Horrifically local? European horror and regional funding initiatives

Russ Hunter (Northumbria University)

Since the turn of the millennium a number of regional regeneration-orientated schemes have helped fund contemporary European horror films. Usually providing funding for part or all of a film’s production taking place within a specific geographical region, such funds are driven by a number of factors. Broadly the can be seen as attempting to have industrial, technical and economic benefits for the region within which they exist. The funding original of regional initiatives varies, but in general terms they are capitalised via a combination of public and private-investment funds, the latter meaning that the potential profitability of any given project is often a key consideration during the application process. This fact has tended to mean that, whilst regional schemes do not exclusively favour the production of horror cinema, their portfolio of projects tends to have a strong genre-cinema bias. Horror films in this sense has a particular appeal, given that they are ‘often cheap to make, they are not usually star-driven, don’t need a lot of expensive special effects and can be made in a tight locale’.\(^2\) Horror, then, has a financial appeal to investors. But, as Jonathan Rayner notes, it also can explore topics that resonate nationally and as such is a ‘commercial genre imbued with a specific cultural significance’.\(^3\) Moreover scheme coordinators are aware that as a genre horror has a ‘faithful, engaged and international audience’, which means funders are ‘generally positive towards such projects’.\(^4\)

A notable recent example, that combines a drive for regeneration (via regional spend by filmmaking crews), the promotion of filmmaking within a specific territory and an investment return, is Screen Yorkshire (a project part funded by the European Regional Development Fund). With an annual budget of £15 million supported by the Yorkshire Content Fund, it has helped to capitalise a number of recent horror (or horror tinged) releases, most notably *The Cottage* (2008) *Hush* (2008), *Kill List* (2011) and *Berberian Sound Studio* (2012). To be considered for funding any given production must be filmed in Yorkshire and Humber and it must ‘employ people within the region and be managed by a registered company located in Yorkshire and Humber’. Screen Yorkshire is typical of many such funds in that whilst the provision of monies is aimed at helping to make the region ‘one of the most sought after destinations for production in the UK’ and ‘which invests first and foremost in content, but
also in developing talent’, it is also a ‘specialist business’ that has a number of clauses and restriction within it. The latter is important as along with the regional developmental goals of the fund it also seeks a return on its investment and this tends to make genre cinema generally (and horror cinema specifically) an attractive investment option for Screen Yorkshire. This is a structure that is common for a number of regional funding initiatives in as much as they - like Screen Yorkshire - are often co-investment funds that seek to generate a return (of some kind) that can be used to both feedback into the fund itself and provide a financial reward for private investors.

The funding of European horror films has historically been amorphous. From Italian horror producers in the 1970s, such as exploitation specialist Joe D’Amato, taking out personal bank loans in order to fund projects, to British production companies such as Hammer or Amicus - often with American financial backing - producing cycles of gothic horror films, financial strategies for developing projects have varied enormously. The timescale involved in attempting to trace the development and contours of funding practices for European horror films, when aligned with the diverse production contexts of the continent’s film output, underlines and informs these differences. In general terms, European horror films, in line with other European genre productions, have often been characterised by a tendency towards co-production arrangements (and to a large extent still are). Given the decades that European horror film production spans – and depending upon precisely how we identify and date its beginnings – patterns of financing have necessarily varied. Co-productions, in particular, have been seen as having the capacity to ‘open up’ access to foreign markets in a number of ways and are usually associated with specific various financial incentives (most commonly tax breaks). In this way they have therefore tended to prove popular with European horror filmmakers as structures around which to better financially package any given film. Moreover they have traditionally offered a way to capitalise projects (or complete budgets) and ease subsequent distribution in partner territories.

As Tim Bergfelder has observed, projects to encourage mutually beneficial film-based partnerships amongst European nations have a long history, formally dating back to the signing of the first official co-production agreement between France and Italy in 1949, although there had been unofficial film co-operation amongst European producers since at
least the 1920s. This move, initiated to ‘boost production and to balance the quantity and steady influx of American exports’, was followed by a series of similar accords amongst European nation states in the 1950s and 1960s. The notion of cooperation amongst European producers in order to encourage film production, as both an economically beneficial activity and culturally important entity, was over the course of the 1950s and 1960s increasingly supported by several pan-European organisations. In a variety of ways a number of such entities, such as the Western European Union (WEU), the Organisation for European Economic Cooperation (OEEC) and the European Economic Community (EEC), played a key role in facilitating the development of co-financing arrangements amongst a number of European territories.

