

## SUBMISSION FROM SCOTTISH DOCUMENTARY INSTITUTE

“To consider how Scotland can grow sustainable TV and film, and video games industries.”

### **Regarding:**

#### **The role of public sector agencies and the effectiveness of the support they provide:**

At the inception of Scottish Documentary Institute (SDI), about 12 years ago, Scottish Enterprise (SE) invested modestly some seed funding in our first two editions of Bridging the Gap, our award winning, Oscar-shortlisted, short documentary new talent programme, which has been consistently backed by Scottish Screen, then Creative Scotland ever since. An SE investment would be simply unthinkable right now. SE has done nothing to connect with the fiction/documentary film sector at large, outside investing in scalable, large factual indie TV production companies\* – please note about half of UK’s “indies” are actually owned by Hollywood Majors:

“21st Century Fox owns Shine Group, including Dragonfly, Kudos Film & TV and Princess Productions; NBCUniversal owns Carnival Films, Working Title TV, Chocolate Media, Lucky Giant and Monkey Kingdom; and Warner Bros owns Shed Media, including Wall to Wall, Twenty Twenty TV, Ricochet and Renegade.”

see: <http://www.c21media.net/perspective/whose-indie-sector>

Creative Scotland (CS) and previously Scottish Screen understand the need for an international organisation dedicated to the documentary form, as an ambassador to Scottish culture and creative skills. Through documentary we share who we are as a nation, and where we are going with the rest of the world. CS has been very supportive of Scottish Documentary Institute, but lacks the resources to back a bigger vision for a more ambitious and vibrant documentary institute in Scotland; we believe documentary is one of the most relevant art and media forms in the world today, and it’s time to let it thrive and reclaim Scotland as the rightful home of documentary (thanks to John Grierson). Unfortunately, despite ample praise by CS, SDI was turned down in its recent application for “regular (core) funding”, being again forced to operate on a per project-funding basis rather than an institute.

\* Reference to SE investment:

Shed Productions expands in Scotland  
[http://www.shedproductions.com/news/Shed-Productions-Expands-in-Scotland-Creating-230-Jobs\\_412.aspx](http://www.shedproductions.com/news/Shed-Productions-Expands-in-Scotland-Creating-230-Jobs_412.aspx)

## **The role of the private sector in supporting the video games and the TV and film sectors;**

- While private investment is possible on a project by project basis, access to individuals and investment funds is almost exclusively located in London, for which producers need to find extra funds to promote, arrange meetings, and travel from Scotland. And more often than not, it's a path reserved and engaged for fiction projects, with higher budgets, higher commissions etc.
- Partly due to the SE failures, no attempts have been made to encourage or train producers in the business skills necessary to become "investor ready" – taking into account the *specifics* of the film industry. Hence most companies are not investor ready, and on a UK-wide level, investment in film companies / slates is virtually non-existent. Hence the additional pressure on single films to perform well – not an easy proposition to attract private investment.
- Unscripted documentary faces a further hurdle when approaching the private sector as many times films have to be shot over a longer period before financing can be put into place, putting a lot of pressure on development funds and company cashflow.
- There is potential to build up a much better film eco-system overall, including film marketing to film sales & distribution, outreach and impact of film/documentaries – and involving the private sector in this - but there is little next to no such provision in Scotland.
- Successful institute models, such as Robert Redford's "Sundance Institute", connect the private and public sector with the independent film sector through a mix of sponsorship, philanthropy and grants very successfully. An institute and / or Screen Agency should be a vital part of the eco system, linking up and leveraging funds, and promoting talent, art and business.
- To date we see no top-down evidence of investment community having been encouraged to support film – philanthropically or otherwise. The private sector could be inspired and encouraged a lot more by opening their eyes to how the film investment / the film industry actually works, and how they can participate and play a key part in expressing the vibrancy of a country through film.

## **How the issues that hinder the growth of creative industries can be overcome and how to capitalise on opportunities;**

- In a risk averse universe, projects have to be developed to a very high degree – this requires a higher development budgets and cashflow facilities, eg against tax credits.
- Support company development for numerous Scottish producers to create powerful slates to be offered to public and private

investments; to allow to access capital, markets, and leverage investments.

- Support international co-productions also as inward investments and to encourage international exchange of talent and skills this way.
- Support companies in accessing marketing & distribution support.
- Connect and develop the marketing, distribution and financing sector with producers in Scotland.
- Inspire and enlighten investors and philanthropists about the opportunities in film and how the international film industry works.
- Encourage Investors about the added cultural value of film investment beyond profit.
- Encourage and enable Broadcasters for increased level of support.
- Encourage and enable Banks or an agency to facilitate eg Tax credit cashflow at competitive rates.
- Support a powerful Screen Agency, or Institute, tasked by a consistent Film Policy driven by Scottish Government, with a dedicated film fund, eg VAT proposal (see IPS submission).

