

## Recent Situation around Film Exhibition

Before we examine the situation of Japanese film exhibition in 2016, we look at the history of Japanese film exhibition in the 1950s and particularly since 2000.

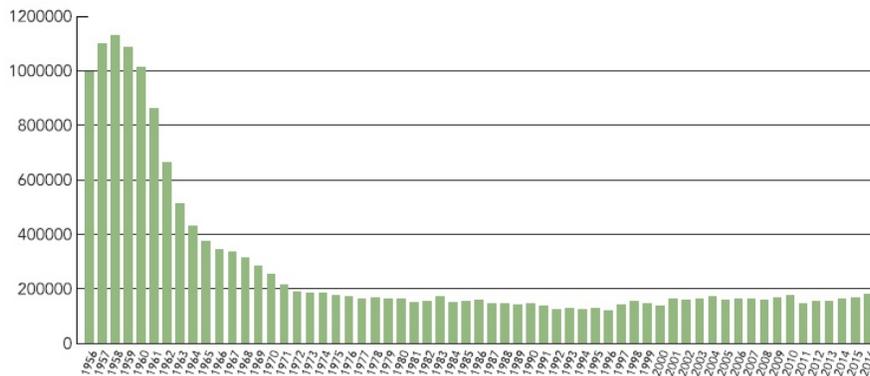
The 1950s was a period of film's "golden age" all over the world. In Japan, with postwar restoration progressing, and control over imported films eliminated, the five major film studios were able to establish their production systems in Japan and release a number of films every week, and people rushed to the movie houses.

Immediately after WWII, only 1,220 movie houses survived the war, however, their number rapidly increased and by 1958, more than 7,000 were entertaining their customers. Japanese film attendance was highest in 1958, with 1,127,450,000.

In this same year, television broadcasting started, and it quickly spread all over Japan, aided by the broadcasting of the Crown Prince's wedding in 1959 and the Tokyo Olympics in 1964. At the same time, the movie house attendance shrank. By 1968, movie attendance decreased to 313,398,000, less than one third of that of 1958; and by 1978, to 166,040,000, one seventh of that of 1958. Since then, its size has remained relatively steady (166,630,000 in 2015; and 180,180,000 in 2016).

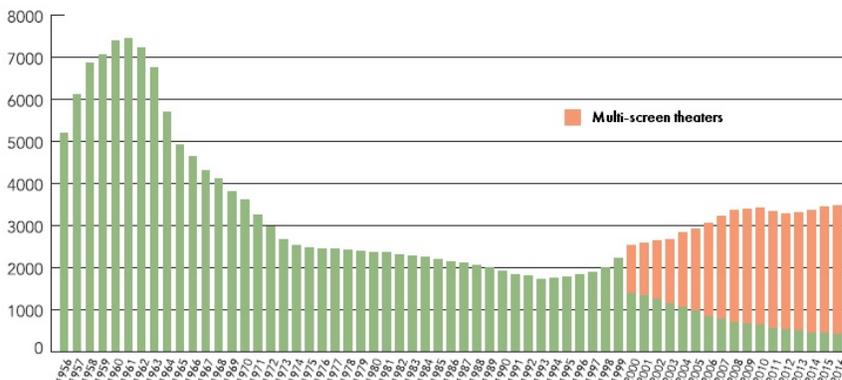
The smallest attendance was recorded in 1996 with 119,570,000 when the number of the movie houses also decreased to less than 1,800 (and 1,800 screens). However, the first multi-screen theaters opened in 1993 and this brought a drastic change to the Japanese film exhibition.

Graph: **Film Attendance** (multiply by 1,000) (1956-2016)



	Attendance (thousand)	Screens	Screens of multi-screen theaters
1993	130,720	1,734	—
1994	122,990	1,758	—
1995	127,040	1,776	—
1996	119,575	1,828	—
1997	140,719	1,884	—
1998	153,102	1,993	—
1999	144,762	2,221	—
2000	135,390	2,524	1,123
2001	163,280	2,585	1,259
2002	160,767	2,635	1,396
2003	162,347	2,681	1,533
2004	170,092	2,825	1,766
2005	160,453	2,926	1,954
2006	164,585	3,062	2,230
2007	163,193	3,221	2,454
2008	160,491	3,359	2,659
2009	169,297	3,396	2,723
2010	174,358	3,412	2,774
2011	144,726	3,339	2,774
2012	155,159	3,290	2,765
2013	155,888	3,318	2,831
2014	161,116	3,364	2,911
2015	166,630	3,437	2,996
2016	180,189	3,472	3,045

Graph: **Number of Screens** (1956-2016) (red: multi-screen theaters)



Reference: "Japanese Film Industry Statistics" by the Motion Picture Producers Association of Japan (hereafter: Eiren)

■ **The Number of Screens Increases While the Number of Movie Theaters Decreases**

Multi-screen theaters gradually increased and in the 2000s, they became a majority. Until then, the number of the movie houses was roughly equal to the number of screens, but since 2000, the number of screens became a different category from the number of film exhibition facilities, which is called “number of theaters” or “number of sites.”