In broad terms, from the 1960s onwards, the impact of European film financing arrangements can be characterised by the creation of what Tim Bergfelder has called ‘The Genre Factory’. In this sense horror producers found themselves better able to utilise co-production agreements to gain access to (potentially) lucrative markets and the kind of arrangement evident in the French/Italian Eyes Without a Face (Georges Franju, 1960) would continue well into the late 1970s (and to some extent in the 1980s). But the repeated use of such arrangements is most keenly demonstrated by the co-production arrangements evidenced during the production of Spaghetti Westerns from the mid 1960s onwards. Part of the attraction of making, for instance, A Fistful of Dollars (Sergio Leone, 1964) with Spanish and West German co-production partners was the easier access it offered to potentially lucrative Latin American markets and to the sizeable German film sector. Indeed, a large portion of such Spaghetti Westerns were structured around such coproduction deals, often involving multiple partners and such was the popularity of the Spaghetti Western that Wagstaff estimates as many as 450 such films were produced in the period between 1964 and 1978. The Spaghetti Western production model, with its particular stress on rapidly assembled co-production deals with a stress on multiple partners, was one that Italian genre producers would embrace and would be used frequently by exploitation filmmakers during the 1970s and very early 1980s, in particular.

But if, in part, the encouragement of pan-European cooperation was brought about to counter American production and distribution dominance, that did not preclude mutually
beneficial arrangements with US studios and producers. Peter Hutchings has pointed out that Hammer Horror, an iconic British company, ‘was heavily dependent on American financing throughout the 1950s and most of the 1960s’ and that Amicus was created and owned by two Americans, Milton Subotsky and Max J Rosenberg. Given the long-term effects brought about by the impact of the Paramount Decree, in particular the shortfall in production it engendered, American investors were enthusiastic about the potential for European production to effectively ‘fill a gap’. In this sense European horror producers have pursued a number of strategies in attempting to finance their film projects.

**Regional funding initiatives: promoting filmmaking, returning a profit**

Since the turn of the millennium, the European Union has played an increasingly important role in developing, promoting and supporting ‘state-aid mechanisms’ that aim to encourage production, improve production skill levels and inter-state co-operation, promote new technologies and in turn see member states benefit economically from these developments. As Anna Jäckel notes, the late 1980s onwards was a period characterised by the ‘creation of programmes at European (MEDIA, EUREAK Audiovisual) and pan-European (Eurimages) levels’ whereby a number of initiatives were promoted in order to ‘mobilise capital resources’ in the region. Horror productions have traditionally tended to not be able to take advantage of such programmes as in many instances genre cinema is seen as being ‘too commercial’ to require support - and therefore qualify for - such support (and in some cases it has not been viewed as culturally valuable enough to promote via financial assistance). However, recent developments within regional European funding bodies and initiatives, have led to a proliferation of films that combine more traditional co-production agreements with the use of both regional and intra-regional funding sources. These funds are monies that are controlled by non-governmental bodies whose principal aims and financial structures vary but who, in general terms, aim to attract film productions to the geographical areas they cover in order to regenerate, develop or economically benefit the region under their purview. As such, the area-specific imperatives of these funds differs as does the method and extent of resource allocation, but the general aims are - at their most fundamental level - to boost economic growth by attracting film productions to specific regional locations.
A number of changes within film funding practices occurred following broader developments within European regional development policy and the allocation of European Union Regional Development Funds in the late 1990s and early 2000s. The utilisation of regional funds has steadily increased since this period as filmmakers seek to top-up or consolidate their budgets with production partners formed out of these regional funding bodies. The allocation of such funds does, however, have particular restrictions that can vary from the production merely needing to be filmed in part in a particular geographic region to its entire production and ‘spend’ being fully based there. Likewise some funds are interested in productions based purely on the economic impact they will have locally due to their presence (generally in terms of their local spend or ‘Gross Vale Added’), whilst others also look for a back-end share of the profits from the film itself and are thus positioned also as investment partners in a more strictly commercial sense.

