

# **CONTENTS** Letter to the Minister for Justice, Equality and Law Reform 3 Key Developments in 2006 10 Certification of Cinema Films 14 17 Certification of DVDs / Videos Certification for Court Proceedings 17 **Financial** 16 Staff / Administration **Future Developments**

Dear Minister,

To Michael McDowell, TD Minister for Justice, Equality and law Reform I am pleased to present the Annual Report of the Official Censor of Films for 2006 as prescribed by Section 29 of the Video Recordings Act, 1989. The following were among the principal developments in what was another busy year for IFCO:

- The total number of cinema films and DVD/videos certified again exceeded ten thousand, approximately three times the number certified in 1999.
- As in 2005, this included a significant number of non-mainstream or 'art-house' films, e.g. sub-titled films, minority interest films, etc. This can be mainly attributed to the reduced fees that IFCO now charges for certifying limited release films, an initiative introduced by you at IFCO's request in 2004 (Statutory Instrument No. 114 of 2004).
- Distributors in both Ireland and the UK continue to press for a similar initiative to be taken in relation to minority interest titles released on DVD/video. However, I am aware that the Department of Justice, Equality and Law Reform has received legal advice that it will require an amendment to the Video Recordings Act, 1989, for a similar initiative to be introduced for non-mainstream DVD/video, and I understand such an amendment will be introduced during 2007.
- As part of our ongoing involvement in classification-related research, we commissioned two separate research projects. The first, a qualitative research project, examined the attitudes of parents and adolescents to strong language in films and was carried out for IFCO by Lansdowne Market Research. The main findings are outlined on page 5 of this Report.
- The second project is a scoping study which will examine future classification options in the fast-changing landscape of film and home entertainment. I believe it is timely that IFCO should review and proactively seek to meet the challenges to film and DVD/video classification posed by new technological developments and business models. IFCO has commissioned the film and media consultant, Dr. Jim Barratt, a former Head of Research and Statistics at the UK Film Council, to carry out this report, which will be available in early 2007 and which will help to inform IFCO's contribution to debates both in Ireland and internationally. The underlying specification is referred to at page 19 in the Future Developments section of this Report.
- In November, the Minister for Education and Science, Mary Hanafin TD, launched the Pilot Review of the transition year module in moving image education at the Irish Film Institute. As the Minister stated at the launch, the transition year module marked a unique collaboration between a number of key stakeholders in Ireland: the Department of Education, the Irish Film Institute, the Arts Council, the Irish Film Board and IFCO. I had the privilege of chairing the Working Group which comprised these organizations and which published the Pilot Review. The Review can be accessed at the News section of our website www.ifco.ie.
- The number of visitors to IFCO's website was up 16% on last year. The website
  continues to provide parents with detailed consumer advice and information about
  all films as soon as they are released.

- I hope we will soon be able to provide a similar service on the IFCO website for parents in respect of DVD/video. In that regard, I regret that it has not been possible for us to make the progress anticipated in last year's Report. The second stage of the planned upgrade of IFCO's integrated IT system has not yet been implemented as costs proved higher than originally envisaged. Other options are now being urgently considered, so I remain hopeful that a decision to proceed will be sanctioned shortly.
- IFCO's Inspectorate, which monitors compliance with the provisions of the 1989
   Video Recordings Act and liaises with the Gardaí had another active year. As a result of this, the Gardaí are currently investigating a substantial number of cases involving alleged serious breaches of the Video Recordings Act, 1989.
- In the Future Developments section of this Report, I raise some questions about IFCO's future in the context of video downloads, global media convergence and rapidly changing technologies, and ask how our statutory remit might best be redefined so that IFCO can continue to provide consumer classification information to the public and to parents in particular in the forthcoming digital age.

Finally, I would like to express my appreciation of the contribution made during 2006 by my colleagues, the Deputy Censor, Ger Connolly, together with his team of Assistant Censors, our Office Manager, Ann O'Kelly and my civil service colleagues, both at IFCO and in the Corporate Services Division of the Department of Justice, Equality and Law Reform. I would also like to acknowledge the valuable contribution made by Alison Foley, an Assistant Censor with IFCO, who took up her new position in September as Planning Lawyer at the Railway Procurement Agency.

