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## South by Southwest 12–20 March 2011 Austin, US

**Report by Mike Cowap, Development Manager**

With a population of only three quarters that of Adelaide, Austin in Texas is not a big town. It does, however, host *South by Southwest*, which by contrast is huge. Over the course of two weeks, thousands of delegates were packed in to the disproportionately large Convention Centre; spilling out in to the surrounding streets, affiliate venues, bars, cinemas and hotels. ‘*South by*’, as it is abbreviated to by those in the know, is made up of three distinct streams of content: film, interactive and music. Film and interactive run concurrently, with music bringing up the rear.

The official statistics attest to the ubiquitous laminate seemingly worn by everyone you encounter: The film side attracted 13,409 attendees from 38 countries, and interactive accounted for 19,364 registrants from 64 countries. And there was no shortage of things for them to do. 140 feature films were screened (77 drama, 63 documentaries), with 66 world premieres, and 153 shorts from 28 countries. 105 film panels featured 433 panelists. On the interactive side, there were 935 seminar sessions with over 1500 speakers. The four-day trade show and exhibition had 566 stand spaces and attracted over 65,000 attendees.

There were 103 official SxSW parties, and countless unofficial ones. At any one time there were literally 30 or so official activities to choose from. Someone calculated it would take 45 full days and nights to attend everything on offer. It’s not surprising that no matter how tirelessly you approach a trip to SxSW, you will leave feeling like you only just saw the tip of the iceberg.

The event has a young and dynamic vibe, with a pervasive D.I.Y. attitude, a very refreshing sense of optimism, and a resolutely independent spirit.

For the purpose of structuring this report, I will divide it in to film and interactive sections, although in this age of convergence, many of the interactive panels were often of interest to the film delegates, and vice versa, so the same should be true here on the page.

## Film

*South by* does not see the same level of frenetic business and overnight deals as a Sundance or Cannes, but business certainly does happen. Bocco, TWC, Kino Lorber, Anchor Bay, Magnolia and AT&T all announced having made acquisitions. Some filmmakers are reported to have said they prefer the lack of expectation for sales because it takes the pressure off. The festival organizers consciously try to keep things low key. However, the mainstream industry is increasingly taking notice: a calmer, more inclusive festival attracts emerging talents, which means a smart distributor or agent can get in on the ground floor with the next big thing.

*South by* is seen to be most effective for quality networking, and for building buzz for a film. As a festival, it has a brand as the place to launch genre films and visionary indie, and smart filmmakers and executives use it for that. Summit Entertainment secured the opening night slot as their world premiere for sci-fi action film *SOURCE CODE*, and hosted a slick and energetic press conference the following morning. The filmmakers behind UK alien-invasion movie *ATTACK THE BLOCK* were hoping for the same buzz that *MONSTERS* garnered in the same midnight slot the year previously.

A handful of Australian films were fortunate enough to get selected for screening. These included features *WASTED ON THE YOUNG*, *LBF*, *CAUGHT INSIDE*, and the short film *ATTACK*. Films with an Australian element included US-financed and shot *INSIDIOUS* from SAW's Melbourne creator's Leigh Whannell and James Wan, *HESHER* from Bluetongue collaborator Spencer Susser, with the help of David Michod (co-writer) and Luke Doolan (editor), and a Canadian/German co-pro called *THE DIVIDE* that was co-written by Australian Eron Sheean.

The Australian filmmakers in attendance with their movies were all extremely complimentary of how warm, supportive and helpful the festival organizers had been to them, offering them valuable advice and facilities. At every screening, the filmmakers were treated to a variety of very competent and articulate hosts, who would welcome the audience in advance, then host Q&A's following the screenings. They had always done their homework on the movie and filmmakers, and generally every screening was made to feel more like an event. Attendances at the Australian films was generally high, although playing at the out-of-town Alamo Drafthouse – whilst a fantastic theatre in its own right – always seem to present more of a challenge to getting a full house. Any filmmakers who find themselves scheduled here in future should be prepared that they may not pull a big crowd.

The organizers offer many orientation sessions to help attendees make the best of the event, and all with a sense of humour. One packed room of 400 or so wide-eyed delegates was advised, "If you don't like meat, then you're in the wrong place". This was true. On my first night, I was confronted with a mountain of ribs the size of my forearm that my poor abused insides will no doubt still be trying to digest for several years to come.

