

The General Manager
Adjudication Branch
Australian Competition & Consumer Commission

adjudication@accc.gov.au

ACCC ref: 62357

Monday 10th July 2017

Dear Mr Channing,

This submission is from Icon Film Distribution (Icon) however we would like to acknowledge that Icon and Dendy Cinemas are part of the same group of companies, Dendy/Icon. Dendy Cinema is a member of Independent Cinemas Australia (ICA) and a party to the application.

The Dendy/Icon group is one of Australia's leading independent cinema and film distributors and comprises Icon Film Distribution, Dendy Cinemas and video on demand service Dendy Direct. The group focuses on quality feature films, TV and alternative content within the Australian and New Zealand markets.

Launched in Australia in 2002, Icon releases 10-15 hand-picked theatrical titles per annum. Drawing on its expertise in script analysis and development, Icon sources content from the world's most prestigious film festivals, international film-markets and directly from producers.

Icon is an 'all rights' business that distributes content throughout theatrical, home entertainment, ancillary, pay per view, digital, as well as pay and free television channels. Since inception, Icon's titles have generated over \$300 million at the box office in Australia and New Zealand including the following acclaimed releases; Last Cab to Darwin, Still Alice, 12 Years a Slave, Zero Dark Thirty, The Queen, The Iron Lady, Slumdog Millionaire, RED, La Vie en Rose and Death at a Funeral.

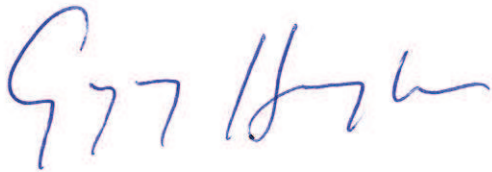
Icon would like to support the application from ICA to the Australian Competition and Consumer Commission (ACCC) to collectively bargain with film distributors to negotiate various terms, conditions and policies for film licensing agreements.

Icon can see numerous benefits for the industry including:

- Strengthening the independent sector's profile in the exhibition market

- Simplify terms and negotiation with the independent cinema sector
- Help independent exhibitors improve business practices between themselves and distributors creating time and cost efficiencies in the value chain.
- Speed and efficiency of dispute resolution between distribution and exhibition companies
- Maintain a diverse and flexible proposition for consumers at local cinemas and help independent exhibitors offer a wide variety of films for them to choose from
- The independent exhibition sector plays more films from Australian and Independent Filmmakers. Ensuring a commercial successful independent exhibition sector supports both consumer choice and the ongoing commercial viability of the Australian film industry and the independent Australian companies who manage the distribution of a significant proportion of Australian films.
- Information sharing between cinemas is not a concern of Icon as the strategy and release size will remain the purview of the distributor and will lead to richer conversations with exhibitors on the thinking and planning that goes into a theatrical release.
- The opt out provisions for both Members and Distribution companies means the status quo will be maintained for those parties not wishing to participate.

Please do not hesitate to contact me should you require any further information or input.



Greg Hughes
C.E.O.
Dendy/Icon Group