

# Film Policy and the Role of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm in Developing National Film Production

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**Summary.** National film production in newly developing film industries in Europe, such as in Lithuanian, Latvian and Estonian, did not receive much attention. This article analyzes the concept of national cinema, its connection with film policy in European film industries and the Baltic film industries as well as the role of the biggest film studios in Lithuania, Latvia and Estonia in producing and developing national film production.

**Keywords:** Film production, national films, film policy, film studios, Baltic film industries.

## **Kino politika ir Lietuvos kino studijos, Rygos kino studijos ir Tallinnfilm vaidmuo plėtojant nacionalinę kino produkciją**

**Santrauka.** Kino platinimas yra išsamiai analizuojamas ir aptiriamas įvairiuose moksliniuose šaltiniuose, kur akcentuojamas Holivudo kino industrijos dominavimas ir užsakomųjų vaizdo paslaugų platformų įtaka. Tačiau, dėmesys nacionaliniam kinui ir jo platinimui tokiose besivystančiose Europos kino industrijose kaip Lietuvos, Latvijos ir Estijos nesulaukė tyrėjų dėmesio. Straipsnyje analizuojama kino platinimo ir rinkodaros reikšmė kino gamybai Baltijos šalyse, be to, didžiausių kino studijų vaidmuo plėtojant nacionalinių kino filmų gamybą.

**Pagrindiniai žodžiai:** kino gamyba, nacionalinis kinas, kino politika, kino studijos, Baltijos kino industrijos.

## **Introduction**

National film production and its development in Europe is highly affected by film policy, which usually entails certain financial support mechanisms and regulations since European film industries are constantly challenged by the dominant position of Hollywood, because of the fragmented markets (Pardo and Tabernero, 2012, pp. 91-93). The dominance of Hollywood film industry and its impact for European film industries is widely discussed topic among various authors: Thomas Schatz (2012), Janet Wasko (2005), Alejandro Pardo (2007, 2012). Consequently, Douglas Kellner stressed the importance of political economy and that “production, distribution, and reception of culture take place within a

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specific economic and political system that are constituted by relations between the state, the economy, social institutions and practices, culture, and organizations such as media” (2009). Furthermore, the system of production and the relations between the economy and state sector are important in determining what sort of cultural artifacts are produced and how they are consumed (Kellner, 2009). Therefore, state’s intentions toward media industries are related to growth, competition and distribution of its products (Richeri, 2014), however, national film production in the Baltic States was heavily influenced by formation, implementation and development of film policy and its relation with former state owned film studios.

The implementation of film policy in the Baltic States was problematic since all Eastern European film industries experienced “massive cuts and withdrawal of secure funding early in the 1990s” (Iordanova, 1999, p. 46). Even though Latvia and Estonia had already established their institutions responsible for the formation of film policy, but national film production did not get enough attention neither financially nor from the biggest film studios and at the same time film distribution markets in the Baltic States were dominated by Hollywood film production.

The article argues that national film production and its development in the Baltic States was closely connected with newly emerging film policy and state owned film studios – Lithuanian Film Studio, Riga Film Studio and Tallinnfilm that were producing national films during the 1990s despite their difficult infrastructural, financial situation and generally fierce international competition in Eastern Europe. These film studios were the biggest in Lithuania, Latvia and Estonia and could be considered as one of the most important catalysts in developing national film production in the 1990s, which later at the beginning of 2000s and later in 2010s was continued to be fostered and developed by film centres and rising financial support.

## Literature review

While analyzing national film production and its development in the Baltic States, it is paramount to start with the theoretical concept of national cinema where according to Andrew Higson “consumption as much as the site of production of films“ (1989, p. 132) are the parameters that should be focused on. Thomas Elsaesser expanded this approach with argumentation that led to presupposition of production and industry perspectives where the preferences of audiences have to be included since each national cinema is both national and international (2005, pp. 37-38).