The popularity, reach and visibility of regional film funding initiatives can be connected to the logic of wider developments in pan-European funding. In particular, funding strategies within the European Union and in particular its own regional development policies. The notion of funding to promote economic and social development in areas faced by industrial and/or agricultural decline, something initially attempted via European objectives 1, 2 and 3 (2000-2006), is in line with the aims of many regional and local film-based funding initiatives. The aim for the European Union was to make regions more competitive, foster growth and so create (more) jobs. Whilst national and regional film initiatives like the Film Fund Luxembourg, Filmstiftung NRW (covering the German state of North Rhine-Westphalia), Nordmedia (Lower Saxony and Bremen) and Fuzz (Western Norway) have differing structures, their overall aims tend to mirror the wider logic of the deployment of European Structural funds. That is not to say these funds draw their money directly from the European Union (although some do to varying degrees) but rather that in most cases they have adopted the logic of these broader policies and used them in relation to film production.12

In essence it is no longer simply by approaching adequately capitalised production companies, or by forming co-productions (official or otherwise), that offer means by which European horror filmmakers can put together deals. And whilst the benefits of co-productions - in particular tax rebates and easier access to foreign markets - are still effective means to
stimulate production, they are frequently found in conjunction with specific regional funding initiatives. Increasingly frequently European horror productions are also able to access regional and local funding that means they forgo co-production arrangements altogether.

The films that demonstrate the diversity and impact of such funds are numerous and varied, but *Creep* (Christopher Smith, 2004), *Salvage* (Lawrence Gough, 2009) and *Trollhunter* (André Øvredal, 2010) are useful case studies for demonstrating the ways in which a range of regional funding initiatives have allowed for the achievement of a variety of budget levels. As such they allow for an exploration of the ways in which the regionality of their funding sources inform their production dynamics and how such schemes are embedded within the wider logic of European regional funding and regional redevelopment. Sometimes, as with the case of *Creep*, such European horror films are part of conventional co-production deals that are bolstered by regional monies. But this can also take the form, as with *Salvage* and *Trollhunter*, of arrangements that are distinctly ‘local’. For these films regionally specific funding projects were used to allow them to both enter and complete production. The producers of *Salvage* were able to successfully apply for and win one of only three ‘one-off’ awards being given out from a specific time-bound funding project, the Digital Departures scheme. *Trollhunter*, instead, was neither a co-production nor awarded one-off regional funding, being able to use a variety of regional and local funding schemes to ensure an all Norwegian production. In each case, the differing dynamics of individual regimes impact upon key production decisions, most notably physical location, necessarily shaping the look and often the overall tone of the final film.

**Creep**

*Creep* is characteristic of a gradual move towards production partnerships that are supported by regional funding bodies (often in association with national film agencies). Something that has been a typical packaging arrangement for European horror films since the turn of the millennium. Developed from an original idea by writer-director Christopher Smith with Dan Films, *Creep* tells the story of Kate (Franka Potente), a German girl living in London, who after missing her last train on the Underground is stalked by Craig (Sean Harris), a hideously deformed killer who lives in the sewers. After script development, Dan Films considered
where the best place to shoot in a studio that offered financial enticements would be and given that UK studios offered few financial incentives - but several German ones did - a decision was made to build the film around a UK-German co-production arrangement with Zero West.

In itself this was merely a fairly standard co-production packaging arrangement whereby a cross-benefit analysis of which partner offers the best production facility for any given stage of production takes place. In this instance the financial incentives on offer in Germany were enough to ensure that any studio-based shooting would take place there. Financially the deal benefitted from the successful accessing of funds from the Filmstiftung NRW (North Rhine Westphalia), a region-specific German fund that allocates approximately 35 million euros each year, supporting amongst other things, the promotion of ‘film and media culture as well as film and media business activities in the state of North Rhine-Westphalia.’ Funds are available for films that are shot partly in the geographical region of Westphalia and the disbursement of these is provisional upon a potential for economic effect. As part of the qualification criteria for the funding Dan Films needed to spend at least three times what their German partner organisations were prepared to invest. Given these considerations, Creep was shot in 2003 in both London and in studios in Cologne in association with the UK Film Council (crucial for the film’s ‘official’ co-production status and for gaining a distribution deal much more easily). The combination of co-production deal and accessing of regional funding meant that a budget of 3.5 million pounds was raised.

