GUIDELINES:
GAMES PROGRAMS

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(see page 12 for update log)

OVERVIEW: INTERACTIVE & MULTI-PLATFORM PROGRAMS

Screen Australia's support for interactive and multi-platform content incorporates new Australian Government funding through the Australian Interactive Games Fund, as well as funding previously provided through Screen Australia's former multi-platform programs.

More than $30 million will be committed over a three-year period through a range of new and revised programs, including $20 million for the games sector.

OTHER PROGRAMS

See the Screen Australia website for guidelines for

- [Multi-platform Drama Production](#)
- [Multi-platform Documentary Production](#)

GAMES PROGRAMS

The overarching objectives of Screen Australia's support for the games sector are to:

- **promote industry growth and sustainability;**
- **support the development of new intellectual property;**
- **encourage skills retention and renewal; and**
- **maximise the creative opportunities of fast broadband.**

In this context, its suite of games funding programs has been designed taking into account the following principles:

- prioritise proposals incorporating the creation, retention and exploitation of new intellectual property;
- encourage business models that expand consumer reach and revenue, including in the international marketplace;
- encourage new business partnerships and alliances;
- target strong creative teams with a diversity of experience and relevant track record;
- support a diversity of project types, styles and scale, focusing on projects with a clear creative vision and target market;
- acknowledge online platforms as viable distribution mechanisms;
- encourage mentorships, job creation, skills development and renewal; and
- encourage relationships across screen production sectors, acknowledging the similarities as well as the differences between games development and other screen production activity

It is Screen Australia's intention to allocate funds repaid or recouped from its games investments into further funding through these games programs.

ACCESSIBILITY

Screen Australia encourages applicants to develop games that are accessible to people with a disability to ensure that projects can reach the widest possible audience.

Where possible, successful applicants should address relevant accessibility measures in their funded games, which may include among other things, configurable controls, variable difficulty levels, alternative sound settings, high visibility graphics and accessible menus.

Further information about providing accessibility in games is available from the IGDA website: and www.gameaccessibilityguidelines.com/guidelines/

SECTOR-BUILDING INITIATIVES

As well as the Games Enterprise and Games Production programs, Screen Australia may also make funds available each year for sector-building activities and initiatives for games developers.

Examples might include access to mentors, collaboration opportunities, networking events, or workshops or forums featuring high-level industry professionals, conducted by Screen Australia or staged in partnership with state bodies, industry organisations or other entities.

GAMES ENTERPRISE

Funding through this program aims to support games development businesses that have identified opportunities to develop and expand in terms of their turnover, scale and the range of business activities to enhance their sustainability, as well as to fund ongoing development of games projects.

The program offers companies a hybrid model of support, one in which they can request funding directly associated with operating costs aimed at growing their businesses as well as a contribution towards the costs of specific projects they have in development.

The funding might assist larger developers who are poised for further growth but have limited access to capital, or foster alliances and partnerships among individuals and small creative teams. It aims to support diverse companies and types of projects in order to maximise the range of opportunities across the interactive entertainment industry.

This program is not intended to support companies in developing a single game. The Games Production program can assist with individual project funding.

Funding available

Applicants may apply for any amount up to a total of $1,000,000 allocated over a three-year period.

- The level of funding sought should relate closely to the applicant's proposed business strategy, and applicants will be required to submit a detailed budget for their proposed expenditure.

- The applicant's present and projected scale of operation will be considered in determining whether the funding sought is appropriate to the proposed use of funds.

- Successful applicants may receive the amount applied for, or a lesser sum considered appropriate having regard to the application materials and/or as a result of the total demand on funds.

Games Enterprise funds may be used to cover the cost of activities including prototyping, production, marketing and release of game titles, travel to industry events, porting titles to different platforms, commercialising middleware, expanding staff, internships, training or enhancing business skills, as well as infrastructure costs such as office set-up or equipment purchases that directly contribute to revenue-generating activities integral to the applicant's Games Enterprise proposal.

Application timing

Deadlines are available on the Screen Australia website.

Eligibility

An application must first meet the following eligibility criteria in order to be competitively assessed for funding through this program.