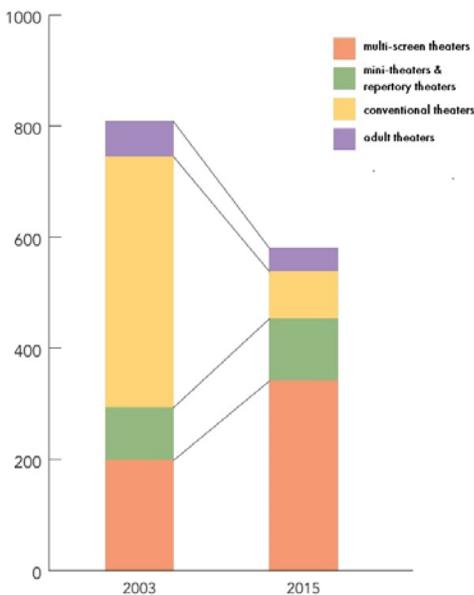
The number of screens has increased every year, from 1,734 in 1993 to 3,437 in 2015(note 1). In these 20 years, its number nearly doubled. Every January, the Motion Picture Producers Association of Japan (Eiren) releases its film-related statistics and when it reports that “the number of screens has been increasing every year,” many people misinterpret this to mean that the number of movie houses has been increasing. These two are different elements.

The number of the movie houses decreased from 1,400 in 1993 to about 800 in 2003, and further to 580 in 2015. In these 20 years, about 800 theaters were closed, and the number of the movie houses decreased by more than 50%.

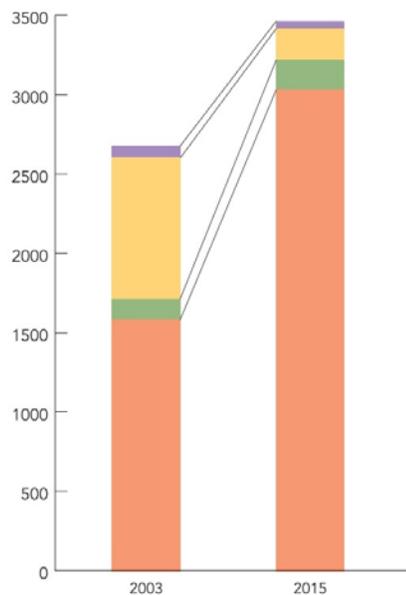
Meanwhile, the number of multi-screen theaters increased immensely, the conventional and adult film theaters decreased dramatically, and mini- and repertory theaters kept roughly the same number of movie houses. (Note 2) The percentage of multi-screen theaters increased annually, and in 2016, 3,045 out of 3,472 screens were from multi-screen theaters, which was 88%. The increase of screens due to the increase of multi-screen theaters results in the decrease of the movie houses (sites). The movie houses are mostly found in and around big cities, while the number of towns with no movie houses has been increasing.

Graph and Chart (left): **Number of Movie Theaters (Sites) in each category**

Graph and Chart (right): **Number of screens in each category**



Number of theaters (sites)	2003	2015
multi-screen theaters	198	341
mini-theaters&repertory theaters	95	112
conventional theaters	452	85
adult theaters	63	42
<b>TOTAL</b>	<b>808</b>	<b>580</b>



Number of screens	2003	2015
multi-screen theaters	1586	3035
mini-theaters&repertory theaters	131	187
conventional theaters	888	198
adult theaters	76	47
<b>TOTAL</b>	<b>2681</b>	<b>3467</b>

**Notes:** 1. The number of movie theaters and screens are taken from “Film Exhibition Activity Almanac 2004” (published by Japan Community Cinema Center, hereafater: JCCC) and others. These numbers are slightly different from those taken from Eiren’s record, because their time frames are different. 2: In this report, a mini-theater is defined as a “small-scaled movie theater programming single films for the period more than six months” and a repertory theater as a “movie theater programming classic films and new films after the first-run theater release.”

