



Australian Government



DRAFT GUIDELINES FOR COMMENT ENTERPRISE INDUSTRY

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Tell us what you think

Feedback on the draft guidelines is open until **Friday 6 June 2014**.

Send to feedback@screenaustralia.gov.au

We'll publish your comments on the website as we receive them, unless you tell us otherwise. See www.screenaustralia.gov.au/EnterpriseConsult.

BACKGROUND

The *Screen Australia Act 1998* requires the agency to: *support and promote the development of a highly creative, innovative and **commercially sustainable** Australian screen production industry.*

Since 2009, Screen Australia's Enterprise Program has provided business support to assist in the creation and development of more viable screen production businesses. A total of \$19.5 million has been provided to 29 companies that identified opportunities to develop, expand and enhance their sustainability.

A review of the program was launched in December 2013, to assess its impacts and consider how it may best evolve to continue to serve the industry. Detailed analysis of the outcomes of Enterprise funding was published, along with an exploration of future options for the program. Public forums were held in six cities and via a webinar, and feedback was invited through online comments and submissions. Around 500 people attended the forums and 30 submissions were received.

The review established five guiding principles for the future of Screen Australia's Enterprise funding:

- **All options should be considered:** There may be a variety of models for delivering a program or programs to support business sustainability, and consideration should be given to the full range of possibilities.
- **Enhanced sustainability remains a key goal:** The purpose of Enterprise funding remains the development of a more commercially sustainable Australian screen production industry.
- **Collaboration should be encouraged:** Options should focus on encouraging collaboration with local and/or international partners, as a key plank in establishing and supporting business viability.
- **Benefits should flow to the broader industry:** The program overall should deliver benefit to the industry as a whole, not just the funded companies.
- **Risk-taking should be facilitated:** Funding should be used for ambitious activities with the potential for high-level rewards for both the company and the sector. The program should help businesses take risks they would otherwise be unable to accommodate.

Insights from industry consultation

The main points of consensus that emerged through the consultation process were:

- Enterprise funding should have a role in encouraging and incentivising a broader benefit to the industry, particularly through activities such as training, mentoring and collaborating with other parts of the sector.
- Enterprise funding should be available to a wide range of businesses, including large, small or emerging companies and those engaged in innovative activities.
- Business and industry growth will require greater international focus.

- The application process should be staggered, starting with an initial Expression of Interest.
- Key challenges to the viability of the sector include: a shortage of access to sustained on-the-job training and experience for the next generation of producers; securing the resources required to develop diverse ongoing slates, and the lack of viable business models for financing, producing and distributing professional online content.

‘Enterprise Industry’ – a new approach

Draft guidelines have been developed for a new suite of programs under the umbrella ‘**Enterprise Industry**’. This new approach encapsulates the following key features:

- **Growth**
With finite resources available, Enterprise funding must support strategies to develop and grow the local screen industry or to better leverage existing opportunities. This may be through promoting greater international and domestic collaboration, expanding audiences through innovative distribution strategies or supporting an increase in the production of compelling Australian storytelling.
- **Responsiveness**
To continue to be effective in supporting the development of a commercially sustainable screen production industry, Enterprise funding needs to adapt as the needs of the industry change. Maintaining the program in its current form would risk saturating the industry with businesses unable to be sustained by the market. The next stage of funding will be targeted at specific challenges facing the sector.
- **Industry benefit**
Analysis of companies funded through the first two rounds of the Enterprise program shows that in addition to the overall improvement in business performance and escalation of production activity since receiving Enterprise funding, activities of Enterprise companies also delivered some flow-on benefits to the broader sector. From 2014/15, Enterprise funding will focus particularly on delivering *industry* benefits, through targeted growth activities that help build and renew the ecology of the sector.
- **Broader success measures**
While the impact of the inaugural Enterprise program was measured against the sustainability of the funded companies, the next stage of the program will aim to demonstrate success in the viability of the sector more broadly. Impacts will be expected in the areas of skills development, employment in selected roles, innovation in the development of new business models, and an increase in high-quality, audience-engaging screen content.

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DRAFT GUIDELINES: ENTERPRISE INDUSTRY

Companies funded through the first two rounds of the Enterprise Program recorded overall improvement in business performance and escalation of production activity after receiving Enterprise funding. Activities of Enterprise companies also delivered some flow-on benefits to the broader sector.

From 2014, Screen Australia's Enterprise funding will focus particularly on delivering *industry* benefits – supporting growth activities that address key industry-wide challenges to sustainability.

Objectives and scope

Enterprise Industry seeks ideas from screen businesses themselves for ways to address the challenges faced by the sector. It aims to help companies mitigate the risks involved in dedicating resources to activities that can take time to generate commercial returns but that are vital to ensuring the ongoing quality and viability of Australian screen production.

