CHAPTER 2

Stopping the Flow: Film Circulation in the Festival Ecosystem at a Moment of Disruption

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The Covid-19 pandemic brought the film festival sector to a standstill and forced it to reconsider what a film festival is and how it functions within the larger film cultural ecosystem. After a first shock and taking a moment to rethink and contemplate, festivals have acted as a sort of laboratory for film culture where various stakeholders in the festival sector sought to develop new routes (Filmfest München 2021). Some of these might be temporary adaptations to the pandemic conditions, while others might stay on in post-pandemic film culture. What became clear in the conversations and think tanks held during the time the industry collectively held its breath is that the pandemic acted mostly as a magnifying glass and

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accelerator for existing structures and mechanisms. In particular, the social distancing aspects and the drive toward online communication have accelerated trends that had already started to appear due to the digitalization of industry and entertainment consumption. The temporary disruption of the usual mechanics, however, shed new light on contentious points within the ecosystem. Thus, when looking for ways to adapt to the new conditions, the stakeholders had to consider old players and usual tracks as well as side-stepping into other emerging structures. In the following chapter, I will take a closer look at the various stakeholders impacted by the disruption of the usual festival circulation structures.

My account of the relations between various stakeholders presented here is informed, maybe even biased, by my position as a festival researcher situated in Germany. The last big festival that took place before the pandemic hit on a global scale was that season's first A-list festival, the Berlinale. While the virus SARS-CoV-2 had already been discovered in Wuhan in December 2019 and news of a Covid-19 pandemic, which experts warned might become global, spread in February 2020, the festival in Berlin took place largely uninterrupted from February 20 to March 1, 2020. Toward the end of the festival, the pandemic crept closer. Ski resorts in Austria and Northern Italy had become hot spots and Italian colleagues left a panel early to catch a flight home before borders closed. The last smaller festival to take place was the Berlin Feminist Film Week (March 5–9, 2020), scheduled around International Women's Day. That same week, the Luxembourg City Film Festival (scheduled on March 5–15, 2020) was celebrating its tenth-anniversary edition, until it was cut short on March 12. By mid-March, a complete lockdown had been imposed in most European countries. Only essential shops were open, while schools and social and cultural spaces, like cinema theaters, were closed (Artechock 2020). By the end of March, colleges and universities scrambled to prepare for an ad-hoc online-only semester starting in April.

After a few weeks of shock and standstill, the realization set in that this shutdown of public cultural life would be more than a blip lasting just a couple of weeks and instead marked a "generation-defining" global event (Rotko et al. 2020, 4). Industry professionals started to take stock and to reconsider their options. What was it that their festivals do? What could (and what should) be done online? What could (not) work? Which stakeholders needed to be (and were) considered? Part of these discussions took place in online discussions, at online film festivals, within industry networks like the *AG Filmfestival* ("Working group film festival," an association of German film festivals founded in fall 2019 comprising 113 festivals as members as of April 2021),[1] or the *Hauptverband Cinephilie* (HVC) ("Main association cinephilia," an association that brings together various groups in the film cultural sector including festival organizers, distributors, sales agents, film critics, theater owners, and filmmakers, and which calls for cinephilia and an art-based rather than a commercial understanding of film).[2] Both associations were started before the pandemic to discuss the future of German film culture, especially in light of the pending renewal of the German film funding law.[3] Between spring 2020 and spring 2021, the subgroup of the HVC focusing on film festivals held monthly meetings with colleagues from various parts of the film cultural sector to discuss the role of festivals, both in general and during the pandemic.

Let us take a look at the various stakeholders involved and let me try to scrutinize and untangle this network ecosystem by following a chronological recounting of events.

Continuous Uncertainty

Once Covid-19 had been acknowledged as a global pandemic that hit people hard on all continents, strict social distancing rules, shelter-in-place orders, and lockdowns were imposed throughout Asia, Europe, North America, and Australia. As early as mid-March 2020, many festivals were forced to stop midway. Others were canceled before they could even start (Wolf 2020a; Winter 2020a). Among the first festivals affected was CPH:Dox, scheduled for March 18–29, 2020, which, in an unprecedented effort, pivoted their festival to an online event within a couple of days to

[1] https://ag-filmfestival.de/.

[2] https://www.hvcinephilie.de/.

