PITCH STANDARD 2.0

transparency,
fair play and
fair pay.

GUIDANCE FOR OTHER MARKETS.

Originally developed for the German market, the **Pitch Standard 2.0** outlines a set of principles aimed at fostering fair, transparent, and respectful collaboration in the pitch process.

EPA considers this framework a valuable reference. Agencies, clients, and production partners across other markets may choose to consult it where relevant and appropriate to their local context.

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PITCH STANDARD 2.0.

THE FUTURE OF TENDERS.

Time, money and ideas: pitches come with substantial investments for producers and directors. Expenditure on pitches has now risen to around €30 million per year due to spiralling costs, greater numbers of bidders and a lack of transparency in commissioning practices. The steady decline in mark-ups merely exacerbates the problem.

We developed the PITCH STANDARD 2.0 for precisely these reasons. It is a model that builds on partnership and transparency in relationships, advocates limiting pitches to 3 participants, curtails the practice of 'ghost pitches' and asks clients to ease the burden by contributing a **P**itch **C**ost **S**hare. The entire advertising market will benefit from this standard, as it also reduces the outlay expected of clients and agencies in the areas of producing, creation and cost controlling. Producers will be able to invest more resources in completing film projects and in human resources and young talent. The entire advertising market will benefit from this practice in the medium and long term.

We are convinced that the **PITCH STANDARD 2.0** will do more than just reduce the costs associated with pitches, and will instead lead to sustainable improvements in the competitive culture by promoting mutual appreciation and enabling greater creative quality.

IMPLEMENTATION.

HOW WE ENSURE FAIRNESS AND TRANSPARENCY.

- At the heart of the PITCH STANDARDS 2.0 is a **P**itch-**C**ost-**S**hare, or **PCS** for short.
  The PCS means that clients will be asked to contribute to the cost of pitches.
- Its model sets out a general framework for prorated calculation of the PCS based on the number of participants and available budget.
- The PCS is only charged if a director’s interpretation (DI) is prepared and there are at least 2 pitch participants.
- Single pitches and those without DI remain free.
- A PCS will not be charged up to and including the director’s chemistry call.
- Pitch participants are notified of the number and names of the producers/directors taking part before the DI is created.
- The PCS is only paid to producers who did not win the pitch. This group includes post-production companies
  if they act as executive producers in animation, full-CGI and hybrid projects.
- Directorial ideas and production concepts remain the intellectual property of the director or production company.
- In the event of pitches from other countries, each production company must assess on a case-by-case basis
  whether the PCS can be applied.

THE PITCH-COST-SHARE MODEL.

SMALL BUDGET up to €99,999	MEDIUM BUDGET €100,000 to 499,999	LARGE BUDGET €500,000 to 999,999	XL BUDGET from €1,000,000	
Free of charge	Free of charge	Free of charge	Free of charge	**SINGLE PITCH**
PCS Recommended €1,250 to 1,750	**PCS** Recommended €2,000 to 2,500	**PCS** Recommended €2,750 to 3,250	**PCS** Recommended €3,500 to 4,000	**PITCH WITH** **2 OR 3 PARTICIPANTS**
PCS Recommended €2,000 to 2,500	**PCS** Recommended €3,000 to 3,500	**PCS** Recommended €4,000 to 4,500	**PCS** Recommended €5,000 to 5,500	**PITCH WITH** **4 PARTICIPANTS** **(OR MORE)**

Each production company prices their own PCS and then negotiates the amount with the party organising the tender.

Our recommendation for the director's share in the PCS:
33% to 50% of the PCS.

THE PROCEDURE.

OUR GUIDE FOR TENDERS.

THE REQUIREMENTS.