Yours sincerely,

phn Kelleher

John Kelleher Film Censor





### **OPERATIONAL ACTIVITY**

In comparison with 2005, the total number of cinema films certified (including trailers) increased by 16%, the total number of DVD/videos certified increased by 3%, and the total number of video licences issued increased by 15%.

The increase in the number of cinema films certified is partly attributable to the lower fees now charged by IFCO for certifying limited release or 'art house' films. A welcome result of this initiative is that distributors are now releasing significantly more of such films in Ireland.

The number of DVD/videos certified also increased, though at a slower rate than in previous years. This may signify that growth in the sell-through DVD market has reached a plateau with the bulk of back catalogues now on release. It may also reflect the concerns of DVD distributors, as noted in my 2005 Annual Report, who maintain it has become commercially unviable for them to release some non-mainstream DVD titles, partly because of video piracy, but mainly as a result of the increase in IFCO's certification fees introduced in 2004.

The increase in the number of licences issued can be substantially attributed to the work of the IFCO Inspectorate.

### RECENT CHANGES TO CINEMA FILM CERTIFICATES

The changes made to some film certificate categories at the beginning of last year, namely, the introduction of the '16' certificate, and the re-designation of '12PG' and '15PG' as '12A' and '15A', have continued to be welcomed by the public, by parents and by the industry. In 2006, 22 cinema films were certified '18' and 42 were certified '16'. (In 2005, 30 were certified '18' and 43 were certified '16'.)

### LIMITED RELEASE CINEMA FILMS

The number of limited release cinema feature films distributed during 2006 increased by 15%.

A limited release film is one released in Ireland on six prints or less. Since 2004, the fee charged by IFCO for certifying a limited release film is one quarter of the amount charged for certifying a mainstream film. This reduced fee has been in large part responsible for the recent welcome increase in the distribution of non-mainstream cinema films in Ireland.

Cinemagoers from our diverse ethnic communities, especially those from Asia and Eastern Europe, have also benefited from this development with, for example, the release in Ireland of a Polish language version of Sacha Baron Cohen's comedy satire, Borat: Cultural Learnings of America for Make Benefit Glorious Nation of Kazakhstan.

86 limited release films were certified by IFCO during 2006, including Caché, The Squid and the Whale, Junebug, 36, The Proposition, Down in the Valley, Tsotsi, The Notorious Bettie Page, Transamerica, Volver, The Upside of Anger, Red Road, Infamous and For Your Consideration.

### PROPOSAL FOR LIMITED RELEASE DVD/VIDEOS

As stated in my 2005 Annual Report, Irish and foreign DVD/video distributors are concerned at the cost of distributing non-mainstream product in Ireland, a market they see as becoming increasingly commercially unviable for them. They believe the introduction of a reduced fees scale for minority/specialist titles, along the lines proposed by IFCO, would make it feasible for them to release rather than hold back on such titles and would also have an impact on reducing piracy. As noted in the Foreword to this Report, I understand from the Department of Justice, Equality and Law Reform that action is in train in this regard.

As regards piracy, IFCO is a member of the industry-wide working group which the Minister for Justice, Equality and Law Reform established in 2006 to coordinate a campaign targeting the eradication intellectual property piracy, a crime which is believed to siphon some €300 million annually from the industry and the exchequer.

### RESEARCH INTO ATTITUDES TO STRONG LANGUAGE IN FILMS

In early 2006, IFCO asked Lansdowne Market Research to undertake qualitative research with parents and adolescents in relation to attitudes to strong language in films. This research augments the national survey of parents carried out for IFCO by Lansdowne Market Research during 2004. The Irish film, Studs, was selected as a case study in advance of its nationwide release in March, because it contained frequent strong language, including more than one hundred instances of the 'f' word.