[3] Both associations are unhappy with the commercial orientation of national film funding, which largely considers the production side only and measures success mainly by box office figures. A few (international) film festivals are acknowledged to be significant for a film's quality and life cycle: selection for a festival competition and awards are counted as reference points toward future funding bids. In most cases, however, film festivals are not acknowledged as important players by funders: attendance statistics of German films, for instance, don't count festival attendance and only a handful of "lighthouse" festivals are funded through the German cultural film fund of the Federal Government Commissioner for Culture and the Media (BKM). Festival funding is thus mostly the task of regional and municipal funding bodies. These two organizations call for the integration of film festivals into the larger film funding ecosystem.

much acclaim.[4] Major US American festival SXSW was less successful in creating an applauded digital version (Hobbins-White and Limov 2020). Dozens of festivals had to consider whether they would be able to turn their festivals, with immense efforts in infrastructures and resources, into online events or whether cancelation would be their better option.

In April 2020 during the first lockdown, when there was no comprehensive information about the long-term projection of the virus, there was still an illusion that this anomaly would only last one year and that everything would soon go back to normal. One thought was to halt everything for a year in order to show films planned for a 2020 release in 2021, which would also solve the problem of the production gap. However, as people were restricted to their own homes, film consumption and streaming rates went up, for streaming services and traditional television alike (Mikos 2021).

Decisions were especially difficult to make: the situation remained uncertain, and it seemed impossible to determine how long strict lockdown and social distancing measures would have to be obeyed. The situation kept changing every week: with Covid-19 cases going up or down exponentially, festivals have had to constantly adapt and to create several plans. Planning for a festival takes time: it requires organizers to make several educated guesses about the evolution of the pandemic and about the potential reopening of theaters. Some early festivals sought refuge in postponing the festival to a later stage.

This uncertainty and reshuffling of the calendar had, and at the time of writing continues to have, a very direct impact: it disrupts the finely attuned mechanisms of the film festival circuit. The festival landscape and calendar stayed dynamic. The reports "Waiting for the Wave" 1–4 in which Reinhard W. Wolf monitored the changing festival calendar for *Shortfilm.de* between March and August 2020 show this very clearly (Wolf 2020a, b, c, d). Festivals in March 2020 might have opted to postpone until they could go back to physical theaters in the fall. However, by June or August, it became clear that the postponed spring festivals threatened to clash with the regular fall festivals. In that context, some festivals changed their minds and opted to remain at their usual time slot and go online, while others went hybrid and created alternate versions, including open-air festival screenings in the summer months (Wolf 2020d).

The International Women's Film Festival Dortmund|Köln, originally set for late March 2020, opted for a downsized program presented online.

[4] See Chap. 6 by Aida Vallejo and Christel Taillibert in this collection.

The festival was going digital with pre-recorded film talks, while a short on-site event took place in September 2020, when movie theaters had opened again. The 2021 edition, originally planned for its usual April slot, was again postponed to June 2021 as an online edition when the third Covid wave meant a light lockdown and a continued closure of theaters. When movie theaters were suddenly able to reopen in late May, a last-minute on-site screening component was added.

The festivals mentioned here are just a few select examples of thousands of cancelations, postponements, and pivots to online formats, which are well recorded in a number of trade press articles and industry blogs by affected professionals who continued commenting on the situation and tried to make sense of the changing situation as it unfolded (Wolf 2020a, b, c, d, f; Winter 2020a, b, c, d; Rotko et al. 2020).

This situation of continuous uncertainty will not be lifted in the short and medium term since highly contagious new variants of the virus keep spreading and hospitalizations in various countries worldwide are surging again. In many Western countries, vaccination rates are currently insufficient to halt infections. This continues to have an impact on festival planning locally and internationally. While a number of festivals were once again held as in-person events in summer and fall 2021, news just came out that the Oscars Academy will postpone all in-person events and screenings until spring 2022 (Welk 2021).

Changing measures to contain the pandemic complicates planning since the situation of uncertainty continues. International travel regulations impact the ability to invite and host guests. Locally, shifting regulations impact the capacity of theaters, which affects audiences and festival atmosphere greatly. These factors inform how individual festivals and individual stakeholders make decisions in an attempt to mitigate risk. These individual decisions, then, add up to a knock-on effect on the ecosystem. When festivals and premieres are canceled, this affects other festivals in their decision-making. While a cancelation of usual dates might be imminent, decisions for seeking out new dates would be influenced not only by local circumstances but also by the changing ecosystem.

Distribution: Circulation on the Circuit

Film circulation depends on film festivals. The main festivals on the calendar are the driving forces for the further circulation of films (Loist 2016, 2020). The festival circuit operates as a seasonal cycle of film festivals that are hierarchically sequenced on the calendar. They are connected to and influence the awards and release seasons.

