

SEA STUDY

A STATISTICAL OVERVIEW OF independent cinema in southeast asia

WELCOME TO THE 2ND EDITION

SEAStudy is a research initiative launched to assess the general health of independent films in Southeast Asia. By compiling data year to year, the study aims to form as comprehensive a picture as possible of the independent film landscape in Southeast Asia.

Since the revenue cycle of a film is not complete until years after its release, each year's research is focused on films from two years prior. Therefore, in this 2nd edition of SEAStudy, we present the annual report for **films world-premiered in 2017**. The published data uses USD as the standard currency.

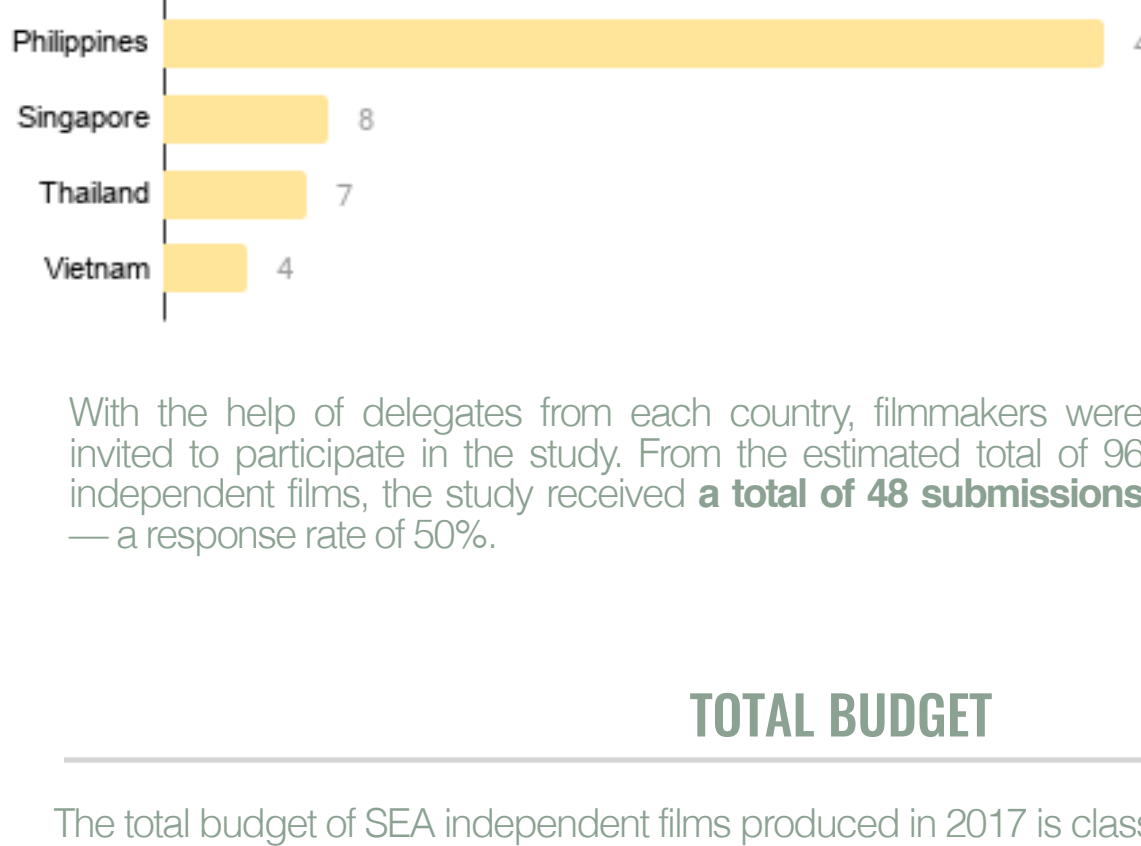
This publication serves as a resource for film professionals in the region and abroad. We hope that you will find it useful. Finally, and most importantly, we thank all the filmmakers who took part in this initiative.

SEA Independent Film: As defined by Purin Pictures, this term refers to Southeast Asian films produced without majority financial investment from major distributor or broadcast companies

NUMBER OF FILMS

An estimated total of **96 independent films** were produced in Southeast Asia in 2017. The data on each independent film were gathered directly via submissions from filmmakers.

Number of SEA Independent Films Produced in 2017 by Country



With the help of delegates from each country, filmmakers were invited to participate in the study. From the estimated total of 96 independent films, the study received a **total of 48 submissions** — a response rate of 50%.

TOTAL BUDGET

The total budget of SEA independent films produced in 2017 is classified by budget band. Budget bands are employed as a method to standardize the data collected as well as to provide consistency for further analysis.