The research, which took place at IFCO's offices, consisted of screenings and discussions involving three groups: male and female adolescents aged 15/16; the parents of male and female teenagers; and educators, youth workers, representatives of the National Youth Council, sporting bodies, etc.

Among the broad findings were:

- Participants, both adults and minors, clearly distinguished between two categories
  of strong language: 'bad language', as used in the common vernacular, and 'abusive
  language', where reference is made, for example, to a person's race, colour, or sexual
  orientation.
- Teenagers felt that the use of strong language, while acceptable in certain contexts (e.g. humour, stress), is unacceptable if used in an aggressive context (e.g. racist).
- Parents, who would generally prefer their children not to use bad language, were relatively pragmatic about its use, but, in several cases, expressed concern at the social status implications of their children using bad language.
- Youth workers noted that the use of strong language has become more commonplace in Irish society and expressed concerns that the use of abusive language is becoming more prevalent. Significantly, however, they do not attribute responsibility for this to cinema and DVDs, or to the media in general, but recognise it as symptomatic of a changing Ireland.

• As regards classification criteria, most participants declared that they approved of how IFCO's ratings take account of language in films, whether mild or strong. In the context of the film selected as a case study, while most felt the strong language in Studs accurately reflected the reality of a male football team and the social standing of the characters portrayed, all agreed with IFCO (which had already rated Studs 15A) that a 12A rating would be inappropriate, given the pervasive nature of strong language throughout the film.

Lansdowne Market Research's qualitative research report for IFCO, 'Assessing Attitudes to Strong Language in Film', can be viewed/downloaded at the News section of our website www.ifco.ie. IFCO wishes to acknowledge the kind cooperation of Brendan McCaul, General Manager, Buena Vista International (Ireland), in making *Studs* available as a case study for this research project.

### **PUBLIC AWARENESS CAMPAIGN**

Phase One of IFCO's national cinema and media campaign to inform the public about our film certificates, classification guidelines and website, which was launched by the Minister for Justice, Equality and Law Reform in November 2005, was completed during 2006 with further distribution at cinemas of the one million wallet-sized booklets entitled 'Your Pocket Guide to Film Classification'.

Phase Two of the public awareness campaign, which will focus on schools and on the IFCO website, will be implemented during 2007.

### **IFCO WEBSITE**

Public response to the IFCO website, which provides detailed consumer advice and information for parents on cinema films, continued to be very positive, with visitors to the website up 16% on 2005.

Our regular monthly website competition, where winners attend movie premieres or win movie-related merchandise, has continued to attract interactive interest. Among popular movies featured as prizes in 2006 were: Casino Royale, Pirates of the Caribbean: Dead Man's Chest, Open Season, The Da Vinci Code, Eragon, The Devil Wears Prada, Breakfast on Pluto, Miami Vice, Chicken Little and Mission Impossible 3.

The consumer information made available on the IFCO website relates to cinema releases. It does not yet extend to DVD/video, which comprises more than 90% of the total works certified annually by IFCO. I hope, however, that the necessary investment will soon be made available for further IT development so that IFCO can provide a similar service in respect of DVD/video for parents, the public and the industry.

### LIAISON WITH CINEMA MANAGERS

Ms. Dani McClafferty, an Assistant Censor, who was given responsibility in September 2005 for coordinating IFCO's communication and liaison with cinema managers nationally, has met or spoken with most cinema managers in Ireland as part of the IFCO public awareness campaign.

### **INSPECTOR POST**

2006 marked the second full year of operation since the Inspectorate was re-activated in late 2004. All retail premises have now been visited by the IFCO Inspectorate and checked for compliance with the provisions of the Video Recordings Act 1989. While most were compliant, appropriate action has been taken against those in breach of the requirements.