The festival calendar, seen from the perspective of major events organized in the West, starts at the beginning of the year. One of the main events in January is Sundance, the long-standing US American film festival for independent and arthouse films. In Europe, the International Film Festival Rotterdam (IFFR) and the Göteborg Film Festival follow on the calendar. The IFFR specializes in arthouse films with an Asian and artistic flavor. The Göteborg Film Festival focuses on northern and debut films. They offer opportunities for North American critics and professionals to come to Europe before attending the Berlinale. The first A-list festival of the year is the Berlin International Film Festival, the Berlinale, traditionally (since the late 1970s) taking place in late February in conjunction with the first film market of the year, the European Film Market (EFM). The next big stop on the A-list circuit is the Cannes Film Festival in May. The fall season, after the summer break in the Northern hemisphere, starts in September with the third A-list event of the "Big Three," the Venice Film Festival, and the Toronto International Film Festival (TIFF)—a festival of festivals and a major launchpad for the North American market. Other relevant festivals throughout the year would be Karlovy Vary in June, the Transylvania festival in Cluj in June, New Horizons in Wroclaw in July, Locarno in August, or San Sebastian in September.

These highly ranked festivals and their temporal and spatial place within the festival network are significant for the festival run of a film because the festival strategy depends on the premiere logic and further staggered exploitation chains. After the first premiere, the travel route of a film depends on its genre, type, and representation.

The circulation of a film in the festival ecosystem can be described as a distribution or exploitation chain, which includes a number of stakeholders, intermediaries, and festivals (see Fig. 2.1). This chain must also take into account a film's exploitation windows, which correspond to different and sometimes competing license holders striving to exploit the consecutive windows. The chain starts with the filmmaker or producer, who has a film that they want to premiere at a festival. Due to the hierarchical positioning of the festival circuit where top-ranked festivals require a world or international premiere, filmmakers try their luck at A-list festivals with high circulation power (Loist 2020) and then devise a festival strategy that will help them navigate the next level of festivals. If a major (studio-backed) film enters a film festival with a world sales representative and

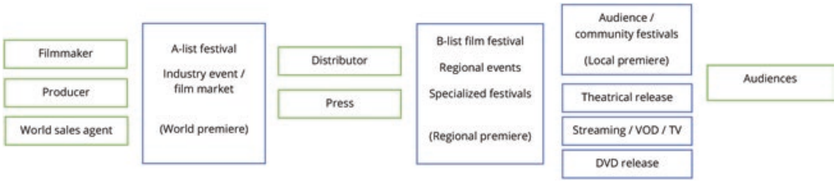

Fig. 2.1 "Festival exploitation chain with stakeholders, intermediaries, and exploitation routes." (Designed by Skadi Loist)

distributor attached, there will likely already be a festival and release strategy in place. Such a film would use select festivals as launchpads, well-covered by the press, to create buzz for a theatrical release in the same territory as the festival. A film might then be sold at an adjacent film market to other distributors, who use a national or local festival to create press, buzz, and a marketing campaign at that festival which is synched with a local theatrical release.

A small film, without a sales agent attached, would be looking for one at its premiere festival. Once a film is picked up by a distributor, the distributor takes over negotiations for regional and local festival screenings, using the local festival as a launchpad for a theatrical release. In this constellation, festivals function as transition points within the exploitation chain: they serve as testing grounds for (local) theatrical potential.

However, an increasingly large number of films that screen at film festivals never make it to a regular theatrical release (Loist and Samoilova 2019). For these "festival films" (Wong 2011, 100), the festival network represents its own form of circulation and exploitation. Piers Handling, former director of the Toronto International Film Festival, has called the festival network an "alternative distribution network" for this reason (Turan 2002, 7).[5] Audience-centered festivals are therefore also economically relevant because they represent a new source of income via the paid screening fees. They constitute their own form of exploitation windows.[6]

[5] The distinction between distribution and exhibition could be further differentiated here. While some festivals actually act as distributors and organize the distribution of films at other festivals and in the educational sector with their own distribution arm (e.g., Frameline for LGBTQ cinema), the majority of festivals limit themselves to their function as performance events.

[6] This also applies to many festivals in the specialized parallel circuits that show films in places where they would not otherwise be shown in theaters.

With the first lockdown in March 2020, the whole film festival ecosystem was brought to an abrupt halt. When Cannes, scheduled for May 2020, was first attempting to postpone the event to June, and then finally had to cancel completely, the usual routines were suspended because all stakeholders and intermediaries had to reassess how dependent they were on the old and new routes of operation. For a couple of months, it was unclear how Cannes and other major festival players would proceed. Artistic director, Thierry Frémaux, announced the day before the originally scheduled opening, "Cannes could only have taken place as it usually does, with the stars, the public, the press, the industry. If it is not possible for health reasons, then it is not possible at all. The festival should always be at its best" (Goodfellow 2020). That is, a Cannes without glamor and personal gathering in this people's business could not be envisioned. Many film professionals, critics, distributors, and talents lament the loss of a festival atmosphere (Winter 2020c; Kohn and Thompson 2021). Besides the loss of this atmosphere, the fear of loss of business leverage played a role, as Cannes continued to position itself as the main antagonist of streaming services and protector of theatrical release windows.