Total Budget of SEA Independent Films Produced in 2017 by Budget Band



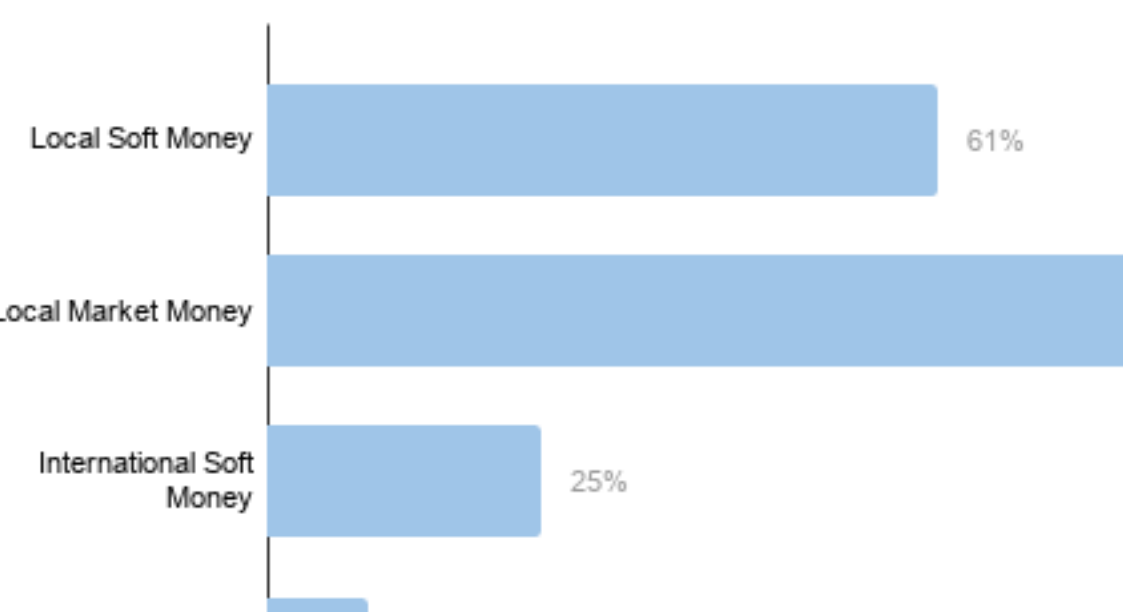
LIST OF INTERNATIONAL FUNDS

- CINEMA DU MONDE
- DOHA FILM INSTITUTE
- GOLDEN HORSE FILM PROJECT PROMOTION
- HONG KONG-ASIA FILM FINANCING FORUM (2)
- HUBERT BALS FUND
- JAPAN FOUNDATION ASIA CENTER
- JEROME FOUNDATION
- MPA-APSA ACADEMY FILM FUND
- NEXT MASTERS TOKYO FILMEX
- PURIN PICTURES (2)
- SORFOND
- WORLD CINEMA FUND

FUNDING SOURCES

SEA independent films produced in 2017 were financed by various sources. Approximately 61% of films were funded with soft money from local sources, while 82% acquired market investment from local sources. About 25% gained financial support from international film funds, while 9% of films secured market investment from abroad.

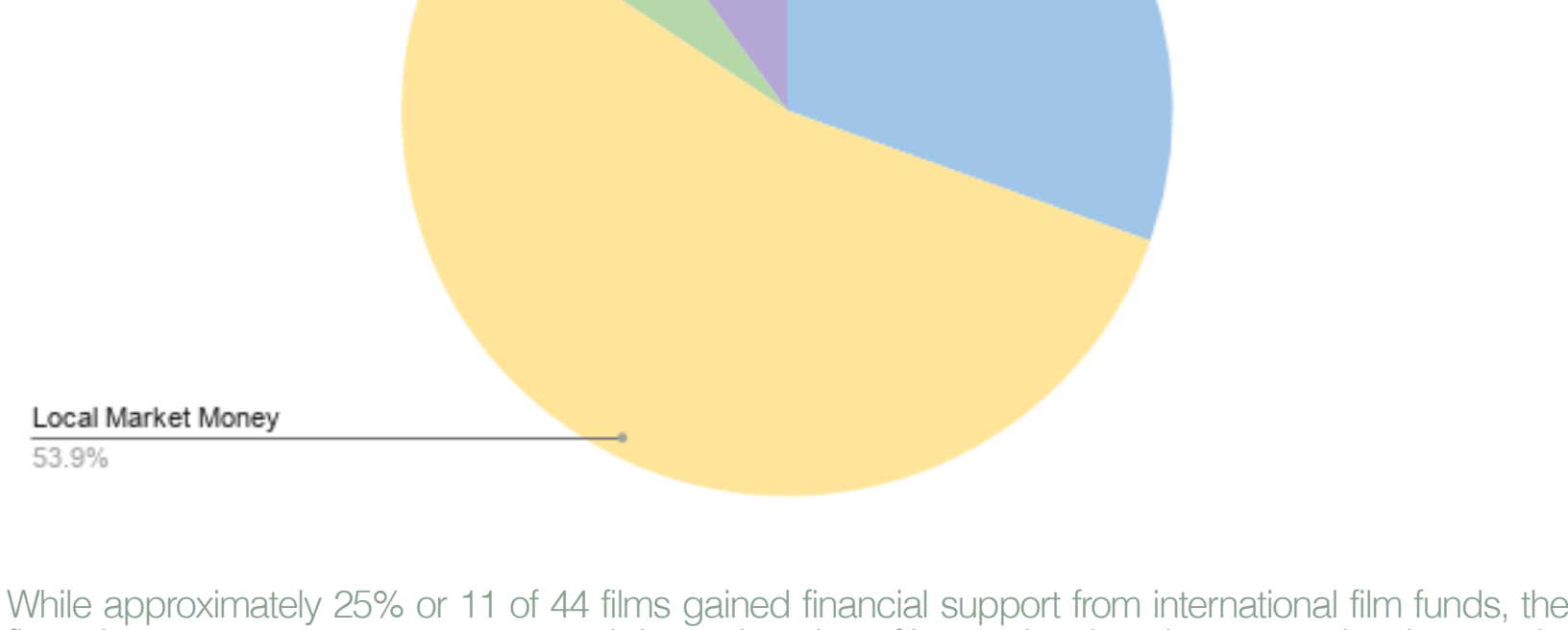
Funding Sources of SEA Independent Films Produced in 2017



FINANCING AMOUNT

SEA independent films produced in 2017 received varying amounts of financing from different sources. The financing amounts within each film were calculated into percentages to illustrate the ratio between local and international as well as the ratio between soft money and market money. The chart below displays the percentage average of the financing amount from each source.