Some less frivolous advice was offered to filmmakers hoping to be selected for *South by* in the future. A panel of sales agents, distributors and publicists offered some good tips worth recounting here, as they're applicable to any festival. Buzz and publicity do not exist in a void: you have to work hard at it.

## TRAVEL REPORT

Be strategic in targeting a particular festival by knowing their 'brand' and considering if it's synonymous with yours. What are your hooks and key messages? Make sure your brand is consistent through all your materials, i.e., press notes, stills, etc. Know who your audience is, and get to know the press that speaks to them. Try to get mentioned in the local and national press. Consider pulling a publicity stunt. Re-tweet your good reviews.

Consider hiring a publicist: publicists are brokers between the filmmakers/stars and the press. They will help you get your materials together and work to make sure the press prioritise seeing your film. They will help book interviews, and basically take control so you can relax and network. Finally, they compile all press activity in to a useful status report that you can show to buyers. At something like *South by*, a good publicist can twist arms to get additional screenings for your film.

Stills are really important. So many people choose what to see based on a picture. 'Less is more' when it comes to use of stills. Stick to a very limited number of iconic images. 1 or 2 is better than having 10. You also need to be able to provide a great clip for TV and web interviews.

Try not to get over-exposed as many distributors like the idea of discovering you for themselves. Avoid sending out screeners. Unless the film has a distributor already, people should see the film in the best possible light. (The *Austin Chronicle* or the *Austin Statesman* would be an exception – do send them a screener.)

Don't worry about printing thousands of postcards or glossy posters, or cutting a trailer. It's not so attractive to people looking to buy your film if you already have a trailer and poster. Every film should have some engaging content on a website. The synopsis MUST be well written. A riskier strategy can work for the right property, for example, *MONSTERS* was kept completely under wraps, with only one image released in advance, and no screeners released at all. It worked for *MONSTERS* because it delivered as an original genre film with an exciting title.

One panel featured highly experienced producers Christine Vachon (*MILDRED PIERCE*), Barry Mendel (*THE SIXTH SENSE*, *BRIDESMAIDS*), and Jason Blum (*PARANORMAL ACTIVITY*, *THE READER*). Vachon talked about the necessity for producers to get more flexible about format, and explore projects other than theatrical; a sign of the times, she felt. "In order to tell the stories we want to tell, we need to look at new forms of digital distribution", she said, stating that she was making two movies direct for web release.

Despite a lingering passion for the theatrical experience, the message of the panel was not to be nostalgic, and embrace that distribution is changing. The modern audience is much more used to watching content on the web, and producers could no longer rely on a theatrical release.

Vachon further talked up the benefits of new distribution platforms in the US versus the current climate for traditional: "It's really hard to get first time filmmakers financed. Financiers are a lot more risk averse, and that's where new distribution comes in to play". Digital distribution gives an opportunity for first time filmmakers that has otherwise has fallen away. "Digital distribution is where TV was 10 years ago, when HBO was just starting to raise the bar", she continued. "Somebody has to do something fantastic, and then everyone

will follow. Young filmmakers now making film have the web in their DNA. Soon it will not be the second choice.”

A session with sales agents including Pathé encapsulated the question they would ask of any movie: “What have we got to work with here? Concept, genre, cast, or director?” They would then use that hook to convey a first impression to distributors. The critical quality is that they need to demonstrate your film has an audience.

A session on raising film finance with John Sloss (Cinetic Media) and Aaron Kaufmann (Troublemaker Studios) was refreshing in its complete absence of discussion about government support. The tone of the discussion was optimistic thanks to the opportunities afforded by “the revolution in digital distribution” in the US. John’s rights management service FilmBuff provides film sales representation for digital media. They assess licensing opportunities with the aim of maximizing revenue for filmmakers. It was John’s experience of successfully self-distributing EXIT THROUGH THE GIFT SHOP that inspired the formation of the service, when it was confirmed for him that the means of distribution were mature enough and could work.

However, it’s fair to say that the examples given, such as EXIT... and Kevin Smith’s RED STATE, had the commonality of a clear angle on which to base the marketing of such an unconventional strategy. The real challenge is for films without brand awareness to find an equally engaging hook, and to make them responsibly with a budget related to their realistic worth. John advised producers to add US\$200K on to what you’re raising in order to fund a platform release in case no one picks it up.