In the following sections, I will highlight the different stakeholder positions and discuss the specific problems that arose from the abrupt disruption for each player in the industry.

Curators and Festival Organizers

The disruption and distortion of the festival calendar had a direct impact on festivals in different ways. The spring festivals that fell into the first wave of the pandemic and which had the program set needed to see if they could create a workable online platform solution. Film festivals are used to different technical challenges. They already moved to digital solutions a decade ago when switching from celluloid screenings to DCPs, online pre-selection screenings, and web-based submission systems (Stevens 2012; Fischer 2012, 2018). However, operating completely outside the theater involved a redesign of the event setup. New infrastructures and technical support had to be negotiated.

During the first weeks and months, festivals tried to migrate online while largely keeping their operations unaltered. This is an understandable quest. However, industry professionals were unimpressed by the attempt to simply move the existing model online instead of trying harder to innovate (Winter 2020d). Several film critics emphasized the importance of event characteristics, the liveness and co-presence that makes up the "festival atmosphere" (Kohn and Thompson 2021),[7] which cannot sufficiently be simulated. While several business components can be held via video conferencing, such as scheduled meetings and matchmaking conversations, the serendipitous encounters between critics and talents, between fellow filmmakers, or random walk-ins into events where one might encounter new films, topics, and people, cannot (easily) be pre-organized and set up digitally. This also heavily affects conversations about films after the screenings, which are significant in generating discourse around films and topics. For socially oriented documentary films, for instance, it is important to spread the word about a topic. Generally, for indie films, it is essential to generate word-of-mouth in order to reach a larger audience and potentially also create interest for a distributor or buyer (Winter 2020d).

Festivals and theaters traditionally worked together and had a close mutual relationship. The shift to online formats meant that theaters were temporarily left out of the ecosystem. When theaters could reopen after the first lockdown, many festivals tried to help them with acts of solidarity, for example, paying full rent even when they could only operate on limited capacity and the festival therefore only made a fraction of the usual revenue from tickets sold.

While several festivals had their selection and programming set and ready to unspool, for others, the work of months of scouting, selecting, curating, and designing a context for the films was nullified by a pending cancelation. Some curators made this a point of conversation. For example, the Diagonale, a festival of Austrian film in Graz, was forced to cancel a week before the edition was scheduled to take place (March 24–29, 2020). Festival directors Sebastian Höglinger and Peter Sternhuber announced the full program with their festival motto "A Proposal to Project," which, due to the festival not taking place in its envisioned form, acquired a different meaning than originally intended (Schuster 2020). Later in the following months, Diagonale films were screened in theaters and as a guest section "Diagonale '20—The Unfinished" at the Viennale in September 2020.[8] This marked a moment of solidarity between festivals while keeping intact the original positioning of these festivals in the ecosystem. Both the films and Diagonale could keep their respective premiere

[7] See also Chap. 4 by Diane Burgess and Kirsten Stevens in this collection.

[8] https://www.viennale.at/en/series/cinematography-diagonale-20-collection-unfinished.

and festival brand label intact, while also offering a physical screening (elsewhere).

The knock-on effects were more complex for the festivals following later in the season. For festival programs that were not yet locked, the question arose of whether films would become available for online editions as well. If a film had a virtual premiere only, meaning the film had the laurels of a festival affixed but had not actually screened in a theater, would a filmmaker seeking a live premiere experience be eligible for another festival later in the calendar? Unlike the abovementioned example suggests, festivals seemed reluctant for a number of reasons. While the festivals might sympathize with filmmakers, their own rank might be diminished for accepting a film into a competition slot as a premiere that in fact already had a spot in a competition program elsewhere. This would also potentially neglect or negate the labor and position of the previous festival that had invested in selecting that film and presenting it to an official jury (Winter and Power 2020).

In addition, some of the larger festivals in the fall season were dealing with more submissions and more selection work, partially because of films whose premiere in a spring festival was canceled, adding more stress to the precarious double workload under pandemic times (Winter and Power 2020). Smaller summer and fall festivals, on the other hand, were potentially dealing with a lack of films to choose from because they would usually invite films after scouting at larger spring festivals and films that had distribution in place. Without the opportunity to see films there, some of the titles might be invisible to smaller audience festivals that are not as well connected in behind-the-scenes industry networks (Winter and Rastegar 2020). Even more significant was the reluctance of filmmakers to agree to online festivals for fear of jeopardizing later distribution deals (Newman 2020; Smits 2021).