Movie Theater Map in 1993

MOVIE THEATER MAP

1993

- Multi-screen theaters
- Others

Multi-screen theaters	1	7
Others	1,343	1,727
Total	1,344	1,734



## Movie Theater Map in 2015

MOVIE THEATER MAP

# 2015

- Multi-screen theaters
- Others

Multi-screen theaters	341	3,035
Others	239	432
<b>Total</b>	<b>580</b>	<b>3,467</b>



## ■ The Areas With No Theaters Have Increased

We can see the concrete situation in which the number of screens has been increasing while the number of theaters has been decreasing. In 1993, theaters were spreading out, including in middle-sized and small cities, whereas in 2015, theater locations are concentrated in big cities, while the areas with no theaters increased dramatically.

### — Movie Theater Map in Middle-sized and Small Cities

The areas with no theaters have been growing, particularly in middle-sized and small cities. The population of Tokushima Prefecture is 756,000 and that of Tokushima City is 259,000 in 2015. In 1993, there were 12 movie theaters in Tokushima City, and in the inland areas, there were a few operations including the Sadamitsu Theater (opened in 1932), Wakimachi Theater, and Cinema Collection. Twenty years later in 2015, the number of theaters in Tokushima Prefecture decreased from 15 to 2, both in Tokushima City. Tokushima City may become a prefectural capital city with no movie theaters.

The population of Akita Prefecture is 1,023,000 now. In 1993, Akita City and 9 other surrounding cities, towns and villages had a total of 18 theaters and 21 screens. It was a prefecture well served by movie theaters. In 2015, the number of movie theaters decreased to 6 in a total of 4 cities of Akita, Daisen, Ohdate and Noshiro. The areas with no theaters have been spreading. In Akita City, Cinemabare, which was operated as a repertory theater, was closed in February 2017.

### — Movie Theaters Concentrating Around Big Cities

We will compare the situation of Saitama Prefecture in 2005 and 2015. Saitama Prefecture is north of Tokyo, and the people who live there commute to Tokyo to work. Saitama has had a steady increase in population between 2005 and 2015. Saitama Prefecture current population is 7,267,000, and Saitama City is 1,264,000. In 2005, there were a total of 22 conventional and multi-screen theaters. By 2015, the number of multi-screen theaters had doubled, while only one conventional theater survived. The number of theaters increased from 22 to 25, and that of screen increased from 117 to 209, almost doubled.

While theaters were closed in middle-sized and small cities, towns and villages, more and more multi-screen theaters increased in and around big cities, therefore, the number of screens increased. The cultural gap between big cities and small-sized cities has been growing, and the way people view film and film culture is changing. In big cities, people can enjoy films on a big screen, but in middle-sized and small cities, movie houses are located few and far between, and people are losing the opportunity to watch films on a big screen.

### Movie Theater maps of Tokushima Prefecture in 1993 and 2015



	Sites	Screens
2015	2	10
1993	15	15
Fluctuation	-13	-5

- Multi-screen theaters
- Others

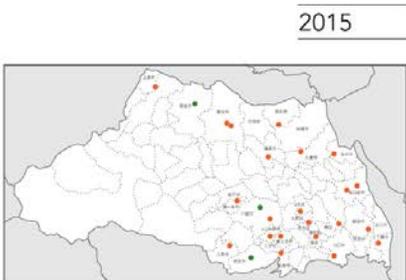
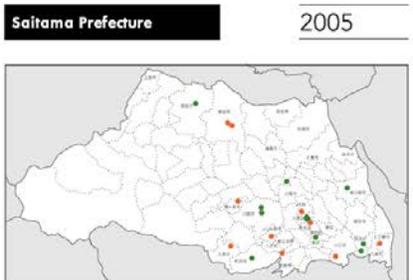
### Movie Theater Maps of Akita Prefecture in 1993 and 2015



	Sites	Screens
2015	6	22
2005	18	21
Fluctuation	-12	1

- Multi-screen theaters
- Others

### Movie Theater Maps of Saitama Prefecture in 2005 and 2015



	Sites	Screens
2015	25	209
1993	22	117
Fluctuation	3	92

- Multi-screen theaters
- Others

## ■ Digitalization and New Sites for Screening

Another important change during the last 20 years is digitalization. Since the late 2000s, the screening by DCP (Digital Cinema Packages, including multiple data files for projection on the screen using digital cinema servers) has spread. By 2013, the change from film projections to digital projections in commercial theaters throughout Japan was nearly 100%.