### **FOCUS GROUP SCREENINGS/DISCUSSIONS**

As in recent years, a number of focus group screenings were held during 2006 in order to engage with and explore the opinions of parents, young persons, second and third level students, educators, psychologists, etc. Among films screened at focus group screenings/discussions in 2006 were: Babel, Becoming Jane, Bobby, Caché, Capote, Clerks 2, The Departed, Dirty Sanchez, Flags of our Fathers, Hard Candy, An Inconvenient Truth, Inside Man, Jackass 2, The Last King of Scotland, The Notorious Betty Page, Paradise Now, The Proposition, Red Road, Romanzo Criminale, Studs, The US v John Lennon, The Upside of Anger and You, Me and Dupree.

Among the agencies and representative bodies which participated in focus group screenings/discussions in 2006 were Aware, the Institute of Guidance Counsellors, Children at Risk in Ireland, the Hospice Foundation, the Irish Film Institute, the National Parents Council, the Irish Film Board, the National Youth Council and the Arts Council.

Other participants included many second level students and their teachers as well as students and educators from IADT, TCD, UCD, St. Patrick's Teacher Training College, Griffith College and DCU.

A number of screenings and discussions also took place during the year with the parents of very young children, who in the case of some films were also accompanied by their children.

The initiative established in 2005 with the IFI (Irish Film Institute) and the Department of Education, whereby second level students are provided with a platform of screenings and workshops to engage with IFCO in discussing classification and censorship issues, was further developed during 2006.

The responsibility for coordinating IFCO's focus group screenings/discussions has been undertaken by Mark Brennan, Assistant Censor, since the beginning of 2006.

### TRANSITION YEAR MODULE FOR MOVING IMAGE EDUCATION

The Pilot Review of the Transition Year Module in moving image education (film studies) was launched at the Irish Film Institute in November by the Minister for Education and Science, Mary Hanafin TD. The Film Censor, John Kelleher, chaired the working group of representatives of the IFI, the Department of Education and Science, the Arts Council, the Irish Film Board and IFCO which devised a strategic plan for the development of film education and cinema programming for young people on a national basis.

FIG 1. This sample homepage from the IFCO website shows the six films released in the week commencing Friday 13th October, 2006.

Parents can click on an individual film to see consumer advice and other information about each film (see page 9).



The Pilot Review presented the results of the internal review of Phase One of the Transition Year Module undertaken by the IFI, which obtained quantitative and qualitative data.

Among the principal quantitative findings were:

- 100% of participating teachers found that the Module inspired them to teach more moving image.
- 83% of teachers declared the teaching of Irish film to be worthwhile.
- 100% of students said their interest in learning more about moving image had increased as a result of the Module.
- 61% of students were very enthusiastic about taking film as a transition year subject and 37% were enthusiastic.

Among the principal qualitative finding were:

- It was generally agreed that the Module drew on existing enthusiasm for, and knowledge of, a very relevant and contemporary medium among students of all abilities.
- Teachers, who gained confidence through the training days and were eager to continue their learning, considered it apt and stimulating for students' critical skills and visual literacy to be fostered in an active and hands-on learning environment.
- Students, who enjoyed the collective experience of watching films in a cinema, acquired confidence and skills to discuss them as well as to evaluate and compare them with others.

The full Pilot Review may be viewed and/or downloaded at the News section of our website www.ifco.ie

### **EU AND INTERNATIONAL CLASSIFIER COOPERATION**

IFCO is a member of the Association of European Classifiers. The Irish Film Censor, John Kelleher, is a member of the Association's Steering Group. The Association's annual conference took place in Scandinavia in 2006, jointly hosted by the National Swedish Board of Film Classification and the National Finnish Board of Classification. Among the topics discussed were digital distribution and its consequences for classification, ongoing research into areas of interest for classifiers and the EU's Audiovisual Media Services Directive.

In 2007, the Australian Office of Film and Literature Classification will host a major international classification conference in Sydney, entitled 'Ratings in the 21st Century: Community Standards in a Borderless Marketplace'. The Film Censor, John Kelleher has been invited as a guest speaker and will deliver an audiovisual lecture entitled 'From Stop Sign to Signpost'.

IFCO is also a founder member of WMReF (World Media Regulators' e-Forum), an international electronic forum to facilitate communication within a secure environment between media regulatory bodies across the globe.