Another entanglement between bigger and smaller festivals on the circuit arose when some of the bigger festivals embraced the online options to their fullest extent. Both the International Short Film Festival Oberhausen and the DOK.fest München went fully online in May 2020 and boasted record viewing numbers. As DOK.fest reported, "75,000 spectators [and the] number of actual viewers of the online edition is probably even higher, as it is not possible to determine how many people were sitting in front of the screens at any one time" (DOK.fest München 2020). Oberhausen, on the other hand, focused on the 2500 festival passes sold (for 9.99 EUR) in their reporting and emphasized that viewers from 100 countries had watched films (Wolf 2021). While these festivals seemed to promote the success of their online version, one needs to nuance their claims: both festivals fell into the first hard lockdown phase when viewers were still eager to try new things online. In addition, they both focus on minor forms of cinema: because of their specialization on shorts and documentaries, they are less dependent on commercial logics of the film economy that focus on theatrical exploitation. Their decision to present their programs without geoblocking garnered many critiques from their colleagues, who feared that they might lose those films for their smaller, more locally oriented festivals as these films had already been available throughout Germany or worldwide. Thus, within the national festival ecosystem, the debate revolved around solidarity within the field and the responsibility that bigger festivals also have for smaller events (cf. Bialas 2020).

One notable result of the uncertainty and fluctuating position on the market was a reduction of the size of many festival programs, for both online and hybrid events. The *East West Report* by the Ji.hlava International Documentary Film Festival released in July 2021 at the Cannes film festival shows that the majority of surveyed documentary film festivals had diminished the size of their program, on average by 22% (Ji.hlava 2021b). The report highlights the problem of representation arising from this cut: "The underrepresented regions were even less represented during the Covid year" (Ji.hlava 2021a). The report also shows that some European documentary festivals shifted their focus toward national or regional films, which is explained by a wish to attract local audiences or by possible financial challenges in the pandemic situation (Ji.hlava 2021a, b). To this, I would add the uncertain factor of who would be able to travel to festivals. Local and regional guests were more likely to be able to attend the festivals to present films due to continuing restrictions on international travel.

Markets

The top-tier, A-list festivals are essential industry nodes where the film industry meets. At these events, both the cultural and artistic side of film culture and commercial interests are brought together. Top-tier festivals like Cannes and Berlinale have perfected the mutually enforcing ties between the festival events with red carpet, press, and glamor, and their adjacent film markets, the Marché and the European Film Market (EFM), respectively. That both sides have different positions within the festival ecosystem is nothing new (De Valck 2007). Yet, the Covid-19 editions of the Cannes 2020 and Berlinale 2021 festivals highlight the two different aspects and functions of the festivals when we take a look at the very visible split of the market (selling and buying), on the one hand, and exhibition and event (talent and audiences), on the other hand. This is a split that on-site editions usually try to hide.

The Cannes edition that was originally scheduled for May 2020 could not take place because of the global lockdowns. Festival director Frémaux first kept trying to postpone the festival. Eventually, he realized that the festival could not be held in June 2020. Yet, while the festival refused to put on a virtual festival version, it did host a digital version of the Marché on June 22–26, 2020.[9] Similarly, for a long stretch of their festival preparation for the 2021 edition, in fact, until December 2020, the Berlinale held onto the belief that they would be able to put on an in-person festival in February 2021. Only a week from Christmas 2020, they shifted gears and announced that the usual festival edition planned for the end of February would not take place. Instead, the EFM was scheduled to be held as a fully digital event on March 1–5, 2021, and a physical event, labeled the Summer Special, was set for June 9–20, 2021, in the form of a two-week series of open-air screenings with guests and stars.[10]

This divorce of the market segment from the event segment of the festival made for a very strange festival experience at the Berlinale 2021. While the EFM/Berlinale part was only accessible for accredited participants, the Berlinale was still running the press machinery as usual. This meant that in March one could hear about the new highlights of the Competition section on the radio without actually being able to go to the movie theater and join the huge event (one could only access streamed films and discussions with an EFM accreditation). What must have felt more frustrating, though, for regular moviegoers, is that they could not stream those films when they heard about them. In a regular pandemic-free year, it would take a few months until the films that premiered at the festival would get a regular release in a theater or would screen online. But given the specific circumstances of 2020–2021 where audiences had been able to watch films online during virtual festivals, it felt like a strange choice to follow the usual protocol of having the press review the films

[9] https://www.festival-cannes.com/en/infos-communiques/communique/articles/cannes-marche-du-film-2020-online-from-monday-22-to-friday-26-june#.

