

Response to Screen Australia's Documentary Review

A submission by Joost den Hartog, Executive Director AIDC Ltd. Adelaide - April 4, 2014

Summary

In this document I outline my thoughts about effective industry development, and the opportunities and challenges the Australian documentary industry is facing. This submission is made on personal title, and is therefore not to be confused with a submission from AIDC.

In this submission I aim to recognise and celebrate the recent successes of our domestic industry, and Screen Australia. I will outline three key issues, and conclude with 4 recommendations.

Thank you for the opportunity to put some ideas forward. I hope that this submission is conceived as helpful.

Introduction

Since late 2004 the Australian International Documentary Conference (AIDC) has employed me. First as a consultant to help shape AIDC's, then thriving, international pre-sale market which aimed to attract mainly European pre-sales. Since mid 2006 I am the executive director of the organisation. In my ten years with AIDC, I have observed the Australian documentary community from a unique position. Initially from an outsiders perspective, and gradually gaining more intimate knowledge of the domestic conditions. As executive director of AIDC, it is my task to respond to the needs of the documentary community and provide programs that are complimentary to existing industry facilities and infrastructure.

AIDC is a vital industry development organisation with a broad reach and member base. AIDC's focus is towards an ecosystem that encompasses all experience levels, content flavours and business models represented by those active in the Australian Documentary and Specialist Factual genres.

Influencers

In the last ten years, the production climate and conditions have turned increasingly more complex. Major contributors to the increased complexity all eventuated in recent years.

To list the most influential;

- The transformation from a domestic market to a global market
- Diversification of financing models
- Fragmentation of television audiences due to multi channel broadcasting since the introduction of digital broadcasting
- Decrease of 'per hour' broadcast budgets internationally
- Introduction of Producers Offset
- Increased foreign ownership of Australian production companies
- Disruptive technologies
- Increase in exploitable rights categories
- Asian markets opening up
- The decline of the international pre-sale market
- Changes in public funding avenues and industry policy origins

Flow On Effects

Due to the increased complexity of running a screen business, a trend towards scaling upwards of Australian production companies can be noted. The concept of the Super Indie has been imported from the UK. Achieved through different measures, but with similar results, the monetary value has shifted from individual projects to companies. Enterprise funding and the producers offset allows larger companies to build up a rights portfolio and achieve higher output volumes thanks to implementing industrial production processes. Some of these companies have become ideal pipelines for selling Australian versions of foreign owned formats into Australian broadcasters. As a result, foreign investment in mid sized, privately owned, Australian production companies has been introduced in recent years. An other element of the increase in scale of Australian production companies is the diversification of genres within the one company. Single genre production companies are becoming a rarity.

The Australian television production community has matured significantly and is now a sizeable business and Australians are active participants in the global content market. Screen Australia has been a great contributor to this industry development achievement.

Policy Responses

In the light of the significant circumstance the industry faces (some listed above), review of Screen Australia's documentary programs is timely. The increased complexity of the production context requires more complex responses from policy makers to fine-tune the effectiveness of public spending in the sector.

Key Issues

Assessing the current climate, I recognise three key areas of interest;

- The position of cinema documentary in Australia
- Successful generational industry renewal
- Stimulating Australian exports

The Myth of the One Off Crisis

For some time now there has been an active debate about the decline of the 'one off' documentary in Australia. I believe this debate is confused by definitions. I don't think it is about 'one offs' vs series, but about two different production methods, and more precisely, how the creative process evolves differently from initial idea to final cut.

Two Types of Production Methods

The switchover to digital broadcasting allowed broadcasters to run multiple channels. Australia's free to air offering grew from 5 to 15 channels. This is the biggest thing that has happened to television since the introduction of colour tv. The audience fragmentation that came with multi channeling has influenced changes to the commissioning models of ABC and SBS, the traditional funders of documentary in Australia.

Where the Australian public broadcast commissioning model was mostly 'bottom up', where production companies proposed ideas. The current model is more 'top down'. The broadcaster expresses the commissioning priorities more firm, and interest areas are more restrictive.

This evolution has left us with two different production methods: 1. Industrial method, 2. Artisan method.

Industrial Method

This method emerged as dominant since digital broadcasting has firmly embedded. The industrial method thrives in a 'top down' commissioning model. Producers who are responsive to the needs of the broadcasters, who can deliver according to specification and time schedule, can manoeuvre their companies in a preferred supplier positions. The process is producer led, and there is a shared purpose between broadcaster and producer to make great television.

Artisan Method

The artisan model is the legacy of a hybrid-financing model where public television is used to finance independent documentary. The idea originates with a director, who seeks a suitable producer to finance the project through a broadcast commission and government agency investment. The broadcaster and the filmmaker not necessarily have the same objectives.

Changed Industry

An industrial model has largely replaced the artisan model. This has caused a seismicological shift in the documentary production community. I am very excited about the coming of age of the Australian television production industry, but there are unfortunate casualties.

In the industrial model, the creative role of documentary directors has been reduced, and the role of independent documentary as a social commentator has been further institutionalised due to the broadcasters being more prescriptive in the areas of interest and subject matters.

Documentary as an important genre in cinema is at risk. The hybrid model,

which allowed cinema documentary to be financed through television, is no longer functioning. Television documentary has a distinctively different flavour than cinema documentary.

The Signature Program offers some respite, and combined with the producer's offset, independent work up to certain budget levels can still be produced. Although these budgets are not high enough for theatrical docs, using broadcast as a marketing tool rather than a financing tool, these films can reach a substantial audience, and as a result be successfully launched into a potential VOD market.

To allow the above scenario to play out, some measurements need to be put in place. These changes include adjustments to the terms of trade with the broadcasters and stimulating the creation of a recognisable Australian quality brand to be launched on existing VOD platforms.