The **applicant company** must:

- meet the General Eligibility requirements set out in Screen Australia's Terms of Trade; in particular, it must be incorporated and carrying on business in Australia, and have its central management and control in Australia;

- be in the business of developing games (as distinct from commissioning games), i.e. the company has itself made games in-house;

- not currently be in receipt of funding through Screen Australia's other Enterprise programs; and

- include at least one company director with a minimum of five years participation in the games industry.

The company's **key principals** (company directors and/or key creative team integral to the Games Enterprise business plan) must include at least two experienced games practitioners, each of whom has either:

- credits in a senior development role on at least three publicly available games, OR

- at least three years experience in a senior development role on large-scale PC or console game/s.

The company director who possesses the required five years participation in the games industry can also be included where relevant in satisfying the key principals credit requirements.

A 'senior development role' is defined as a leading role in the areas of production, design, art or programming. A 'large-scale PC or console game' would have a budget around $4 million or more.

An applicant that has previously been assessed and declined for funding under this program is not eligible to apply again unless the business plan has been substantially developed, and a statement will need to be provided setting out the major changes made since the previous submission. Screen Australia will consider this statement when deciding whether or not to accept the application and assess it again for funding.

Companies may receive Games Enterprise funding once only; successful applicants are not eligible to apply for future rounds.

Eligibility for other Screen Australia programs

Recipients of Games Enterprise funding are not eligible for any other Screen Australia funding while they receive Games Enterprise assistance.

Application process and materials

You must apply using the application form available on the Screen Australia website. As part of your application, you will need to submit a detailed business plan that provides both a vision and a realistic rationale for your Games Enterprise funding request. It should include:

- an analysis of the company's past performance in financial and creative terms,

- a brief history of the company, and a description of its present position in the industry, and

- most importantly, a detailed proposal showing how your company plans to achieve future growth and sustainability over the coming three years and beyond. You will need to include concise year-by-year performance objectives which can be used to set specific, measureable, KPIs related to your plan. Companies with a substantial capital base – or entities associated with such companies – will need to justify why they require Games Enterprise Program funding to achieve their goals.

Assistance in designing and structuring your Business Plan may be obtained from the online sources listed here.

The following documentation will be required to support your business plan:

- financial records for the past two years, and forward projections for the next three years

- a year-by-year Games Enterprise Budget providing details of how you would apply Enterprise funding to achieve your Business Plan objectives.

- CVs of company directors and key personnel

- a summary of relevant shipped (publicly released) credits including critical and market performance (sales, downloads, reviews, user feedback, other relevant performance metrics and/or market research and analysis);

- full details of projects currently being developed or proposed for development over the period of the Games Enterprise proposal, including the following: IP ownership, indication of Australian development and other Australian elements including subject matter where relevant, game development plans, market research and analysis, route to market and marketing strategies.

The plan should propose an appropriate split between grant funds and loan funds, assuming that at least 25 per cent of Screen Australia's funding will be provided as a loan. We suggest you seek professional advice in formulating this aspect of the proposal, taking into account the impact of the type of funding on other sources of finance including the Australian Government's R&D tax incentive.

Funding decisions

Eligible applications will be assessed by a committee of Screen Australia executives and external industry assessors, taking into account the following criteria:

- The quality and viability of the business plan, including:
  - its ability to enhance future company sustainability, particularly the emphasis on creation, retention and exploitation of original intellectual property,
  - opportunities offered for job creation, skills development and/or mentorship

- The relevance and viability of the proposed objectives and associated KPIs in relation to the business plan

- The experience, expertise and talents of the company and its key principals, including:
  - the relevance and quality of their track record,
  - their creative and business networks, and
  - their demonstrated capacity to deliver the plan

- The projects currently in development or proposed for future development, including:
  - their level of creativity and innovation

- The market potential, of the current and future projects, and their contribution to business sustainability, including:
  - the appropriateness and viability of marketing strategies.

Screen Australia will also consider developer diversity in terms of scale and product focus in order to promote a varied and healthy games eco-system. Shortlisted applicants may be interviewed.

Decisions on applications are final. Screen Australia will advise applicants in writing of the outcome of their application. Where an application is declined, the applicant will be advised of the reason.