The main services the WMReF site provides are a confidential forum, a news desk, a research archive and links to media regulators' official websites and other sites of interest. Jointly owned by its member organisations, membership of WMReF is restricted to media regulators working in the area of film, video and digital media throughout the world. Its membership includes regulators in Australia, Austria, Belgium, Cyprus, Finland, France, Germany, Hungary, Iceland, Liechenstein, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, Singapore, Slovenia, South Africa, Sweden, the UK and the USA.

### **VIDEO GAMES**

Video games are exempt from classification under the Video Recordings Act 1989, although they may be prohibited on grounds specified under Section 3 of that Act.

Ireland is a founder member of PEGI, the Pan European Games Information system. The Deputy Censor, Ger Connolly, is a member of the PEGI Advisory Board.

The other founder members were Austria, Belgium, Denmark, Finland, France, Greece, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. The PEGI system is now also used by Czech Republic, Estonia, Hungary, Iceland, Latvia, Lithuania, Poland, Slovak Republic and Slovenia.

The PEGI system rates video games under the following age categories: 3+, 7+, 12+, 16+ and 18+. IFCO endorses the PEGI system as a successful initiative which provides a significant aid to parents in determining content suitability for young persons of various ages. Games rated 18+ are regularly examined by IFCO prior to release.

It is envisaged that the PEGI annual conference, held in Copenhagen in 2006, may be hosted by IFCO in Ireland in 2007.

The PEGI website is www.pegi.info

### IT AND TECHNOLOGY SOLUTIONS

As stated in the Foreword to this Report, the implementation of the second stage of the IFCO major integrated IT system has again been deferred on account of the costs involved. It is hoped, however, as stated last year, that a more cost efficient option may be sanctioned in the near future.

**EVELOPMENTS** 

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FIG 2. Consumer advice for each of the 6 films released in week commencing Friday 13th October, 2006. (see page 7)





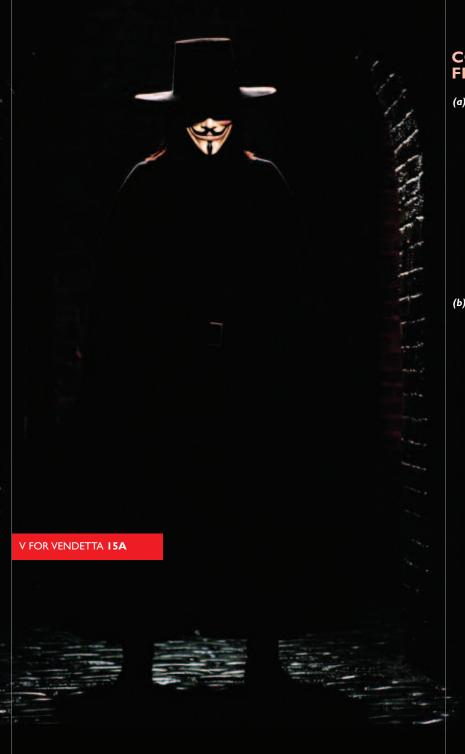






THE HISTORY BOYS
Comedy/Drama
Nicholas Hytner
Richard Griffiths, Penelope Wilton, Frances De
13th Oct 2006
12th July 2006
109'25'

		None	Mild	Hummer	į
	Violence		1		
	Drugs	201	/		
	Sex/Nudity	2			/
	Language				/
	Other/Comments	SEXUAL THEMES AND EXPLICIT SEXUAL REFERENCES			