Industry Renewal

Generational renewal is vital to maintain the health of the screen industry. To sustain success over time, succession planning is vital. To assist an established industry with the transition into a far more complex distribution landscape, engaging with up and coming screen creatives and entrepreneurs is vitally important.

In my role as executive director, I am privileged to annually receive first works by the next generation of Australian screen practitioners, a generation that is exciting, engaged and entrepreneurial. This generation faces the same difficulties as any generation to break through the establishment formed by the generations preceding them. What makes this generation exciting is that there are unique attributes and opportunities that make them a lot more successful than the generation(s) before them.

There are the obvious contributors, like the stark reduction in equipment and

postproduction costs, conditions that apply regardless to which generation people belong, and there are some less obvious contributors that are unique to this generation. The latter conditions set them apart from other generations.

These conditions are:

- Being exposed to a modern campus climate at Australian Universities and higher education institutions
- Natural adoption of Internet tools and possibilities
- Social engagement is not defined or influenced by political dogmas
- Access to huge world wide content libraries
- Ability to get their work (peer) reviewed online
- They see no conflict between art and business

The conditions above have contributed to a generation of filmmakers that operate under a different set of circumstances. An entrepreneurial approach allows them to bridge the gap between finalising an education and setting up a practise. They have a small footprint, and have already established support activities to financially rely on. The Internet allows them to finance and distribute, and hone their craft thanks to instant audience feedback (this feedback can function as a natural talent filter for the benefit of funding agencies). They work collectively and define their own markets.

In several years time, this generation will dominate the screen production sector. Integration into the established industry is vital for the future of currently successful screen businesses, and the maintenance and development of Australia's international screen production reputation.

The current catchment strategies Screen Australia developed might not be sufficient to attract the best of this generation. Currently the doors are

pretty much shut, except for specific development partnerships between Screen Australia and the public broadcasters e.a Opening Shot. As all program require pairing up with established producers, the filters might be too tight to attract new talent into the industry properly.

I would like to suggest a small curated funding program where those who do interesting things outside of the formal industry structures are invited to develop their online experiments (prototypes) into cinema and broadcast products. Active scouting for talent might be required.

Australian Exports

Growing the Australian screen industry is largely depending on foreign investment into Australian production. Australian production companies can be successful exporters. The facilities are in place. The Producer Offset and Screen Australia investment have placed Australian producers in a favourable international co-production position. The hurdle is securing the domestic broadcast deal.

The current international program is shaped on international broadcast pre-buys and sales agent advances, whilst the current path to export success is international co-production between production companies.

It is important to maintain a separate funding avenue attached to international co-productions. This will maintain the favourable position of Australian producers in the international market. It will also function as an incentive for domestic broadcasters to consider international co-productions more actively. Rolling the funding for domestic and international productions into one fund will result in more domestic productions and less international activity, which will diminish the opportunities for industry growth.

AIDC's Responses

AIDC, under my leadership, has recognised the key areas of concern as mentioned earlier in this document. We have developed programs to assist the industry to address these issues. We have introduced talent development schemes for documentary makers (Asia Pacific New Documentary Program) and television production (ACCESS@AIDC). We have launched an exhibition platform to increase the status of cinema docs, and to break down the walls between public and industry. The DocWeek concept is essentially a public relations platform for documentary and the Australian documentary industry. Documentary funding sources have become very diverse. More frequently they lie outside of the conventional industry structures. An industry with strong public relations has more opportunity to benefit from those alternative financing sources.

International connections and co-productions have always been at the core of AIDC. Providing an annual moment for Australian filmmakers to host international buyers and producers on their own turf is of vital importance.

AIDC actively brokers relationships with international channels, production companies, distribution platforms, industry organisations and other financiers and facilitators on behalf of the industry. The infrastructure AIDC provides is unique. There aren't many countries in the world that have a similar event like AIDC that is entirely designed to benefit a domestic documentary industry. Similar events like AIDC generally service proximity and don't deliver specifically to the needs of a national industry.

Recommendations

To conclude my submission, I would like to summarise the above and put some recommendations forward.

Recommendation 1 / Signature Program

Assess the appropriateness of funding levels of the Signature Documentary Program by analysing project financing viability whilst not taking any broadcast (domestic or international) investment into consideration, ea. Are there enough alternative funding sources available to compliment Screen Australia's investment to raise a high enough budget?

Enhance the Signature Documentary Program by assisting with the design of a release strategy that takes full advantage of the market reach of television, and positions the films advantageously in a growing VOD market.

Signature documentaries often end up on ABC after being acquired for very low acquisition fees. I would suggest that the financial contribution of the broadcaster is relinquished in favour of better licensing conditions, that exclude digital rights and catch up rights from the broadcast license. The broadcast can function as a marketing tool for VOD sales straight after the initial broadcast in the domestic market.

Stimulate the creation of a strong Australian quality screen content brand to be rolled out on all available VOD platforms and in bricks and mortar retail stores. Brand reputation and recognition is the key to VOD success.

Recommendation 2 / Industry Renewal

I recommend that Screen Australia review all guidelines and activities against the light of generational industry renewal. The future relevance of the industry and the agency is strongly connected to successful industry renewal. Successful generational renewal can assist strongly with concurring other challenges, like the shift to online content distribution models.

I recommend that Screen Australia work closely with industry development organisations like AIDC to design programs that recognise and support up and coming talent.

Recommendation 3 / Australian Exports

Assess the guidelines of the International Program on relevance. Position the funds to take maximum advantage of Producer-to-Producer international co-productions.

Maintain the International Program as a separate funding avenue.

Recommendation 4 / National Interest

Retain the National Documentary Program. The intrinsic national interest notion of this program provides great credibility and justification for our national documentary industry.

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