Eastern Europe film industries started to receive certain attention at the end of 1990s and later. For instance, Dina Iordanova published an article about East Europe’s industries since 1989, where she analyzed financing structure and studios (1999) since market economy changed the way financing was allocated to former Soviet-bloc countries and their film industries. In the publication she stressed the importance of national cinema as a “new European” one, which was influenced by rising commercialism and the share of international subsidies for filmmaking in Eastern European film studios. More importantly she revealed how public and private financing in Eastern Europe affected the conditions

of film production, which was carried out by state-owned film studios such as Barrandov in the Czech Republic, Boyana in Bulgaria, Jadran Film in the Balkans, Buftea in Romania, Film Polski (run by the Polish state cinematography committee). Nevertheless state-owned film studios in Lithuania, Latvia and Estonia (Lithuanian Film Studio, Riga Film Studio and Tallinfilm) were not analyzed and this left a certain gap in understanding the full picture and trends of national film production development in Eastern Europe and especially in the Baltic States.

In the publications and monographs that Dina Iordanova wrote later (2002) and *Cinema of the other Europe: the industry and artistry of East Central European film* (2003) she paid more attention to distribution stating that Eastern European filmmaking was in a disadvantaged position in regard to international distribution despite the distribution programs such as Eurimages (2002, p. 530). The Baltic film industries and their activities in joining such film production and distribution support programs as Eurimages or Media were not mentioned.

This gap of national film production development in Lithuania, Latvia and Estonia was partially and fragmentally covered by such authors as Bjorn Ingvaldstad, Tomas Mitkus, Zane Balčus, Kaspars Šteinbergs, Renate Cane, Eva Nāripea, Andreas Trossek. For instance, B. Ingvaldstad published an article “The paradox of Lithuanian National Cinema” (2008) where he was questioning the position of Lithuanian national cinema in the 1990s. This questioning was based on the argument that Lithuanian film was “Euro-American art cinema”, which still failed to draw audience’s attention (2008, p. 143). This situation was influenced by dramatic shift of the marketplaces, international competition, evaporation of local funding and studios focusing to make various series for US cable channels (for example, Lithuanian Film Studio – Robin Hood). Even though this article focuses on the concept of national cinema, the role of Lithuanian Film Studio and audience for the national cinema, but these aspects were not connected to film policy and its role for the development of national film production.

Film policy in the Baltic film industries was analyzed by author himself (Dabrovolskas, 2022) where the role of film policy and its development in Lithuania, Latvia and Estonia was connected with the establishment of film centres and the changes of their aims and functions in regard to financial support administration without researching the role of state-owned studios in developing national film production. Lithuanian film industry from economic perspective was analyzed by Tomas Mitkus, who wrote an article named Lithuanian Film Industries in Twenty-First Century: State Supported Art or Business? (2011). The research was based more on film industry and attendance ratio without using wider regional perspective and leaving the analysis of film policy aside. Ieva Vitkauskaitė analyzed film production business models (2020), however the article does not cover the implementation of any of presented business models in specific studio cases in the Baltic film industries.

Latvian film industry from 1991 to 2010 was analyzed by Zane Balčus (2011), but fragmentally and only referring to institutional changes, but not giving any attention to film policy, which had impact on the development of national film production in Latvia. Other Latvian authors such as Inga Pērkone focused more on Latvian film history in the

monograph *Inscenējumu realitāte* (2011), while Antra Cilinska – on the producers and their challenges in the publication called *Making Films in Latvia: Producers' Challenges* (2012).

More recent analysis of film studios and their management during crises in Latvia was carried out by Kaspars Šteinbergs (2014) and Renate Cane and Kaspars Šteinbergs (2012, 2015). Together they wrote an article named *Crises and crisis management in Latvian film studios* (2012) where they analyzed the crisis management in Latvian film studios from 2009 to 2012. This collaboration also had crystallized into the publication named *Crisis management and communication at film studios in Latvia* (2015). These articles are valuable in regard to organization and crisis management perspective, but they do not cover the larger period of Latvian film industry and especially the role of film studios for the development of national film production and the role of film policy.

