

SUPPLEMENTARY SUBMISSION FROM KO LIK FILMS LTD

I'm writing to you to express my concern that the EET Committee has not sought evidence from any representative of the animation industry in Scotland regarding our sector.

Prior to the Committee taking evidence, I did make a written submission that outlined my concerns for the state of animation in Scotland and described what I regard as systemic neglect and a complete absence of vision from public funders. However, I had hoped that my submission might have been a small footnote in your investigations into Scottish animation. I'd hoped that the Committee would have a chance to interrogate the various parties complicit in that neglect and examine the structural failings that have almost decimated our industry, from a position of relative strength only a decade ago. Not least, on a more optimistic note, I would have hoped the Committee might have had the opportunity to hear from representatives of our sector regarding what supports we might hope to be put in place to protect the fragile green shoots of recovery that have managed to appear here in Scotland, despite the failings of the agencies charged with responsibility for helping grow our industry.

I think I am correct in saying that neither Creative Scotland nor Scottish Enterprise have ever supported a Scottish animated feature into production. Not one. The Academy-award nominated feature, 'The Illusionist' that was made here in Scotland did not have support from either party. If there are no Scottish-based animated films being developed to a point of successfully going into production, it would suggest to me that in Scotland we're either doing development wrong or not doing enough. I'm sure your Committee will be getting fed up with hearing comparisons with our Irish neighbours, but this year Irish animation enjoyed yet another animated feature Oscar nomination for a very culturally specific idea that shone a massive Spotlight on Irish culture and ambition. While Dublin and Northern Ireland enjoy a massive boom in animated film and TV production, it would seem, yet again, that we're missing out here in Scotland.

Our company, is successful and profitable, attracting inward investment and offering long term employment to scores of talented young people from across Scotland and attracting talent into Scotland from across the world. But we're being successful despite being in Scotland. All Scottish companies would want, including ours, is to be able to compete with other European companies on a level playing-field, with access to comparable levels of support.

I believe animation sector in Scotland is losing out on inward investment opportunities because of a number of factors:

- Significant under-investment relative to other European countries of similar size.
- A failure to see the real value of animation in providing long-term, skilled employment in Scotland.
- Failure to adequately support new talent or invest in talent development, or talent retention.
- Failure to recognise that developing animation can require a different approach to other areas of film and TV and can't just be lumped under umbrella film and TV criteria.

- Failure of those charged with championing Scottish animation in terms of ensuring our indigenous industry receives due, proportional support from the BFI, broadcasters and other European-based agencies.
- Failure to support animation companies in attending international markets. Despite the animation sector's potential for high growth and long-term, skilled employment, we're not included under Creative Scotland's Market Leaders banner and have as a result been denied access to hundreds of thousands of pounds worth of public investment.

Regarding possible solutions; I've not really been able to invest the time or research into how Scottish animation overall might possibly be resuscitated. That remit should rest, I believe, with Creative Scotland and Scottish Enterprise and the failures outlined above may well be symptomatic of an overall failure on their part to properly value the economic and cultural contribution that our sector can make to Scotland.

However, if I might offer a few initial suggestions:

- A significant level of early development has to be in place to establish the scale of animation projects and the best medium for delivering the story and, crucially, delivering the story in a way that also makes sense for co-production led work-split. Will the story be best realised by stop-motion, 2D, CGI, or some kind of hybrid technique? Should a Scottish producer be approaching a small Benelux stop motion studio to access their generous tax support? Or is the concept better placed with one of the larger French or German studios with the Scottish company as a minority partner? Can we realise the animation here in Scotland and look to a Scandinavian partner with expertise in advanced compositing and VFX? Or is the story deliverable on a scale where US studio involvement should be leading the development process with a Scottish involvement limited to above the line talent? Without some thoughtful, early development I think it's almost impossible to know the answer to these questions. Without support in that early development phase, I believe we're at a real disadvantage amongst our European competitors. I think this is an issue Creative Scotland should be able to address immediately. It only requires them to recognise that animation needs to be treated differently to live action - but the benefits accrued would make that recognition well worthwhile. When 'The Illusionist' shot in Scotland, it brought over £10 million into Edinburgh's economy over a two year period. That dwarfs the spend of big Hollywood feature just using Scotland as a location.
- I believe increased investment in development at an earlier stage would make a huge difference. It would allow us the opportunity not only to develop market-ready properties but also have the equally important benefit of helping allow Scottish companies to retain and develop our best talent here in Scotland.
- Creative Scotland should actively try ensure the BFI extend their support for animation to Scotland. It's hard to see the BFI's justification for exclusively investing in Bristol and London-based companies. In my view they should be required to offer a proportional level of support to Scotland's animation sector, and arguably that level of support should be increased to recognise their historic lack of investment in Scotland. The