Financing Amount of SEA Independent Films Produced in 2017



While approximately 25% or 11 of 44 films gained financial support from international film funds, the financing amount was on average much lower than that of international market money. In other words, the financing amount raised by 9% of 44 films from international market investment was four times the financing amount raised from international film funds.

FINANCING AMOUNT RATIO BY FINANCING TYPE

7:1
LOCAL VS. INTERNATIONAL
FINANCING AMOUNT RATIO

1:2
SOFT VS. MARKET MONEY
FINANCING AMOUNT RATIO

SOFT VS. MARKET MONEY

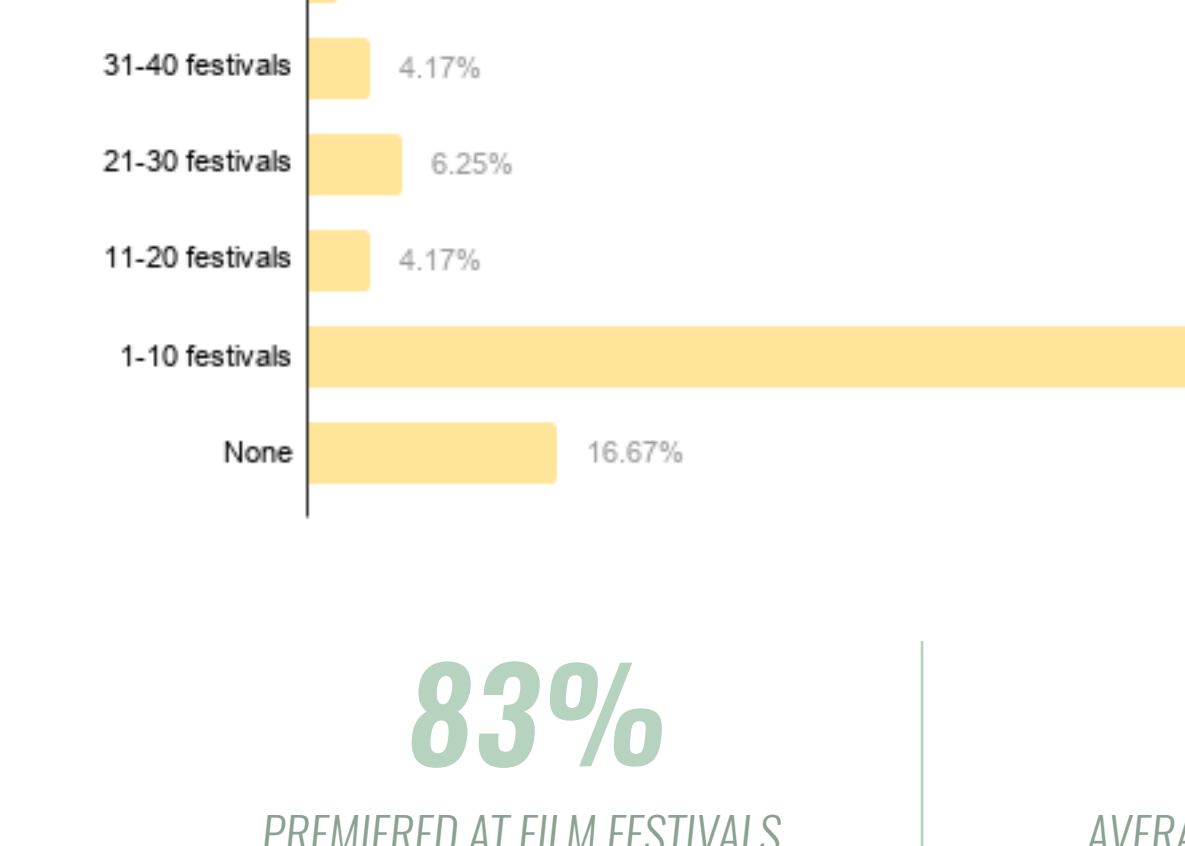
Soft Money is financing that is given as a grant and does not buy ownership in the completed film.

Market Money is financing that is an investment that buys ownership in the completed film.

FILM FESTIVALS

About 83% of SEA independent films produced in 2017 world premiered at film festivals across the world in three main regions: Asia, Europe and North America. Approximately 60.4% of films attended 1-10 film festivals, while 6.3% were screened at more than 50 film festivals.

