

## CANADIAN COMPANIES IN MEXICO

### EVEREST ENTERTAINMENT

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There were no difficulties with work permits for the Canadian and American participants. The job required considerable patience, but the shooting was successfully completed in late 1996. Mr. Straight says that it is essential to have competent Mexicans on the production staff. "Make sure you have someone there working for you who has a good background and credentials," he says, "There is a lot of corruption, so be careful."

The final barrier was encountered in Canada when the company brought the film back for post production. Canadian customs officials demanded payment of a large amount of duty, even though the film was to be returned to the United States within a few weeks. As a result, the post production work almost went to Los Angeles. The officials eventually admitted the film, but the issue has not yet been officially resolved.

- *Columbia-Tri Star y Buena Vista* distributes productions of Touchstone Pictures, Hollywood Pictures and Walt Disney Pictures as well as its own; and
- *Videocine* distributes films by Warner Brothers as well as some by other producers. This company is also a major distributor of Mexican films.

Since the bankruptcy of *Películas Nacionales* in 1991, some of the majors also handle some Mexican films. IUP, for example, handled six Mexican movies between 1992 and 1994.

Independent distributors handle the remainder of the market. Mexican films account for 22 percent of the market and films from other countries 13 percent. According to *Canacine* estimates, the majors receive 86 percent of revenue from theatres and 95 percent of screen time.

Films must be authorized for public exhibition in Mexico by the *Dirección General de Radio, Televisión y Cinematografía*, General Directorate of Radio, Television and Cinematography of the *Secretaría de Gobernación*, the Secretariat of the Interior. The number of films approved fell from 446 in 1992 to 343 in 1994. *Videocine* had the largest market share in 1994, with 49 new releases, followed closely by *Columbia* with 47.

## EXHIBITION

Movie theatres are not as popular in Mexico as they are in Canada. This is partly because about 30 percent of Mexican households earn no more than the minimum wage of about \$7,000 Mexican pesos per year, which was less than C \$1,000 in late 1996. The number of movie theatres or screens in Mexico fell from about 1,900 in 1989 to just under 1,500 in 1995. These screens serve a population of some 90 million. This is not sufficient to exhibit all of the films that are approved for showing by the government.

According to *Canacine* data, there are 16 film rooms for each million Mexican inhabitants. This compares with more than 90 in the United States. The density is higher in Jalisco and Nuevo León with 31 and 23 screens per million respectively. This is partly because the multi-screen theatres are more common in those locations. In the Federal District, a number of old theatres have been remodelled into multi-screen facilities. This added 28 screens in 1994, raising the region's density to 20 per million. Mexican theatres seat an average of 833 people per screen, which is very large by Canadian standards.