Eva Nāripea and Andreas Trossek concluded monograph called *Via transversa: lost cinema of the former Eastern bloc* (2008) where it is possible to find the artistic, but not industrial analysis of Lithuanian, Latvian and Estonian cinema. Lauri Kärk similarly like Inga Pērkone in Latvia reviewed *Estonian film history* (2010) and only Ibrus, Lassur, Tafel-Viia and Andres Viia analyzed film production companies in Estonia (2013). This latter publication offers structural analysis of the companies operating in Estonian film production field and the economic cluster concept, which is argued as the only possibility for Estonian film production development, however only recent activities of film production companies are analyzed.

## **National cinema, film policy and its importance for the film industries in Europe**

In order to understand the role of film policy for national film production, it is paramount to discuss the concept of national cinema. Andrew Higson argued that the term “national cinema” is often connected with the films produced within a particular nation state, nevertheless, it is not the only approach to describe it.

Thomas Elsaesser emphasized the state's relation between an industrial and a cultural definition (2005, p. 36) where state's relation towards national cinema in Europe is often connected with governmental measures encompassing taxation and tariffs, censorship, financial support and other regulations through film policy. Since film production demands integration of different processes such as administration of financing and project management, pre-production, filming, postproduction and etc. (Scott, 2000, pp. 17-18) and is a capital intensive process, with film producers hardly ever possessing the scale of financial resources necessary to finance their projects, they mostly depend on outside financial sources/investors (financial capital) to enable film production (Morawetz et al., 2007, p. 425). Consequently, film financing through subsidy elements in Europe has a long tradition, since “direct grants or subsidies usually do not have to be repaid, these financial elements assume the bottom position in deals (by being the last source of finance to recoup its investment), transferring the risk of film production to the state and safeguarding other investors (Morawetz et al., 2007, p. 426).

Looking historically, in the early to mid-1990s government institutions in Europe recognized that direct subsidies could not solve the financing problem and then gradually began to re-evaluate their support mechanisms (Morawetz et al., 2007, p. 428). Attention and accent were put to commercial reality of films, because in order to expand their market base they needed to be more commercial. Therefore, film support institutions “extended their policies based on cultural protection to building viable film industries based on commercial success. This policy change from a “protect the national culture” paradigm that had permeated most film support policies in Europe in the decades before, to a “build the local industry” strategy (Ibid).

Dina Iordanova has stated that this was a new tendency and dependency in Eastern Europe – the market one – which has replaced the political one (1999, p. 47). Andrew Horton (1990) outlined several tendencies in Eastern European film production during the 1990s that might have been a consequence of shifting film policy:

- a proliferation of smaller production companies, many consisting only of a few filmmakers, which work in conjunction with larger studios on a film-by-film basis;
- an increased commerce between film and television production and the development of a made-for-video film market of cheap, swiftly shot genre movies;
- an increased number of international co-productions.

These tendencies were not the only ones since many film studios in Eastern Europe entered fierce competition for run-away productions which would keep their personnel and facilities busy and various degrees of privatisation were carried out (Iordanova, 1999, pp. 54-55).

These trends were noticeable in the Baltic States as well. Lithuanian Film Studio, Riga Film Studio and Tallinnfilm were the biggest film studios in the Baltic States in the 1990s, but their technical infrastructure was already outdated and even they were owned by the states as limited liability companies there was almost no financial support for national film production. As B. Ingvaldstad noted, Lithuanian Film Studio went from peripheral player in the larger Soviet cinema industry to the primary purveyor of Lithuanian movie production, but “the economic imperatives from which the previous system had largely shielded them became a major obstacle to address” (2008, p. 149). In Estonian case, Tallinnfilm studio was used by the authority as accumulation of all film-making in order to “keep an eye on all goings-on in that particular industry” (Eesti film, 2000, p. 13). In Latvia, as Z. Balčus indicated, the lack of long-term partnership and emphasis on fast income influenced Riga Film Studio (2011, p. 344). Consequently, instead of working on national film production state-owned film studios in Lithuania, Latvia and Estonia had to focus on keeping facilities busy with international productions as it was new market reality for the national film production and newly emerging film industries.