In another session specifically dedicated to digital distribution, John Sloss’s colleague Matt Dentler went in to greater detail on FilmBuff. The majority of their business is done with Netflix, iTunes and Hulu. Matt offered the anecdotal insight that films with a slight lean towards genre are much more likely to find success through VoD portals, but indie filmmakers should try and find an indie ‘take’ on the genre rather than try to emulate the Hollywood beats. This was also evident at Sundance 2011, he noted, where character and dialogue movies were not the usual big deal, giving way to movies like WINTER’S BONE with a genre slant, and more tightly constructed stories. Matt cautioned, “digital distribution does not make non-commercial films commercial. They still have to be good.”

Austin’s own Robert Rodriguez pulled a large, appreciative crowd to hear stories about adapting graphic novels for the screen. He felt that “99% of the time, strict adherence to the source material is not helpful”. His enjoyably independent attitude typified the swagger that many of the attendant US emerging filmmakers would like to emulate. His anti-studio sentiment raised laughs from the crowd: “Tell the studio what you’re gonna do, and they’re in or not. It’s a fuck or walk situation.”

Another anti-establishment anecdote was his resignation from the DGA when they ruled that he and Frank Miller couldn’t share co-director credits on SIN CITY. Robert’s one of the few directors who can get away with publicly verbalizing such a fiercely independent spirit, and whilst most of the emerging directors present would more likely sell their mother for a studio gig than give a hint of attitude, his ‘just-do-it’ vibe is tangible and powerful, and clearly a strong influence on the domestic scene. “Creative limitations are great.

Something about them is more freeing. Often the blips in production are the creative God giving you a gift.” That sort of positive attitude should be a lesson to any filmmaker.

Crowd funding was enthusiastically discussed as a viable emerging source of finance. In a session called ‘Funding Outside the Box’ some of the top crowd funding services sold their various benefits, and also gave good tips on running a crowd funding campaign. IndieGoGo, Kickstarter, RocketHub and Fractured Atlas were all represented on the panel, and went through such practical considerations as their relative commissions and merchant fees. It was worth noting that with Kickstarter, filmmakers specify the amount they wish to raise, and if they don’t make that total then they get nothing, and the donations are returned to the donors. IndieGoGo has a less fundamental penalty for not reaching your total, by imposing a bigger commission on the donations (9%) than if you reach your total (4%), so the moral of the story seems to be to underestimate the amount you think you can raise. Also worth noting that with Kickstarter your project needs to be approved by them for inclusion, whereas IndieGoGo has no such curatorial barrier.

All felt that social issue documentary was making the most through these services, and that makes sense when you think of the psychology of making donations. The panelists endeavored to give some insight as to how to maximize their services, first by helping understand the reasons why people would generally give to a crowd funding campaign; they want to do something good, they respond to something unique that you have to offer, such as perks and rewards, and they want to ‘be cool and get a credit’. “If you build it, they will come” is a fallacy. You have to run a campaign, and engage the community in the conversation around what you’re trying to do. Parallel use of social media is extremely important, and they advise should be treated like a full time job.

There are not wealthy benefactors trawling the Internet looking for projects: the average donation is somewhere between US\$50 to \$100. Incentives, perks and rewards might include things like a ticket to the premiere, a credit, a DVD of the completed film, or some other spin-off merchandise. When offering such things apparently the scarcity principle - limiting the number of such things you have to offer - can accelerate support. People contribute to people – not just ideas – so sell yourself as well as your project. Be transparent and specific about what you are paying for with the money. In July 2011, a Melbourne filmmaker made \$85K on Kickstarter to make a short film based on a Terry Pratchett story, making it the seventh highest fundraiser on the site, and third highest drama project. Clearly it can be an extremely valuable source of finance.

## Digital

The only cynicism I encountered at the entire event was the eye-rolling at the competition between interactive speakers to coin the new digital buzzword. There was much scoffing at the term ‘transmedia’, the buzzword of a few years previous, not for what it meant but for the fact that some felt it was a manufactured word for something that had happily existed prior.

At just 22 years old, Seth Priebatsch was *South by*’s youngest keynote speaker, and got an early head start on cementing the buzzword for 2011. ‘Gamification’ refers to the use of game play mechanics to encourage desired

behaviours by taking advantage of humans' psychological predisposition to play games. Seth's business location tool, SCVNGR.com, which had recently been valued at US\$100M, uses gamification to motivate user engagement with businesses and brands. Seth talked a lot about the psychology of using game mechanics such as rewards, communal challenges, positive reinforcement, and points, to motivate real world action. The marketing benefits are proven. Seth further theorised as to the great social benefits possible of applying gamification to other areas of society beyond commerce, given it's potential to bring out the best in people. He said, "We're pushing the limits of what a game is, and they think I'm beyond this limit. There will always be purists but we've never got that push-back from businesses or consumers. Game dynamics are too powerful to leave bottled up in games."

