



## Re: Supporting Australian stories on our screens—options paper

To Whom it May Concern

We'd like to raise several points for consideration in this options paper from the perspective of a theatrical and streaming distributor based in Australia.

Firstly we'd like to acknowledge the great support Screen Australia does in this country getting films made. Without them we wouldn't have an industry, so we strongly support the suggested models that advocate their continued operation within a regulated framework with increased funding.

For a small country like Australia, government support is mandatory due to the size and output of dominant industries such as the United States, so we also support the need for quotas for broadcasters and online streamers. Quotas will continue to be one of the most important tools to help counter the cultural impact that comes along with market dominance of larger overseas industries.

Secondly, as a distributor that uses both traditional and disruptive approaches to releasing films we strongly support a review to the Producer's Offset Scheme as well as other funding schemes within Screen Australia. As we are constantly working with producers on new projects for release across theatrical, broadcast and streaming platforms we offer the following suggestions to help improve the Producer's Offset Scheme and other areas of funding provided by Screen Australia:

### **The Producer's Offset**

- Update and Simplify: This scheme is positioned to industry as Tax Offset but in reality too often functions more as a funding model with too many areas open to interpretation due to outdated definitions and subjective areas such as the 'intention to release'. A tax rebate of any kind should operate as a checkbox system without any vague areas or definitions that are open to inconsistencies. Applicants should have a clear and simple checklist of marketplace engagements and document requirements in order to qualify. Explanations in the Offset documentation describe aspects of qualifying as 'may or may not be accepted'. This is confusing and unhelpful to producers who spend weeks on these applications. Revising the scheme and these aspects of qualifying will allow for more productions to build reliable approaches to bring their projects to market.

- Cinema-On-Demand: The Producer's Offset makes several mentions of Cinema-On-Demand as a distribution method but Screen Australia has not conducted any research or consultation to properly understand how the system works in practice or how it functions from a financial perspective. In a market that is desperate for innovative ways to reach audiences, Cinema-On-Demand has proven that it is a viable method for theatrical and

streaming releases yet it has not been fully adopted in offset applications. Infact, the language used in the Offset documentation attempts to dissuade producers from using this approach. We recommend that a proper consultation is undertaken to understand Cinema-On-demand so it can be better integrated into Offset applications and allow for more Australian films to reach cinemas.

- Cinema-On-Demand LOI - We recommend that any Offset applications citing a 'cinema-on-demand' release also contain a Letter of Offer or Deal memo from a recognised Cinema-On-Demand provider such as FanForce Films.
- Recognised Distributor: The Producer's Offset makes mentions that deals must be made with a recognised distributor but does not provide any criteria with how this is accessed. This should be defined. We also recommend against allowing productions who 'self release' to qualify.
- Amount of Screenings in release: There has been ongoing confusion around how many screenings are required of a film in release to qualify for the Offset. Many producers assume that 6 screenings across 3 states will qualify. There needs to be a clearly written outline of how many screenings are required in order to qualify. It would also be helpful to integrate targets or benchmarks to ensure films are genuinely reaching audiences.
- Overseas screenings: As a global distributor we integrate strategies to ensure the screening of Australian films overseas. We recommend that this is viewed favourably as a 'cultural uplift' in Offset applications as it is by the Austrade department as being an export of Australian owned content.

#### **P&A Grant Scheme**

- With pressure on theatrical releases due to COVID we recommend a boost to the P&A grant to assist more films to get support for their releases. This scheme is important in providing extra assistance to films during release and it should be given more support.

We look forward to participating in further discussions.

Yours sincerely,

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