### **Film policy in the Baltic States and its connection with Lithuanian Film Studio, Riga Film Studio and Tallinnfilm**

During the 1990s in Latvia and Estonia it was slowly realized that instead of focusing only on international film production some policy regulations should be established in order

to maintain national film production. For instance, Latvia was the first one to National Cinematography Centre in 1991<sup>1</sup>, which had council and expert commissions (NKC Statute, 1991). Experts had the right to decide which film projects (applications) will receive financial support. From 1992 film production in Latvia was funded only from state's budget and till 1996 "all types of film in Latvia were tried to be supported by the budget allocated for short documentary film production" (Latvijas Kino glabšanas programma parejas periodam, 1997). In 1997 National Film Centre of Latvia implemented new film production department, which aimed to renew national film production that would meet the demand of society since national films influence the state of all cinematography, therefore, the production of artistic films became prioritized (Latvijas Kino glabšanas programma parejas periodam, 1997). However, film funding system based on film projects and administered by National Film Centre of Latvia was not fully developed in a sense of transparency and long-term strategy at least till 2008 (Dabrovskas, 2022, p. 37). In 2009 by-law of the National Film Centre of Latvia was issued with one of the functions to promote the development of national Latvian cinema (2009).

In Estonia, for example, financing the institutions was replaced by financing individual projects where applications had to be presented to the Ministry of Culture and Education and these applications were reviewed by a council which consisted of filmmakers (Eesti Film, 2000, p. 13). This system, which was introduced in 1993, pretty quickly led to the establishment of Estonian Film Foundation in 1997<sup>2</sup>. Moreover, Tallinnfilm studio was still funded by the state "out of the habit" (Ibid.) and eventually was integrated into newly established structure and not privatized as in Latvia and Lithuania. From 1997 till 2013, Estonian Film Institute developed its functions of financial support administration for film production and put the preservation and development of Estonian national film culture as a main goal of its activities (Statutes of the Estonian Film Institute, 2013).

On the other hand, Lithuanian Film Center started to operate only in 2012<sup>3</sup>. Former director of Lithuanian Film Centre Rolandas Kvietkauskas emphasized that film centre was established because of growing needs in film production and the idea of implementation was born already in 2002 when film law was adopted (Dabrovskas, 2022, p. 39). Among positive and negative reasons that fostered the establishment of Lithuanian Film Centre were: the need to integrate Lithuanian cinema into European cinema infrastructure, growing state budget appropriations for film production and distribution, development of co-production, limited human resources, which could not ensure systematic development of film policy and financial support for film production and the result was visible and noticeable in the numbers of national film production which was behind Estonia, Latvia and other European states (Ibid.). Furthermore, the percentage of Lithuanian films pro-

<sup>1</sup> From 1991 till 2005 Latvian National Cinematographic Centre and from 2005 National Film Centre of Latvia (Balčus, 2011).

<sup>2</sup> From 1997 Estonian Film Foundation and from 2013 Estonian Film Institute.

<sup>3</sup> It is also important to emphasize that not only film centres and ministries of Culture were allocating financial support in Baltic States, but also Cultural Funds. For instance, Cultural Capital Foundation in Latvia started to operate in 1998, Riga Film Fund was established in 2010, Cultural Endowment in Estonia restored in 1995. Press, radio and television support fund was created in Lithuania in 1996 and in 2014 Lithuanian Council for Culture started to operate.

duced in Lithuania was very low (Dėl nacionalinio kino centro koncepcijos patvirtinimo, 2008), therefore, Lithuanian Film Centre started with an agenda to promote national film production and co-production in Lithuania (Dabrovolksas, 2022, p. 35).