Terms of funding

A proportion of Games Enterprise funds (at least 25 per cent) will be treated as a loan and the remainder as a grant, depending on the proposed business plan.

The Games Enterprise Agreement will contain detailed terms consistent with our Terms of Trade requirements and these guidelines.

Key Performance Indicators: The agreement will set out agreed Key Performance Indicators based on its business plan, and progress against the KPIs will be reviewed six-monthly. Ongoing payments under the Games Enterprise Agreement will be subject to satisfactory performance and reporting.

Fairness and reasonableness: As set out in its Terms of Trade, Screen Australia requires all successful applicants to act fairly and reasonably towards all third parties participating in their projects.

GAMES PRODUCTION

The Games Production program supports games developers by providing funding for individual projects, with the aim of:

- **encouraging the creation and retention of original IP**
- **supporting business growth via game success for developers who don't access Games Enterprise Funds**
- **providing a new source of finance that can trigger the development of innovative games**
- **assisting developers to increase the ambition and quality of games.**

The program contributes finance to games at the stage where a prototype or animated gameplay trailer has been produced to demonstrate the core game mechanic and features, and sample key art has been created. Some commitment from investors may also be in place.

Funding can contribute towards all aspects of game development including marketing and lifetime content. Any marketing expenditure should not replace, but rather add value to a publisher's commitment where one is attached.

Projects may be created for any games platform, and their focus may be commercial (revenue generating), cultural (issue-raising, educational, artistic) or innovative (breaking new ground), as long as they are intended for public release.

Funding available

Screen Australia will consider applications for any amount appropriate to the nature and scale of the game, up to a maximum of $500,000 per project.

Rather than supporting an individual stage of development, funding is intended to contribute to the total budget for getting a game to market (and beyond, depending on the nature of the game and its monetisation strategies), with funds provided in instalments at key milestones that will be set out in the funding agreement (see Terms of Funding).

The level of funding sought should relate closely to the project's development plan, release plan and market potential, and the share of the budget accounted for by Screen Australia investment could vary significantly, depending on the nature and scale of the game. Screen Australia would expect to contribute a smaller proportion alongside other substantial investors in the case of higher-budget games, and to provide a higher proportion of total finance in the case of lower-budget games that may otherwise be self-financed and self-published.

It should be noted that successful applicants may not receive the full amount requested. The level of Screen Australia's funding commitment will be determined by the decision making process and the total demand on funds.

Application timing

Refer to the Screen Australia website.

Eligibility

An application must first meet the following eligibility criteria in order to be competitively assessed for funding through this program.

The **applicant company** must:

- meet the General Eligibility requirements set out in Screen Australia's Terms of Trade; in particular, it must be incorporated and carrying on business in Australia, and have its central management and control in Australia; and
- be able to demonstrate that it:
  - is in the business of developing games, and
  - has control of the development process.

The **game that is the subject of the application** must:

- be intended for public release;
- incorporate original IP held by the applicant company or key principals; and
- not be:
  - a game made for internal training purposes only,
  - an adver-game (commissioned for corporate marketing purposes); or
  - a game involving gambling.

The **creative team** responsible for the game must include at least two experienced games practitioners, each of whom has:

- credits in a senior development role on at least two publicly available games, OR
- at least two years experience in a senior development role on large-scale PC or console game/s.

A 'senior development role' is defined as a leading role in the areas of production, design, art or programming. A 'large-scale PC or console game' would have a budget around $4 million or more.

A sole developer may apply if they have created and released at least two publicly available games as a sole developer.

If a project has previously been assessed and declined for funding under this program, it is not eligible to apply again unless significant changes have been made, and a statement will need to be provided setting out the major changes made since the previous submission. Screen Australia will consider this statement when deciding whether or not to accept the application and assess it again for funding. (Note: after two unsuccessful submissions, no further applications for this project will be accepted.)