Film Festivals of SEA Independent Films Produced in 2017



83%
PREMIERED AT FILM FESTIVALS
(40 OUT OF 48 FILMS)

\$2K
AVERAGE SCREENING FEES
(OF FILMS THAT SCREENED AT FESTIVALS)

\$25K
AVERAGE MONETARY AWARDS
(OF FILMS THAT WON MONETARY AWARDS)

BUSAN INTERNATIONAL FILM FESTIVAL (5 FILMS)

CINEMALAYA PHILIPPINE INDEPENDENT FILM FESTIVAL (5 FILMS)

TOKYO INTERNATIONAL FILM FESTIVAL (4 FILMS)

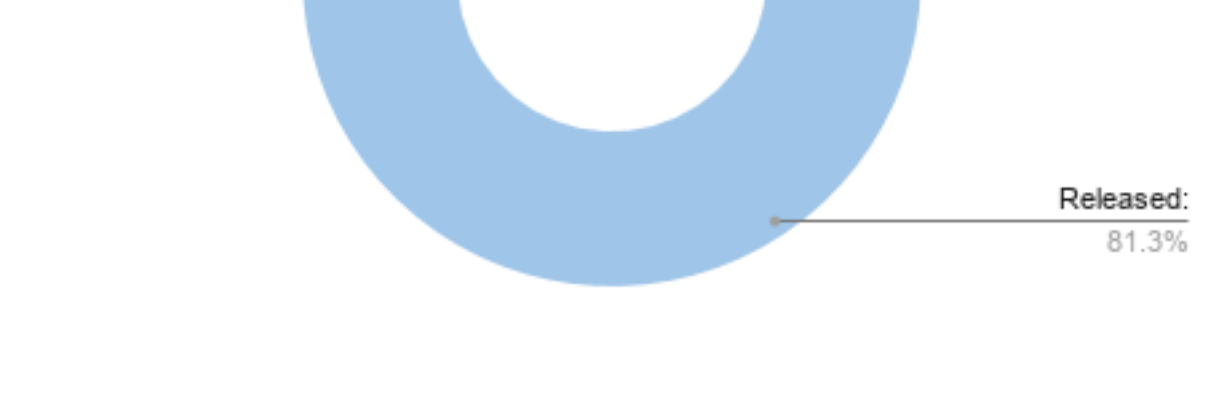
SINGAPORE INTERNATIONAL FILM FESTIVAL (3 FILMS)

FILM FESTIVALS WHERE A NUMBER OF FILMS HAD ITS WORLD PREMIERE

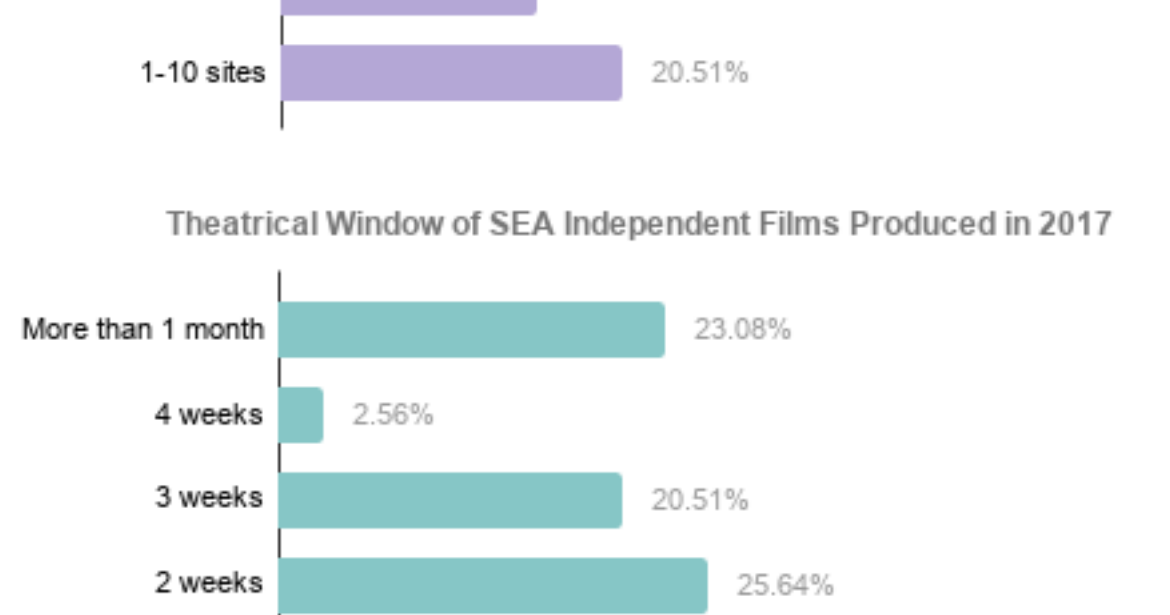
LOCAL THEATRICAL RELEASE

About 81.3% of SEA independent films produced in 2017 were theatrically released in their respective countries. Approximately 25.6% of films held its releases in theaters for the window of 2 weeks. About 25.6% of the films were released in more than 50 theatrical sites — most of which were from Indonesia.