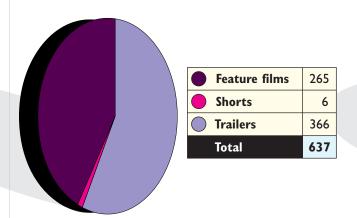


# COUNTRY OF ORIGIN OF THE 265 FEATURE FILMS CERTIFIED IN 2006

FILMS CERTIFIED IN 2006					
(a) Single country of origin	AUSTRALIA CANADA DENMARK FRANCE GERMANY INDIA IRELAND ITALY JAPAN SOUTH AFRICA SPAIN THAILAND UK USA VENEZUELA TOTAL	3 2 1 5 5 4 4 3 1 1 1 24 146 1 201			
(b) Multiple country of origin (i.e. co-productions)	AUSTRALIA / USA AUSTRALIA / UK CANADA / USA CANADA / NEW ZEALAND / USA CHINA / HONG KONG FRANCE / AUSTRIA FRANCE / GERMANY / NETHERLANDS / ITALY FRANCE / GERMANY / USA FRANCE / ITALY / BELGIUM / JAPAN FRANCE / SPAIN / GERMANY FRANCE / UK GERMANY / USA INDIA / USA IRELAND / GERMANY / UK INDIA / USA IRELAND / UK ITALY / FRANCE / UK JAPAN / SOUTH KOREA JAPAN / SOUTH KOREA JAPAN / USA / FRANCE MEXICO / SPAIN / USA MONGOLIA / GERMANY NETHERLANDS / GERMANY / UK / BELGIUM SOUTH KOREA / HONG KONG / CHINA UK / CANADA UK / DENMARK UK / FRANCE / SOUTH AFRICA UK / ISA / GERMANY / CHINA UK / USA / GERMANY / CHINA UK / USA / CZECH REPUBLIC UK / USA / GERMANY / CHINA USA / FRANCE	2 2 3 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
	TOTAL	64			

### **CINEMA FILMS CERTIFIED**

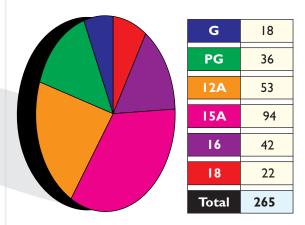
**2006** Total duration of cinema films certified: 475 hours 53 mins



### CINEMA FILMS CERTIFIED 2002 - 2006

	2002	2003	2004	2005	2006
Features	185	213	249	252	265
Shorts	20	15	23	5	6
Trailers	319	301	338	292	366
Total	524	529	610	549	637

### CINEMA FILMS CERTIFIED BY CATEGORY 2006



# CINEMA FILMS CERTIFIED BY CATEGORY 2002 - 2006

	2002	2003	2004	2005	2006
G	17	11	10	14	18
PG	19	23	31	39	36
I2A	36	40	61	55	53
I5A	73	91	90	71	94
16	-	-	7	43	42
18	40	48	50	30	22
Total	185	213	249	252	265

No decisions of the Film Censor in 2006 relating to cinema films were the subject of appeal to the Censorship of Films Appeal Board.

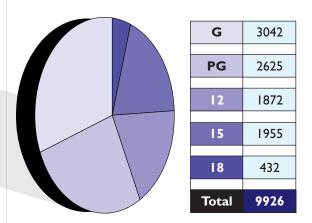








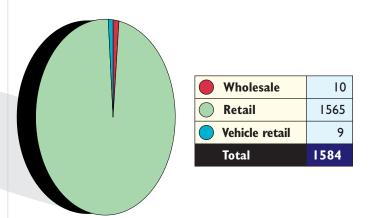
## DVD/VIDEO WORKS CERTIFIED BY CATEGORY 2006



## DVD/VIDEO WORKS CERTIFIED BY CATEGORY 2002 - 2006

	2002	2003	2004	2005	2006
G	2363	1986	2523	2916	3042
PG	1545	1474	1686	2522	2625
12	844	984	1270	1733	1872
15	1360	1487	1480	1869	1955
18	574	573	574	592	432
Total	6686	6504	7533	9632	9926

## LICENCES ISSUED 2006



### LICENCES ISSUED 2002-2006

	2002	2003	2004	2005	2006
Wholesale	7	9	10	7	10
Retail	1264	1351	1369	1357	1565
Vehicle Retail	25	22	23	18	9
Total	1296	1382	1402	1382	1584



### **JOHN KELLEHER**

John Kelleher was appointed Official Film Censor on 7th April 2003 following a publicly advertised competition process.