Resourcing the sector in this way will not only harness some of the best skills and experience in the market to take on some of the most difficult challenges, it will also help to reinforce the complex ecology of the industry, acknowledging that companies have a stake not only in their own survival and development, but in the longer-term regeneration and growth of the sector as a whole.

Funding will be provided through a suite of programs based on three broad themes:

- **Enterprise: People:** Targeted industry placements to advance the skills of early-career writers and creative producers
- **Enterprise: Stories:** Encouraging ambitious and innovative large-scale development projects
- **Enterprise: Growth:** Advancing the development of new models for financing, producing and distributing Australian screen content.

\$3–5 million each year will be available through these programs over the next three years. A final budget will be determined early in the 2014/15 financial year.

ENTERPRISE: PEOPLE

Targeted industry placements to advance the skills of early-career writers and creative producers

Enterprise: People will support companies with development expertise to employ writers or creative producers on a full-time basis over a two-year period. It will contribute to the sustainability of the industry by addressing both the need for sector-building through skills transfer and renewal, and the development of new intellectual property.

Screen Australia's program KPIs for Enterprise: People will focus on demonstrating an increase in sustainable ongoing employment and screen credits for early-career Australian writers and producers.

Target applicants

The program is aimed at established screen businesses with capacity to provide intensive on-the-job development for an emerging writer or creative producer, but without the initial means to employ them on an ongoing basis.

Funding will target applicants who have identified a suitable writer or creative producer and have strategies to deliver high-level experience resulting in screen credits.

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
- have an Australian Company Number (ACN) and any company that controls the applicant company within the meaning of section 50AA of the *Corporations Act 2001* must have an ACN
- include at least one company director who has a minimum of five years relevant participation in the media and entertainment industry and has the following minimum credits:
 - one credit as writer, producer or executive producer of a feature film selected for a major film festival (Cannes, Venice, Berlin, Sundance or Toronto)
 - OR
 - three credits as writer, producer or executive producer on any combination of:
 - a feature film (drama or documentary) which has been released on a minimum of five commercial screens in one territory;
 - a television drama, television series, documentary or factual program which has been broadcast in prime viewing time on Australian free-to-air or subscription television (children's programs or series must have been broadcast in scheduled C period).

For writers, television credits should be 'written by'.

The application must include:

- a candidate (not a current member of staff) identified for industry placement within their company in the area of script-writing or creative producing
- a nominated mentor or mentors.

Previous recipients of funding under the Enterprise program are eligible if they have fully repaid any funding provided as loans and have no outstanding obligations to Screen Australia.

However, Screen Australia is not likely to prioritise proposals from applicants who have received funding for a similar initiative through one of the agency's other programs.

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 proposal containing:

- a profile of the candidate for industry placement, including experience and achievements to date, and highlighting why they are suitable for the proposed placement
- a brief history of your company, and a description of its present position in the industry, including a summary of relevant credits, and how the company would benefit from the proposed placement
- a profile of the nominated mentor or mentors, including their capabilities to play a mentorship role
- a plan of how your company will incorporate the placement into its activities over the next two years
- a description of how the requested funding will achieve:
 - skills development for the candidate for placement;
 - screen credits for the candidate;
 - ongoing employment for the candidate at the end of the funding period, either within the company or elsewhere in the sector
- performance indicators (KPIs) appropriate to your proposal.

A current ASIC company search must be included with each application.

Funding decisions

Eligible applications will be considered by a committee of Screen Australia executives against the following criteria:

- the suitability of the proposed candidate, based on their achievements to date, commitment to a career in the screen production industry, and demonstrated potential for development
- the strength of the company's two-year plan to develop the candidate including opportunities for skills development, screen credits, and ongoing employment
- the demonstrated capabilities of the company and nominated mentor(s) to deliver a fruitful industry placement.

Other factors, including availability of funds and diversity of proposals, may also influence Screen Australia's funding decisions.

Decisions on applications are final. Screen Australia will advise applicants in writing of the outcome of their application.

Terms of funding

Funding will be provided as a grant.

Progress against agreed KPIs will be reviewed six-monthly, and ongoing payments under the Enterprise Agreement will be subject to satisfactory performance and reporting.

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.

Successful applicants to Enterprise: People will be eligible to apply for other forms of Screen Australia funding. However, Screen Australia may not prioritise applications for other programs where the funding is for similar activities or initiatives to those supported under this program.

Recipients may be asked to provide material for case studies or participate in seminars or workshops to share their knowledge and experience.