[10] https://www.berlinale.de/en/archive-selection/archive-2021/news-2021/news-detail-2021_58376.html.

during the festival (some even in theaters) and create a hype for later, unforeseeable, future screenings. It does highlight, though, how much the industry part of the EFM/festival was weighted.

After almost exactly a year of the Covid-19 pandemic, it seems that, for the Berlinale, it was key to try to get back to a regular industry schedule and to avoid further distortion, postponement, and uncertainty. Halting the industry part until June, to take place in conjunction with the summer special, would have meant further interference with the regular market calendar and specifically with the usual Cannes Marché slot in May. Thus, sticking to the usual time frame also reaffirmed existing hierarchies. The differentiation between markets stayed intact and it gave hope for sales to follow the regular windowing sequence and get films out to theaters once they could reopen in the summer months. Thus, splitting off the summer special served to both keep the glamorous red-carpet elements intact and offer press coverage in time for theatrical releases, which (as was usual pre-Covid, happen a few months after deals had been made at the market) now coincided with the summer screenings.

Sales Agents

In the classical understanding of film distribution, the distribution channel of films is the sale of a film to a distributor, who brings the film to theaters in a first release window and then markets it in further release windows (DVD, VOD/streaming, television). In European film funding, these standard release windows that favor and safeguard theatrical release windows are actually (still) fixed into linear release windows prohibiting open release strategies. Within this frame, film festivals often function as a kind of launchpad, where the selection in a festival and the film premiere glamor add symbolic capital to the film (De Valck 2016). Festivals help generate visibility and attention via press and buzz. They serve as marketing aids for commercial film exploitation (Mezias et al. 2011; Burgess 2020).

Sales agents have been in the business as powerful gatekeepers and intermediaries interfacing between festivals, filmmakers, and financiers for over a decade (Peranson 2008). As intermediaries handling the film rights before the distributors, they negotiate international screenings on the global festival circuit. With a fee of 50% of the screening fees made on the circuit and 15–20% on sales, they are in good business. With their intimate knowledge of the festival circuit, they are helpful players for the filmmakers. However, distributors and smaller festivals are not always too fond of their business model and would rather see their screening fees go directly to the filmmakers.

With the rise of streaming services like Netflix and Amazon in recent years, new players have entered the field of film distribution and exploitation. Within the traditional linear understanding of the windowing scheme as long-tail exploitation, online distribution is considered a downstream window following long after the primary theatrical window. However, markets and film consumption habits have changed, and with them discussion of windowless releasing models. In particular, Netflix has made big advances into the arthouse and independent film segment for its bouquet programming. Since moving from distribution only into production, Netflix has also tried to break into the prestigious festival ecosystem (Burgess and Stevens 2021). For several years, Netflix and Cannes were essentially fighting over windowing rules: Cannes supported the strict French windowing system and obliged distributors who showed their films in the competition section to release their films in theaters first before releasing them online (Mumford 2017; Richford 2018). With the "streaming wars" raging between the big American companies Amazon, Netflix, Apple, Disney+, and HBO Max, a lot of content had been bought on the festival circuit (or produced and launched there). This makes streaming services important buyers for indie filmmakers (Winter 2020d). Therefore, at a time when theaters as an essential space and main ingredient to hold a film festival were closed, streamers have, in a way, become a competition as well as an unwitting (technical or consumption) role model.

The turn to streaming, or rather moving the film festival format online, was one of the main problems affecting film circulation. Essentially, it stopped the flow for several months. Filmmakers and producers, or more so sales agents on their behalf, had to make decisions about how to proceed after their premiere slots at the spring 2020 festivals had been canceled or were to be taken online. An informative example of the uncertainty of how to negotiate online festival screenings, especially in the early phase of the pandemic shift, is SXSW's attempt to negotiate online rights for their 135 selected films. Only 39 films had accepted the offer and were presented as a film collection on Amazon Prime, out of which only 7 were feature films (5%) and 32 (95%) were shorts (Rotko et al. 2020, 13; Hobbins-White and Limov 2020, 330). Figures for several of the festivals specialized on shorts or documentary filmmaking show that their success in obtaining online screening rights was a lot better, which largely had to do with distribution models and release strategies which were already changing before the pandemic (Rotko et al. 2020, 12–13).

What wasn't clear yet to sales agents and film representatives of feature films was what the new offers to stream in a festival online (for how long, to what territory, under which conditions) meant for their film going forward within the standard distribution model. The main value that a festival offers to the filmmakers was missing: generating visibility, buzz, and press coverage are a lot harder to achieve online than within a festival event atmosphere. For a small film without a big marketing budget, word-of-mouth is hard to build from scratch. Moreover, deprived of the festival experience, a common festival logic to screen a film during the festival without paying a screening fee (because the festival paid for travel and accommodation) didn't make sense anymore. Hence, at least a screening fee was needed and for smaller films and smaller festivals paying a screening fee was actually a good way to compensate for lack of distribution income. For some festivals, it was also a way to spend their budget on filmmakers even when they could not invite them.

