERAL PATRONAGE OR "G"** — A classification of motion pictures, admission to which is open to the general public of all ages.

h. **PARENTAL GUIDANCE OR "PG"** — A classification of motion pictures whether shown in theaters and/or for television, cautioning parents on the delicate contents of the film and the need for parental guidance in its appreciation.

i. **RESTRICTED OR "R"** — A classification of motion pictures admission to which is limited to adults. Adults, for the purpose of these Rules, are persons eighteen (18) years of age or above.

j. **NOT FOR PUBLIC VIEWING OR "X"** — A classification of motion pictures disapproved by the Board for public viewing or for television broadcast.

k. **TELEVISION PROGRAM** — Any television program including live shows, product and/or service advertisements, dramas and/or motion pictures originally shown in theaters.

l. **LIVE SHOW** — Any television program which is telecast simultaneously as it is being performed. Pre-taped portions of these live shows shall not be classified as such.

m. **NEWS** — Refers to straight and objective news reporting as distinguished from news analyses, commentaries and opinions and editorials.

n. **NEWS ANALYSES, COMMENTARIES, OPINIONS AND EDITORIALS** — These refer to views which are subjective in nature, whether these are of the speaker's and/or the network's.

o. **PROMOTIONAL MATERIAL** — Any material used to generate public interest in or further the growth or development of something, e.g. television advertisement and commercials, movie and television trailers, advertisement copies, still photos, photo frames, leaflets, posters and billboards.

p. **REVIEW** — The process of previewing motion pictures, television programs and related publicity materials to determine whether, based on the standards set by law, are fit for importation, exportation, production, copying, distribution, sale, lease, exhibition or broadcast by television networks; and, to determine as to what classification the film may be shown.

CHAPTER II

GUIDING PRINCIPLES

SECTION 2. Guiding Principles. — The Board recognizes the important roles that motion pictures and television play in a society as entertainment and informative media. As such, the Board is aware of the State's concern in molding and influencing the moral values and character of the people.

The Board's task, therefore, as mandated by law, is to safeguard these values without negating the services that motion picture and television render to the community.

SECTION 3. General Disposition of Review Material. — No film or motion picture, television or promotional material intended for exhibition in moviehouses or theaters or on television shall be disapproved by reason of its topic, theme or subject matter, subject to Sections 6 and 7, Chapter III, but upon the merits of each material taken in its entire context and/or subtext.

CHAPTER III

SCOPE OF AUTHORITY TO REVIEW

SECTION 4. Matters Subject to Review. — All motion pictures, television programs, television commercials and other related promotional materials, as defined in Chapter I hereof, whether these be for theatrical or non-theatrical distribution, for television showing on both on free and cable television, whether imported or produced in the Philippines, whether they be for local viewing or for export, shall be subject to prior review by the Board before they are exported, imported, copied, distributed, sold, leased, exhibited in theaters or broadcast on television.

SECTION 5. Governing Standards. — The Board shall judge the motion pictures, television programs, television commercials and other related promotional materials submitted to it for review, applying as a general standard, contemporary Filipino cultural values.

SECTION 6. Authority of the Board. — The Board shall delete scenes and disapprove film prints which are immoral, indecent, contrary to law and good customs, those which are damaging to the prestige of the Republic of the Philippines and its people or its duly constituted authority, or those which have a dangerous tendency to encourage the commission of a crime, violence or of a wrong, such as but not limited to:

1. ***Those which tend to incite subversion, insurrection, rebellion or sedition against the State, or otherwise threaten its economic and/or political stability;***

2. *Those which tend to undermine the faith and confidence of the people in their government and/or the duly constituted authority;*
3. *Those which glorify criminals or condone crimes;*
4. *Those which tend to encourage and/or abet traffic in and use of prohibited drugs;*
5. *Those which serve no other purpose other than to satisfy the market for violence, lust or pornography;*
6. *Those which are libelous or defamatory to the good name and reputation of any person, whether living or dead;*
7. *Those which may constitute "contempt of court" or contempt of any quasi-judicial tribunal or those that pertain to matters which are sub-judice in nature; and,*
8. *Those which clearly constitute a malicious attack against any race, or against various sectors of the community like women, youth, cultural communities, the handicapped, and urban poor sectors;*

SECTION 7. Pornographic Material and Violence. —

a) **PORNOGRAPHIC MATERIAL AND/OR SCENES NOT SUITED FOR PUBLIC EXHIBITION** — A film print and/or material shall be considered pornographic should the same, in the Board's exercise of the utmost consideration and evaluation, applying contemporary Filipino cultural values as standard, be objectionable for being immoral, indecent, contrary to law and/or good customs, or if the dominant theme of the material taken as a whole appeals to prurient interest.

For this purpose, the following scenes shall be considered immoral and indecent:

- 1) *All explicit sexual acts, actual or simulated, such as but not limited to, sexual intercourse, masturbation, mashing, licking and fondling of sex organs;*
- 2) *Lewd frontal nudity and/or exhibition of private parts, such as but not limited to, female breasts exposure and pubic hair exposure (naked or thru seethrough clothing, such as, lace bikinis, wet t-shirts and transparent negligee);*
- 3) *All sexual pumping scenes and movements, whether the subjects are clothed or unclothed;*

- 4) ***Sexual exploitation and abuse of children, such as, pedophilia and acts of incest;***
- 5) ***Perverted sexual acts, such as, homosexual and lesbian sexual acts, sodomy, necrophilia and "zooerastia".***
- 6) ***Deliberate panning of the camera to achieve a lewd and malicious close-up of sexual parts.***

b) ***VIOLENT SCENES NOT SUITED FOR PUBLIC EXHIBITION*** — Any excessive, unmitigated, brutal, distorted, irrational, ignominious, exploitative depiction of any act inflicting injury to a human being shall, for this purpose, be considered violent scenes not suitable for public exhibition.

Violent scenes as defined herein shall also refer to gory and bloody scenes that may tend to disturb the finer sensibilities of both adults and children.

CHAPTER IV

GUIDELINES ON MOVIE, TELEVISION AND TRAILER CLASSIFICATION

SECTION 8. Movie Classifications and Guidelines. — Movie Classifications are: "**GENERAL PATRONAGE**" (GP); "**PARENTAL GUIDANCE 7**" (PG-7); "**PARENTAL GUIDANCE 13**" (PG-13); **FOR ADULTS ONLY**; and, "**NOT FOR PUBLIC VIEWING**" (X).

A. **GENERAL PATRONAGE (GP)** — Movies classified General Patronage are for all ages. These films shall not, whether in theme and language, depict nudity, contain sex or violent scenes, which would be offensive to parents whose minor children are to view the film.

Film prints classified "**General Patronage**" shall be guided under the following criteria:

1. **THEME** — The theme shall be wholesome, reinforcing positive values.
2. **LANGUAGE** — Obscene, profane or blasphemous language and cuss words shall not be allowed.
3. **NUDITY AND SEX** — Scenes of nudity and sex shall not be allowed.
4. **VIOLENCE** — Depiction of violence and the use of threatening language, weapons and special effects shall not tend to cause alarm, distress or stress and/or anxiety to children. Suicide or euthanasia scenes shall not be allowed.
5. **DRUGS** — No drug and/or alcohol use shall be allowed.

B. PARENTAL GUIDANCE 7 — For ages 7 and above, provided that the child between the ages of 7 and 12 shall be accompanied by a responsible adult. Films classified "PG-7" shall be guided under the following criteria:

1. **LANGUAGE** — Obscene and profane language shall not be allowed. Language beyond polite conversation may be allowed provided they are common everyday expressions.

2. **NUDITY AND SEX** — Discreet indications or references to sensuality in the context of a normal and healthy family life may be allowed.

3. **VIOLENCE** — Inexplicit forms of violence may be allowed if appropriate to the storyline. Only discreet reference to suicide or euthanasia may be allowed.

4. **DRUGS** — No depiction of actual intake or use of prohibited drugs or other illegal substance or alcohol nor the pleasurable effects thereof shall be allowed.

C. "PARENTAL GUIDANCE 13" (PG-13) — For ages 13 and above. Films classified PARENTAL GUIDANCE 13 "PG-13" shall be guided under the following criteria:

1. **LANGUAGE** — Use of intermittent cuss words but not in a sexual context shall be allowed. Obscene and profane language shall not be allowed.

2. **NUDITY AND SEX** — Some nudity that is relevant to the storyline but not sensually oriented shall be allowed. Portrayal of nudity shall be inexplicit and may only be allowed when the story line or program context so necessitates (i.e. portrayal of ethnic culture)

3. **VIOLENCE** — Depiction of violence shall be inexplicit and appropriate to the storyline and thematic content. Suicide scenes shall not be explicit.

4. **DRUGS** — No depiction of actual intake or use of prohibited drugs or other illegal substance nor the pleasurable effects thereof shall be allowed. In all instances, the depiction of drug use shall carry a redeeming value.

D. FOR ADULTS ONLY "R-18" — For persons 18 years of age and above. Films classified "R-18" shall be herein guided accordingly:

1. **LANGUAGE** — Obscene language may be allowed but not consistently prevalent.

2. **NUDITY AND SEX** — Brief nudity with sensual scenes may be allowed if relevant to the storyline. Explicit sex scenes shall not be allowed.

3. **VIOLENCE** — No excessive violence nor explicit scenes of suicide shall be allowed.

4. **DRUGS** — Inexplicit use of the actual intake and preparation thereof, as well as the pleasures that are shown to be derived therefrom, may be shown only insofar as they are relevant to the thematic content or storyline of the movie.

E. **NOT FOR PUBLIC VIEWING "X"** — Films classified "X" are films that are immoral, indecent, contrary to law and/or good customs and/to the best interest of the public in general, or any other legitimate public interest, such as, but not limited to those stated in Sections 6 and 7 of Chapter III hereof.

SECTION 9. Television Classifications and Guidelines. — Television Classifications are "**CHILDREN**" (C); "**GENERAL**" (G); or "**PARENTAL GUIDANCE**" (PG).

A. **CHILDREN "C" CLASSIFICATION** — A program classified "C" shall not contain any material not suitable for children. Programs that fall under the "C" classification are shows which promote wholesome positive values that enhance the child's formative growth and development. The program shall not contain any scene portraying violence, sex and nudity, profane or obscene language.

B. **GENERAL "G" CLASSIFICATION** — A program classified "G" shall not contain any material not suitable for children to watch without the guidance and supervision of a responsible adult. The following criteria shall be observed:

1. **VIOLENCE** — Depiction of violence and the use of threatening language, weapons and special effects shall not tend to cause alarm, distress or stress and/or anxiety to children.

2. **SEX AND NUDITY** — Scenes of sex and nudity shall not be allowed.

3. **LANGUAGE** — Mild and spontaneous expletives like "ulol", "gago", "tarantado", "sirang-ulo", "walang-hiya" or words of the same meaning or usage in other Filipino dialects or double entendre may only be used infrequently and under exceptional circumstances and when absolutely justified by the storyline or program context. No obscene language and cuss words like "shit", "fuck", "leche", "putang-ina", animal and "coño" and other similarly objectionable words shall be allowed.

4. **DRUGS** — No depiction of actual intake or usage of prohibited drugs or other illegal substances shall be allowed. Use of regulated drugs must be depicted with care.