The allocation of funds to the film by the Filmstiftung NRW meant that the choice of where to shoot in Germany was directed to a specific set of possible geographically-specific production facilities. In this instance the overall ‘look’ of the film was not impacted upon by this decision as the studio work, which consisted mostly of the sewer sequences and those inside Craig’s hideout, gave no hint of where it was filmed and therefore did not impact upon the authenticity of the film’s London setting. In effect, the nature of the film meant that the producers realised that half could quite easily be shot in a studio (the German half), whilst the other half had to look properly like the London underground (the UK half of the shoot). A decision was made to shoot on location in Aldwych tube station - the rent-a-station of choice for many filmmakers having featured in films as diverse as Deathline (1972) and V for Vendetta (2005) - whilst the terms of the production deal with Zero West and Filmstiftung
NRW meant that all production studio work shot in Germany was with a local crew (with the exception of the cinematographer Danny Cohen who was retained in order to maintain continuity in the look of the film). The film was thus an official British-German co-production (with it being a majority British co-production).

For Dan Films this co-production status has always remained merely ‘technical and practical and nothing to do with the content of the film’. Whilst the look of the film, in terms of achieving a consistent aesthetic that gives no hint of separate filming locations, gave no sense of the film’s co-production structure, other factors proved more telling. The nature of such coproduction arrangements meant that inevitably there were creative decisions that were influenced by a partnership between production companies from two different national contexts. The casting of the lead actor illustrates the ways in which this impacted upon the nature of the final film. Although Creep was technically a majority UK co-production it was crucial that a lead actor who ‘meant something’ to both the UK and German production partners and would ‘work’ in the context of the film was cast. German actress Franka Potente had then recently starred in Run, Lola Run (Tom Tykwer, 1998) and The Bourne Identity (Doug Liman, 2002), had subsequently developed into a star in her home country and had box office cache more generally in Europe. As she happened to be German, and was big star there, the co-producers were enthusiastic about her inclusion in the film. As the film’s Producer Julie Baines notes, much of putting such deals together is about timing, whereby the optimal outcome is to locate the ‘right star, the right nationality, at the right time’. Potente playing a German girl in London (a highly cosmopolitan city) worked at this precise moment in time. This also solved an issue of otherwise having to have German actors in other major parts, which could have proved problematic for what was an English language, British-set film. Given the cosmopolitan nature of the film’s setting (London) it is possible that having a disproportionate amount of German actors cast in significant roles could have worked, but – regardless- it would still have altered its overall look, tone and direction.

There are, of course, a variety of issues that can arise from coproduction arrangements. Notes from foreign production partners and investors can often be contradictory or reflect particularly national viewpoints on what a genre film should be. With Creep the arrangement produced relatively few conflicts, although given Potente’s status at the time in Germany some problems arose as to just how horrific the film should be when she was onscreen. The
cultural status of the horror genre was seen as in some ways problematic given the rise in Potente’s star cache during this period. Regardless, the deal was largely struck on the basis of Potente’s involvement (this certainly sped it through) but both Zero West and the Filmstiftung NRW were keen that the film be distributed as a thriller rather than a horror film. To quote producer Julie Baines (of Dan Films): ‘At that moment Franka was their princess and they didn’t really want her to be in a horror film’. 17

Although Baines recognises that it is possible to make a solely UK funded horror film, she argues that sources of funding are limited for small and micro-budget productions. Indeed, she stresses that unless BBC films, C4 or the BFI provide financial assistance it is very hard to raise a significant budget (or move beyond micro-budget territory). Indeed, she argues that £3.5 million pounds is now considered somewhat of a ‘no-mans land’ – too high to raise by public funding sources, too low for private investors to consider it viable. 18 In this way, regional funds by themselves are not sufficient support mechanisms to raise budgets that go beyond what might be considered low or micro budget features as typically the funding available is relatively low and usually, as is the case with Screen Yorkshire for instance, operated on a match-funding basis. But for smaller scale productions, with lower budgets, such schemes can and frequently do provide the main proportion of budgets.