However, screening fees are not the sole issue here. In fact, screening fees have been part of the festival ecosystem for over a decade. The more pressing issue for a film that had its world premiere frozen amidst the pandemic was that an online festival screening might interfere with a later distribution or streaming deal. Many of the increasingly powerful streamers have reportedly kept their market power high by prohibiting filmmakers who were considering a deal with them from having the film screen online elsewhere beforehand (Winter 2020d). This meant that filmmakers had to think very hard about their options: how much income they would estimate on a good run of 50–100 festivals, how many people they would reach, and how quickly they would need to monetize their work—all under the sign of an unpredictable, ongoing pandemic, which made estimates about a theatrical run even harder (Winter 2020c, d; Newman 2020). Or, in the words of Reinhard W. Wolf:

> Online reach does not equal distribution, and distribution does not equal exploitation. Even in the hybrid model, significant fees are hardly likely for the filmmakers. Ultimately, the pros and cons of online participation must be weighed on a case-by-case basis. Film by film and festival by festival. Only one thing is for sure: personal encounters, the experience of hospitality and conviviality cannot be replaced by telecommunications and must therefore have a place in the true sense of the word. (Wolf 2021)

Sales agents are in the business to monetize a film and to focus on its financial value for the producer. With the rise of the festival network and the understanding of the festival circuit as an alternative distribution system over a decade ago, sales agents have arrived on the circuit as new and powerful intermediaries, carving out a festival window before the theatrical and long-tail exploitation. Sales agents asked for their share and pushed for screening fees or alternatively a charge for handling costs to provide prints or DCPs. They consider high-ranked festival screenings as part of the promotion strategy to sell a film to local distributors for exploitation through national releases. In this respect, only top-tier festival selections are of interest, which automatically generate further invitations. With the postponement and cancelation of Cannes 2020, this premiere system and its demand effect were severely disrupted. During the pandemic, the consecutive exploitation windows, differentiating a festival window followed by a theatrical release window and further long-tail windows, have been blurred. Thus, some negotiations with festivals have become increasingly tense as (lacking) benefits from festival exposure and the projection of shrinking exploitation windows had to be weighed.

Some festivals have reported that the conditions for negotiating a film had not changed during the pandemic and they were able to show the film to an equal number of viewers as in pre-pandemic times. However, when festival screenings took place in a hybrid form due to limited theater capacity, the added costs to provide dual exhibition infrastructures remained solely with the festival.

Distributors

Distributors have been saying for years that (large) film festivals eat up their arthouse audience. Thus, for a small film with limited release potential, it might be detrimental if a film played at a big festival before. When a festival like the Berlinale screens the film four to six times in its program, it would reach a total of 5000–6000 audience members (for a smaller festival, around 1500 viewers), that is more admissions than a theater might get in a couple of weeks for an independent arthouse release. The film festival has the event advantage on its side: temporal-specific availability and the special festival atmosphere, which might create FOMO (Fear of Missing Out) and brings in interested audiences to a packed house. However, the same film is unlikely to attract the same attention at a regular (limited) release, unless it is presented with cast or crew as guests at the screening. This issue might be further complicated for the distributor of a specific film when the income from these festival screenings has already been taken by the sales agent. This contributes to precarity in finding a distributor for a theatrical release because they don't see how they can really recoup their handling and release costs for prints, DCPs, and marketing.

On the other hand, traveling to the national or regional festivals might help the distributor build word-of-mouth and generate interest for the theatrical release close to the festival date. Here, the travel costs for talent paid by festivals help the distributor to generate press while at the same time providing a good festival experience for the filmmakers. The saved costs can then be used for further screening tours beyond the festival life to help make the film more appealing to audiences.

However, these mechanisms aren't working during Covid as there is no travel, yet still costs for digital production remain. In addition, distributors are concerned about piracy and the low quality of online screenings due to unprofessional handling and file compression.

Filmmakers

Filmmakers were stranded without a premiere experience. Even if a film was selected into a prestigious festival competition, the cancelation of the in-person event meant that they were robbed of their glamorous presentation moment and the proverbial red carpet. Filmmakers could not have (much) exchange with an audience and got no direct feedback for their work that represented years of precarious creative labor (Winter 2020d; Hobbins-White and Limov 2020). Several of the filmmakers I spoke to mentioned their dissatisfaction with the presentation of online events. In the worst cases, the streaming quality might be bad when server capacity and file formats are not optimized (Wolf 2020e). This further contrasts with the experience of filmmakers who travel with their films and can control the quality of sound and image projection in theaters on site of the festival.