Born in Dublin, he graduated with a BCL degree from UCD and a Masters Degree in Drama from the University of Kentucky. He was called to the Bar in 1971. As a producer/director in RTE, he produced many award winning programmes, including Strumpet City and Even the Olives Were Bleeding.

He was appointed Controller of Television Programmes in 1980 and established the Today Tonight programme in the same year. He left RTE in 1983 to become Managing Director of The Sunday Tribune.

For over twenty years, he was one of Ireland's leading independent film and television producers. He has produced six cinema films, including *Eat the Peach*, which he co-wrote, as well as six television drama series, numerous documentaries and four series of TV3's current affairs flagship, Agenda. He is married with a son and a daughter.



### **GER CONNOLLY**

Ger Connolly was appointed Deputy Censor in August 2003.

He was born and lives in Kildare town. He graduated from UCD with a B. Comm. Degree. He studied accountancy with Deloitte, Haskins & Sell, and worked in that capacity in the advertising and manufacturing industries.

He was appointed a part-time assistant film censor in November 1993. He served as Deputy Film Censor and was one of three Irish delegates to the Conference of European Film Classifiers in Dublin in 2001. He represents Ireland on the board of PEGI, the Pan European Games classification system, and sits on both its Advisory Board and Complaints Board. He is married with two sons and a daughter.



### **ANN O'KELLY**

The Office Manager is Ann O'Kelly, a Higher Executive Officer, who supervises a team of eight civil servants, including two Executive Officers and six Clerical Officers (two work-sharing) as well as two Projectionists.

Ann worked for a number of years in the Prisons Division of the Department of Justice, Equality and Law Reform. She previously worked in the Department of Foreign Affairs and the Department of Defence.



OLGA BENNETT Lives in Dublin Former Public Representative I Child Appointed 1993



MAIREAD MARRON Lives in Swords Counsellor/ Psychotherapist 6 Children Appointed 1995



MARK BRENNAN Lives in Dublin Journalist and TV Producer 2 Children Appointed 2004



DANI MCCLAFFERTY
Lives in Dublin
Student
Appointed 2004



TOM FITZGERALD Lives in Dingle Former Public Representative 3 Children Appointed 2002



PATRICIA MURPHY Lives in Dublin 3 Children Appointed 2004



DAVID POWER Lives in Dublin Business Executive Appointed 2006



P. J. SHERIDAN Lives in Clane, Co. Kildare Former Public Servant 3 Children Appointed 2004



JOHN KEITH Lives in Nenagh Former Public Servant 3 Children Appointed 1993



TONY STAPLETON Lives in Navan Former Sales Director 5 Children Appointed 1993



### **CERTIFICATION FOR COURT PROCEEDINGS**

Complaints regarding breaches of the provisions of the Censorship of Films Act, 1923, and the Video Recordings Act, 1989, are referred by the Office to the Garda Siochána for investigation.

Under Section 23 of the Video Recordings Act, 1989, the Office of the Film Censor may issue certificates to provide certain information which is admissible as evidence in court proceedings.

The total number of Certificates issued in 2006 indicating that Supply Certificates were not in force under Sec. 14 (3) (b) in respect of certain works was 56.

### **FINANCE**

The fees charged by the Office for the certification of cinema films and DVD/videos and for the issuing of licences in 2006 were as follows:

Fees charged for Film Certification	€206,186
Fees charged for DVD/Video Certification	€3,895,580
Fees charged for Wholesale and Retail Licences	€455,170
Total income received in 2006 on behalf of The Accountant, Department of Justice, Equality and Law Reform	€4,556,936

A new fee scale for cinema films, implemented by Ministerial Order on 1st April 2004 (S.I. 114 of 2004), provided for a reduced rate of  $\in$ 3 per minute in the case of films to be released on six prints or less. The previous fee of  $\in$ 8 per minute was increased to  $\in$ 12 per minute for all other films, with the exception of films of an educational nature, for which no charge is made. A flat fee of  $\in$ 100 for trailers was also introduced.