### **How to retain those with the necessary creative skills in Scotland**

Scotland has good Film & TV courses (Screen Academy of Scotland: Edinburgh College of Art & Napier University) as well as the Conservatoire. However a percentage of the talent produced needs to be retained in Scotland.

In the last 12 years through its various schemes, SDI has been offering platforms in order to convert that raw talent into international success and setting up a community in Scotland for the documentary industry; we do this by running training programmes linked to production (Bridging the Gap; Interdoc; This is Scotland - with STV) and hosting an annual international “Edinburgh Pitch” alongside Edinburgh International Film Festival, for which we invite producers and decision makers from all over the world. Scotland has the creative capacity to be a key player on the international co-production scene, but the synergy between different international partners needs to be developed and nurtured.

The transition from shorts to features is incredibly hard, and more funding and investment into the eco-system (eg a film studio, company development/support for producers) would be transformative for the sector and retain talent in Scotland. By fostering more productions in Scotland, acquired skills are continually updated and sustained.

## **How to develop business skills for those in the TV and film and videos games industries;**

- A business course based on individual requirements – or an individual consultancy programme.
- Seminars / inspiration workshops/ events /dinner for investors and philanthropists interested in supporting film - Independent Producers Scotland could facilitate this.
- Facilitated networking between the film and the investment community as well as the burgeoning tech start up community in Scotland - Independent Producers Scotland could facilitate this.
- More support for emerging producers to develop personally and travel to markets (SDI lacks funds to, eg run facilitated market delegations to North American markets etc).

## **Examples of international strategies for growing these sectors:**

### **Scandinavia:**

Most Scandinavian countries are now going through a successful and buoyant documentary production phase, harvesting their investments of the last 20 years in the flow between film schools and their film and TV industry.

New **Danish Screen** is founded on a partnership between the Danish Broadcasting Corporation DR, TV2 and the Danish Film Institute (DFI), and abides by the current Film Policy Accord. Funds of roughly 15 million euros have been allocated to the scheme over the Accord term 2011-2014.

<http://www.dfi.dk/Service/English/Funding/New-Danish-Screen.aspx>

### **Belgian Tax Shelter:**

The Belgian Tax Shelter is a government-approved tax incentive designed to encourage the production of audio-visual works. It is one of the very few audio-visual systems that applies to the whole of Belgium rather than to a particular language community.

It is a win-win-win situation for the three parties involved: the producer is offered a very attractive way to finance projects, the investor obtains tax exemption through a virtually risk-free investment, and the Belgian state benefits from increased economic activity and spending.

The Finance Ministry estimates that from 2003 to 2011 the system channelled over €600 million into films and other audiovisual works. Tax Shelter activities continue to grow. The ceiling, if there is one, is not yet in sight.

[http://www.screenflanders.be/uploads/files/downloads/19LR\\_TaxShelter\\_2012.pdf](http://www.screenflanders.be/uploads/files/downloads/19LR_TaxShelter_2012.pdf)

## **Sundance Institute**

Successful institute models, such as Robert Redford's "Sundance Institute", connect the private and public sector with the independent film sector through a mix of sponsorship, philanthropy, investment and grants very successfully.

<http://www.sundance.org/support>

<http://www.sundance.org/programs/documentary-film>

## **About Scottish Documentary Institute**

SDI is an internationally recognised documentary research centre at Edinburgh College of Art\* specialised in documentary training, production and distribution. It was set up in 2004.

Our aim is to stimulate and inspire the documentary scene in Scotland and beyond through focus on creative excellence and clear international outlook. We also aim to bridge the gap between academia and industry.

Our films have played at major film festivals, such as Sundance, Cannes, Hotdocs, Tribeca, Full Frame, Silverdocs, IDFA, Cinéma du Reel, Vision du Réel, Leipzig and have picked up major awards and nominations.

In 2007 we set up SDI Productions Ltd, in order to develop a slate of feature documentaries with some of our Bridging the Gap alumni, and enable ambitious co-productions such as *The New Ten Commandments*, *Future My Love*, and *I Am Breathing*.

\*[Edinburgh College of Art](#), now integrated with [University of Edinburgh](#), is partner with [Edinburgh Napier University](#) in [Screen Academy Scotland](#).

[www.scottishdocinstitute.com](http://www.scottishdocinstitute.com)