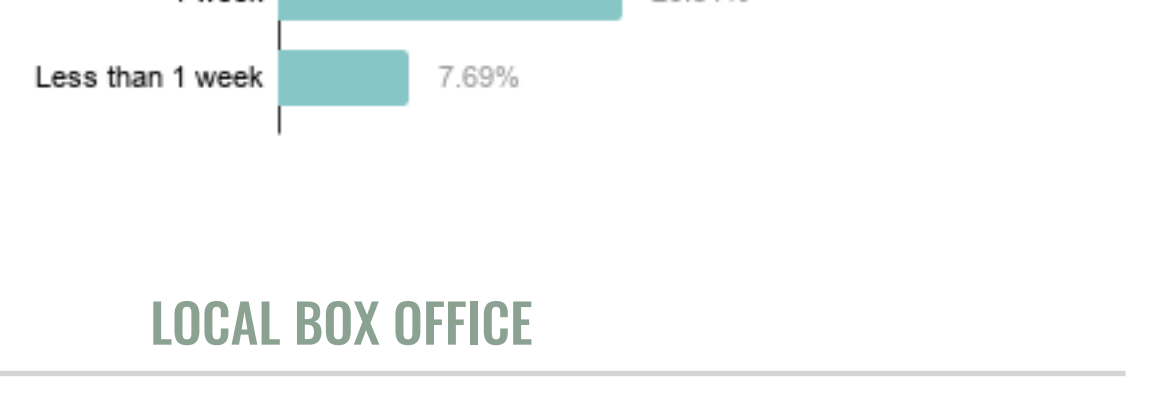
Local Theatrical Release of SEA Independent Films Produced in 2017



Number of Theatrical Sites of SEA Independent Films Produced in 2017



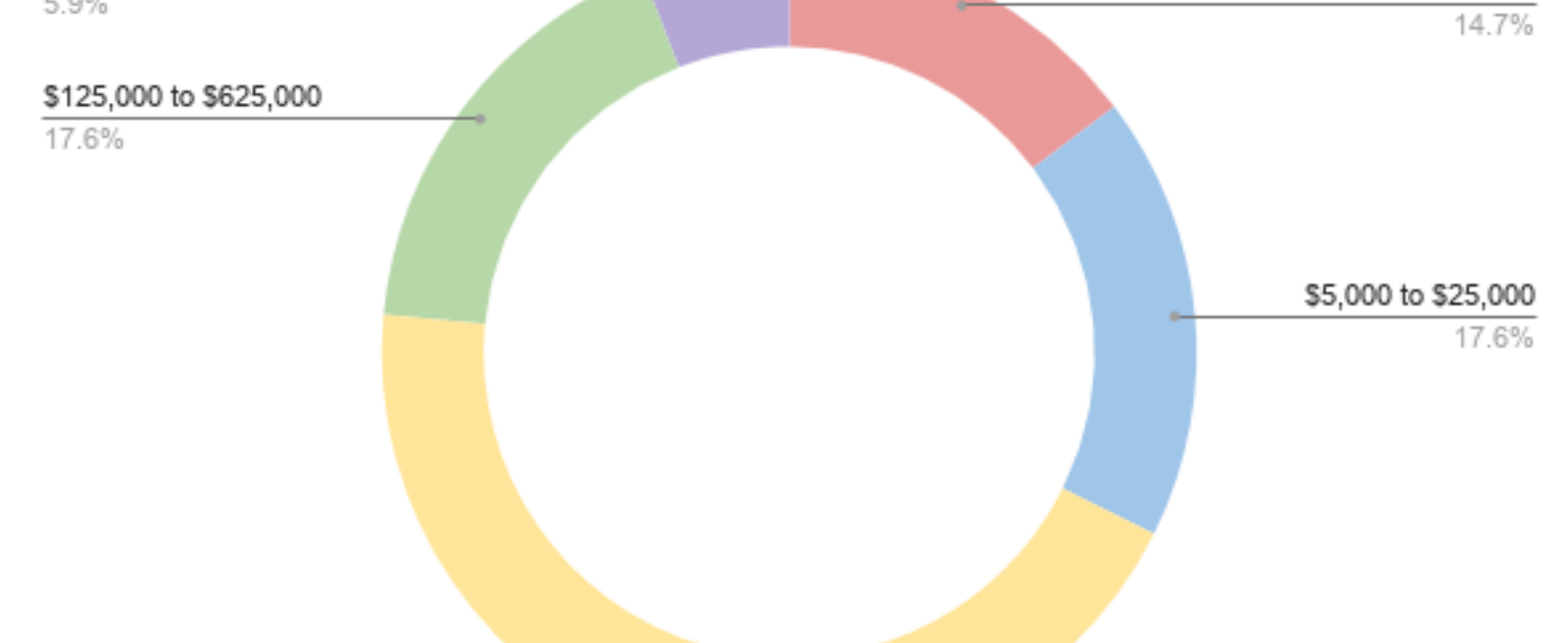
Theatrical Window of SEA Independent Films Produced in 2017



LOCAL BOX OFFICE

The local box office ranged drastically from films that grossed less than \$5,000 to films that grossed over \$625,000. The largest percentage of films grossed between \$25,000 to \$125,000 from the local box office. On average, 43.7% of the total gross from the local box office was earned back to the production company, though the returns vary country by country.