**Salvage**

An example of micro-budget film that gained the majority of its budget from a regional funding scheme is **Salvage**. Certainly European horror films can often be marked by the complexity of ‘the international relations in place within and around the films’, 19 but it is not necessarily always the case. The imbedding and then extension of regional funding practices has led to sets of films that are able to financially structure productions with less complex international partner relations. **Salvage** is notable here. As a micro-budget film, the whole of its £250,000 budget was derived from a one-off regional funding initiative for the city of Liverpool and was shot on digital video in order to make cost savings and attempt to promote a then new technical development. 20

**Salvage** benefitted directly from the creation of the Regional Development Agencies (RDAs) that were introduced in the UK between 1998 and 2000. The central idea of the RDAs was to develop Britain’s regions, primarily from an economic standpoint. These were non-
departmental government bodies that took over the administration of European Regional Development Funds in these areas and sought to develop a number of regional initiatives in order to, in effect, provide an accelerator effect for regional economies and stimulate both growth and development. The statutory objectives of the RDAS are important here in as much as they mirror those of regional funding bodies such as Screen Yorkshire. In this way their mandated responsibilities to try and further economic development and regeneration; to promote business efficiency and competitiveness; to promote employment; to enhance the development and application of skills relevant to employment, and to contribute to sustainable development are echoed in the aims of most European Union area regional funding initiatives for the film industry.

*Salvage* was produced via funding from the Digital Departures scheme, a city-specific project aimed at promoting the growth of low budget filmmaking in Liverpool (via the use of then comparatively new digital technologies). Developed by Northwest Vision and Media in partnership with Liverpool Culture Company, Digital Departures was initiated to coincide with the city’s then upcoming Capital of Culture celebrations in 2008. Eligibility was based upon the main applicant being Liverpool-based, with each production receiving £250,000 to make a feature film that would be developed, shot and post-produced in Liverpool. The scheme itself attempted to use the growth of digital technologies (and associated cost savings) in order to promote not just British film production but film production in and around the city of Liverpool. Specifically it aimed to promote new methods of filmmaking in the city of Liverpool by using what was, at the time, nascent digital video technology. The initiative developed out of the belief that quality micro-budget films could be produced with a technology that would allow more ‘bang-for-the buck’. In fact, this was part of a wider sense of optimism about what the potential implications of a ‘digital turn’ might mean. As Head of Films at BBC Programme Acquisitions Steve Jenkins noted in 2008 ‘[t]here is a wave of optimism in the film arts at the moment, anything seems possible.’ The aim was that the films would be distributed across a variety of digital platforms and that this was something the digital nature of the project hoped to synergise with. But more than this, it was hoped that the Digital Departures scheme would, in the words of its Executive Producer Lisa Marie Russo, make Liverpool ‘Europe’s shining light for micro-budget feature film making’. In fact,
North West Vision’s mission statement was to work with a variety of media sectors ‘in order to grow a world-class media economy in England’s North west’ and as such the creation of the scheme was seen as a perfect complement to their overall long-term aims.24 The importance of this drive towards digital participation has proved prescient in as much this form of filmmaking was once chosen for both its relative cheapness and sometimes as a distinct aesthetic choice, whereas ‘...digital image and capturing is now used as standard on film projects at all budget levels.’25

When the project was initiated in 2007 there was a belief that digital technologies could fundamentally alter the level of cine participation at a regional level and that this would in turn have an impact upon the cinematic and economic dynamic of the city. If nothing else, there was a feeling that the region’s filmmakers did not want to ‘get left behind’ in what promised to be a rapidly changing production environment. In total Digital Departures received 156 submissions, which were then shortlisted to twenty-five, twelve, and then six projects, before three were finally selected for production. Eventually, Salvage was chosen alongside Terence Davies’s Of Time and the City (2008) and Lindy Heymann’s Kicks (2009).