### — Local and Community Movie Theaters

Digitalization requiring a large-scale investment in facilities drove local existing theaters to close. On the other hand, in order to cope with the problem of dying city business centers in local areas, a variety of local revival projects were undertaken. There has been a new grass-roots movement by the town creation councils, non-profit organizations, and the people who had never been engaged in film exhibition, launching projects to revive or set up a new type of movie theater as a center for community and business area revivals. These new theaters are on the same line of the number of mini-theaters which opened in local cities in the 1990s, and were established under the concept of “community,” “creating towns,” and “revival of the local areas” responding to the changes in film exhibition.

## ■ Digitalization of Film Exhibition and Public Exhibition

The non-commercial film exhibitions have a long history as the commercial film exhibitions do. These include the screenings at the National Film Center, museums and other public organizations, film festivals using local public auditoriums and traveling film operations, independent film screenings conducted by cine-clubs and film circles in many local areas.

In 1970, the National Film Center of the National Museum of Modern Art, Tokyo, opened. In the 1980s, other public facilities opened including Hiroshima City Cinematographic and Audio-Visual Library (in 1982), Kyoto Cultural Museum (in 1988), Kawasaki City Museum (in 1988) and Fukuoka City Museum (in 1993). These facilities are specialized in film collection and exhibition. Further, other museums and cultural organizations which opened in and after the 1990s are engaged in film exhibition regularly, including Museum of Art, Kochi, Kanazawa 21<sup>st</sup> Century Museum, Tokyo Metropolitan Museum of Photography, Yamaguchi Center for Arts and Media and Sendai Mediatheque.

Currently, more than 140 film festivals of various sizes are operated continuously in Japan, and there are also a variety of film exhibitions including commercial screenings operated by commercial entities using public auditoriums and screenings operated by the local governments and cine clubs. These screenings are widely attended.

Digitalization in public film exhibition has just started and the screening environment in this sphere will dramatically change towards 2020.

### — New Film Exhibitors

In addition to the existing public film exhibitors, several new types of film exhibitors came to the scene. Digitalization in film exhibition is driving this movement.

Before digitalization, film distributors basically provided the public film exhibitors a copy of the commercially released medium, the medium of film. As DCP exhibition became dominant, Blu-rays and DVDs began to be provided to the public exhibitions outside the sphere of commercial exhibitions. A new business handling distributions for independent and public screenings appeared. When heavy movie projectors and professional technique were no longer required, film exhibition became easier and was opened to wider sectors.

The way of watching moving images has been diversified. In the 1950s, watching a film meant that you went to see it at theaters. Even after films began to be broadcast on television, movie houses remained primary sources for film appreciation. However, since the mid-1980s, video rental business spread all over Japan, and in the 1990s, it was taken over by DVDs. In the mid-2000s, Blu-ray was added as a new format and the quality of film watching experience at home was largely upgraded. In addition, when online film streaming services like Hulu and Netflix started, it became common to watch films on PC, tablets and smartphones.

Diversification and individualization of the environment surrounding the habit of watching films spread rapidly, and the essence of film “communal” experience, and the meaning of the movie theater (for screenings) as the place to share the experience of watching films has been reconsidered. In the middle of this situation, new film exhibitors began to appear.

The common element seen in these new exhibitors is the tendency to prepare hooks other than the film itself, so people who are not necessarily film fans can also participate. These exhibitors try out many things to bring people in. In order to make the experience of watching films special, exhibitors have incorporated various efforts, such as setting up a café cinema, combining the film program with other programs such as art, music and food, hosting outdoors screenings, inviting guests for Q&A, etc. The new type of traveling screenings featuring an “event” has been also increasing. Beyond the moving image on the screen, these organizers are trying to make the location of their screening special, as an organic space, and enlarging the range of their participants, so that a casual community will be created around film.

The appearance of these new types of film exhibition corresponds to the heightened consciousness for creating communities and community designs after the Great East Japan Earthquake in 2011. The film exhibitors seem to have regained the lost movie houses in a new form.

### ■ The Rapid Increase of Film Productions and Releases

Digitalization also brings a large change in the number of film productions and releases. Innovation in film medium, thanks to the arrival of digital technique, lowers a film production cost, and therefore, the number of productions and releases has dramatically increased. There have been more universities and professional schools teaching film, and public policy supporting film production has been established, increasing this increase. The number of released films in 2014 was roughly doubled to 1184 in 10 years, from 622 in 2003.

The number of screens in Japan also increased by 1,000 to 3,437 in 2015, from 2681 in 2003. Multi-screen theaters need many films to fill their screening rooms. These elements invited the phenomenon of increasing number of the releases of not only Japanese films but foreign films as well. However, the audience size has not been increasing during these 10 years, resulting in the decrease of attendance and the income per film.