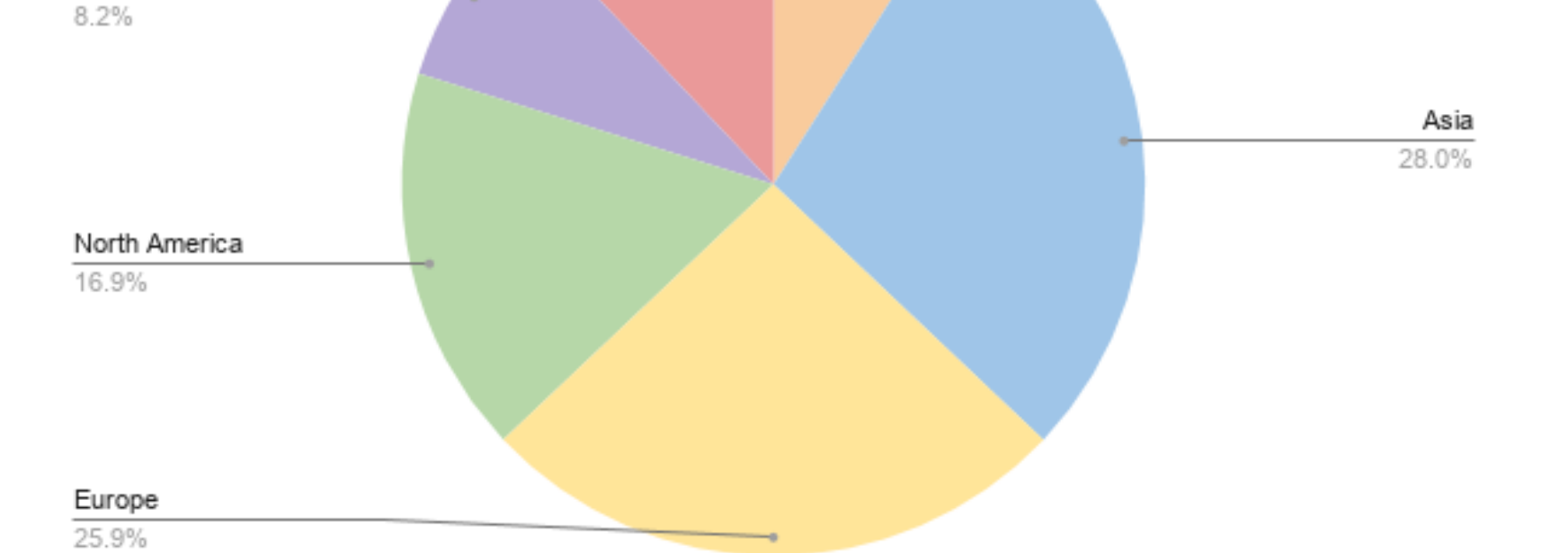
Local Box Office Gross of SEA Independent Films Produced in 2017 by Budget Band



SALES COMPANIES

Approximately 35% of SEA independent films produced in 2017 secured representation from international sales companies. Through sales companies, the films were sold to various countries and territories around the world. The data collected on territories sold were tallied and conglomerated by region. The region with the highest number of territories sold by sales companies was Asia.

Territories Sold of SEA Independent Films Produced in 2017 by Sales Companies



35%
REPRESENTED BY SALES COMPANIES
(17 OUT OF 48 FILMS)

\$78K
AVERAGE INTERNATIONAL SALES REVENUE

\$45K
AVERAGE EARNED BACK TO PRODUCTION COMPANY

The average international sales revenue was \$78,000, while the average earning back to the production company was \$45,000. Out of the 17 films that secured representation from international sales companies, only 4 films received minimum guarantees averaging \$27,000 per film.

LIST OF SALES COMPANIES

ASIAN SHADOWS (2)
BURDIGALA PRODUCTION
CERCAMON (2)