ENTERPRISE: STORIES

Encouraging ambitious and innovative large-scale development projects

Enterprise: Stories is open to a diverse range of initiatives to deliver ambitious and innovative large-scale development programs, aimed at capitalising on the talents of experienced Australian writers and creative producers, and delivering high-quality, original, market-ready scripts.

Examples of story-focused initiatives delivered by recipients of funding under the previous Enterprise program include:

- Playmaker Media launched the Scribe Initiative for writers in 2011, an Australian showrunner development program. Projects coming out of the program to date include two series of *House Husbands* and *Love Child* and the ABC political thriller *The Code*
- Cordell Jigsaw ran a talent workshop for comedy performers which resulted in 11 new writers receiving a writing credit on *You're Skitting Me*
- Jungleboys ran script development workshops, working with an assortment of new and emerging directors, writers and actors for *The Elegant Gentleman's Guide to Knife Fighting*, enabling them to identify talent and establish future working relationships.
- Blackfella Films developed and produced two seasons of the TV drama series *Redfern Now* in collaboration with UK screenwriter Jimmy McGovern.

Applications for Enterprise: Stories could include initiatives that:

- identify and develop Australian writing talent
- increase and strengthen the pool of experienced Australian writers and creative producers
- draw on international resources to help develop Australian storytellers
- harness opportunities to profile Australian writing talent internationally.

The program will support the best proposals addressing the aims of the program, with funding levels appropriate to the scale of the initiative and supported by a budget.

Screen Australia's program KPIs for Enterprise: Stories will focus on demonstrating an increase in the development of original, high-quality audience-focused scripts which progress to production and release.

Target applicants

Applicants to Enterprise: Stories may be:

- production or non-production entities
- new companies or alliances with capacity to grow
- established companies proposing initiatives that would not be undertaken in their normal course of business
- collaborations between companies, including with international partners.

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.
- have an Australian Company Number (ACN) and any company that controls the applicant company within the meaning of section 50AA of the *Corporations Act 2001* must have an ACN
- include at least one company director with a minimum of five years of recent (within the last two years) relevant participation in the media and entertainment industry
- demonstrate a commitment to contribute financially to the delivery of the initiative.

Previous recipients of funding under the Enterprise program are eligible if they have fully repaid any funding provided as loans and have no outstanding obligations to Screen Australia.

However, Screen Australia is not likely to prioritise proposals from applicants who have received funding for a similar initiative through one of the agency's other programs.

An applicant that has previously been assessed and declined for funding through this program is not eligible to apply again unless the proposal 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.

Application process and materials

There will be a two-stage application process.

Stage 1

You must first submit an Expression of Interest (EOI) comprising:

- a completed form, available from the Screen Australia website
- a pitch to camera (maximum length three minutes) summarising the concept and its relevance to the Enterprise: Stories program.
- a written proposal (three to five pages) outlining the objectives and strategy of the initiative, your company's strengths in delivering it and how you will measure its success, as well as brief biographies of the key personnel.

Stage 2

If your project is shortlisted, you will be invited to submit further supporting material, including:

- a description of how the proposed initiative will address the program objectives
 - provision of intensive development opportunities for a nominated number of Australian writers;

- development of scripts that are market-ready, for production financing or for further development commitment by television networks;
- creation of projects with high potential for audience engagement, returning seasons (in the case of relevant television projects) and/or ongoing scriptwriting opportunities for participants.
- a budgeted plan and timeline showing how your company will incorporate the proposal into its activities and how it fits with the company's strategic direction
- details of any other sources of funding in addition to that sought from Screen Australia,
- details of any partners, collaborators or service providers
- proposed performance indicators (KPIs) appropriate to your initiative
- a brief history of your company, and a description of its present position in the industry, including a summary of relevant credits or achievements.

A current ASIC company search must be included with each application.

You will have four weeks to submit this material; otherwise your application will be deemed ineligible.

Screen Australia reserves the right to request additional information, such as company financial statements.

Funding decisions

Applications will be considered by a committee of Screen Australia executives. External industry assessors may be engaged where relevant.

Stage 1: Shortlisting

Eligible Expressions of Interest will be shortlisted against the following criteria:

- the quality of the idea including its level of innovation combined with a realistic rationale
- the relevance of the proposal to the objectives of the program
- the viability of the proposal in light of the company's capabilities.

Stage 2: Final decision

Shortlisted applications will be considered against the following criteria:

- the quality of the idea including its level of innovation combined with a realistic rationale
- the relevance of the proposal to the objectives of the program
- the skills and experience of the applicant, and their capacity to undertake the initiative including any external partners or service providers brought on to deliver the activity
- the viability of the budget and timeline
- the applicant's commitment as demonstrated by the level of resources and/or funds allocated to the initiative by the applicant
- the extent to which the initiative could not be brought to fruition without funding from Screen Australia.