Application process and materials

You must apply using the application form available on the Screen Australia website. As part of your application, you will need to submit:

- an Electronic Proof of Concept (EPOC) – ideally a playable prototype and/or an animated gameplay trailer – demonstrating the core game mechanic. <u>You can't just apply with paperwork</u>.
- a game design document and development plan, including production schedule, with appropriate milestones
- a marketing and publishing/release plan
- a business impact statement setting out how this game will contribute to and/or help you <u>build your business</u>, and any plans to exploit IP such as technology, franchises, spinoffs, merchandising
- a statement setting out how success will be measurable and quantifiable on your specific project, and how you will achieve these targets
- a simple talk-to-camera 'video pitch' of no more than three minutes, where the key principals present their vision for the game
- 200 word bios and CVs (with LinkedIn reference) for key creative team
- a full budget to completion and release in a standard format (template available from Screen Australia website)
- a finance plan in a standard format available from the Screen Australia website.

Marketplace and other sources of funding: Marketplace attachments are not required, although involvement of a relevant marketplace entity may improve the competitiveness of the application. Further, where a marketplace relationship is essential for release, such as a game for XBLA or PSN, Screen Australia would expect to see evidence of such relationship as part of the application.

Co-funding with state agencies, other government organisations, educational institutions or other partners is also encouraged.

Legal and administration fee: No fee is charged for applications to this program. However, as per our Terms of Trade, where an application is approved, Screen Australia will charge a legal and administration fee at 2 per cent of the value of the Screen Australia support. This amount should be included in the budget and finance plan of any application.

Funding decisions

Eligible applications will be assessed by a committee of Screen Australia executives and external industry assessors, taking into account the following criteria:

- Strength of the proposal, including
  - entertainment value, and
  - level of creativity and innovation
- Market potential, including
  - ongoing development/release plan, and
  - appropriateness and viability of marketing strategies
- Budget and financing, including
  - appropriateness of the budget relative to the scope of the game and its target market;
  - proportion of the overall budget provided through other/third party

sources; and
- the extent to which the development process is undertaken in Australia by Australians

- The project's ability to enhance business sustainability, including
  - the level of intellectual property retained by the developer, and
  - opportunities offered for job creation, skills development and/or mentorship.

- The experience, expertise and talents of the company and the key principals involved in the project, including:
  - the relevance and quality of their track record;
  - their creative and business networks; and
  - their demonstrated capacity to deliver the plan.

Other factors, including availability of funds and diversity of projects, may also influence Screen Australia's decisions. Shortlisted applicants may be interviewed.

Decisions on applications are final. Screen Australia will advise applicants in writing of the outcome of their application. Where an application is declined, the applicant will be advised of the reason.

Terms of funding

Where Screen Australia funding is $50,000 or under, it will be provided as a grant. In this case, the Screen Australia funding will be agreed upfront and not varied, other than in exceptional circumstances.

Where Screen Australia funding is more than $50,000, it is provided as a recoupable investment, with copyright and recoupment terms in accordance with the agency's Terms of Trade.

The funding agreement will contain detailed terms consistent with our Terms of Trade requirements and these guidelines.

Copyright: Screen Australia will hold 1 per cent share in the copyright and other intellectual property rights (where relevant) in all projects for which it provides recoupable investment.

Funding milestones: The funding agreement will set out key milestones appropriate to the project's development plan, and progress against these milestones will be monitored at agreed intervals). Ongoing payments will be subject to satisfactory achievement of each milestone.

Screen Australia approvals: The agreement will also set out key elements that will require Screen Australia approval, which (among other things) will include changes to key creatives, the game description, the finance plan, and any market attachments.

Fairness and reasonableness: As set out in its Terms of Trade, Screen Australia requires all successful applicants to act fairly and reasonably towards all third parties participating in their projects.

Update log

9 December 2013:
Overview – Interactive & Multi-platform programs: Removal of specific program allocations for 2013.
Games Production: Change to structure of assessment criteria, and addition of 'Appropriateness of the budget relative to the scope of the game and its target market' to the 'budget and financing' criterion.
Games Enterprise: Change to structure of assessment criteria.

30 September 2013:
Games Production: Amendment to 'Application timing'; applications to be accepted at any time in 2014.

28 July 2013:
Games Production: Under 'Terms of funding', change to 'Copyright' section to refer to all projects for which Screen Australia provides recoupable investment rather projects where its funding is more than $100,000.