



Australian Government



INTERACTIVE GAMES FUND CONSULTATION: NOTES FROM ADELAIDE FORUM 12 December 2012

Here's a snapshot of some of the thoughts, suggestions and opinions raised during the Adelaide public forum. The notes are pretty raw, and care should be taken in reading them out of context, but we hope they're useful – at least as a reminder for those who attended. If you feel that any important comments made during the forum have been misrepresented or would like to respond to any of these points, you can make your voice heard via the [online discussion board](#), or an email submission to gamesfund@screenaustralia.gov.au.

Dates and details of remaining public forums and webinar are available here: www.screenaustralia.gov.au/gamesconsult

PRE-PRODUCTION

General

- Need to define pre-production
- Where do middleware and tools fit in? Should include in the fund
- R and D tax incentive and funds available for middleware developers
- Matching prototype funding would be a good idea
- Someone with a game concept but without a game development background could benefit from pre-production funding
- What materials would you need to be eligible for pre-production funding? Eg a concept, an electronic proof of concept
- Need more materials if you want to pitch to a publisher

Should Screen Australia support prototypes?

- Matched funding
- Need flexibility to come back for more funding
- Allocate a small portion of the games fund to prototyping
- Producing a vertical slice is a significant risk for a company
- Vertical slices are a thing of the past
- Do prototypes help raise finance?
- Funding for prototypes to take to a project to a crowd funding platform would help developer keep creative control
- Need prototypes to show to consumers/people who might donate to the project to demonstrate potential of the project
- Need an established reputation to crowd fund without a prototype
- How useful is the language of pre-production? Comes from film industry

- Iterative funding at key stages of a game's development
- Prototypes are relatively easy to produce so they don't need SA funding
- Developers need to show they are committed by funding the development of a prototype themselves
- If you are serious, you are willing to commit money and time to develop a prototype

Exclusions

- R rated content
- Online gambling (there are grey areas)
- Should be targeted at projects for the general public
- Should consider supporting simulation games – to help to retain talent
- Shouldn't exclude educational /informative games
- Grey area between simulation and video games

PRODUCTION

How much should you be able to/need to ask Screen Australia for?

- Take what you need and need what you take
- Must be appropriate to scale of game and recruitment and marketing strategy
- Recoupable equity investment would encourage developers to raise finance outside of Screen Australia funding
- Depends who you want to help – eg for indies 70:30 (70% contribution from Screen Australia, 30% from developer) would be appropriate
- Marketplace attachment requirement is a catch 22 – can't get Screen Australia funding without a marketplace attachment, can't get a marketplace attachment without Screen Australia funding
- Developer should take on some financial risk

Investment or loan

- Needs to be an investment that is paid back by successful developers
- Repaying an investment helps build a business reputation which helps developers to access loans from other sources

Eligibility

- Credit requirement – should depend on what amount people are asking for

What materials should you need to access production funding?

- A decent prototype and business plan so that the fund has a better chance of producing hits
- Stage gates for funding draw downs
- Greenlight from Steam at the point of application
- Greenlight doesn't guarantee your project will get onto Steam
- A well considered marketing plan is as valuable as Steam Greenlight
- Showing a following eg subscriber list, followers

What percentage of a budget should be allocated to marketing and publishing?

- 150k self published title – should spend 50% on marketing, realistically at the moment between 5 and 10% is spent on marketing
- 50% or more on marketing
- Case by case with ongoing review
- In the market people spend more on marketing once the game has some traction with consumers
- Self publishing market is crowded, there is a role for publishers
- We need to involve publishers in the marketing equation
- There are a lot of paths to market and we need to investigate those further
- Screen Australia should provide 50% percent of the budget for marketing
- Indies don't spend enough on marketing because of inexperience
- The fund could support developers to engage external marketing services

ENTERPRISE

- Does the company have to be wholly Australian owned? – Has to have central management and control in Australia
- Why should we fund big companies to do R&D? Wouldn't project funding produce some of the outcomes intended by the Enterprise funding?
- Enterprise is an investment in people, Enterprise gives companies financial security
- Collaborations between companies are encouraged by Screen Australia
- Has Enterprise been successful in film and tv industry? Concerned that Screen Australia will become director of company ie will enforce business plan, too much control
- TV enterprise program has been very successful, funded companies have expanded significantly
- Enterprise eligibility – experience of company directors vs experience of developers? Experienced board members could count a lot towards eligibility because they guide the company
- Screen Australia needs feedback on eligibility requirements for enterprise funding

OTHER

- Is the same game on two platforms two titles? No
- Complementary relationship between Screen Australia and state agencies – SAFC does fund entry level applications, a year ago 7 out of 10 funded projects were games, SAFC wants to see engagement with an audience even at an entry level
- Conference attendance? Enterprise and project funding could include funding trips to market as part of the budget/business plan
- Small travel grants are not feasible for the fund
- Travel grants are available from other places: Victoria has a funding program for export market development, so does NSW, South Australia has travel grants, federal travel grants from Austrade
- Travel to markets is marketing

- Bundle pre-production and production programs into one, indicate at application stage if you are applying for both
- Should there be a requirement to share knowledge gained through funded projects/activities with the rest of the industry?
- Would there be funding to buy licenses? Could be part of Enterprise business plan but unlikely to be supported by project funding because one of the objectives is to generate original IP

13 December 2012