A new fee scale for DVD/video works, implemented by Ministerial Order on 1st June 2004 (S.I. 113 of 2004), provided for DVD/video classification fees to be based on the duration of the work submitted, rather than, as previously, where different rates applied for rental and sell-through. A flat fee of €50 per DVD/video extra/trailer/advert was also introduced.



#### **FOCUS GROUPS**

IFCO will continue its programme of arranging regular focus group screenings and discussions on ratings issues of relevant concern to parents and the public.

#### PUBLIC AWARENESS CAMPAIGN – PHASE TWO

The second phase of IFCO's national public awareness campaign will be implemented in 2007. The primary objective of the campaign will be to promote awareness of the IFCO website as a consumer tool for parents and a major focus of the campaign will be to seek to reach parents through and with the active cooperation of schools.

### IT DEVELOPMENT - PHASE TWO

The position is as stated in the Foreword and on pages 6 and 8 of this report.

### INTERNATIONAL COOPERATION

IFCO will continue to participate fully in discussion and debate with our European and international classification colleagues, principally through ongoing involvement in the Association of European Classifiers, the World Media Regulators' e-Forum and PEGI (Pan European Games Information System).

### **SCHOOLS**

IFCO will continue its active participation in the Transition Year Moving Image Module in partnership with the Irish Film Institute and the Department of Education. The principal aim of this initiative is to increase visual literacy through an active, pleasurable and creative engagement with film in transition year. IFCO will facilitate students and teachers in improving their understanding of the work done at IFCO. This will involve screenings and workshops where the various criteria under which a work is classified will be discussed.

### **RESEARCH**

IFCO has commissioned media and film consultant, Dr. Jim Barratt, to carry out a scoping study that will examine classification options in a digital age, one where national borders may no longer apply. This research stems from IFCO's determination not to react passively to a rapidly changing technological marketplace but to inform ourselves so as to be prepared to meet the challenges posed for cinema and DVD classification by new technological developments and business models.

This research has been prompted by several factors:

- There is concern that some digital distribution channels for film may not be covered by existing legislation and therefore may fall outside the statutory classification system.
- These new means of distribution include internet-based video-on-demand (VoD) as well as non-linear transmission through digital terrestrial, satellite, cable and DSL networks (television-based VoD).

- Film distribution is currently in a transitional period as these services are pioneered and rolled out and as new business models and consumer propositions are developed and tested in the market.
- There is uncertainty in the industry about the impact of these new means of distribution on existing theatrical and home entertainment markets, which this is further complicated by the introduction of two competing high definition DVD formats and the roll out of digital theatrical exhibition.
- These market developments are good news for consumers because the growth in
  distribution channels has the potential to increase the range, availability and accessibility
  of filmed entertainment. However, IFCO and other national classification systems could
  be sidelined by new digital technologies that are unconstrained by national borders or
  jurisdictions, and where licensing and gate-keeping functions may be harder to enforce.

These factors in turn raise a number of questions, which will form the core of Dr. Barratt's study:

- I. What exactly are the threats to IFCO's existing arrangements posed by technological and market changes?
- I. How can a local/national classification system such as IFCO's regulate internet-based film distribution operated from other national jurisdictions?
- 2. What legislative changes, if any, could be made by a supportive Irish government that wished to underpin IFCO's role in informing and protecting Irish consumers, however they choose to access filmed entertainment?
- 3. What other practical steps can be taken to maintain classification standards across all current and future forms of distribution?
- 4. What impact will new distribution channels have on the size and vitality of the theatrical and DVD/video markets?
- 5. Which arrangements are likely to find favour with film distributors and therefore stand the greatest chance of success?
- 6. What level of protection and information may be required by consumers/parents accessing film through new digital platforms?
- 7. What are other classification authorities and media regulators doing to meet these challenges?
- 8. Is greater international cooperation by classifiers required, or practical, to meet the challenges of globalisation?

Dr. Barratt's report will be made available on the IFCO website in the second quarter of 2007.