5. No depiction or even reference to scenes prohibited under Sections 6 and 7 of Chapter III, hereof.

C. **PARENTAL GUIDANCE "PG" CLASSIFICATION** — A program classified "PG" may contain adult themes or concepts, but must remain suitable for children to watch under the guidance and supervision of a parent or responsible adult. The following criteria shall be observed.

1. **VIOLENCE** — Any violence depicted must be inexplicit, and appropriate to the storyline or program context. No graphic, bloody or horrifying depictions of violence are permitted.

2. **SEX AND NUDITY** — Portrayal of nudity shall be inexplicit and may only be allowed when the story line or program context so necessitates (i.e. portrayal of ethnic culture).

3. **LANGUAGE** — Language which are offensive may only be used under exceptional circumstances when absolutely necessary to the story line or program context, and only infrequently. Obscene and profane language and cuss words like "shit", "fuck" "leche", "putang-ina" and "coño" and other similarly objectionable words shall not be allowed.

4. **DRUGS** — The actual intake of illegal drugs, as well as the preparation thereof and the pleasures derived therefrom, shall not be shown. Use of regulated drugs must be depicted with care:

5. **SUICIDE** — The depiction of suicide or attempted suicide shall be merely established and inexplicit, and shall not be depicted as the means of achieving a desired result, or as a remedy to stress, anxiety, depression or other problems.

6. **THEME** — Themes dealing with relevant moral and/or social issues shall be allowed provided they are factual, objective and balanced, and shall not detail scenes which may seriously distress or offend viewers.

SECTION 10. Guidelines for Movie Theater and Television Trailers. — Movie theater and television trailers are seen by a wide variety of audiences, including the impressionable minors. Thus, the utmost care and concern shall be exercised in the approval of trailers. Only trailers which are within the criteria and/or guidelines for "**General Patronage**" shall be approved. The following guidelines shall be strictly observed for movie theaters and television trailers:

1. ***When violence is absolutely necessary to the storyline, it shall only be established, and in all cases interspersed with non-violent scenes, to include, titles, dialogues, credits, etc. with the primary objective of reducing the overall impact of violence.***

2. ***Excessive violence, such as but not limited to, close-up shooting, stabbing, explicit torture scenes, hostage scenes with firearms or knives threatening***

the victim, suicide acts such as slashing of wrists, putting and/or pointing a gun to the temple or inside the mouth and karate chops resulting in blood oozing out of any part of the body, breaking of bones, blasting scenes with bodies being mangled, mutilated or blown-off shall not be allowed. Random shooting shall be briefly established. The impact of falling bodies shall not be shown.

- 3. Trailers which, although not showing the abovementioned scenes shall not be allowed if the trailers show an overall impact of violence.***
- 4. For full-length trailers, only FIVE (5) blasting and shooting scenes for war movies; and, THREE (3) blasting and shooting scenes for non-war movies shall be allowed. For short trailers, THREE (3) blasting and shooting scenes for war movies; and, TWO (2) blasting and shooting scenes for non-war movies shall be allowed. In all cases, the blasting and shooting scenes shall be interspersed with non-violent scenes.***
- 5. Explicit scenes depicting exploitation and abuse of minors, women and the elderly shall not be allowed.***
- 6. Depiction of drug-taking and drug trafficking shall not be allowed.***
- 7. Explicit and/or suggestive sex scenes, such as but not limited to, pumping sexual act, frontal nudity, breast exposure, including see thru clothing showing the private parts, torrid kissing, fondling of the body and sexual aberrations, and those mentioned in Section 7 of Chapter III hereof, shall not be allowed.***
- 8. Obscene and profane language, cuss words like "shit", "fuck", "leche", "putang ina" and "coño" and other similarly objectionable words and double entendre words with vulgar or sexual connotations shall not be allowed. Other words like "ulol" "gago", "tarantado", "sirang-ulo", "walanghiya" and the like shall be allowed when used in the proper context and with utmost restraint.***
- 9. Commercial advertisements and trailers which are improper for children under eighteen years of age due to their advocating or unduly suggesting violence, vices, crimes and immorality, shall not be shown in any movie theater where the main feature is for general patronage nor shall they be used or shown during or immediately before and after any television or radio program for children.***

CHAPTER V

APPLICATION AND ISSUANCE OF PERMITS

SECTION 11. Who May Apply. — Any natural or juridical person authorized by law may apply for permit to import, export, produce, copy, distribute, sell, lease, publicly exhibit or broadcast by television, any motion picture, television program, television commercials or other related promotional materials, with respect to which use or appropriation he has by law, the corresponding right.

SECTION 12. Form and Requirements of Permit Application. — The application shall be in writing and in the form prescribed by the Board. It shall state, among other things, the kind of permit applied for, the name and address of the applicant, the title under which he holds the motion picture, television program, television commercial or related promotional material submitted, the film title, the nature of its content (whether comedy, action, romance, sex, commercial, etc.), a description of the quantity and physical characteristics of the film, program or material submitted. The application shall be under oath and accompanied by the following documents:

- 1. A sworn statement by the producer or in case of imported films, by the importer or distributor declaring the exact number of prints of the picture, or material produced or imported;**
- 2. A sworn certification, in case of locally produced films, by the film studio or laboratory, stating the exact number of film prints and footage it has processed and their footage and an undertaking not to process further copies without clearance by the Board;**
- 3. The documents mentioned in Chapter IX in cases of importation or exportation of promotional materials; and,**
- 4. Such other documents as the Board may from time to time require.**

SECTION 13. Application Fee. — No application shall be acted upon by the Board unless the applicant has fully paid the application fee in the amount to be prescribed by the Board.

SECTION 14. Application Period/Late Filing Fee. — The application together with the film prints shall be submitted to the Board at least TEN (10) working days before the applicant's playdate as stated in the application. The applicant shall pay a late filing fee in the amount to be prescribed by the Board for failure to comply with the TEN (10) days prior submission of the application and the film prints.

SECTION 15. Non-Action on Application. — The Board shall not act upon any application and/or conduct a review of any material and/or film print within FORTY-EIGHT (48) hours from its submission.

SECTION 16. Titles and Promotional Materials. — Titles and promotional materials shall be presented at least TEN (10) DAYS prior to the applicant's playdate and shall be acted upon on the basis of the synopsis of the film print and/or material and to its suitability for publication in print, moviehouses, television, billboard and sign media. In no case shall obscene, violent or suggestive titles and/or double entendre be allowed. Change of title of old or reissued films shall not be allowed. Old films shall carry their original title retained both in the feature print and all advertising, promotional, publicity and merchandising materials with the word "REISSUE" printed in bold letters under the original title, unless a change of title is required by the Board.

SECTION 17. Approval of Print and Sign Advertisements. — Application for permit to use print and sign advertisement related to motion pictures, such as, advertisement copies, still photos (8" x 10"), photoframes, leaflets, posters and billboards, layouts shall be decided by the Chairman of the Board or Vice-Chairman or referred for action to a Three (3) Board Member Committee designated by the Chairman. In the absence of both the Chairman and the Vice-Chairman, the Executive Director shall handle the task of routing these movie promotional materials to three (3) Board Members to secure their approval. The decision rendered by the Chairman of the Board shall be deemed final.

SECTION 18. Notice of Approval, Conspicuous Display of Rating/Classification. — The Board's notice of approval, rating and/or classification of a film print shall be announced and/or exhibited on the projector screen immediately preceding the showing/exhibition of said film print, and, shall be conspicuously and legibly displayed on newspaper advertisements and other promotional materials.

SECTION 19. Live Television Programs and Talk Shows. — Live television programs shall be taped on air (TOA) and shall be submitted to the Board for review within FORTY EIGHT (48) HOURS from its telecast. Live television talk shows and noontime variety shows shall have a PARENTAL GUIDANCE "PG" format. Officers and/or owners of the television networks and production companies broadcasting said live shows shall be held responsible for any breach or violation of any existing pertinent law arising from or by reason of the telecast of such live presentations.

SECTION 20. Exempted Films. — Upon application and for good and legitimate cause, the Board may grant exemptions from the requirements of prior review. This exemption shall only be applicable to bonafide educational, documentary, cultural, public service, and instructional films locally produced or imported. The owners/producers of said movies and officers and owners of said television networks and studios shall be held responsible for any breach and/or violation of any existing pertinent law, Presidential Decree No. 1986 and these implementing rules and regulations. The exemption is revocable.

SECTION 21. Deletion and/or Cuts. — Deletions and/or "cuts" made shall be executed on ALL positive prints of the film print and shall be deposited with the Board.

CHAPTER VI

PROCEDURE ON REVIEW

SECTION 22. Designation of Reviewers. — The Chairman of the Board or, thru a committee of at least THREE (3) Board Members present or, as the exigencies of the situation dictate, shall designate the members of the review committees.

No Board Member shall be designated member of a review committee wherein said Board Member has, or whose relative within the third civil degree of consanguinity, participated whether as producer, director, actor, scriptwriter, etc., in the production of the particular motion picture, television program, television commercial, or other related production, which is the subject of the committee review.

No Board Member shall be designated member of a review committee to review materials of a television network wherein said Board Member, or whose relative within the third civil degree of consanguinity, is an officer of said television network.

SECTION 23. Committee on First Review. —

- a. ***The Committee on First Review shall be composed of at least THREE (3) board members, the chairman of which shall be designated by the Chairman of the Board;***
- b. ***The decision of the Committee on First Review shall be rendered by a majority vote within TEN (10) DAYS from receipt of the application and film print;***
- c. ***In the event of diverse decisions, the Chairman of the Board shall designate TWO (2) additional committee members in order to reach a majority decision;***
- d. ***In case of disapproval, the applicant may file a Motion For Reconsideration within FIVE (5) DAYS from notice of the decision;***
- e. ***An applicant desiring a change in the classification rating granted his film may file a Motion For Reclassification within FIVE (5) DAYS from notice of the decision. The decision of the Second Review shall prevail over the first classification;***

- f. The decision including the dissenting opinion, if any, shall immediately be submitted to the Chairman of the Board for transmission to the applicant.*

SECTION 24. Committee on Second Review. —

- a. Upon receipt of the Motion For Reconsideration or Motion For Reclassification, the Chairman of the Board shall designate a Committee on Second Review composed of FIVE (5) board members to conduct a second review of the subject film print or material. ONE (1) member from the Committee on First Review may be required to review with the Committee on Second Review as an observer and/or consultant;*
- b. The Committee on Second Review shall be presided by the Chairman of the Board or the Vice-Chairman or a Board Member designated by the Chairman of the Board;*
- c. The decision of the Committee on Second Review shall be rendered by a majority vote within FIVE (5) DAYS from receipt of the Motion For Reconsideration;*
- d. The decision, including the dissenting opinion, if any, shall be immediately submitted to the Chairman of the Board for transmittal to the applicant.*

SECTION 25. Committee Review Deemed Terminated. — A committee review shall be deemed terminated only after the committee has rendered a decision in writing with notice to the applicant.

SECTION 26. Decision. — Every decision of the Board shall be in writing stating the reasons or grounds therefor. A decision disapproving a material shall indicate whether the material is disapproved in its entirety or by reason of a particular scene or scenes.

SECTION 27. Final Decisions. — The decision of the Committee on Second Review on the rating, classification or disapproval of a film print on the ground of specific objectionable scene/s under Section 4, Chapter III hereof shall be FINAL.