Filmed in Brookside Close, the site of Channel 4’s iconic Liverpool set soap opera Brookside (1982-2003), Salvage is - effectively - a one-location horror. The film follows a mother attempting to save her estranged daughter after her street is quarantined by the military (who are searching for an escaped ‘creature’ that is roaming the area). Given the distinct geographical pegging of the funding as city-specific to Liverpool, a suitable location was sought in the city and the un-used Brookside site (Brookside Close) was chosen. Following the ending of the soap the site had become somewhat of an iconic location but had a number of alternative uses before finally sitting idle. This fact was important as it meant a financially workable deal could be done to secure the site for filming and, in any case, as the film’s producer Julie Lau notes ‘budget restrictions would have made it impossible to film at various locations.’26 In many ways the restrictions were serendipitous in as much as they directed the production towards a site that made practical as well as financial sense. The script and nature of the film’s narrative meant that a location was required that could both be practically and easily used for filming but could also suggest containment. In this sense the restricted and physically bounded nature of Brookside Close as a cul-de-sac represented an ideal location, although the producers of Salvage were keen to ensure that the specific location was not
identifiable. In the case of Digital Departures, the primary drive was to not to promote Liverpool per se (as a tourist destination or filming location), but to make an impact upon the take-up of digital filmmaking in the city.

**Trollhunter**

Some films, particularly those that develop from scripts that have nationally (or even regionally) specific narrative elements in their address and subject matter have been able to secure a series of regional and inter-regional funds. An example of a European horror film that took advantage of what we might term concertina regional funding, whereby securing funding at a regional level allows for the ability to apply for funds at a variety of more local levels, is the Norwegian film *Trollhunter*. The film follows three student friends who, during a break from university, decide to make a documentary about a man, Hans, they think is a bear poacher. Instead when the finally encounter him, Hans (played by controversial Norwegian comedian Otto Jespersen) turns out to be a government sanctioned troll hunter, whose job it is to keep the existence of trolls hidden from the public.

The film was made up of a number of Norwegian production partners and was supported by a fund for films made in Western Norway, Film Fund FUZZ (or more commonly just FUZZ), and then an intra-regional fund, the Sogn og Fjordane fund (a specific county in the West part of Norway offering support to productions filmed there) as well as broader support from the Norwegian Film Institute and distributor SF Norge AS. FUZZ was founded in Bergen in 2006 and is funded by a mixture of public and private monies. As such its aims are a mixture of developmental and profit-oriented, whereby it seeks to fund projects with a two-fold motive: ‘to recoup their investment alongside other equity investors and ... to strengthen the audiovisual sector in Western Norway’. Given this latter desire it is perhaps unsurprising that the allocation of funds come with strict selection criteria. Not only do productions need to be filmed in entirely in Western Norway but applicant production companies also need to be Norwegian, spending 100 % of the funds within the regions audiovisual sector. Although *Trollhunter* dealt with a national symbol of Norwegian folklore - and was therefore potentially a very nationally specific narrative reference point - its horror inflection gave it a broader commercial potential. This also made it far more attractive as a funding proposition in as much as it demonstrated a clear opportunity for ‘[c]ommercial potential, recoupm
position and effect for regional film industry’.

Indeed, given FUZZ’s position as a part investor-driven scheme, much of its portfolio is made up of genre films as they are seen to be specifically commercial products. In particular, it has tended to view horror films favorably, producing a number both before and after the success of *Trollhunter*, such as *Hidden* (Pål Øie, 2009), *Thale* (Aleksander Nordaas, 2012) and *Villmark Asylum* (Pål Øie, 2015).

The nature of *Trollhunter*’s narrative, based around the trope of a ‘student film’ and shot as with a series of handheld cameras as though it was a real documentary, has important implications in relation to the specific set of funding it received. For *Trollhunter* the geographical funding available was both regional and local, with the nature of both FUZZ and the Sogn og Fjordane fund meaning that the film necessarily had to be filmed not just in Norway but in a *specific* part of Norway. In some sense this funding structure helped to define the film’s broad aesthetic. For its producers this was not only unproblematic but also could be directly linked to what the script required. The nature of the narrative and the playful focus upon the nationally specific folkloric idea of the troll meant that the most ‘authentic’ locations would naturally be Norwegian. This also allowed not only for the film to look visually impressive, showing off the countryside of Western Norway to good effect, but also meant that locations such as Trollstigen (Trolls Path) – a serpentine and spectacular stretch of road in Møre og Romsdal county – featured in the final film.