Other factors, including availability of funds and diversity of proposals, may also influence Screen Australia's funding decisions.

All other things being equal, Screen Australia will prioritise proposals that have a lower ask of Screen Australia funds as a proportion of overall budget.

Screen Australia will advise applicants in writing of the outcome of the shortlisting process and final decision. Decisions on applications are final.

Terms of funding

Funding will be provided as a combination of grant and loan.

Progress against agreed KPIs will be reviewed six-monthly, and ongoing payments under the Enterprise Agreement will be subject to satisfactory performance and reporting.

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.

Successful applicants to Enterprise: Stories will be eligible to apply for other forms of Screen Australia funding. However, Screen Australia may not prioritise applications for other programs where the funding is for similar activities or initiatives to those supported under this program.

Recipients may be asked to provide material for case studies or participate in seminars or workshops to share their knowledge and experience and leverage further benefit to the industry.

ENTERPRISE: GROWTH

Advancing the development of new models for financing, producing and distributing Australian screen content

Enterprise: Growth will provide funding for proposals that respond to evolving audience behaviour, and generate new business models for the financing, production and distribution of professional Australian screen content. This may include innovative models for production and distribution of professional online content, or any other compelling initiative that helps to grow the pie for Australian screen production or distribution, including domestic and international collaborations.

Applications may include proposals that:

- identify and harness new domestic or international sources of finance or markets for Australian screen content (for example, facilitating collaborations or co-productions, or drawing on sources specific to a project's target audience)
- identify and optimise alternative routes to market for screen content (for example, draw on crowd funding and social media as their primary means to raise finance and build audiences)
- assist Australian screen producers to identify and engage with the widest possible audience for their content (for example, using strategies such as digital extensions for film and TV, branded entertainment, event-driven marketing and audience-building through social media)
- assist Australian screen producers to generate revenue from online distribution of their content (for example, exploring new business models, and/or using data analysis to enable producers to monitor and optimise revenue generated from online delivery)
- apply innovative approaches to the financing, production and distribution of professional online content.

The program will support the best proposals addressing the aims of the program, with funding levels appropriate to the scale of the activity and supported by a budget.

Screen Australia's program KPIs for Enterprise: Growth will focus on demonstrating increased opportunities for Australian content to generate audience engagement and enhanced scope for generation of finance and revenue.

Target applicants

Applications for Enterprise: Growth may come from:

- production or non-production entities
- new companies or alliances with capacity to grow
- established companies proposing initiatives that would not be undertaken in their normal course of business
- collaborations between companies.

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.
- have an Australian Company Number (ACN) and any company that controls the applicant company within the meaning of section 50AA of the *Corporations Act 2001* must have an ACN
- include at least one company director with a minimum of five years of recent (within the last two years) relevant participation in the media and entertainment industry.

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There will be a two-stage application process.

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- a completed form available from the Screen Australia website
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- a written plan (three to five pages) outlining your objectives and strategy, your company's strengths in delivering the proposal and how you will measure its success, as well as brief biographies of the key personnel.

Stage 2

If your project is shortlisted, you will be invited to submit further supporting material, including:

- a description of how your proposal will address the program objectives, ie:
 - respond to changing audience behaviours and apply innovative methods for Australian content to reach audiences,
 - significantly advance the exploration of new or alternative finance sources and markets for Australian screen content, and/or
 - 'grow the pie' for the Australian screen sector

- a budgeted plan and timeline showing how your company will incorporate the proposal into its activities and how it fits with the company's strategic direction
- details of any other sources of funding in addition to that sought from Screen Australia
- performance indicators (KPIs) appropriate to your proposal
- a brief history of your company, and a description of its present position in the industry, including a summary of relevant credits or achievements.

A current ASIC company search must be included with each application.

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- the quality of the proposal including its level of innovation combined with a realistic rationale
- the relevance of the proposal to the objectives of the program
- the viability of the proposal in light of the company's capabilities.

Stage 2: Final decision

Shortlisted applications will be considered against the following criteria:

- the quality of the proposal including its level of innovation combined with a realistic rationale
- the relevance of the proposal to the objectives of the program
- the skills and experience of the applicant, including any external partners, collaborators or service providers, and their capacity to undertake the proposal
- the viability of the budget and timeline
- the applicant's commitment as demonstrated by the level of resources and/or funds allocated to the proposal by the applicant
- the extent to which the proposal could not be brought to fruition without funding from Screen Australia
- the extent to which the proposal will enhance the ongoing viability of the company and/or the screen sector beyond the funding provided.

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