

From: David Heyman
Sent: 13 May 2013 12:30
To: CineworldCityScreen
Cc:
Subject: Cineworld/Picturehouse

Dear Sirs,

I am writing in response to the review being undertaken by the Competition Commission in connection with the recent deal between Cineworld cinemas and Picturehouse cinemas. I am the producer of the Harry Potter series and other big studio films (I Am Legend, Yes Man, Gravity etc) and of several independent films (Juice, Boy in the Striped Pyjamas, Is Anybody There etc). I have close knowledge of the workings of the film distribution and exhibition business in the UK.

I understand the Picturehouse transaction has been referred to the Competition Commission and I am concerned that the review should be undertaken in the context of the wider film exhibition industry. Independently programmed cinemas are a tremendously important part of the cinema fabric of the UK. Whilst I am grateful for the mass programming of the Harry Potter franchise across the multiplexes and the independents I also value hugely the support which independent and publicly funded cinemas give to the less commercial films that it is important we continue to produce and nurture in this country. Mike Newel would not have directed the fourth Harry Potter or Four Weddings and a Funeral were it not for the independent distribution of his first film, Dance With A Stranger. Similarly Chris Nolan would not have had the opportunity to helm the Batman: The Dark Night Trilogy (also filmed in the UK) were it not for the fact that his first film Following was shown in the very cinemas that are under threat.

A group such as Picturehouse is vital for the preservation of our cinematic culture--film is so much more than the big blockbusters that dominate our screens---and for the nurturing of talent and the fact that it has grown to the commercial strength it has is testament to the fact that there is a whole other market place for these sort of films and for the sort of cinemas which Picturehouse provide for their customers. If the investigation were to result in a sale of any of their cinemas I cannot see how it could possibly be a good result for the consumer – the most likely buyers would be mainstream cinema operators who are now keen to enter the space that City Screen has created but who probably would not have the appetite to sustain the integrity of the programming offer. And it wouldn't be good for the UK film industry as a whole. If the publicity around the deal is correct then my interpretation is that Cineworld have made a good business move – to buy into the know how that goes behind Picturehouse cinemas and to provide investment for more cinemas while leaving their programming and operations well alone.

I hope very much that the Picturehouses are allowed to stay intact and that we will have their unique character and film offering for many years to come.

Please do not hesitate to be in touch if I can be of any help or if you wish to discuss this further.

Yours faithfully,

David Heyman