SECTION 28. Custody of Disapproved Film Prints. — The film prints, as disapproved, shall remain in the custody of the Board for proper disposition.

CHAPTER VII

APPEAL

SECTION 29. Appealable Decisions. — The applicant may appeal only decisions of the Committee on Second Review disapproving or prohibiting a motion picture or television program in its entirety under Section 6, Chapter III hereof, to the President of the Philippines, who may himself decide the appeal, or be assisted by either an ad hoc committee he may create or by the Appeals Committee.

SECTION 30. Appeal, How Perfected. — An appeal shall be perfected within FIFTEEN (15) DAYS from notice of the decision by filing with the Board a notice of appeal and payment of the appeal docket fee.

SECTION 31. Transmittal of Film Prints and/or Records. — Upon perfection of the appeal, the Board shall send notice to the Office of the President of said appeal and transmit the film prints and/or records subject of the appeal to the Office of the President.

SECTION 32. Appeals Committee. — The Appeals Committee shall be composed of a Chairman and four (4) members to be appointed by the President of the Philippines, which shall submit its recommendation to the President. The Office of the Presidential Assistant for Legal Affairs shall serve as the Secretariat of the Appeals Committee. The decision of the President of the Philippines on the appealed matter shall be final.

CHAPTER VIII

PERMIT HOLDERS

SECTION 33. Restriction in the Use of Permit. — Permit holders shall use such permit only for the purpose or purposes stated therein. He shall preserve the integrity of the motion picture, television program or related publicity material in the conditions they were approved, guarding against insertions of a disapproved matter.

SECTION 34. Duties of Permit Holders. — Moviehouses, and television network owners and their managers, as well as the operators of cinema and cable television shall have the following duties and responsibilities:

- a. ***Only television programs, television commercials, advertisements and other related promotional materials approved and classified by the Board as suitable for general patronage or parental guidance may be broadcast. "Parental Guidance" shall be superimposed on programs classified as such;***
- b. ***In the case of motion pictures, a classification advisory of the Board shall precede the showing of all movies. A copy of the "Permit to Exhibit" shall be publicly posted on the ticket booth while the "Board Classification" shall be prominently displayed on a three (3) feet high standee in the lobby***

of the theater. In case two (2) films are presented as double features, the more restrictive classification shall govern the announcement and admission into the theater. Only the Board's classification shall be displayed on said standee;

c. Permit-holders shall immediately report to the Board any noticeable insertions or additions that are patently objectionable on the basis of the existing guidelines for review provided for in Chapters III and IV; and,

d. Persons not qualified under the following Board classification shall not be allowed entry. Owners and operators of moviehouses shall strictly adhere to the following classifications:

1. ***(RESTRICTED — 18)*** - For adults only, to mean for persons EIGHTEEN (18) YEARS AND ABOVE;
2. ***"PG-13" — (PARENTAL GUIDANCE — 13)*** - For persons THIRTEEN (13) YEARS AND ABOVE;
3. ***"PG-7" — (PARENTAL GUIDANCE — 7)*** - For persons SEVEN (7) YEARS AND ABOVE ACCOMPANIED BY AN ADULT; and,
4. ***(GENERAL)*** - FOR ALL AGES.

CHAPTER IX

IMPORT AND EXPORT OF FILMS

SECTION 35. Import of Films. — Imported motion pictures, television programs or related promotional materials shall not be released from the Bureau of Customs without the required permit issued by the Board. Such permit shall be issued upon proper application, payment of fees and submission of documents indicating the title and nature, the quantity, the physical description, and the imported films country of origin.

SECTION 36. Disposition of Imported Films Determined to be not Suitable for Public Exhibition. — In case the motion pictures, television programs and related promotional materials are declared, NOT SUITABLE FOR PUBLIC EXHIBITION in the Philippines, the same shall be ordered returned to the country of origin within THIRTY (30) DAYS from receipt by the importer of a copy of the Board's final decision. A true copy of the Board's decision shall be forwarded to the Commissioner of Internal Revenue and the Collector of Customs. The importer shall submit to the Board proof of compliance within TEN (10) DAYS from the expiration of the THIRTY (30) DAYS period.

SECTION 37. Export of Films. — No motion picture, television program or related promotional material may be exported outside the Philippines without a permit to export issued by the Board. Such permit shall be issued upon proper application, payment of fees, and submission of documents indicating the title and nature, the quantity, the physical description and the country of destination. Whenever a version different from that previously approved by the Board for local exhibition is to be exported, a separate review in accordance herewith shall be undertaken.

CHAPTER X

REGISTRATION OF PERSONS UNDER THE BOARD'S JURISDICTION

SECTION 38. Registration. — All persons and entities authorized by law engaged in the movie and television industry, to include: Importers, Exporters, Film Studios or Laboratories, Television Networks, Cable Television Operators, Movie Producers, Television Program Producers, Television Commercial Studios, Distributors or Booking Agents, Theaters or Moviehouses and Foreign Film Producers, or activities falling under the supervision and regulation of the Board as provided in Section 3(d) of Presidential Decree 1986 shall register with the Board.

The aforecited activities shall include the following:

Importation, exportation, production, copying, distribution, sale, lease, exhibition, and/or television broadcast of all motion pictures, television programs, television commercials and other promotional materials shall register with the Board.

SECTION 39. Application for Registration. — Persons required to register with the Board shall accomplish the prescribed form, submit true copies of documents attesting to the authority to do business in the Philippines, and pay the registration fee fixed by the Board. **A CERTIFICATE OF REGISTRATION** shall be issued by the Board accordingly.

SECTION 40. Effectivity of Registration. — The **CERTIFICATE OF REGISTRATION** issued by the Board shall be effective for ONE (1) YEAR, renewable every year, unless earlier cancelled by the Board for cause.

CHAPTER XI

BOARD REPRESENTATIVES

SECTION 41. Appointment. — Any Filipino citizen of legal age and of good community standing may, upon recommendation of a member of the Board, be appointed as Board Deputy to assist in overseeing the implementation of laws and rules relating to the

public exhibition of motion pictures, television programs and promotional materials falling within the jurisdiction of the Board. The person so appointed shall not be entitled to compensation and his appointment is revocable.

SECTION 42. *Scope of Duties and Authority.* — A Board Deputy, when issued a valid appointment and identification card, shall have the authority to inspect all public exhibition of any motion picture or promotional material in moviehouses, theaters and other public establishments and may demand the production of the appropriate permit for such exhibition. Upon discovery of any violation, he shall immediately report such violation to the Board. The Board representative may be accompanied by another person who shall act as witness. The Deputy shall be accountable to the Board and shall be obliged to give a report of his activities to the Chairman.

CHAPTER XII

NATIONAL AND LOCAL REGULATORY COUNCIL

SECTION 43. *National Regulatory Council.* — The Board may constitute and organize a National Regulatory Council for Motion Pictures and Television, to be headed by the Chairman, the composition of which shall be drawn and designated from appropriate government agencies, from associations belonging to the movie and television industry, and from civic or religious organizations. The Council shall advise the Board on problems relevant to the implementation of the objectives of Presidential Decree 1986 and its implementing rules and regulations. They shall serve without compensation and for such period of time as the Chairman of the Board shall determine.

SECTION 44. *Local Regulatory Council.* — The Board may also constitute and organize Local Regulatory Councils in every province, city or municipality in the Philippines whose head and members it may designate from local government agencies, from local associations belonging to the movie and television industries and from local civic or religious organizations. Such Local Regulatory Councils shall assist the Board in the implementation of Presidential Decree 1986 and Implementing Rules and Regulations. They shall serve without compensation and for such period of time as the Chairman of the Board shall determine.

CHAPTER XIII

VIOLATIONS AND ADMINISTRATIVE SANCTIONS

SECTION 45. *Offenses and Administrative Sanctions.* — Without prejudice to the institution of appropriate criminal action, any violation of Presidential Decree 1986 and the implementing Rules and Regulations governing motion pictures, television programs, and related promotional materials shall be administratively penalized with suspension or cancellation of permits and/or licenses issued by the Board and/or the imposition of other administrative penalty/penalties.

SECTION 46. Hearing and Adjudication. —

- a) ***Any administrative complaint for violation of Presidential Decree 1986 and its implementing Rules and Regulations shall be initially heard by the Chairman of the Board. If the alleged offender admits the charges, then the Chairman shall impose the appropriate penalty. If the alleged offender does not so admit, then the Chairman shall refer the case to the Hearing and Adjudication Committee composed of at least THREE (3) BOARD MEMBERS designated by the Chairman. At least one of the Hearing and Adjudication Committee members shall be a member of the Philippine Bar. In case of finding of guilt, the Committee shall impose the appropriate penalty. The technical rules on procedures and evidence shall be supplementary. The Decision of the Chairman of the Board or the Committee shall be final.***

- b) ***The Chairman of the Board may, in the public interest and on finding of probable cause order the preventive seizure of offending motion pictures and related promotional materials, and/or suspension of the permit or permits involved, and/or closure of the erring moviehouse or television network or establishment. The Chairman of the Board may also order the temporary dismantling or tearing down of public signs and billboards that are in violation of law and these Rules. The temporary orders thus issued shall not exceed more than twenty (20) days from the date of Issuance.***

CHAPTER XIV

OTHER PROVISIONS

SECTION 47. Repeal. — Any prior rule, regulation, circular, or order that is inconsistent with the above provisions shall be deemed amended, modified or repealed.

SECTION 48. Effectivity. — These Rules and Regulations of the Board shall become effective FIFTEEN (15) DAYS after publication in TWO (2) NEWSPAPERS of general circulation in the Philippines.

✿ ***No date supplied Amended Rules and Regulations Implementing
MTRCB***

✿ ***No date supplied***

APPENDIX D

PRESIDENTIAL DECREE NO. 1987

AN ACT CREATING THE VIDEOGRAM REGULATORY BOARD

WHEREAS, the proliferation and unregulated circulation of videograms including, among others, videotapes, discs, cassettes or any technical improvement or variation thereof, have greatly prejudiced the operations of moviehouses and theaters, and have caused a sharp decline in theatrical attendance by at least forty percent (40%) and a tremendous drop in the collection of sales, contractor's specific, amusement and other taxes, thereby resulting in substantial losses estimated at P450 Million annually in government revenues;

WHEREAS, videograms establishments collectively earn around P600 Million per annum from rentals, sales, and disposition of videograms, and such earnings have not been subjected to tax, thereby depriving the Government of approximately P180 Million in taxes each year;

WHEREAS, the unregulated activities of videogram establishments have also affected the viability of the movie industry, particularly the more than 1,200 moviehouses and theaters throughout the country, and occasioned industry-wide displacement and unemployment due to the shutdown of numerous moviehouses and theaters;

WHEREAS, in order to ensure national economic recovery, it is imperative for the Government to create an environment conducive to the growth and development of all business industries, including the movie industry which has an accumulated investment of about P3 Billion;

WHEREAS, proper taxation of the activities of videogram establishments will not only alleviate the dire financial condition of the movie industry upon which more than 75,000 families and 500,000 workers depend for their livelihood, but also provide an additional source of revenue for the Government, and at the same time rationalize the heretofore uncontrolled distribution of videograms;

WHEREAS, the rampant and unregulated showing of obscene videogram features constitutes a clear and present danger to the moral and spiritual well-being of the youth, and impairs the mandate of the Constitution for the State to support the rearing of the youth for civil efficiency and the development of moral character and promote their physical, intellectual, and social well-being;

WHEREAS, civic-minded citizens and groups have called for remedial measures to curb these blatant malpractices which have flaunted our censorship and copyright laws;

WHEREAS, in the face of these grave emergencies corroding the moral values of the people and betraying the national economic recovery program, bold emergency measures must be adopted with dispatch;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree:

SECTION 1. Creation. — There is hereby created an office to be known as the Videogram Regulatory Board, hereinafter referred to as the BOARD, which shall have its principal office in Metro Manila and shall be under the Office of the President of the Philippines. The BOARD shall regulate the importation, exportation, production, reproduction, distribution, exhibition, showing, sale, lease or disposition of videograms including, among others, videotapes, discs, cassettes or any technical improvement or variation thereof in accordance with such rules and regulations to be adopted by the BOARD.