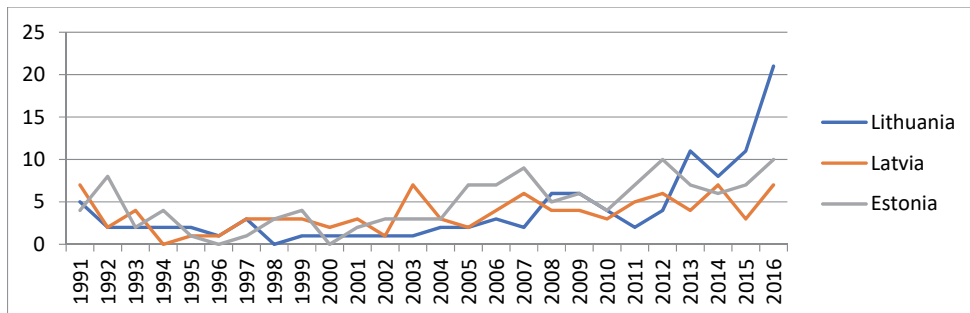


Figure 1. Feature film production in Lithuania, Latvia and Estonia in 1991–2016

Source: Dabrovolksas (2022, p. 40).

As it is possible to note in Figure 1, certain crisis was happening in all Baltic States during 1990s in a sense of national film production, but it is not possible to bridge the common trend since the number of national films produced were constantly changing. However, especially low numbers of national films produced can be recognized from 1993–1994 till 2002–2003, which was similar to East Central Europe national film production (Iordanova, 2003, p. 145) and it shows a certain gap that contributed negatively to the audience’s abilities to see national film production.

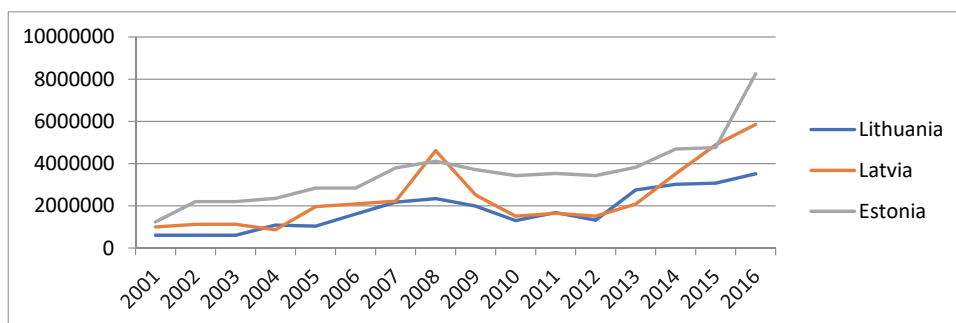


Figure 2. Financial support for national film production in Latvia, Lithuania and Estonia during 2001–2016 from national film centres (in Euro)

Source: Dabrovolksas, A. (2022, p. 36)

Therefore, national film production in all Europe was moving towards new economic and commercial reality during 1990s and 2000s and as D. Iordanova noted, the concept of national cinema has shifted to a “new European one“ (2003, p. 145), which was also connected with processes of privatization, deregulation and the transformation of the

media and communication networks that started to be one of the most important factors while considering the concept of national cinema (Elsaesser, 2005, p. 36). While in the Baltic States this situation was directly influenced by lack of financial support, state-owned film studios abilities to produce national films and by newly emerging structures and institutions that were responsible for the formation of film policy since in the Baltic States it was developing quite slowly and unequally and it had direct impact on the number of national films produced. Only during the period of 2002–2005, it is possible to see the growth of financial support for the national film production and “building the local industry” strategy that later affected the growth of national films produced in Lithuania, Latvia and Estonia (Figure 2).

On the other hand, it is paramount to mention the role of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm in starting the production of national films in the Baltic States in the 1990s despite limited financial resources and at the same time heavy competition with other film studios in East Central Europe for commercial productions to keep facilities busy while other governments in Europe were rethinking financial support mechanisms and film policy.

In total, Lithuanian Film Studio produced three national feature films from 1991 till its privatization (Lietuvių filmų centras, 2022). Riga Film Studio produced one national film before its privatization (Balčus, 2011, p. 350) and Tallinnfilm produced 8 national feature films from 1991 till 1997 (Eesti Filmi Andmebaas, 2022) before it was integrated into Estonian Film Foundation.