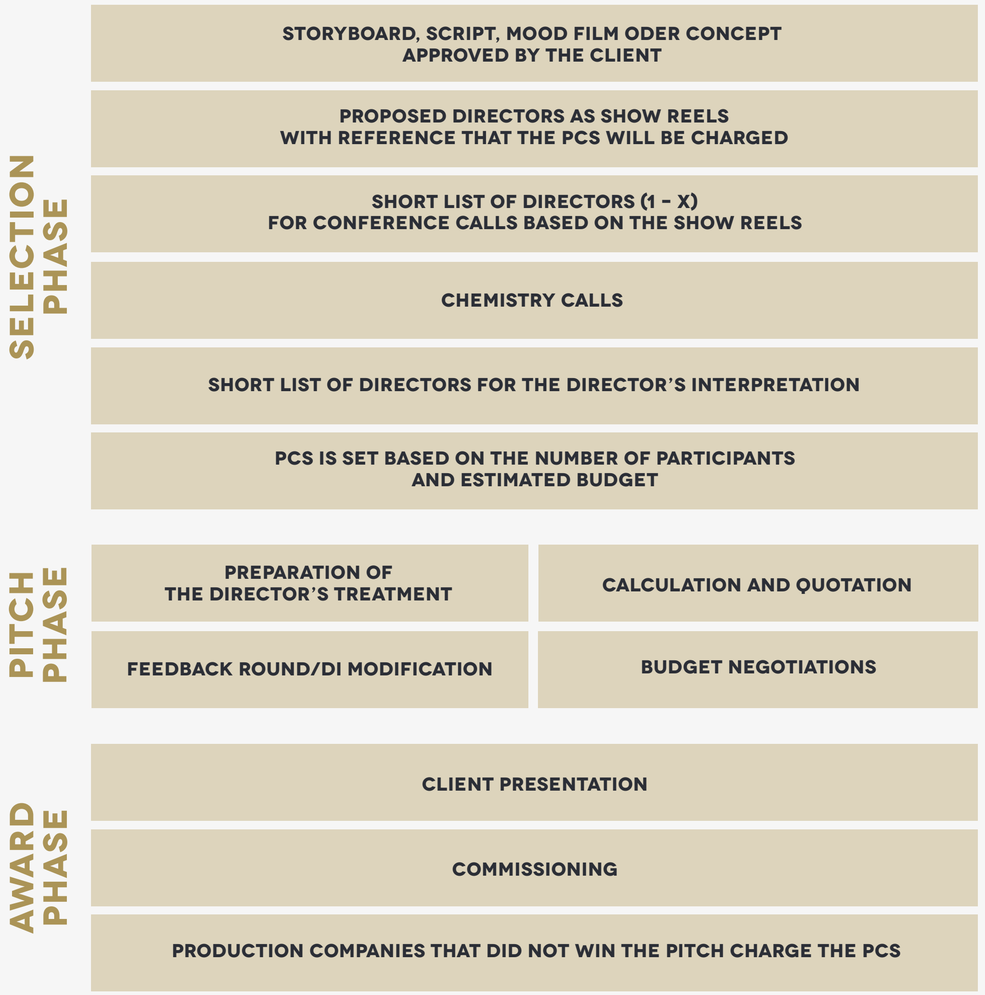
- Script approved by the client.
- Information concerning the names and number of participating producers.
- Disclosure of whether an in-house production will also take part.

THE PROCEDURE.

- Producers do not submit more than 3 proposals for directors.
- It should be clear after the chemistry calls which production companies will take part in the pitch.
- Participating producers enter the pitch with only one proposal for a director.
- The communication as to which production will take part with which director must be transparent. Only then the DI will be prepared.
- The PCS is set based on the number of participants and the budget.
- The production companies that did not win calculate the PCS once the pitch decision has been announced.

CANCELLATION FEE.

If the client decides not to pursue the project after the pitch, all production companies involved in the pitch receive a 'cancellation fee'. The amount depends on the workload and should be defined in advance. Given that the actual pitch costs will be shown in the SCoPE cost estimate in future, they can be used to calculate the cancellation fee. A PCS will not be charged in this case, as the client will bear the actual costs incurred for the pitch in the event of cancellation.



SPECIAL CASES.

PCS IS CHARGED	PCS IS NOT CHARGED
• Fundamental script changes, leading to cancellation by the director and/or the production company • Postponement by the client to a period when the director is no longer available	• A PCS is not charged if the production company or director drops out during the pitch • The director is booked for another project during the pitch • Re-shooting