SECTION 2. Composition of the Board. — The Board shall be composed of a Chairman, a Vice-Chairman and eighteen (18) members who shall all be appointed by the President of the Philippines to serve for a term of one (1) year, unless sooner removed by the President for any cause; Provided, That they shall be eligible for reappointment after the expiration of their term. If the Chairman or Vice-Chairman or any of the members fails to complete his term, any person appointed to fill the vacancy shall serve only for the unexpired portion of the term of the Board member whom he succeeds.

- 1) No person shall be appointed to the BOARD, unless he is a natural-born citizen of the Philippines, not less than twenty-one years of age, and of good moral character and standing in the community; Provided, That in the selection of the members of the BOARD due consideration shall be given to such qualifications as would produce a multi-sectoral combination of expertise in the various areas of the videogram industry; Provided, further, That at least five (5) members must be members of the Philippine Bar.

The Chairman, Vice-Chairman and members of the BOARD shall be entitled to transportation, representation and other allowances which shall in no case exceed Five Thousand Pesos (P5,000.00) per month.

SECTION 3. Powers and Functions. — The BOARD shall have the following powers and functions:

- 2) To supervise, regulate, grant, deny, or cancel permits for the importation, exportation, production, copying, sale, lease, exhibition or showing of videograms including, among others, videotapes, discs, cassettes or any technical improvement or variation thereof;
- 2.) To approve or disapprove, delete, objectionable portions from and/or prohibit the importation, exportation, production, copying, distribution, sale, lease, exhibition or showing of videograms, including, among others, videotapes, discs, cassettes

or any technical improvement or variation thereof, which, in the judgment of the BOARD applying contemporary Filipino cultural values as basic standard, are objectionable for being immoral, indecent, libelous, contrary to law or good customs, or injurious to the prestige of the Republic of the Philippines or its people, or with a dangerous tendency to encourage or fan hatred, the commission of violence or of a wrong or crime, such as but not limited to:

- i) Those which tend to incite subversion, insurrection, rebellion, or sedition against the State or otherwise threaten the economic and/or political stability of the State;
 - ii) Those which tend to undermine the faith and confidence of the people in their government and/or the duly constituted authorities;
 - iii) Those which glorify criminals or condone crimes;
 - iv) Those which are libelous or defamatory to the good name and reputation of any person, whether living or dead;
 - v) Those which serve no other purpose but to satisfy the market for excessive violence or hard-core pornography;
 - vi) Those which tend to abet the traffic in and use of prohibited drugs; or
 - vii) Those which commit direct or indirect contempt of any court of justice or quasi-judicial tribunal whether any litigation on the subject of the video is pending or not before such court of tribunal.
- 3) To classify all videograms into categories such as "For General Patronage", "For Adults Only", or such other categories as the BOARD may determine for the public interest;
 - 4) To close video theaters and other similar establishments engaged in the public exhibition or showing of videograms which violate the provisions of this Decree and the rules and regulations promulgated by the BOARD pursuant thereto;
 - 5) To levy, assess and collect, and periodically adjust and revise the rates of fees and charges for the work of review and examination and for the issuance of licenses and permits which the BOARD is authorized to grant in the exercise of its powers and functions and in the performance of its duties and responsibilities;
 - 6) To review and examine all videograms, including among others, videotapes, discs, cassettes or any technical improvement or variation thereof, as well as publicity materials or advertisements related thereto, with the end in view of making appropriate classification;

- 7) To deputize representatives from the government and from the various associations in the videogram industry, whose main duties shall be to help and ensure compliance with all laws, rules and regulations relative to this Decree. For this purpose, the BOARD may constitute such Council or Councils composed of representatives from the government and the videogram industry as may be appropriate to implement the objectives of this Decree. The BOARD may also call upon any law enforcement agency for assistance in the implementation and enforcement of its decisions, orders and rules and regulations;
- 8) To cause the prosecution, on behalf of the People of the Philippines, of violators of this Decree and the rules and regulations promulgated or issued by the BOARD.
- 9) To promulgate such rules and regulations as are necessary or proper for the implementation of this Decree and the accomplishment of its purposes and objectives. Such rules and regulations shall take effect after fifteen (15) days following their publication in newspapers of general circulation in the Philippines;
- 10) To prescribe the internal and operational systems and procedures for the exercise of its powers and functions including the creation and vesting of authority upon sub-committees of the BOARD for the work of review, examination or classification and other related matters; and
- 11) To exercise such other powers and functions as may be necessary or incidental to the attainment of the purposes and objectives of this Decree, and to perform such other related duties and responsibilities as may be directed by the President of the Philippines.

SECTION 4. Executive Officer. — The Chairman of the BOARD shall be the Chief Executive Officer. He shall Exercise the following duties and functions:

- a) Execute, implement and enforce the decisions, orders, rules and regulations promulgated or issued by the BOARD;
- b) Direct and supervise the operations and the internal affairs of the BOARD;
- c) Establish the internal organization and administrative procedures of the BOARD, and recommend to the BOARD the appointment of the necessary administrative and subordinate personnel; and
- d) Exercise such other powers and functions and perform such duties as are not specifically lodged in the BOARD.

The Chief Executive Officer shall be assisted by an Executive Director who shall be appointed by the President of the Philippines. The Executive Director shall hold office

for a term of one (1) year, unless sooner removed by the President of the Philippines, for any cause.

Unless otherwise provided by law, the Chief Executive Officer shall receive an annual salary of Seventy Two Thousand Pesos (P72,000.00) and the Executive Director shall receive an annual salary of Sixty Thousand Pesos (P60,000.00).

*** SECTION 6. Registration.** — No person, whether natural or juridical, may engage in the importation, exportation, production, reproduction, exhibition, showing, sale, lease or disposition of videograms unless such person is first registered with and permitted by the BOARD to operate as such. The registration with and permit issued by the BOARD is a condition precedent for securing a business permit or license from the appropriate authorities.

SECTION 7. Reproduction of Cinematographic Art. — No person registered and permitted to engage in the videogram industry can copy or reproduce any cinematographic art without the written consent or approval of the producer, importer or licensee of the cinematographic art to be copied or reproduced, and in no case shall any cinematographic art be allowed to be copied or reproduced within a period of six (6) months after it is first released for theatrical exhibition, unless the producer, importer or licensee agrees to a shorter period.

SECTION 8. Sale, Lease or Disposition of Videograms. — No videogram including, among others, videotapes, discs, cassettes or any technical improvement or variation thereof, shall be sold, leased or otherwise disposed of unless first registered with the BOARD with the corresponding registration identification or seal in such form and manner as may be provided for by the BOARD.

SECTION 9. Penalty. — Any person who violates any or all of the provisions of Sections 3, 6, 7, 8 and 10 of this Decree or the rules and regulations to be promulgated pursuant thereto, either as principal, accomplice or accessory, shall, upon conviction, suffer a mandatory penalty of three (3) months and one (1) day to one (1) year imprisonment plus a fine of not less than Fifty Thousand Pesos (P50,000.00) but not more than One Hundred Thousand Pesos (P100,000.00). Should the offense be committed by a juridical person, the chairman, the president, secretary, treasurer, or the partner responsible therefor, shall be the persons penalized.

The provisions of Presidential Decree No. 968, as amended (Probation Law), shall not apply in cases of violations of this Decree, including its implementing rules and regulations.

SECTION 10. Tax on Sale, Lease or Disposition of Videograms. — Notwithstanding any provision of law to the contrary, the province shall collect a tax of thirty percent (30%) of the purchase price or rental rate, as the case may be, for every sale, lease or disposition of a videogram containing a reproduction of any motion picture or audiovisual program. Fifty percent (50%) of the proceeds of the tax collected shall

accrue to the province, and the other fifty percent (50%) shall accrue to the municipality where the tax is collected; Provided, That in Metropolitan Manila, the tax shall equally by the city/municipality and the Metropolitan Manila Commission.

The tax herein imposed shall be due and payable within the first twenty (20) days of the month next following that for which it is due, by the proprietor, seller or lessor concerned, and such tax shall be determined on the basis of a true and complete return of the amount of gross receipts derived during the preceding month. If the tax is not paid within the time fixed hereinabove, the taxpayer shall be subject to such surcharges, interests and penalties prescribed by the Local Tax Code. In case of wilful neglect to file the return and pay the tax within the time required, or in case a fraudulent return is filed or a false return is willfully made, the taxpayer shall be subject to a surcharge of fifty percent (50%) of the correct amount of the tax due in addition to the interest and penalties provided by the Local Tax Code.

Any provision of law to the contrary notwithstanding, a city may also levy and collect, among others, any of the taxes, fees and other impositions that the province or the municipality may levy and collect.

SECTION 11. Assistance in the Enforcement Functions of the BOARD. — The BOARD may solicit the direct assistance of other agencies and units of the government, and deputize, for a fixed and limited period, the heads or personnel of such agencies and units to perform enforcement function for the BOARD. The government agencies and units exercising the enforcement functions for the BOARD shall, insofar as such functions are concerned, be subject to the direction and control of the BOARD.

SECTION 12. Organizational Pattern; Personnel. — The BOARD shall determine its organizational structure and its staffing pattern. It shall have the power to suspend or dismiss for cause any employee and/or approve or disapprove the appointment, transfer or detail of employees. It shall appoint the Secretary of the BOARD who shall be the official custodian of the records of the meetings of the BOARD and who shall perform such other duties and functions as directed by the BOARD.

SECTION 13. Applicability of Civil Service Law. — The BOARD and its officers and employees shall be subject to the Civil Service Law, rules and regulations; Provided, That technical personnel shall be selected on the basis of merit and fitness to be determined in accordance with such policies and guidelines as may be approved by the BOARD.

SECTION 14. Auditor. — The Chairman of the Commission on Audit shall be the ex officio Auditor of the BOARD. For this purpose, he may appoint a representative who shall be the auditor of the BOARD, together with the necessary personnel to assist said representative in the performance of his duties. The number and salaries of the auditor and said personnel shall be determined by the Chairman of the Commission on Audit, subject to the rules and regulations of the Commission on Audit. Said salaries and all other expenses of maintaining the auditor's office shall be paid by the BOARD.

The Auditor shall, as soon as practicable, but not later than three (3) months after the accounts have been submitted to audit, send an annual report to the BOARD. The Auditor shall also submit such periodic or special reports as the BOARD may deem necessary or proper.