## Methodology

**The aim of the research** is to analyze the role of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm studio in film production during their activity period being under state ownership. One of the **tasks** is formulated accordingly: to identify the aims and areas of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm as being the main studios producing films during the development of film policy in Latvia and Estonia, which would show the focus in film production that was emphasized.

## Research type and methods

Content analysis of documents was selected (Bryman, 2004). In total, 313 archival documents about Lithuanian Film Studio were collected from Lithuanian Archives of Literature and Art (LALA), 48 archival documents about Tallinnfilm studio were collected from Rahvusarhiiv (R.) and 10 archival documents about Riga Film Studio were collected from Latvijas Valsts arhivs (LVA). Sample size – 24 documents were selected that were related to Lithuanian Film Studio, Riga Film Studio and Tallinnfilm studio film production. Documents were selected from 1989–2004 period, since during 1990–1992, these film studios started to operate as limited liability companies owned by Lithuania,



Latvia and Estonia<sup>4</sup> and finally they were either integrated into different structure or privatized. These documents were analyzed using coding whereby the data were broken down into component parts and those parts were given labels. Later it was searched for recurrences of these sequences of coded text within and across cases and links between codes. Accordingly, the content analysis was supplemented with the results gathered from 3 interviews with film industry experts.

In total, 3 semi-structured interviews were taken with former studio directors, producers and representative from former Estonian Film Foundation in order to supplement research results about film production in Lithuania, Latvia and Estonia:

- 1) One interview with the former director (1992-2004) of Lithuanian Film Studio (Robertas Urbonas), one interview with the former director (1990-1998) of Riga Film Studio (Uldis Šteins); one interview with former Estonian Film Foundation director (Riina Sildos).

## Results

While comparing the aims and areas of activities of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm (Table 1) five categories were identified: genres of film production, film production services, sales, publishing and other services, film distribution and exhibition and co-production and education. After the comparison of film studio aims and activities it could be summarized as follows:

1. All three film studios were oriented towards commercial film production, but with different emphasis on film genres.
2. All film studios provided different services for film production that provided the main income.
3. Only Lithuanian Film Studio and Tallinnfilm were oriented towards film sales, publishing, film distribution and exhibition, co-production and education, while Riga Film Studio did not specify these aims.

The most active in film production and provision of services was Lithuanian Film Studio. Former director of the studio Robertas Urbonas emphasized that “when in 1992 he was appointed as the director of Lithuanian Film Studio he had to take drastic measures, because of economic situation. Film studio belonged to state, but it did not allocate funding to employees” (Interview with Robertas Urbonas).

Lithuanian Film Studio performed at a loss until 1996–1997. The year of 1996 was the breakthrough year for studio, because Lithuanian Film Studio together with Warner Bros Studio started to produce TV series called “New Adventures of Robin Hood”<sup>5</sup>. On the other hand during 1992–1995 there were no national films produced<sup>6</sup>. Lithuanian Film Studio production volumes started to rise in 1996 and were 4 times bigger than in 1995.

<sup>4</sup> Paaškinamasis raštas prie buhalterinės atskaitomybės už 1992 m. LALA, F. Nr. 637, Descr. Nr. 1, page 1; Istorinės pažymos tęsinys, LVA, F. Nr. 416, Descr. Nr. 177, page 2; „Tallinnfilm“ statute, Rahvusarhiiv, F. Nr. R-1707, Descr. Nr. 3018a, page 2.

<sup>5</sup> F. Nr. 637, Descr. Nr. 1, case Nr. 33, page 62

<sup>6</sup> In 1990 - 4 films were produced, in 1991 - 1. F. Nr. 637, Descr. Nr. 1, case Nr. 19, page 5-8

In 2000, film studio worked with Attila project, which had the budget of 32 million US dollars (Interview with Robertas Urbonas).