Scottish Parliament successfully exerted pressure on the BBC to address historic underspend in Scotland and perhaps similar pressure needs to be brought to bear on the BFI. I think the same pressure should be brought to bear on BBC Films. It was slightly galling to be a nominee at this year's BAFTAs and watch BBC Films pick up an award for their Outstanding Contribution to British Film, aware of how little they have contributed to film in Scotland.

- It would also help if Scottish animation companies could have properly structured support to access markets on a similar scale granted to live action companies over the past few years. Again, this is something that Creative Scotland or Scottish Enterprise should be able to address immediately.
- Perhaps it's not being said loudly and clearly enough by other producers, but what Scotland's film sector, including its animation companies, needs most of all is a straightforward increase in investment. If Scottish Enterprise can't engage with film and television, reallocate some of their funding to boost production. We can use it to attract significant inward investment, we can use it to help celebrate and export around the world all that is great about Scottish culture - especially for Scotland's children and young people - and we can use it to create real jobs here in Scotland.

Finally, if you'll excuse me, an anecdote from the trenches which I'd like to share with the Committee. A couple of years ago, I was at a meeting with one of the world's most successful animation studios in Los Angeles. It wasn't long after their main rival, Pixar/Disney, had successfully released the Scottish-themed movie 'Brave' - which, of course, involved almost zero Scottish production or animation talent. As a concerned Scottish writer and producer, I asked them if they felt that the success of 'Brave' might have lessened their enthusiasm for Scottish-based ideas. The studio exec could not have been clearer - he said that they were very aware that international audiences love Scotland and especially Scottish actors. The exec very explicitly encouraged us to bring the studio more Scottish material, citing Tam o'Shanter and the Loch Ness Monster as just two subjects they were interested in.

Being from Inverness, I couldn't resist the chance to respond to a 'monster' challenge and we set to work to develop a funny contemporary Loch Ness Monster story. Fitting it around other commitments, we finally submitted our outline only to be told that in the intervening time, the studio who had suggested a Loch Ness Monster-based animation had moved a Yeti-based story into advanced development and we had a slightly surreal note about not wanting to have two competing cryptozoological films in development. However, one of their senior execs kindly took the time to give us detailed feedback and offered some very good ideas on how to move the project forward. Buoyed with their enthusiasm and input, we sought development funding here in Scotland to try and develop the idea further. Unfortunately the decision was made that the project didn't meet existing funding criteria. These criteria haven't really been working especially well for live-action films but in my view they were even less suitable for an animated feature. As a producer, I argued that to try meet these criteria would deleteriously affect the commercial prospects of the project and that the different requirements of animation needed to be recognised and supported. However, neither recognition nor support was forthcoming and, as a result, we were turned down for development funding.

Towards the end of last year, Bristol-based studio Aardman Animation, as a result of substantial direct investment from the BFI (investment not available to any Scottish companies), put out a call for animated feature projects. Our agent urged us to submit our Loch Ness Monster project and having hit the buffers here in Scotland, we felt we didn't really have any other choice. Despite not really being an Aardman style film, our outline has made it through to the shortlist and is currently under consideration, which is very nice for us as writers. However, if successful, our Loch Ness Monster project would have the potential to secure substantial inward investment and long-term jobs for Bristol, while here in Edinburgh our own studio would completely miss out and the talented crew we have here might be forced to do what they've had to do so often over the last decade... leave Scotland in search of employment. It can't just be me who thinks we should be doing better than this in Scotland.

Here in Scotland we're actually very good at animation but, in my opinion, our sector is scandalously undervalued and under-supported. Our work deserves to be championed and celebrated: instead, the lack of support and investment makes Scotland one of the very worst places in Europe for an animation production company to be located. If I felt that it could, in any way, focus attention on getting a better deal for Scottish animation, I would be very happy to answer any further questions the members of the EET Committee might have.

Yours sincerely,

Cameron Fraser

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