SECTION 15. *Transitory Provision.* — All videogram establishments in the Philippines are hereby given a period of forty-five (45) days after the effectivity of this Decree within which to register with and secure a permit form the BOARD to engage in the videogram business and to register with the BOARD all their inventories of videograms, including videotapes, discs, cassettes or other technical improvements or variations thereof, before they could be sold, leased, or otherwise disposed of. Thereafter any videogram found in the possession of any person engaged in the videogram business without the required proof of registration by the BOARD, shall be prima facie evidence of violation of this Decree, whether the possession of such videogram be for private showing and/or for public exhibition.

SECTION 16. *Appropriations.* — The sum of Three Million Pesos out of any available funds from the National Treasury is hereby appropriated and authorized to be released for the organization of the BOARD and its initial operations. Henceforth, funds sufficient to fully carry out the functions and objectives of the BOARD shall be appropriated every fiscal year in the General Appropriations Act.

All fees, revenues and receipts of the BOARD from any and all sources shall be used to augment the funds to support the expenditures needed by the BOARD in the pursuit of its purposes and objectives and the exercise of its powers and functions, and for such other purposes as may hereafter be directed by the President of the Philippines.

SECTION 17. *Annual Reports.* — The BOARD shall, within three months after the end of every fiscal year, submit its annual report to the President. The annual report shall include, among others, a statement of the BOARD's accomplishments together with its plans and recommendations to improve and develop its operations and the supervision and regulation of the videogram industry.

SECTION 18. *Separability Clause.* — In case any provision of this Decree shall be held or declared invalid or unconstitutional, the validity of the other provisions shall not be affected thereby.

SECTION 19. *Repealing Clause.* — Any provision of law, decree, executive order, letter of instructions or implementation, or other rules and regulations inconsistent with the provisions of this Decree is hereby repealed, amended or modified accordingly.

SECTION 20. *Effectivity.* — This Decree shall take effect after fifteen (15) days following its publication in the Official Gazette.

**** DONE in the City of Manila, this 5th day of October, in the year of Our Lord, nineteen hundred and eighty-five.***

Appendix E

MORE FILMS WHICH MADE IT IN THE INTERNATIONAL SCENE

1) **ANG LALAKI SA BUHAY NI SELYA**

- Special Jury Prize for the Teddy Awards in the 1998 Internationale Filmfestspiele Berlin;
- Best Asian Film Award in the 1998 Newport Beach International Film Festival
- Special Jury Award – Features Competition in the 1998 Turin International Film Festival

CAST:

- Rosanna Roces
- Ricky Davao
- Gardo Verzosa
- Alan Paule

Director	:	Carlitos Siguion-Reyna
Executive Producers	:	Charo Santos-Concio Marlou N. Santos
Producer	:	Armida Siguion-Reyna
Screenplay	:	Bibeth Orteza
Director of Photography	:	Yam Laranas
Editor	:	Manet A. Dayrit
Production Design	:	Joey Luna
Musical Director	:	Ryan Cayabyab

2) **MADRASTA**

- 1997 8th International Women's Film Festival

CAST:

- Sharon Cuneta
- Christopher de Leon
- Zsa-Zsa Padilla
- Claudine Barreto
- Patrick Garcia
- Camille Prats
- Eula Valdez
- Theresa Loyzaga

Director	:	Olivia M. Lamasan
Screenplay	:	Ricky Lee

3) SA AKING MGA KAMAY

- 1997 8th International Women's Film Festival

Director : Rory B. Quintos

4) LAHAR: PARAISONG ABO

- 1996 Toronto International Film Festival
- 1997 1st Southeast Biennial Film Festival
- 1997 Newport Beach International Film Festival

Director : Mel Chionglo

5) MAY MINAMAHAL

- 1996 Fukuoka Film Festival

Director : Jose Javier Reyes

6) ESKAPO

- 1995 Toronto International Film Festival
- 1996 Nortel Palm Springs International Film Festival
- 1996 San Francisco International Asian American Film Festival
- 1996 Palm Beach International Film Festival
- 1996 Los Angeles Asian Pacific Film and Video Festival
- 1996 Philippine Festival Week in Atlanta, Georgia

Director : Chito Rono

7) MAY NAGMAMAHAL SA IYO

- 1996 Hongkong International Film Festival
- 1996 Fukuoka International Film Festival
- 1996 Ourense Film Festival (Spain)

Director : Marilou Diaz-Abaya

8) IPAGLABAN MO

- 1996 International Film Festival of India
- 1996 Asian Film Tour (Netpac) 14 USA cities

CAST

- Carmina Villaroel
- Chat Silayan
- Charito Solis
- Sharmaine Suarez
- Aljon Jimenez
- Tommy Abuel
- Gina Parreno
- Gerard Pizaras
- Wowie de Guzman
- Kier Legaspi
- Angelika
- Bojo Molina

9) MAALAALA MO KAYA

- 1996 First Aichi International Women's Film Festival (Japan)

Director : Olivia M. Lamasan

10)MAY MINAMAHAL

- 1996 Fuokowa Film Festival

11)SANA MAULIT MULI

- 1997 8th International Women's Film Festival

CAST

- Aga Muhlach
- Lea Salonga
- William Martinez
- Tommy Abuel
- Tina Paner
- Cherrie Pie Picache
- Gina Pareno
- Eula Valdez
- Rosemarie Sonora

Director : Olivia Lamasan

12)JOSE RIZAL: THE MOVIE

- 49th Berlin International Film Festival

CAST

- Cesar Montano
- Joel Torre
- Jaime Fabregas
- Gloria Diaz
- Gardo Verzosa
- Monique Wilson
- Chin-Chin Gutierrez

Director : Marilou Diaz-Abaya

13)BATCH '81

- 1980 URIAN Best Screenplay, Editing
- presented at the Directors' Fortnight at the 1982 Cannes Film Festival
- One of 10 best films of 1980s and the Manunuri ng Pelikulang Pilipino

CAST

- Mark Gil
- Sandy Andolong
- Ward Luarca, Noel Trinidad, Ricky Sandico
- Jimmy Javier
- Rod Leido
- Mike Arvisu
- Bing Pimentel
- Vic Lima
- Dodo Cabasal
- Edwin Reyes
- Nanette Inventor
- Joe Jardi
- Ed Trinidad
- Joseph Olfinado
- Charito Solis
- Chanda Romero
- Johnny Delgado
- Armida Siguion-Reyna
- Chito Ponce-Enrile

Director : Mike de Leon

Screenplay : Clodualdo del Mundo, Jr., Raquel Villavicencio
 And Mike de Leon
 Cinematography : Rody Lacap
 Production Design : Cesar Hernando
 Editing : Jess Navarro
 Sound : Ramon Reyes
 Music : Lorie Illustre

14)CURACHA, ANG BABAENG WALANG PAHINGA

- Premiered at the 1998 Pelikula at Lipunana Film Festival at SM Megamall, Mandaluyong City
- Exhibited at the 1998 Toronto International Film Festival (Canada)

CAST

- Rosanna Roces
- Mike Magat
- Jaclyn Jose

Director : Chito Rono

15)DAMORTIS

- Featured in the 1987 Asian American International Film Festival, New York, USA
- Mannheim Film Festival, Germany
- Amiens Film Festival, France

Director ; Briccio Santos

16)DREAMING FILIPINOS

- The film is a light-hearted look at serious issues, such as the relationship between the United States and the Philippines, and the search for a national identity in a colonial society.
- 1990 Hawaii International Film Festival Fringe Program paved the way for its exhibition at other international filmfests.

CAST

- Adrian Ramirez
- Ren Silayan
- Mike Accion
- Pio de Castro III

Director : Manny Reyes

17)ITIM

- 1976 Asian Film Festival (Sydney, Australia) Best Picture, Actress (Charo Santos)
- 1976 URIAN Best Cinematography, Editing, Music, Sound
- 1976 FAMAS Best Cinematography, Sound, Production Design
- Chosen by Manunuri ng Pelikulang Pilipino as one of the 10 best films in the decade of the 1970s.

CAST

- Charo Santos, Mario Montenegro, Tommy Abuel

Director	:	Mike de Leon
Screenplay	:	Doy del Mundo and Gil Quito
Cinematography	:	Rody Lacap and Ely Cruz
Production Design	:	Mel Chionglo
Editing	:	Ike Jarlego, Jr.
Music	:	Max Jocson
Sound	:	Ramon Reyes

18) LUCIA

- Best Film, London Environmental Film Festival (1992)

CAST

- Lolita Rodriguez
- Gina Alajar
- Suzette Ranillo
- Lorenzo Mara

Director	:	Mel Chionglo
Screenplay	:	Ricardo Lee
Cinematography	:	Rody Lacap
Editing	:	Jess Navarro
Sound	:	Ramon Reyes
Music	:	Max Jocson

19) GILIW KO

- The Australian government through the Australian Embassy in Manila restored the film in cooperation with the Philippine Information Agency and Society of Film Archivists (SOFIA). The film which is originally in 16mm was blown up to 35 mm. The restoration is a gift by Australia to the Philippines in celebration of the Philippine centennial.

20) INSIANG (Re-issue)

- 1976 Manila Film Festival Best Actress (Mona Lisa)
- 1976 FAMAS Best Supporting Actress
- 1976 URIAN for Best supporting actor (Ruel Vernal)
- 1976 Entry in the Cannes Film Festival (France)

21) SA MAYNILA

- Special Jury Prize (Documentary Film), Ika-3 Gawad CCP para sa Alternatibong Pelikula at Video 1989
- Best Student Film (Documentary), 8th FAP Student Motion Picture Awards 1990
- Honorable Mention, The ASEAN Young Cinema Festival, Tokyo, Japan, 1992

22) OLIVER

- This film has been shown in at least 20 international film festivals.
- 1989, Grand Prize and Gold Medal at the International Super 8 and Video Festival in Brussels.

23) NUNAL SA TUBIG

- 1976 CMMA Best Picture
- URIAN Best Film of the 1970s
- Best Picture, 1976 Catholic Mass Media Awards
- One of the Seven Best Filipino Films of the 1970s, selected by the Manunuring ng Pelikulang Pilipino

24) MALVAROSA

- Asian Film Festival best supporting actress award (Rebecca sel Rio)
- In 1959, LVN received FAMAS the International Prestige Award for this film, considered one of the best melodramas of the director Gregorio Fernandez.

25) MEMORIES OF OLD MANILA

- Prix du court metrage (Best Short Film Award), Frobours International Film Festival (Switzerland)

26) PORTRAIT OF THE ARTIST AS FILIPINO

- Portrait, shot in B&W in the late 50s was the first Filipino movie made entirely in English. It was exhibited at the 1967 Frankfurt Film Festival.

27) PERFUMED NIGHTMARE

- The film won the FIPRESCI Prize at the Berlin Film Festival (1977)
- Awarded the Prix de la Critique International

27) RIZAL SA DAPITAN

- 1997 FAMAS Best Picture, Director, Story, Screenplay, Production Design
- 1997 Manila Film Festival Best Picture, Cinematography, Production Design, Editing, Music Score, Lingap ng Inang Maynila Award, Gatpuno Villegas Cultural Awards, Actor (Albert Martinez), Actress (Amanda Page)
- 1997 Star Awards Movie of the Year, Best Director, Adapted Screenplay, Cinematography, Production Design, Sound Engineer
- 1998 Brussels International Film Festival Best Actor (Albert Martinez)

28) THE SEX WARRIORS AND THE SAMURAI

- Best Documentary, Mondial de la Video, Brussels (Belgium), 1995
- Special Jury Mention, Best Asian Documentary, Image Forum Festival, Tokyo (Japan), 1996
- Best Documentary Award, Film Academy of the Philippines Awards, Manila, 1996

29) SIBAK: MIDNIGHT DANCERS

- 1995 Star Awards Best Supporting Actor (Noni Buencamino)
- Special Jury Prize, Turin International Film Festival
- One of the Best 100 Films in the world, Sight and Sound

30) SISTER STELLA L.