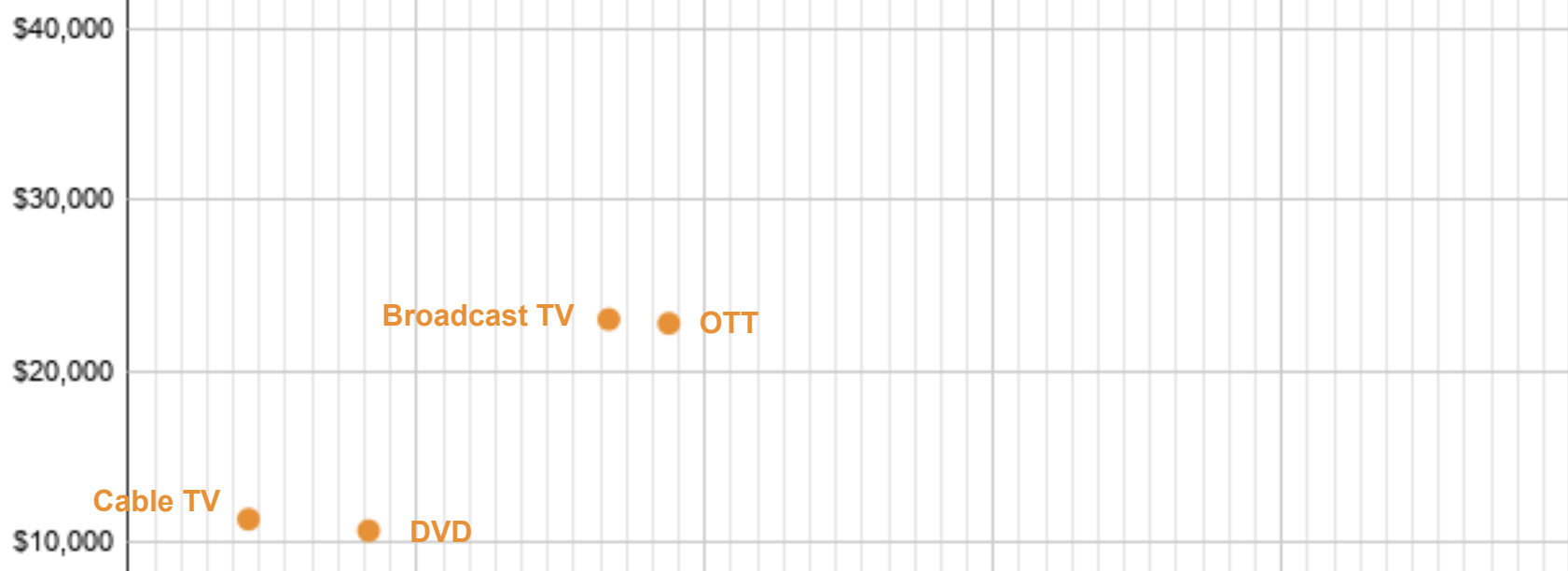
EMPEROR MOTION PICTURES
GOOD MOVE MEDIA (5)
IMPLEO DISTRIBUTION

REEL SUSPECTS
STRAY DOGS
URBAN DISTRIBUTION

DISTRIBUTION CHANNELS

On average, 88% of SEA independent films produced in 2017 gained some sort of distribution through the services of a sales company or directly through the production company itself. The remaining 12% that did not receive any distribution did at least screen at film festivals. The data points below display the average earnings back to the production company from each distribution channel.

Average Earnings of SEA Independent Films Produced in 2017 by Distribution Channel



Films represented by sales companies remain earned \$45,000 back to the production company. While distribution through sales companies has decreased, direct distribution by the production company through over-the-top (OTT) media services have gained traction from the previous year. OTT overtook broadcast TV as the second most frequent channel of distribution with an average earning of \$22,800, comparable to broadcast TV's average earning of \$23,100. Subscription video-on-demand (SVOD) is the most favorable choice for independent film distribution online.

TOTAL REVENUE

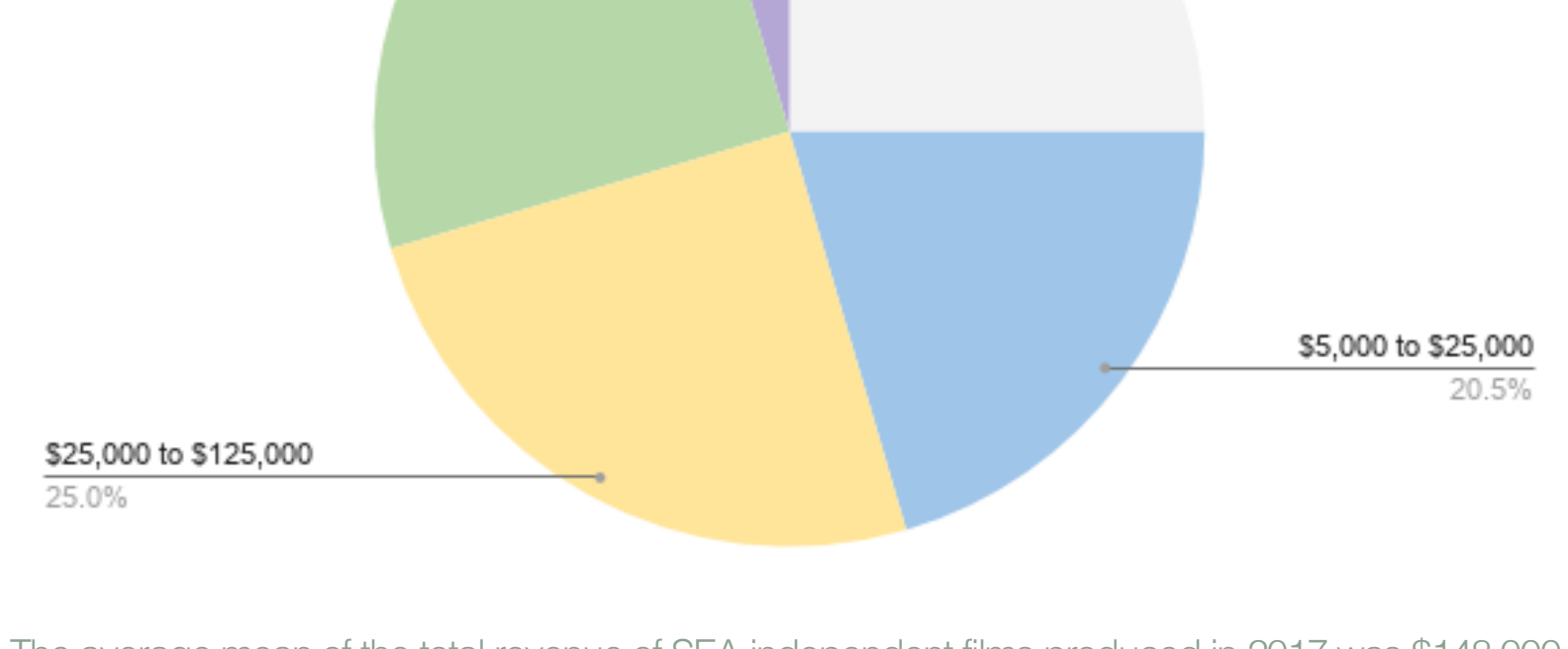
The total revenue is the gross amount of the total from all revenue sources before the sales companies and distributors have taken their cut. The total revenue of SEA independent films produced in 2017 is classified by budget bands.