The nature of Han’s job necessitates him shifting locales frequently and the viewer ‘travels’ with him and the student crew to a variety of remote but also dramatically beautiful locations over the course of the film. These are captured in a number of long and extreme-long shots that work to show off the rugged beauty of the region’s countryside. This in turn can be viewed as an advert for the region as a beautiful tourist spot and an attractive filming location. In effect the film can be viewed as not just a horror film but also a kind of travelogue whereby the horror present does not impact upon the appeal of the location. The lightness of the film’s horror elements - the trolls are big and lumbering, leaving behind large swathes of a sticky mucus substance that is comic rather than scary – and the clear play on Norway’s folklore, ensure this. The effect of this is to present the region in its ‘best cinematic light’ so that other productions might be attracted to shoot there and thus increase the funds activities.
Conclusion

What the current funding landscape for European horror films evidences is an increasing number of films that look to regional and sometimes then intra-regional sources of funding. This is sometimes, as with the case of Creep, part of a more traditional co-production deal with other national partners. In these cases regional funds are accessed to help either top-up budgets should there be a shortfall or as part of the overall strategy of funding projects. But this can also take the form, as with Trollhunter, of arrangements that are distinctly ‘local’ and that tie the final film to a very specific geographic - and a hence aesthetic - location. But local does not necessary just imply the promotion of specific regional locations in a bid to bring in either further inward investment or even increase tourism. The case of Salvage demonstrates how funding tied to specific (and in this case one-off) regional projects can be directed towards developing the use of particular technologies. Such regional funds can be seen to grow out of the logic of the broader European Union Regional Policy and are now identified as a matter of course by European horror producers who are seeking investment opportunities.

There is some continuity with earlier modes of production finance. Regional funding opportunities have not spelt the end of co-production arrangements or even meant that European horror films are not financed in other, more traditional ways. Yet it is also important to recognise that other funding channels have developed that point to changes in the film-finance landscape, potentially broadening the opportunities to capitalise film projects. In particular a number of television companies have begun not only to distribute European horrors – which in any case they have done for a long time – but also to part-finance them. The Spanish horror-sci-fi Timecrimes (Nacho Vigolondo, 2007), for instance, is instructive here as it is a hybrid of several traditional and contemporary funding models. Whilst it was capitalised by a number of small-medium sized Spanish production companies in a more ‘traditional’ manner, it also received support from a number of television companies. Most notably here a variety of regional (and in some cases also national) broadcasters, such as TeleMadrid, the Basque public service broadcaster Euskal Irrati Telebista, the Canary Island based Televisión Pública de Canarias and Televisión Autonómica de Castilla-La Mancha, were all associated with the film’s production. Whilst this support was - relative to other financiers
- relatively modest, it does point to potentially fruitful areas for future scholarship in examining the multiplicity of funding sources around which producers can seek to build film projects and how these may interconnect or present potential contradictions.

But there are also numerous examples of films that supplement more traditional funding arrangements with the financial (and often practical) benefits regional funding bodies offer. Neil Marshall’s *Dog Soldiers* (2002) is a good example of where more traditional co-production arrangements with multiple partners sat alongside regionally specific funding from the Film Fund Luxembourg. Equally films like *Minotaur* (Jonathan English, 2006), a UK/Spanish/German/French/Italian/US co-production, included multiple international production partners that recalled the kind of co-production deals of the ‘Genre Factory’, as well as the support of Film Fund Luxembourg and the regional funding body Medienboard Berlin-Brandenburg. Such arrangements are becoming increasingly common.

