

# In Brazil, Film and TV Law Fosters Industry Boom

Brazilians are tuning into domestically-produced content. Image of "O Fim do Filme" via Flickr by Universo Produção.

Brazil is known for its creativity, its color, its flair. Telenovelas (Brazilian soap operas) are distributed around the world, and now, thanks in part to recent laws that require Brazilian networks to air a certain amount of locally produced content each day, the country's domestic film and television industry is booming too.

Adopted in 2011, Brazil's pay-TV regulation (Law 12.485) has helped stimulate a surge of content by requiring that TV stations show at least three-and-a-half hours of homespun material each day. The demand on networks to air nearly 1,300 hours of Brazilian television and film a year has prompted an upswing in the output of large and small production companies and, in turn, created a wealth of new opportunities for marketers.

Image via Flickr by Mike Vondran.

Since well before the law, however, Brazilian movie audiences had been swelling. Over the past seven years, ticket sales have grown more than 60 percent, from 89.1 million tickets sold in 2008 to 147.9 million in 2012 and even more in subsequent years, according to statistics from Brazil's national movie agency, **Ancine**.

This boom in viewership represents a boon to the Brazilian economy. A 2014 report from the Motion Picture Association of America found that in 2013 the **Audiovisual** sector contributed 19.8 billion reais (roughly \$5.5 billion USD) to the economy and employed more than 100,000 Brazilians. Based on these numbers, film is

contributing to the Brazilian GDP on the same scale as tourism; in at least one sense, Brazil's movies and TV shows are on par with the Rio de Janeiro beaches and Iguazu Falls.

The growth in both the demand for and production of AV content in Brazil has outstripped the country's existing theatre infrastructure—a trend which is well illustrated by the Brazilian film phenomenon "Dois Filhos de Francisco" (Two Sons of Francisco).

Directed by Breno Silveira, "Dois Filhos" tells the story of how a passion for music transforms the lives of a simple farmer and his family. Released in 2005, the film sold 5.2 million tickets—surpassing Star Wars Episode III and Batman Begins at the Brazilian box office.

The film was produced by Conspiração Filmes. According to Leonardo Barros—who heads advertising, television and film production for the company—the natural growth of Brazilian content on the big and small screens has been given a shot in the arm by the 2011 requirement to air more local content.

"The law [12.485/11] represented a sea of change for independent production in Brazil," said Barros. "This has given a huge boost to production. Brazilian producers now talk about two different eras of independent production in Brazil: B.L. [Before the Law] and A.L. [After the Law]."

Conspiração Filmes is an independent production company that began in 1991.

Brazil is by no means the first country to introduce quotas for domestic content. Australia, Canada, South Korea, and many countries in the

European Union all have similar legislation.

In Canada, regulation passed in 1968, generally referred to as the CanCon laws, requires that 55 percent of the material aired by private Canadian broadcasters is at least partially produced in Canada or by Canadians. Although the CanCon regime has fostered recent cult hits like "Trailer Park Boys" and "Orphan Black," much of the TV and film consumed in Canada is still made in the United States or produced with the broader American audience in mind.

But according to a content consultant for Brazil's Rede Globo, the largest TV network by revenue in the world after ABC Television, even as the internet has opened the floodgates on international content, Brazilian viewers have shown a strong preference for Brazilian content.

"The expansion of pay-TV in Brazil has opened many more options for international content," said Flávio Rocha, formerly the TV networks artistic content director. "But, as is the case in many regions and nations around the world, people tend to prefer to watch programs that reflect their own culture and tastes."

The growth of its domestic film industry, along with the increased purchasing power of the swelling middle class and the draw of major international events like the 2014 World Cup and 2016 Summer Olympics, has made Brazil a ripe investment prospect for international producers and advertisers.

Image of Marcus Fernandes from Cologne Conference, in Cologne, Germany.

Marcus Fernandes, a showrunner for Irmãos de Criação, which handles many international coproductions, cites his company's children's cartoon "Clara in Foodland," as an example of the potential for foreign and domestic

collaboration in the Brazilian TV market. Created in partnership with Unilever, Discovery Kids and O2 Filmes, the cartoon promotes a healthy diet through interactive online entertainment. "Clara" has become a hit in Brazil and across much of Latin America.

"This was made possible in large part by the law, but also because of private investment and investment mechanisms, especially the **Audiovisual** Sector Fund," said Fernandes.

But the same law that helped create this environment complicates the investment process with a tangle of regulation governing foreign film production.

Fernandes refers foreign film and TV producers interested in working in Brazil to the **Ancine** guide to filming regulations and emphasizes the importance negotiating agreements directly with domestic partners.

Despite the complexities, there is great potential for collaboration between Brazilian and foreign filmmakers and for marketers to tap into the booming Brazilian economy. Since 2010 Conspiração Filmes has worked with German, Spanish and French filmmakers to produce "Bach in Brazil," "Lope," and the TV mini-series "Rouge Brésil."

The total value of these projects is over 75 million reais, \$25,000,000—a string of zeros long enough to capture the attention of filmmakers and advertisers in Brazil and around the world.

The post In Brazil, Film and TV Law Fosters Industry Boom appeared first on Sparksheet.