A case study on how TRUE BLOOD used online activities and additional content to raise awareness and meaningfully connect their audience drew both film and interactive delegates. HBO engaged in a range of activities as part of an extensive transmedia strategy that they credit as crucial to the show's success. The main message of the session was to really understand your fans, or potential fans, and then "find that core audience and speak to them, and then everyone else will come".

HBO went the 'fan empowerment' route, and built on and added to the fan experience through social media. They used their biggest fans to help spread word of mouth and build a community around the show. Fans started to create for themselves, role-playing on Twitter as characters from the series. HBO initially had misgivings about one fan tweeting extensively in character as Sookie Stackhouse, but realised that embracing and encouraging it was far more beneficial to the brand than ignoring it or worse still trying to shut it down. The social chatter afforded them surprising insight in to the fan base. It influenced the creators in many ways, including inspiring them to create an online 'extended content experience' based on the secondary characters of Jessica and Godrick, whose popularity had surprised them.

Another component of the strategy went for an element of 'alternate reality', treating the show as if the content were real, and creating fake marketing campaigns and faux websites based on the notion that vampires walk amongst us. HBO released the 'real' website Bloodcopy.com, which chronicles the attempts of vampires to integrate with humans through vampire blogs. The website includes articles and photos that feature killings, vampire appearances, posters and more. The dating site lovebitten.net offered a matchmaking service between humans and vampires. An online movement to galvanise support for the vampire rights amendment was run.

Perhaps one of the best-known aspects was the full ad campaign for the fictional TruBlood synthetic blood drink. The TruBlood ads went for humorous slogans like "Real Blood is for Suckers" and "Friends Don't Let Friends Drink Friends." Their website, Trubeverage.com, also features commercials and products for the fictional drink. Full sized posters were displayed around the US.

Talking on the panel, HBO stressed that every element of the transmedia strategy had to have integrity to the TRUE BLOOD property and story. The session provided a fascinating overview of the rationale behind the activity, and the success of it. Maybe Australian shows can't afford the luxury of 10 different agencies working on the transmedia (like TRUE BLOOD did), but

there are 'best practice' lessons to be taken from this, and ways to take the same approach on a much lower spend.

A panel called "Can Transmedia Save the Entertainment Industry?" debated whether investment in transmedia would reap rewards in terms of audience engagement and money. The panel surmised that there was value even if it couldn't necessarily be monetized. Louis Provost from Disney talked about campaigns including TRON and the upcoming new muppet movie. R Eric Lieb from Blacklight Transmedia, who has a first-look deal with Imagine Entertainment, talked up the benefits of comic book spin-offs, particularly for action and horror titles. The general conclusion was that if a transmedia strategy benefitted the brand in terms of building overall awareness, then it shouldn't need a direct and easily measureable bottom line.

24-year-old keynote speaker Christopher Poole gave some useful insights into the behavior of online communities, and the value of moderation and management. As the founder of 4Chan, the online anonymous subculture with 25 million regular monthly users that spawned 'Anonymous', 'Rickrolling' and 'Rage Guy', Christopher outlined a case for the value of online anonymity as providing a "fertile breeding ground for creativity". In doing so, he took a swipe at Facebook founder Mark Zuckerberg who has described anonymous posting as showing "a lack of integrity". "Zuckerberg's wrong on anonymity being cowardice. Anonymity is authenticity. It allows you to share in a completely unvarnished, raw way," Poole said. He argued that people could re-invent themselves in much the same way as if moving home or starting a new job. "The cost of failure is really high when you're contributing as yourself," he said.

And on the subject of community management, Christopher admitted, "One of the mistakes I've made is believing in an invisible guiding hand as far as moderation goes. And that if you give the community the right structure they could police themselves. I've underestimated the value of having a real staff presence, and encouraging them to police the boards behind the scenes. When it's not clear that we're leading things it's like we're not there and that we don't care – it's extremely detrimental to community."

A panel discussion including UK transmedia advocate, Rob Pratten, tried to define what makes an 'interactive narrative'. They boiled it down to three core components; an authored core story, a social narrative that expands in to a shared communal space, and one that integrates and encourages meaningful audience participation. This was distilled down in to "a dynamic story that allows for personalized engagement and narrows the gap between writer and reader".