Regional schemes, of course, vary both in terms of what they offer and indeed how long they endure. At times they are designed to last for specified amount of time, but they can also be vulnerable to broader changes in the economy as a whole. Digital Departures was a one-off that existed at an opportune moment to take advantage of particular production circumstances and attempted to link them to a geographical region (or, in this case, a city). But such schemes highlight the potential fragility of regional funding bodies that rely, in part or wholly, on monies from state agencies. Whilst Digital Departures was a discreet project, the impact of the on-going financial crisis and a move towards fiscal austerity in a number of European countries has impacted upon state and regional agencies. Moves by the British government, for instance, to rationalise its spend on the culture industries in the wake a broader move toward fiscal austerity, saw the UK Film Council wound-down and eventually closed on 31st March 2011, with many of its former responsibilities passing on to the British Film Institute (BFI). A net effect of this was a reshaping of regional film centres, with North West Vision and Media no longer existing as a separate entity, instead being incorporated into Creative England. Funds that are made up entirely or largely by public sectors monies are therefore more vulnerable to changes in the economic climate in ways that schemes based around private equity are not.
But, other initiatives have been less dramatically affected. Schemes like the Filmstiftung NRW, FUZZ and Screen Yorkshire, are on-going and attempt to encourage film production, stimulate a regional economic impact and seek a return on their investment. In operating what is defined by FUZZ as ‘a collective investment fund sourced by private investors’, regional funding initiatives such as these are less impacted by changes in public sector funding. For Filmstiftung NRW funding and production levels have remained stable, whereas FUZZ Managing Director Lars L. Marøy notes that in Norway ‘there have been very few cuts in the public sector in general, and none in film financing’ and that conversely the success of his scheme has meant that available investment funds have ‘more than doubled ... over the past years’.29

There is clearly a great deal of work to be done to substantiate just how many of Europe’s horror productions take advantage of such initiatives and – specifically – how to what extent they impact positively upon regional economies. But it is clear that the increased reliance on specifically regional and local funding sources is distinct to this period of European horror cinema and one that, when the broader history of European horror it written, will prove significant. Whilst traditional co-productions are still common, they are increasingly offset with regionally oriented production arrangements. Regional funds have become increasingly important for all kinds of filmmakers, but European horror productions in particular have benefitted. Given that most funds have both developmental and financial aims horror, as a traditionally ‘commercial’ genre, has a clear attraction. That is, horror’s position as a form popular genre cinema – and one that historically proved consistently commercially profitable – means that this has become an additional and much more receptive means by which attempt to raise film finance.

---

1 A special thanks to Julie Baines of Dan Films, Lars Leegaard Marøy of FUZZ and Julie Lau of the BBC Academy for their kind assistance with this research project.


4 Author’s correspondence with Lars Leegaard Marøy, Managing Director, Fuzz Ltd.
6 Bergfelder, Tim, International adventures: German popular cinema and European co-productions in the 1960s, Berghahn Books, 2005, p.55
7 Ibid.
8 Bergfelder (2005), p.64
11 Jäckel, Anna, European Film Industries, British Film Institute, 2003, p.67
12 Although some funding initiatives, such as Film Fund Luxembourg and the Filmstiftung NRW predate the development of Objectives 1-3 and subsequent regional policy developments. There is an acceleration of their activity is evidenced in the period following the establishment of the objectives. Indeed, The Luxembourg Film Fund, which was founded in 1990, only began to make significant progress after 2000, following a restructuring in 1999 with the release of Shadow of the Vampire.
14 All post-production work was carried out in the UK.
15 Authors interview with Julie Baines (Dan Films), 4th January 2013.
16 Authors interview with Julie Baines (Dan Films), 4th January 2013.
17 Initially distributed as a thriller in Germany, theatrically the film failed – the only territory where it did so. Prior to its release, Zero West criticised Pathe’s marketing of the film in the UK and said they had got it wrong marketing it as a horror. However, when the film was released on DVD in Germany it was marketed as a horror film and subsequently performed much more strongly.
18 Authors interview with Julie Baines (Dan Films), 4th January 2013.
20 Part of the North West Vision’s aim is to encourage an engagement with digital technologies. At the time of Salvage’s production this was a new technology and one that was developing rapidly. As the organisations website notes: ‘The future holds more and more digital products so it is essential to be ready for all the upcoming changes in order to have the full benefits’. http://www.northwestvision.co.uk/Digital-Future.html accessed 26th January 2015.
21 This was set up by Liverpool City Council in 2004 after it was announced as European City of Culture for 2008.
24 http://www.northwestvision.co.uk/about.html Accessed 2nd February 2015


26 Authors correspondence with Julie Lau, 16th June 2014.


29 Author's correspondence with Lars Leegaard Marøy, Managing Director, Fuzz Ltd.