- 1984 URIAN Best Picture, Director, Screenplay, Music, Editing, Sound, Actor (Jay Ilagan), Actresses (Wilma Santos), Supporting Actor (Tony Santos), Supporting Actress (Laurice Guillen)
- 1984 FAP Best Picture, Director
- 1984 Star Awards Best Picture, Director, Supporting Actress (Laurice Guillen), Actor (Tony Santos, Sr.)
- In competition at the Venice Film Festival (1984)
- Urian's 10 best films of the 1980s.

31) SANDA WONG

- Sanda Wong was shot in Wader Studio, Hongkong. It was a co-production venture between a Filipino producer, Manuel Vistan, Jr. and his Chinese counterpart, Ho Chapman. The film was entirely in Cantonese. A print of the film was restored in 1998 by the MOWELFUND Film Institute, Philippine Information Agency and the National Commission for Culture and the Arts with Edwin Joaquin, coordinating the efforts.

32) SA PUSOD NG DAGAT

- Participated in the 1998 Berlin Film Festival (Germany)
- Won the Netpac Award in the Singapore Film Festival in 1998

33) INA, KAPATID, ANAK

- URIAN BEST Actress
- Exhibited in the retrospective exhibition of the films of Lino Brocka in New York. This event was made possible by the Fil-American Multi-Arts and Anthology Film Archives.

34) SEGURISTA

- Exhibited at the 1996 Toronto Film Festival
- International Title: Dead Sure

35) ANG TOTOONG BUHAY NI PACITA M

- Philippine representative to the Singapore International Film Festival (1992)
- Participated in film festivals in New York, Montreal, Hawaii and Torino, Italy

36) ANAK NG DALITA

- Asian Film Festival Best Picture, 1956

37) BADJAO

- Asian Film Festival, 1957
Best Director (Lamberto Avellana)
Best Screenplay (Rolf Bayer)
Best Cinematographer (Mike Accion)
Best Editing (Gregorio Carballo)

38)BAYANIHAN

- Asian Film Festival, 1960 Special Cultural Award

39)BIYAYA NG LUPA

- Asian Film Festival, 1960; Best Supporting Actor, Leroy Salvador

40)BURLESK KING

- Entry to the Chicago 35th Filmfest, 1999
- Exhibited in the Toronto International Film Festival, 1999

41)ABOT KAMAY ANG PANGARAP

- Invited to the 12th Annual Santa Barbara International Film Festival, 1997
- Exhibited at the 1996 Toronto International Film Festival

42)FLOR CONTEMPLACION STORY

- Exhibited at the prestigious Museum of Modern Art as part of the International Human Rights Filmfest in New York.
- Shown in the 1996 Hawaii Filmfest

43)HIGIT SA LAHAT

- Asian Film Festival

44)IANFU OR COMFORT (short film)

- Named Special Jury award-winner in the Short Narrative Film, 15 and Less Category of the 37th San Francisco International Film Festival Golden Gate Awards Competition

45)IPAGLABAN MO

- 1996 International Film Festival of India
- 1996 Asian Film Tour (Netpac) 14 USA cities

46)KANDILERONG PILAK

- Cambodian Film Festival, 1954 – Best Actress (Lilia Dizon)

47) LAHAR

- Exhibited at the 1996 Toronto International Film Festival in Toronto, Canada
- 1997-1st Southeast Biennial Film Festival
- 1997-Newport Beach International Film Festival

48) MANGKAKAHOY

- Received the grand prize at the first ASEAN Young Cinema Festival held in Tokyo, Japan, 1992
- Mangkakahoy has been widely screened in various film festivals abroad

49) MAY NAGMAMAHAL SA'YO

- 1996 – Hongkong International Film Festival
- 1996 – Fukuoka Film Festival (Fukuoka, Japan)
- 1996 – Ourense Film Festival (Spain)

50) MY SERENADE

- Asian Film Festival, 1961 – Special Award for Best Comedy Film

51) PATRIA DULCE

- Participated in the International Conference of Feature Films (ICFF) in Malta, 1992

52) SA BAWAT PATAK NG KANDILA

- Won the Special Jury Mention Award in the silver Screen Awards of the 10th Singapore International Film Festival (1997)

53) SCORPIO NIGHTS 2

- Exhibited at the 1996 Toronto International Film Festival in Toronto, Canada
- Invited at the Sydney International Film Festival, 1997

54) SUWAPINGS

- Invited to the 45th Berlin International Film Festival in Germany, 1995
- Screened as part of the International Forum on Young Cinema, a special section of the festival where the most imaginative and innovative films are screened.

55) YESTERDAY CHILD

- Won the Air Canada's 2nd runner-up People's Choice

56) LIGAYA ANG ITAWAG MO SA AKIN (They call me Joy)

- Selected for the and competition sections of the Shanghai International Film Festival, 1997
- Pre-selected for the panorama section of the Berlin, Cairo and Damascus International Film Festival, 1997

Appendix F

FOREIGN FILMS PRODUCED IN THE PHILIPPINES

1) BROKEDOWN PALACE (1999)

Production Outfit: 20th Century Fox

The story's provocative nature made it possible for the filmmakers to shoot on location in Thailand. After extensive scouting throughout Southeast Asia, the production decided to shoot in the Philippine Islands.

CAST: Claire Danes, Kate Beckinsale, Lou Diamond Phillips, Jacqueline Kim, Bill Pullman, Daniel Lapaine

Director: Jonathan Kaplan

Producer: Adam Fields

2) PROFITS FROM POISON

Production Company: TVE

Director/Producer: Jamie Hartzell

Executive Producer: Robert Lamb

3) GREEN GUERRILLAS: THE FIGHT FOR THE PHILIPPINE RAINFOREST

Distributed by the Maoist Internationalist Movement (MIM)

4) APOCALYPSE NOW (1974)

Filmed in the Philippines, where then President Ferdinand Marcos agreed to supply the helicopters and pilots.

CAST: Marlon Brando, Martin Sheen, Robert Duvall, Frederic Forrest, Dennis Hopper, Scott Glenn, Harrison Ford, Laurence Fishburne, Sam Bottoms

Director: Francis Ford Coppola

Producer: Francis Ford Coppola

Writer/s: Michael Herr, John Milius, Francis Ford Coppola

5) BIRDS OF PASSAGE (1998)

Production Companies: Adventure Film Productions, First Preferred Communications, Les Films de Triangles, RSVP Film Studios

CAST: Stacy Keach, Charlotte de Turckheim, Stefan Nelet, Linda Wang, Lovely Sapid

6) CLOSER TO HOME (1995)

Also known as "Looking for America"

CAST: Ann M. Achacoso, Woody A. Arizala, Barbara Blackburn, John Bolger, Elizabeth Bracco, Ralph Buckley, Danny Campbell, Angie Castrence, Connie Chua, Herminda P. Clarin, Brian S. David.

7) DNA (1997/1)

Production Companies:

- Interlight Productions, Interlight (U.S)

Distributors:

- Astra Cinema,
- Interlight U.S.
- New City Releasing

Director: William Mesa

Writing Credits: Nick Davis (II)

Genre: Action/Sci-Fi

8) DOOMSDAYER (1999)

Production Companies:

- ABS-CBN Entertainment
- Quantum Entertainment

Cast: Joe Lara, Udo Kier, Brigitte Nielsen, Sandra Gomez

Director: Michael J. Sarna

9) JIDU ZHONGFAN (1998)

Director: Ringo Lam

Writer/s: W.K. Lau

Genre: Action/Thriller

10) VULCAN (1997)

Directed by: Cirio H. Santiago

Writing Credits: Jose Mari Avellana

Production Company:

- Premiere Entertainment Productions

Distributor:

- New Horizons Home Video
- Trans Atlantic Entertainment

11) THIRTEEN DAYS (2000)

Production Company: Beacon Communications

Distributors:

- Alliance Atlantis Communications (Canada)
- Herald Film Company (Japan)
- Kinowelt Filmverleih (Germany)
- New Line Cinema (U.S.)
- RCV Film Distribution (Netherlands/Belgium/Luxembourg)

Director: Roger Donaldson

CAST: Kevin Costner, Bruce Greenwood, Steven Culp, Dylan Baker, Michael Fairman, Henry Strozier

12) BEHIND ENEMY LINES

Production Company: Orion Pictures

Distributor: Orion Pictures, U.S.A.

Director: Mark Griffiths

Writing Credits: Dennis Cooley

CAST: Thomas Ian Griffith, Chris Mulkey, Mark Carlton, Mushond Lee, Hillary Matthews

13) KNOCK-OFF (1998)

Production Companies:

- Film Workshop
- TriStar Pictures (U.S.)

Distributors:

- Lusomundo (Portugal)
- Sony Pictures Entertainment (U.S.)
- TriStar Pictures (U.S.)

14) LOVE IN AMBUSH (1997)

Production Companies:

David Hannay Productions
Film International Television (FIT) Productions ,Film Queensland (Australia)Pro
Filmworks

Distributors:

Hamdon Entertainment

15) MAN ON THE MOON (1999)

Director: Milos Forman

Writing Credits: Scott Alexander, Larry Karaszewski

CAST:

Jim Carrey, Danny de Vito, Courtney Love

Production Companies:

BBC - British Broadcasting Corporation (United Kingdom)
Cinehaus
Jersey Films (U.S.)
Marubeni
Mutual Film Company (U.S.)

Distributors:

Budapest Film (Hungary)
Concorde Filmverleih GmbH (Germany)
Lusomundo (Portugal)
Sandrew-Metronome Distribution Finland
Toho-Towa
United International Pictures
Universal Pictures
Warner Bros. (France)
Warner Bros. (Argentina)

APPENDIX G

The Scope and Coverage of Philippine Film Education

DE LA SALLE UNIVERSITY

Communication Arts College of Liberal Arts

The Communication Arts Program in Production is designed to introduce the student to the media - particularly print, film, radio, photography and television. The specific objectives are: 1) to introduce the students to a theoretical background in the media - history; 2) to create an environment conducive to a practical experience of media production; 3) to expose the students to the realities of Philippine mass media; and 4) to challenge the students to explore the developmental role of media in society. With these objectives in mind, the program in production consists of theoretical and practical courses. The regular LIA major is tracked in three areas of specialization: photography, film and video, and print and broadcast journalism.

Introduction to Print (INPRINT)

3 units

An introduction to the history, theories and processes of the print medium.

Introduction to Film (INTROFI)

3 units

An introduction to the history, theories and processes of film.

Introduction to Broadcast Media (INBROAD)

3 units

An introduction to the history, theories, and processes of the broadcast media (radio and television).

Introduction to Research and Communication Theories (INTRORE)

3 units

An introduction to selected theories of communication and basic research principles.