**Table 1. The aims and areas of activity of Lithuanian Film Studio, Riga Film Studio and Tallinnfilm**

<b>Film studios and their areas of activity</b>	<b>Lithuanian Film Studio</b>	<b>Riga Film Studio</b>	<b>Tallinnfilm</b>
Genres of film production	Produce feature, documentary, animation, advertising and video films	Film and video production	Artistic, animation, documentary and science promotional and video films production
Film production services	Deal with film advertisement, sales and rent	Film and video production sound in the Latvian language	Provision of services of film production
	Provide film production services	Provide film production and organization and technological related services	Provide services related to photography, sewing and wood works
Sales, publishing and other services	Mediate in sales, rent other film studio production in Lithuania and internationally		Publishing, trade and food services
	Deal with publishing		
Film distribution and exhibition	Organize charity auctions, exhibitions, fairs, screenings and festivals		Film distribution and exhibition
Co-production and education	Co-production with foreign and Lithuanian video companies		Film producer education

Sources: compiled by author using documents (LALA, F. Nr. 637, Descr. Nr. 1, case. Nr. 28, page 16, Latvijas Valsts Arhivs, F. Nr. 416, Descr. Nr. 177, page 2, Rahvusarhiiv, F. Nr. R-1707, Descr. Nr. 3018a, page 3).

Riga Film Studio situation was critical in 1993 despite 6 international projects with Western Europe countries (Finland, Sweden, Denmark, Germany and France), 4-5 projects with USA and Canada, 2 projects with NVS countries. Riga Film Studio was asking at least 6 million lats from the state's budget in order to "be able to cooperate with Eastern and Western neighbors and ensure production base for national film"<sup>7</sup>. From 1991 till 1997, Riga Film Studio produced only one national film – Likteņzīmas (1997), which was financed by National Film Centre of Latvia.

Tallinnfilm needed at least 1,7 million USD for reconstruction already in 1993. Still studio managed to finish one feature film, 6 animation films and two documentaries during the same year. While debts were starting to rise government decided to stop "all

<sup>7</sup> LVA, F. Nr. 416, Descr. Nr. 11, Case Nr. 376, pages 9-10

subsidies for “Tallinnfilm”<sup>8</sup>. Consequently in 1993 the board of Tallinnfilm have decided that “additional income could be earned while serving other private and foreign film crews <...> and for this operation within two weeks studio needs additional financial support of 1 million kroon”<sup>9</sup>.

In 1994, Estonian Ministry of Culture and Privatization agency received request from business group, which controlled such companies as Reprokeskus and Sulo Muldia to privatize Tallinnfilm<sup>10</sup>. Tallinnfilm board was worried about this offer since one of the studio’s pavilions might have been reorganized into printing house and film production would not be encouraged. Therefore, the board decided to prepare film law where the status of film studio as the main film production base would be entrenched and the privatization only would be allowed if Tallinnfilm could provide all the services that were provided so far (ibid., p. 19).

From archival documents it is clear that considerations about Tallinnfilm privatization that started in 1994 had crystalized into 2 drafts of laws – “Film Capital” and Fund “Estonian Film Institute”. First one was never approved while drafting the second one Tallinnfilm board decided that film studio “could be transferred as integral asset not allowing to sell it to other organization or other film studio”<sup>11</sup>. However, the government of the Republic of Estonia approved Estonian Film Foundation on 12<sup>th</sup> of May 1997, which acquired all shares of limited liability company Tallinnfilm (Ibid., p. 16). Film studio was incorporated into new structure, which was controlled by the state. During 2004–2005, the functions of Tallinnfilm have changed to film distribution controlled by Estonian Film Foundation (Interview with R. Sildos).

Riga Film Studio was privatized on 25<sup>th</sup> of May 1998 when the deed of transfer of shares was signed<sup>12</sup>. After privatization, 31,3 percent of shares remained as state property while the holding rights of the share belonged to the Ministry of Culture. After privatization, Riga Film Studio provided the services of film production and rent of premises<sup>13</sup>. Lithuanian Film Studio was included in the list of privatized objects on 20<sup>th</sup> of December 2002 and finally privatized on 28<sup>th</sup> of January 2004<sup>14</sup>.