84% OF FILMS EARNED REVENUE

TOTAL REVENUE
MEAN: \$148,000
MEDIAN: \$28,000

NET EARNINGS
MEAN: \$68,700
MEDIAN: \$15,000

Total Revenue of SEA Independent Films Produced in 2017 by Budget Band

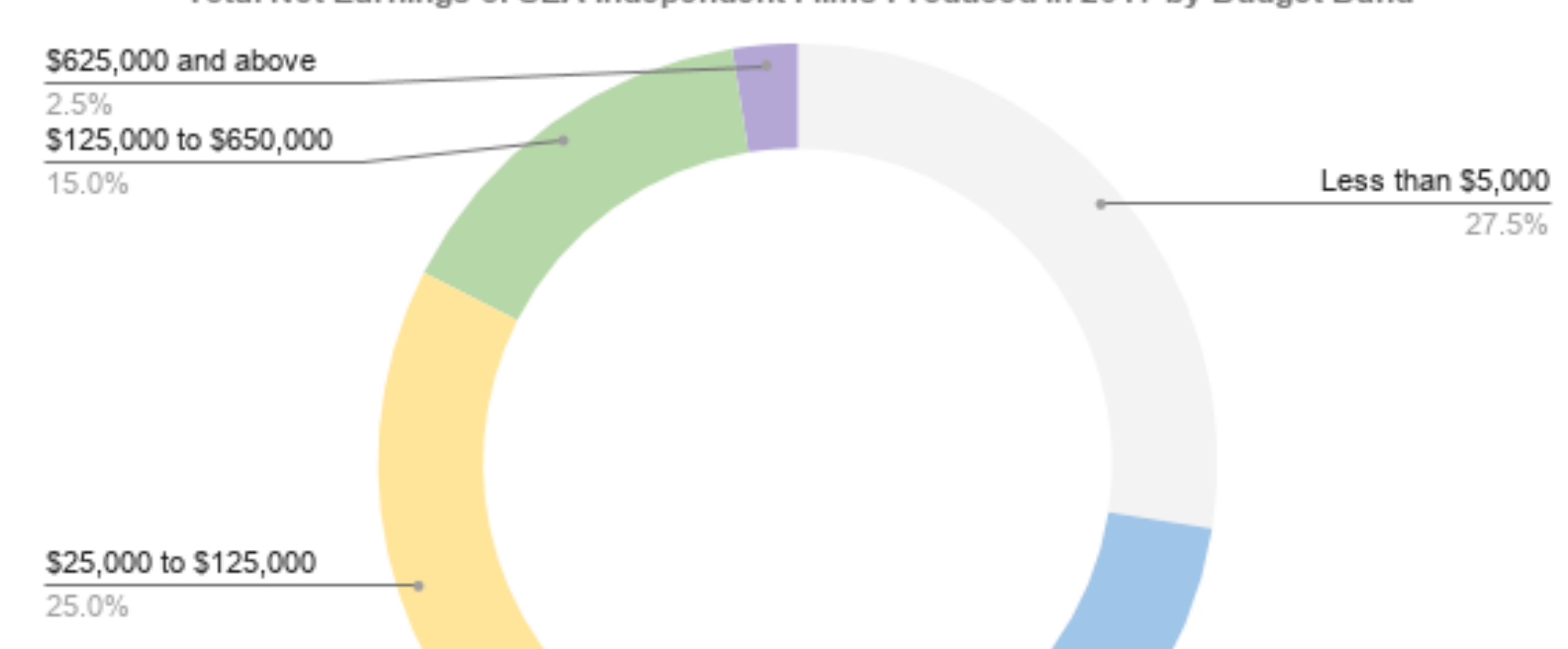


The average mean of the total revenue of SEA independent films produced in 2017 was \$148,000, while the average median was \$28,000. The discrepancy between mean and median show a positively skewed distribution. Since the mean is sensitive to outliers, the mean is skewed by a few relatively high values.

NET EARNINGS

Net earnings is the amount earned back to the production company after the sales companies and distributors have taken their cut. The net earnings of SEA independent films produced in 2017 are classified by budget bands. Approximately 2.5% of films earned back more than \$625,000, while 27.5% of films earned back less than \$5,000.

Total Net Earnings of SEA Independent Films Produced in 2017 by Budget Band



The average mean of the net earnings of SEA independent films produced in 2017 was \$68,700, while the average median was \$15,000. Similar to the distribution of total revenue, the discrepancy between the mean and median reveals a positively skewed distribution. The mean is skewed by the few relatively high values of the outliers.

OUTLIERS

From the data analysis, we have observed a number of outliers that stood out from the pool of SEA independent films produced in 2017. These outliers generated a total average revenue of approximately \$625,000 and received average net earnings of approximately \$250,000. The films share certain commonalities that are worthy of attention.

First, the outliers were produced with an average budget of approximately \$400,000. For Southeast Asia, this is considered relatively high. The higher budget allowed these films to be made with higher production values, which in turn allowed them to be more competitive in the international market place. The majority of these films also stood out at international film festivals and attracted notable international sales companies and distributors, including Netflix and Amazon.

All of the outlier films were theatrically released in local cinemas with a box office gross that ranged from \$50,000 to over 1 million US dollars, averaging approximately \$475,000. This demonstrates that the films' overall financial success relied heavily on local audiences.

In conclusion, the data from SEA independent films produced in 2017 reveals that financially successful films tended to have larger budgets and better production values. They were able to capture their local theatrical audiences while gaining the attention of international film festivals and distributors.

Purin Pictures is a film fund that supports independent cinema in Southeast Asia. This research was conducted by Purin Pictures in the years 2019 - 2020.

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