Introduction to Photography for Communication Arts (FOTOCAM)

3 units

An introduction to black-and-white photography covering shooting, developing, and printing.

Workshop in Video Production (VIDPRO)

3 units

An introduction to the theory and practice of visualization. This is a workshop in developing and producing ideas into images by learning the fundamentals of film and video production.

Pre-requisite: Basic Photography in Communication Arts

Radio Production (RADIPROD)

3 units

A workshop in radio production - from script to tape. Participants produce various programs such as interviews, documentaries and dramas.

Pre-requisite: Introduction to Broadcast Media

Print Production (PRINPRO)

3 units

A workshop in the production of newspaper and newsmagazines combining the traditional concepts of typography and graphic design with desktop publishing and publishing on the Internet.

Pre-requisite: Introduction to Print Media

Television Production (TELEPRO)

3 units

A workshop in television production - from script top screen. Participants produce projects of different formats.

Pre-requisite: Radio Production, Video Production

Film Video Production Management (FILMMAN)

3 units

The course deals with the business aspects of film and video production.

Pre-requisites: Introduction to Film, Video production

Broadcast Journalism Management (BRODMAN)

3 units

The course deals with the different problems of running a radio or television station for broadcast journalism production in the Philippines.

Pre-requisites: Senior standing. For LIA-COM majors and strictly for LIA majors tracked in print and broadcast journalism.

Print Production Management (PRINMAN)

3 units

The course deals with printing from the point of view of the publisher and the printer.

Pre-requisite: Senior standing. For LIA-COM majors and strictly for LIA majors tracked in print and broadcast journalism

Professional Practices in Photography (FOTPRAC)

3 units

This course prepares the student to develop professional practices in the field of photography.

Pre-requisites: Senior Standing. For LIA-COM majors; and strictly for LIA majors tracked in photography

Mass Media and Society (SOCIETY)

3 units

A study of the issues concerning mass media and society.

Pre-requisite: Senior standing

Projects in Communication 1 (PROJCO1)

1.5 units

An independent study where students write a thesis proposal under the guidance of a thesis adviser. Students may write a thesis on a research or an applied project.

Pre-requisite: Senior standing

Projects in Communication 2 (PROJCO2)

1.5 units

An independent study where students execute under the guidance of an adviser the approved proposed thesis in Projects in Communication 1.

Pre-requisite: Projects in Communication 1

Cognate Courses

Cognate Courses for LIA students tracked in Photography

History and Aesthetic Theories of Photography (FOTESHT)

3 units

A course on the history and basic aesthetic principles of photography

Pre-requisite: Introduction to Photography

Adobe Photoshop (FOTSHOP)

3 units

A workshop using the Adobe Photoshop software to manipulate digitized photographs.

Pre-requisite: Print Production, Introduction to Photography

Photo Essay (FOTESAY)

3 units

A workshop on how to create essays through the language of photography.

Pre-requisites: Introduction to Photography, Introduction to Research

Studio Photography (STUDIOS)

3 units

A workshop on photography under the controlled condition of a studio (portraiture, product photography).

Pre-requisite: Introduction to Photography

Photojournalism (FOTJORN)

3 units

A workshop on the theories and practice of photojournalism or news photography.

Pre-requisite: Introduction to Photography

Light and Photography (FOTOLIT)

3 units

A workshop on the creation of photographs under all possible lighting conditions.

Pre-requisite: Introduction to Photography

Masters in Photography (MASFOTO)

3 units

A theory and production course on the practice of master photographers.

Pre-requisite: Introduction to Photography

Color Photography (FOCOLOR)

3 units

An introductory production workshop on color photography.

Pre-requisite: Introduction to Photography

Photography in Advertising (PHOTOAD)

3 units

A production workshop on photography as required in advertising (product, portrait, architectural, Marketing etc.)

Pre-requisite: Introduction to Photography

Art Direction in Photography (ADPHOTO)

3 units

A production workshop on art directing for photography.

Pre-requisite: Introduction to Photography

Cognate Courses for LIA students tracked in Print and Broadcast Journalism**Broadcast Programming (PROGRAM)**

3 units

A study of program planning and developing in radio and television.

Pre-requisites: Introduction to Broadcast Media

Design in Print Communication (DEPRICO)

3 units

A workshop on graphic design focusing on the study and application of the Aldus PageMaker software in the production newspapers and magazines at the camera ready stage of the printing process.

Pre-requisite: Print Production, Introduction to Print Media

Design in Television (DESTELE)

3 units

A workshop in production design for television.

Pre-requisite: Introduction to Broadcast Media, Television Production

News and Feature Writing (NEWSRIT)

3 units

A writing workshop in news and feature stories for newspapers and magazines.

Pre-requisite: Introduction to Print Media

The Philippine Press (FILPRES)

3 units

A course on the history and theories of journalism focusing on the Philippine press.

Pre-requisite: Introduction to Print Media

Broadcast Journalism (BROJORN)

3 units

A workshop on the production of journalism projects for television and radio.

Pre-requisite: Introduction to Broadcast Media, Introduction to Print Media

Electronic News Gathering (ENGNEWS)

3 units

A workshop on the production of broadcast news through electronic news gathering methods.

Pre-requisite: Introduction to Broadcast Media, Broadcast Journalism, Video Production

Photojournalism (FOTJORN)

3 units

A workshop on the theories and practice of photojournalism or news photography.

Pre-requisite: Introduction to Photography

Cognate Courses for those tracked on Film and Video**The Documentary in Film and Video (DOCFILM)**

3 units

A workshop on the study of the nature, history, and production techniques of film and video documentary.

Pre-requisite: Introduction to Film

Design in Film (DESFILM)

3 units

A workshop on production design for film.

Pre-requisite: Introduction to Film

Film Animation (ANIMATE)

3 units

A workshop on basic video animation.

Pre-requisite: Introduction to Film, Video Production

Film Theory and Criticism (THEORIE)

3 units

A course developing students' knowledge of film aesthetics with a historical overview of film theory. It introduces the students to the critical perspectives with which to evaluate motion pictures.

Pre-requisite: Introduction to Film

Performance in Media (PERFORM)

3 units

A workshop in performance for radio, television and film.

Pre-requisite: Introduction to Film, Video Production

Post Production Techniques (POSPROD)

3 units

A workshop on digital post production techniques

Pre-requisite: Introduction to Film, Video Production

Basic Cinematography (CINEMAT)

3 units

A workshop on the craft of cinematography, with emphasis on lighting and camera operation. Exercises are done in video.

Pre-requisite: Introduction to Film, Video Production

Masters in Film (MASFILM)

3 units

The course showcases the major works in world cinema. The masters include masters like Bergman, Griffith, Fellini, Kurosawa, Zang Yimou and Brocka. The entire course may be devoted to the works of an individual filmmaker.

Aesthetics of Film and Video (ESTHETE)

3 units

This course deals with the techniques of television and film production. Two objectives are paramount- to learn how the various techniques are produced and to understand why they work.

Feature Film (FEATURE)

3 units

A workshop on the production of feature films using video. The course deals with film and video feature and the art of storytelling through moving images and sounds.

Emphasis will be given to the short subject.

Pre-requisite: Introduction to Film. Writing for Film, Video Production

Writing for Film (WRIFILM)

3 units

A workshop on the writing and developing of screenplays.

Pre-requisite: Introduction to Film, Video Production

Cognate Courses that can be taken by any LIA major

Popular Culture (POPCULT)

3 units

An introduction to popular culture. The course includes a critical study of the popular media, from comics to film.

Seminar in Production Planning (PROPLAN)

3 units

Participants in this seminar develop projects for print, film, radio, or television-focusing on the role of the producer.

Pre-requisite: Senior standing

Organizational Communication

College of Liberal Arts

The **Organizational Communication Program** prepares the student for professional practices as a communication specialist in public and private Philippine organizations. The various courses train the student to analyze, evaluate, facilitate, design, and implement the communication requirements of Philippine organizations for their greater effectivity, efficiency, and productivity. The program is a synthesis of theory and practice.

MAJOR COURSES

Organizational Theory and Dynamics (ORGTHEO)

3 units

Basic introduction to organizational theory particularly adapted to the Philippine socio-cultural environment. A substantial component of the course deals with fundamental concepts in organization and change.

Communication Theory (COMTHEO)

3 units

Basic introduction to the history, nature, and current thoughts on communication theory. Students are likewise exposed to the methods and tools for conducting research on communication issues and industries.

Ethics in Communication (ETHICOM)

3 units

A course which grounds the students in ethical theory and practice, with particular attention to their application in internal and external communication practice or organizations.

Basic Photography (OCMFOTO)

3 units

An introductory workshop on black and white photography covering shooting,

developing, and printing.

Research for Organizations (RESERCH)

3 units

A course introducing the student to basic principles of research and selected communication theories.

Desktop Publishing (DESKTOP)

3 units

A workshop focusing on the study and application of PageMaker software on the production of organizational print communication materials.

Graphic Design and Production (GRAPHIC)

3 units

A workshop on print production processes involving various methods and techniques, and the designing of print materials with the PageMaker software

Pre-requisite: Desktop Publishing

Organizational Video (ORGAVID)

3 units

A workshop involving the study, production and evaluation of video materials for corporate and organization use.

Pre-requisite: Basic Photography

Public Relations (PUBLIRE)

3 units

A management-oriented workshop dealing with the study, design, and evaluation of public relations functions in social, economic, and political, campaigns. The workshop also includes discussions in issues management in a public relations context.

Pre-requisite: Ethics in Communication, Organizational Theory and Dynamics

Management in Communication (MANACOM)

3 units

A course involving the study and application of management principles and techniques in solving communication problems of organizations. The course likewise exposes the student to basic management theory and practices as preparation for managing communication infrastructures in organizations.

Pre-requisite: Senior standing

Communication Technology (COMTECH)

3 units

A study of the uses and effects of new communication technologies with specific orientation towards the instructional application of such technologies in a Third World environment.

Pre-requisite: Senior Standing

Organizational Change and Development (ORGADEV)

3 units

A course dealing with the various strategies for the systematic introduction of change in organizations. It seeks to develop skills in organizational diagnosis and assessment, and in the design and implementation of change interventions.

Pre-requisite: Management in Communication

Projects in Organizational Communication 1 (WORKONE)

3 units

An independent study where students write a thesis proposal under the guidance of a thesis adviser. Students may write a thesis on a research or an applied project.

Pre-requisite: Senior Standing

Projects in Organizational Communication 2 (WORKTWO)

3 units

An independent study where students execute under the guidance of an adviser the approved proposed thesis in Projects in Organizational Communication 1.

Pre-requisite: Projects in Communication 1

Cognate Courses

Corporate Culture (CORCULT)

3 units

A course presenting an overview of the basic concepts and theories in the study of corporate culture. Emphasis lies in the relationship of corporate culture with the attainment of organizational effectiveness and excellence.

Pre-requisites: Organizational Theory and Dynamics, Ethics in Communication

Power and Politics in Organizations (POLIROG)

3 units

A course dealing with the nature of power in organizations with particular emphasis on the analysis of organizational politics.

Pre-requisite: Organizational Theory and Dynamics

Persuasion Theory (PERSUAD)

3 units

A course exposes the student to the different theories and concepts of persuasion theory.