While analyzing national film production, it is important to highlight that from 1991 till 1997–2004 only 12 national films were produced by Lithuanian Film Studio, Riga Film Studio and Tallinnfilm: 8 feature films were produced by Tallinnfilm (during

<sup>8</sup> Tallinnfilm development opportunities are reflected in 1993 studio situation: “During 4-5 years studio started to make contacts, developed and reached Western market, because of constant participation in international film festivals, sales of films to foreign TV channels (France, United Kingdom, Germany, Australia and other).<...> In 1994, the state decided to allocate 2/3 smaller amount of support. According to this situation, the board of limited liability company “Tallinnfilm” consider that there aren’t any possibilities for studio development” (case Nr. 3054, pages 16-17).

<sup>9</sup> During that period studio already rented its filming pavilions, for instance, *Hiiu* pavilion was rented together with second floor’s office premises for the period of 3 – 5 years (Ibid, pages 21-22).

<sup>10</sup> Rahvusarhiiv, F. Nr. R-1707, Descr. Nr. 1, case Nr. 3072, page 17

<sup>11</sup> Ibid, case Nr. 3081, page 10.

<sup>12</sup> Privatizejamas Valsts Akciju Sabiedrības “Rīgas kinostudija” Nodrošanas – Pienemšanas Akts, 1998, page 1

<sup>13</sup> LVA, F. Nr. 416, Descr. Nr. 11, case Nr. 435, page 4.

<sup>14</sup> Duomenys apie privatizuojamą objektą, Uždaroji akcinė bendrovė Lietuvos kino studija, page 1

1991–1997)<sup>15</sup>, 3 by Lithuanian Film Studio<sup>16</sup> and 1 by Riga Film Studio (Interview with U. Šteins). Consequently, the position of national cinema in the Baltic States was already questioned (Ingvoldstad, 2008) and interpreted as a lost cinema of the former Eastern Bloc (Näripea; Trossek, 2008). Therefore, without having these films produced it would be problematic to foster national film production in the Baltic States since they were the examples of national feature films later presented not only to internal, but also to international audience. For instance, among those films there were at least three that were recognized locally or internationally – “Liktendzirnas” produced in 1997, “Georgica” in 1998 and “Elzē iš Gilijos” in 1999. First one was more recognized locally by its Latvian audience, while Estonian and Lithuanian films were successful either in local distribution market or in film festivals.

## Conclusions

Local film industries in Lithuania, Latvia and Estonia were built and developed throughout the 1990s while still establishing new institutions and structures that would be responsible for the formation of the film policy. The production of national films was left to state-owned film studios without almost no financial support, therefore, the number of national films produced was low and not prioritized.

The biggest film studios – Lithuanian Film Studio, Riga Film Studio and Tallinnfilm – were operating with outdated technical equipment, lack of funds, rising debts and under fierce competition for international film production. Nevertheless, the analysis of archival documents showed that their areas of activity and business orientation were related mostly with provision of film production services for foreign film production companies and rent of premises and not oriented towards producing national films. On the other hand, without their input in starting to produce national films it would be difficult to speak about national cinema in the Baltic States.

During the 1990s and early 2000s, integration of Tallinnfilm into Estonian Film Foundation in 1997, privatization of Riga Film Studio in 1998 and Lithuanian Film Studio in 2004 showed different priorities by newly emerging film policies in the Baltic States. While film support mechanisms were reconsidered in Western European film industries, Eastern European film industries were transforming and developing theirs at the same time dealing with lack of funds for national film production and state-owned film studios.

This situation started to change after the status of state-owned film studios was changed: more and more national films started to be produced in Lithuania, Latvia and Estonia since they started to receive higher financial support and it matched with the trend of building local industry strategy throughout other European film industries. This was also connected with the development of film policy since the provisions to support and enhance national film production in the Baltic States were determined in the aims and functions of Estonian Film Foundation, National Film Centre of Latvia and Lithuanian Film Centre.

<sup>15</sup> Access through internet: <http://www.filmi.ee/en/film-heritage/tallinnfilm-collectionsion>

<sup>16</sup> Access through internet: <http://www.lfc.lt/lt/Page=StudioList&ID=1302>

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