Filmmakers cherish deep consideration about their films and the presented topics.[11] This is what attending a film festival ideally offers. Thus, for filmmakers, meaningful conversations are more important than

[11] Helena Wittmann and Theresa George, filmmakers of *Drift*, which premiered at Venice in 2017, mentioned this in their HVC conversations.

screening fees and here they might have a different position than sales agents. However, their film is often presented as one of many, and the moderator of the Q&A might not necessarily be an expert on the subject, which can make for an uninteresting film talk (for the filmmaker). During the Covid festival seasons, few festivals have made an effort to create live conversations between filmmakers and audiences. Some festivals, like the 2020 Berlin Critics Week, Berlinale Talents, and GoEast, have tried hybrid formats where the moderator of the Q&A was present in the theater and conducted a conversation via video conferencing, either alone or with a limited capacity audience.

However, many festivals have opted to pre-produce Q&As that could be found on the festival website or along with the streamed film program. This would minimize the technical failure of a live video setup and allow flexibility in access when films were scheduled to be accessed over a 24- or 48-hour period rather than at an exact time slot. However, this also took away from any actual interaction. One positive side was the offer to remunerate the effort of the filmmaker to participate in a pre-recorded Q&A. However, quality quickly became an issue (Bernstorff 2020). In order to make the pre-recorded film talk worthwhile to all parties involved (filmmaker, festival, and audience), the recording needs to be well made. The interviewer needs to actually know enough about the subject matter to generate interesting questions. The production needs to be of high enough production value to be appealing. Therefore, some festivals have discussed the option to have the producers create their own Q&As, similar to bonus material on a DVD ensuring quality, which the festival books along with the film and that can also be screened at other festivals. While the individuality would be gone, the festivals would not need to take on another critical task that is outside their usual capacity in terms of resources and expertise.

Conclusion

Film festivals are network nodes within the larger film culture: they need to negotiate a variety of stakeholder demands. Size, age, structure, and local context of a festival inform how certain stakeholders relate to the festival and to each other within the framework of this event. While an audience festival is concerned about how films are secured and best brought to an audience, an A-list industry festival needs to consider its position on the calendar and to provide the best services to its industry constituents of talent, sellers, and buyers. These different positions and strategies had been finely calibrated on the festival circuit over the last decades. When the pandemic hit and produced a standstill on the regular circuit, a specific moment appeared in which the previously balanced power relations between stakeholders shifted and became open for renegotiation. By looking at the various stakeholders in this chapter, I highlighted the different perspectives on the disruptions and new strategies in order to shed light on the renegotiations and reinstatement of previous strategies.

The disruption that has taken place during the initial phase of the unforeseen Covid-19 pandemic functioned as an accelerator for structural and cultural shifts. New regulations, like the social distancing aspects and the drive toward online communication, have accelerated trends that had started to appear in the general move to a digitalization of industry and entertainment consumption. For instance, the embrace of online formats brought benefits in terms of accessibility. Wider audiences could be reached: people who might not be able to attend a theater from different locations, far and near. This helped grow festival audiences and interest in film. However, it also brought festivals closer to streaming models.

The focused shift to online screenings has brought a lot more attention to the fact that the pre-pandemic festival model has operated very closely with the traditional value chain model based on distinct exploitation windows. The expansion of the festival circuit in recent decades has created a space for the sales agent as a new intermediary who rose to a powerful position within this ecosystem, trying to maximize the exploitation model. The festival circuit as an alternative exhibition network has even become its own exploitation window. However, during the initial move to online festivals as a reaction to the pandemic, the blurring of these windows has accelerated. Thus, the disruptions have created a moment when power relations between stakeholders seemed to become fragile and open for renegotiations. But over the course of a year living with Covid and experimenting with new festival structures, the circuit has developed strategies to preserve previous mechanisms, like premiere status, exploitation windows, and so on. Industry festivals kept the market business running as much as possible. Similarly, mid-tier festivals have developed online or hybrid structures that follow previous models of scarcity—for instance, selling only as many online tickets as they would on site or using geoblocking technology to keep regional premiere and exploitation patterns.

It remains to be seen how the theatrical circuit will be able to pick up where it stood before the pandemic shift. Considering that streaming companies have recently moved into the cinema logic for prestige (Burgess and Stevens 2021), in the near future it will be interesting to follow how symbolic capital keeps being formed through festivals. This might give an indication of how things could develop in the future. One thing is for certain: festivals will clearly try to go back to being on-site events and thus to maximize the unique elements of festival experience and atmosphere that cannot be sufficiently achieved online.

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