Pre-requisite: Organizational Theory and Dynamics, Communication Theory

Political Communication (POLICOM)

3 units

A course which exposes the strategies and effects of political communication approaches in the Philippine context. The program of study includes the design and

evaluation of political communication strategies and campaigns.
Pre-requisite: Communication Theory

Philippine Culture in Organizations (PHILORG)

3 units

A course involved in the study of Philippine cultural traits and values inherent in local organizations and their roles and impact on organizational effectivity and excellence.
Pre-requisite: Organizational Theory and Dynamics

Image Advertising (IMAGEAD)

3 units

A workshop dealing with the conceptualization, design, production, and implementation of traditional advertising methods for Marketing image-building

Audio Production (AUDIPRO)

3 units

A workshop dealing with the various techniques involved in audio production.

Educational Broadcasting (EDBROD)

3 units

A course which explores the various uses, methods, and strategies in instruction through the broadcast media. A substantial aspect of the course deals with the conceptualization and design of an educational program for radio/television.

Issues Management (ISSUMAN)

3 units

A course dealing with the study of communication responses to important issues confronting organizations. The program of study includes a discussion of the various approaches and strategies involved in issues management from a public relations perspective.

Pre-requisite: Public Relations

Negotiations, Mediation, and Dispute Resolution in Organizations (NEGORES)

3 units

A course which explores the roles and strategies of conflict resolution in organizations.
Pre-requisite: Organizational Theory and Dynamics, Communication Theory, Ethics in Communication, Research in Communication

Campaign Management (CAMPAIN)

3 units

A management workshop on conceptualization, design, production, implementation, and evaluation of multi-purpose and multi-format campaign objectives and strategies.
Pre-requisite: Organizational Change and Development

Video for Specific Organizational Needs (SPECVID)

3 units

A workshop in the production of video works for very specific organizational needs.

Pre-requisite: Organizational Video

Appendix H

College of Mass Communication
U N I V E R S I T Y o f t h e P H I L I P P I N E S D I L I
M A N

Overview

The Institute of Mass Communication was established by Republic Act No. 4379 on June 19, 1965. It was formally founded as an academic unit on August 23, 1965, and was elevated to college status on April 28, 1988.

The primary objectives of the College are:

To *train* competent, critical and responsible practitioners with a high level of ethical awareness in the specific areas of journalism, broadcast communication, film, and communication research;

To *provide* students with the multi-media and information skills required of communication practitioners by the information age;

To *develop* communication scholars and specialists trained in undertaking original research, and public-policy makers, communication managers, and decision-makers trained in communication and media development; and

To *contribute* thereby to media literacy as well as to the making of a quality mass media and communication system aware of its responsibilities to, and responsive to the needs of, Philippine society.

The College offers programs leading to Bachelors' degrees in *Broadcast Communication*, in *Communication Research*, in *Film and Audio-visual Communication*, and in *Journalism*.

The College also offers graduate studies leading to the degrees of *Master of Arts (Communication)* and *Doctor of Philosophy*

The curricula of these degrees are constantly revised to reflect new knowledge and track mass media trends. The departments of Journalism and Broadcast Communication have implemented this school year their new curricula, while the Communication Research department is reviewing its program.

The faculty members of the College are experts in both the theoretical aspects and the practical applications of their respective fields, which is why various organizations seek their assistance in various programs and projects.

BROADCAST COMMUNICATION

The undergraduate program leading to a Bachelor of Arts degree in Broadcast Communication was established through a resolution approved by the Board of Regents in 1966.

The Department of Broadcast Communication was formally established in 1988 following the elevation of the institute to college status.

At present, the BA Broadcast Communication aims to provide the requisite training for future broadcast practitioners. Specifically, the program's objective is to develop critical thinking among its students so as to prepare them for their roles as responsible, ethical and professional broadcasters.

COMMUNICATION RESEARCH

Since its inception in 1975, the Department of Communication Research has continuously refined every aspect of its theoretical and practical approach to the study of mass media and communication-related phenomena.

From being the smallest department in the then Institute of Mass Communication, it has grown to be the biggest in terms of student enrollment. It is also the sole academic unit to offer a full communication research program in the undergraduate, masteral and doctoral levels in the country.

It has been designated by the Commission on Higher Education as a Center of Excellence for Communication Education.

FILM AND AUDIOVISUAL COMMUNICATION

The Bachelor of Arts in Film and Audiovisual Communication program was approved by the appropriate bodies of U.P., and by the Board of Regents on April 24, 1984, making the College of Mass Communication the first and only college in the country offering an academic program in film.

In 1993-1994, a comprehensive set of curricular proposals and a change in the title of the degree program were approved by the University Council. The degree program is now called Bachelor of Arts in Film and Audiovisual Communication.

The philosophy underlying the film program is based on the following objectives and considerations:

1. The primary objective of the program is to produce graduates with a well-

rounded liberal arts education, equipped with creative and technical skills and ethical social responsibility in the practice of their profession.

2. The study of film as art, as popular culture, as technology, and as social communication requires a curriculum that is holistic and interdisciplinary.
3. The study of film requires a curriculum grounded in a critical understanding of the global origins of the medium and the local culture that shaped its growth, including the processes and institutions of production, distribution, exhibition and reception.
4. Film education at the College of Mass Communication can make a significant contribution to the development of a genuinely Filipino national cinema.

Graduate Studies

The Ph.D. in Communication Program was established in 1982 as a "generalist" program aimed at providing a comprehensive understanding of communication as an academic discipline and professional field of study. Consequently, it adheres to the principle of looking at the field of communication as an applied science that combines both the functions of theory and the validation of concepts through informed practice or behavior.

Thus, the Ph.D. in Communication graduate should be able to develop strategies and tactics for effective communication in various contexts such as interpersonal communication, group communications, organizational communication and the mass media.

The Ph.D. curriculum encompasses the academic concerns of communication science through its theory and methodology core courses as well as its applied science aspects in mass communication and the expanding field of communication policy and planning.

An innovative feature of the Ph.D. curriculum is its introduction of Philippine Communication Behavior and Philippine Communication Environment as part of UP CMC's mission of linking its academic programs to the realities of Philippine society and culture. This is complemented by an internationalist or cross-cultural perspective, reflecting the international character of today's communication and information technology.

CAREER PROSPECTS

Students of any of the programs in the College readily find employment in the various mass media organizations as well as in related fields such as market research, advertising, public information and corporate communication.

Others, meanwhile, have opted to pursue careers in the fields of law, public service and literature. A number have also joined the academe in their desire to share their expertise with future practitioners.

Once employed, these graduates quickly rise to more responsible positions. This explains why many of the graduates of the College now have careers that are crucial to the development of the country's mass media industry.

Many students, even before earning their degrees, are hired by various companies, proof of the premium and trust that companies put on the quality of CMC education.

ACTIVITIES

Students of the College of Mass Communication are active and articulate. In fact, one of the most waited events in the Diliman campus is the annual LIVE AIDS presentation staged by the SAMASKOM. The program, which is now on its 15th year, is a collection of skits and spoofs on mass media and has led to the discovery of some of the country's better performers.

Given the diverse interests of CMC students, they have founded a number of organizations, which include:

- Broadcasting Association (Broad Ass)
- Broadcasters' Guild
- Christian Mass Communicators (Christmas)
- Cineastes' Studio
- Cinegang
- Communicators' Consortium (C-CUP)
- Communication Research Enthusiasts (CORE)
- Hiraya
- Journalism Club (JC)
- Mass Communicators' Organization (MCO)
- Samahan ng mga Mag-aaral ng Komunikasyon (SAMASKOM)
- Union of Journalists of the Philippines (UJP)
- UP Cinema Arts Society (UP CAST)

- UP Communication Research Society (UP CRS)

The heads of these organizations are members of the College's Faculty and Student Relations Committee.

Every year, students also elect the officers of the CMC Student Council, whose incumbent president is Film student KC Bugayong. The students also elect their representatives to the University Student Council.

Appendix I

ASSUMPTION COLLEGE-SAN LORENZO

Bachelor in Communication with Majors in:

Advertising and Public Relations

Trains the student in the principles and practices of the advertising and public relations industry.

Media Production

Trains the student in the creative technical process of writing, research and production for careers in print, broadcasting, theater, cinema and the audio-visual media.

Communication Management

Trains the student in management and communication skills to utilize and maximize human resources, institutions and technologies for careers in corporate communication, community development and educational media.

The **Institute of Communication** offers a program in communication focused on advertising. Believing in the theoretical and practical mix of learning, the Institute has a faculty composed mostly of distinguished and outstanding practitioners in the field. Students are given a first hand and holistic approach to education. It has a distinctive study-and-work program wherein students are trained with top executives in the industry.

APPENDIX J

UA&P Institute of Communication

The Institute of Communication offers a program in communication focused on advertising. Believing in the theoretical and practical mix of learning, the Institute has a faculty composed mostly of distinguished and outstanding practitioners in the field.

MASTER OF ARTS IN COMMUNICATION

The Master of Arts in Communication is an internationally recognized program accredited by the International Advertising Association (IAA), the only global partnership of advertisers, advertising agencies, media, and marketing communications professionals.

The focus of the program is Integrated Marketing Communications (IMC), an innovative concept of marketing communications planning that recognizes the added value of a comprehensive plan evaluating the strategic roles of a variety of communications disciplines like general advertising, direct response, sales, promotion, and public relations. It combines these varied disciplines to provide clarity, consistency, and maximum communications impact.

The curriculum includes a one-year residency which will give the student the exceptional experience of working for multinational advertising agencies like McCann-Erikson, J. Walter Thompson, Publicis Advertising of Paris, and DDB Needham Worldwide, among others.

Appendix K

COMPARISON OF TAXES IMPOSED ON FILIPINO FILMS VERSUS FILM IN ASIA-PACIFIC COUNTRIES

COUNTRY	ADMISSION PRICE (PhP)	ADMISSION TAXES	VAT
Philippines	50.00-100.00	MM 30%	10%
Korea	185.09	7.5% 6.5% (cultural fund)	10%
Thailand	81.41	None. Only Municipal Tax of Bht 1.50	10%
Japan	543.27	5% consumption tax	None
Taiwan	311.05	7.62%	None
Malaysia	73.26	25%-31%	None
Singapore	176.52	3% (goods and service tax)	None
Indonesia	26.56	20% (Ave.)	
Brunei	75.41	None	None
Hong Kong	302.06	None	None
USA	342.78	None	None
New Zealand	146.53		12.5%
Australia	205.23	None	None

Source: Philippine Embassy

Appendix L

COMPARISON OF TAXES IMPOSED ON FILIPINO FILMS VERSUS EUROPEAN FILMS

COUNTRY	ADMISSION PRICE (PhP)	AMUSEMENT TAXES	VAT
Philippines	50.00-100.00	MM 30%	10%
Austria	355.19		10%
Denmark	385.61		25%
Finland	352.61		12%
France	385.61	11%	5.5%
Germany	404.46	2%	7%
Greece	268.64	4% - 12%	8%
Israel	266.92	2.5%	17%
Italy	289.20	9%	10%
Lebanon	171.38	5%	
Netherlands	317.05		5%
Portugal	162.81	7.5%	5%
South Africa	154.24		14%
Spain	210.80		7%
Sweden	366.32		5.7%
Switzerland	483.29	0-15%	6.5%
U.K.	263.07		17.6%