In practice the panel suggested this often translates to using popular social media platforms and typically involved shifting the story perspective or highlighting internal dialogue. The end result can be a greater emotional connection to the property and a valuable and active community, with the business case being increased sales at lower costs. The panel summarized seven key tips for best practice in use of social media for your story.

- Understand your audience and how they consume content.
- Identify the best social media platforms for your story/character
- Design the level of reader participation you want to build.

- Build natural entry points (rabbit holes) in the story that lead to supporting alternate narratives.
- Leverage platform features to augment story experience.
- Write the experience for all three tiers of content consumers: passive, occasional participant and die-hard fan.
- Allow enough ramp-up time to get interest, which is defined as at least 4 to 6 weeks.

In her keynote presentation, geek princess Felicia Day discussed lessons learned from her successful DIY web series THE GUILD. After ‘everyone’ had turned the show down originally, the core team decided to make it direct-to-web. In one of the earlier examples of crowd funding, the first season was financed entirely by fan donations incentivised simply by wanting to secure future episodes.

The secret of the show’s success was that they knew and targeted a specific sub-culture, and built the audience from there. Felicia already had credibility within that sub-culture thanks to having been in Joss Whedon’s BUFFY.

Her social media strategy plundered this to the full, and, knowing exactly where her potential audience lived online, she connected with every relevant blogger and forum to talk up the show. Millions of views later, they have attracted sponsorship from Sprint, a US mobile phone company, and a distribution deal with Microsoft for an exclusive premiere window on the Xbox. Once the exclusive period expires, the episodes are available via Netflix, Amazon’s Create Space, and of course on YouTube. Whilst the show has many millions of views, Felicia points out that, “it’s not just a question of numbers, but how loyal you are to them”, and thereby went some way towards explaining the die-hard fan base clearly hanging on her every word.

Ever wondered how the website you’re visiting decided to recommend you watch the video of the giggling baby? A panel called ‘Social Ranking: Finding Interesting User Generated Content’, which included Serkan Piantino from Facebook, looked at best practice for serving recommended content to users in a climate where there are so many variables that could be used to determine this.

Recommendation systems are an extremely complex business, and treated as a science, although the panelists confess not an exact one – and they are becoming increasingly important. Generally, the approaches for most sites boil down to analyzing and tagging the content itself, and by giving users themselves the tools to identify what is good.

Examples given included voting systems, where democracy works on a smaller scale, social systems that try to figure out what you (as a user) care about or whose style you share, content analysis approaches that try to show you things based on your explicit or implicit set of interests, and other interesting algorithms for scoring and ranking content.

Recommendation systems are fraught with problems. Something as simple as counting votes can actually turn into a long lesson in statistics. The algorithms have to balance factors such as making sure they show recent stuff vs. the overall best, ensuring new content gets a fair chance to prove itself, and keeping a site simple despite all this complexity happening behind the scenes. And algorithms that control content distribution often become big



targets for gaming and abuse. It was fascinating to hear the depth to which data is mined, and user behaviour taken so seriously, as a fundamental science to these various sites.

Austrade host an excellent annual networking event aimed at the digital sector to promote trade between Australia and the US. It's well worth making sure you are on their radar when planning a trip.

## **In the end..**

Throughout all the activity, a trade show was running in the huge space on the ground floor. It featured a broad mix of people selling their wares; from the mighty Google, social media service companies, tech companies, designers, and right through to people selling iPhone skins. The biggest stand was the UK's Department of Trade and Industry, taking pains to boost the profile of UK digital companies.

SxSW feels young and fresh; a festival that likes to have fun and not take itself too seriously despite all the hard work behind it. Where else could you witness a panel of senior film executives commit to some hard drinking prior to the session, then having shots between questions? Needless to say "No Reservations: A Highly Spirited Film Panel" was a lively event, full of salacious industry gossip, and with Australia's own Nick Batzias (Madman) loudly accused of being 'the world's biggest koala', and Timothy League, founder of the Alamo Drafthouse, stage diving bare-chested in to the audience.

It might sound like juvenile frat house behaviour on paper, but the result is extremely positive for the emerging filmmakers in attendance. It shows the executives as human and accessible, but more importantly the collective laughter contributes to a strong sense of community that is rife through SxSW. The vibe is that it's more a movement than an event, one that is forward looking, optimistic, self-starting and proudly independent. This is a very refreshing community to spend time with, and it's growing at an exponential rate.

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