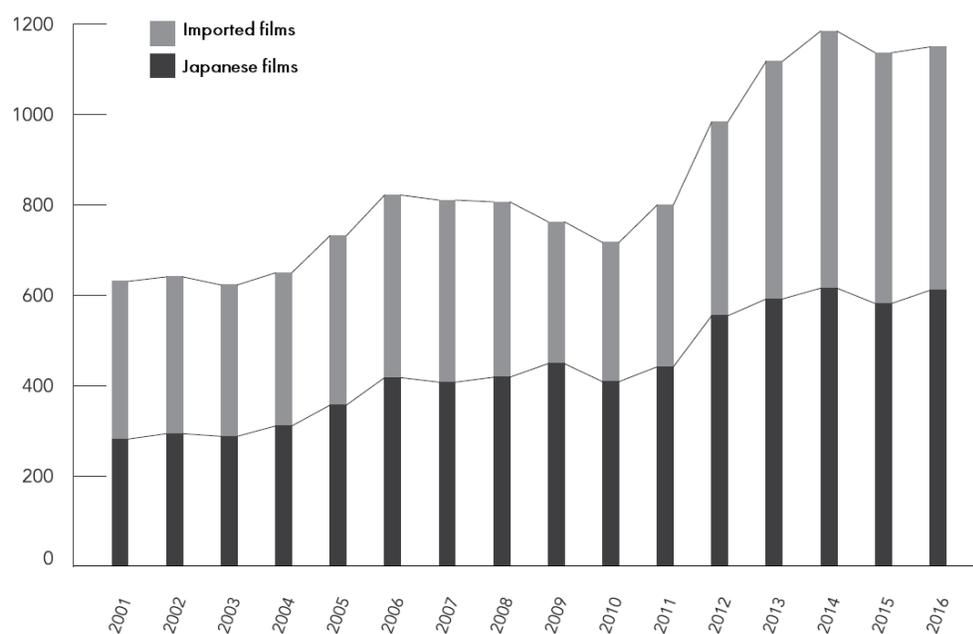
The majority of the Japanese films is made by independent filmmakers with low budgets, and these are usually shown in mini-theaters in metropolitan areas. These mini-theaters often screened a variety of films at one time, but now they have to screen even more films. Thus, many of these films are shown only once a day for a given week. A huge number of independently made films are not screened at all, although the number of film festivals is increasing and introducing these films in competitions. It is a challenge to discover new talent in this situation.

### ■ The Environment of Exhibition in 35mm or 16mm Film

Lastly, we would like to see what is going on with the situation of exhibition in 35mm or 16mm film. DCP replaced the conventional screening at theaters releasing new commercial films, and as a result, many 35mm projectors were removed from these theaters, and the opportunity to screen moving imagery in film has been rapidly decreasing. In the middle of this, the problem has arisen how to secure the places to experience watching movies in the form of film as the original medium. Only a tiny part among the huge body of films produced during one hundred year history of film has been digitalized. If the screening film materials, projectors and projectionists disappear, this huge amount of films will not be able to be seen on a big screen. This is a problem of the film culture. Still, there are a number of movie houses keeping their projectors but they are hardly used, and keeping the few existing projectors in working condition becomes more difficult.

The local governments, museums, film archives, film and other libraries, and local cultural administrations should take up this problem. Currently, there are less than 20 public facilities presenting film program regularly in Japan. Curators and researchers specialized in film are employed at less facilities. The importance of film, particularly of film exhibition, is not fully recognized. It is more so in the local cultural policies, as the cultural and artistic evaluation of film is lower than that of other arts. It is an urgent matter to collect and preserve the local moving images, and establish the system to screen the rich film heritage in the original form.

Graph: The Number of Released films (2001-2016)



	Japanese films	Imported films	Total	Attendance	Attendance per film
2001	281	349	630	163,280,000	259,175
2002	293	347	640	160,767,000	251,198
2003	287	335	622	162,347,000	261,008
2004	310	339	649	170,092,000	262,083
2005	356	375	731	160,453,000	219,498
2006	417	404	821	164,585,000	200,469
2007	407	403	810	163,193,000	201,473
2008	418	388	806	160,491,000	199,120
2009	448	314	762	169,297,000	222,175
2010	408	308	716	174,358,000	243,517
2011	441	358	799	144,726,000	181,134
2012	554	429	983	155,159,000	157,842
2013	591	526	1117	155,888,000	139,560
2014	615	569	1184	161,116,000	136,078
2015	581	555	1136	166,630,000	146,681
2016	610	539	1149	180,189,000	156,822

from Eiren's "Japanese Film Industry Statistics"