



# new10ba

“The technology may change, the industry structure may change, but our goal is constant: great Australian stories are seen by viewers in Australia and around the world”.

ARTS Minister Fletcher, 2020

## INCENTIVES AND FUNDING OF AUSTRALIAN CONTENT

As a veteran of broadcasting, distribution and production across all windows and having seen it all, I propose that we bring back producer independence and cultural sovereignty with new10ba.

Whatever the history and opinions about the affectability of the offset, as mentioned, new10ba has one big virtue, it brings in local investment and the ability to produce here on a stand-alone basis while creating a product free of any intrusive rights deals.

### 175% TAX DEDUCTION

To obtain a provisional new10ba certificate the producer would submit a treatment or script to the ATO conceivably via Screen Australia . He/she would appoint an approved financial advisor to take the project to the tax payer market to fund the budget and manage interface with local investors.

A producer could take a provisional new10ba certificate to the open market to fund either the gap or the entire budget. I have set the level at 175% but this could be negotiable with the ATO to be attractive to investors. So an investor would get a tax advantage and for each \$1.00 invested, a deduction of \$1.75.

The original 10BA opened the gateway to a golden era of production in Australian Film and TV. By adopting the new10ba, we will have built in regulatory safeguards, deliver a 175% tax deduction to all Australian investors and create the perfect one-stop shop for the streaming world.

- It re introduces private investment so the burden of rescue, development and production does not fall entirely on the Australian government and taxpayer.
- It eliminates the reliance on international forces to produce Australian content.
- Self-sufficiency, by creating content wholly within our own financial system without relying on overseas interests to underwrite production would be possible.

We need to comprehend that we can **NO LONGER RELY ON THE INTERNATIONAL DISTRIBUTION AND PRODUCTION** infrastructure as a source of finance and sales of Australian content. This situation effectively hobbles the Screen Australia model as it relies on so many moving international parts to be financially viable.

Acknowledging the US/ Euro finance sources are in dire straits and god knows how long it will take for them to rise again, the idea of new10ba for gap or total financing addresses key problems and thousands of Australian sole trader jobs.

It:

1. Fixes the producer's gap with local investment;
2. Provides a strong and viable product for the financial advice industry;
3. Provides development and cash for the games builders;
4. Provides content, apart from Australian rights, free of complex deals to offer to streamers who seek a one stop shop scenario; and
5. Suitable content to boost Australian distributors to take to international markets.

Until we see that restoration of all key film and media markets, if ever, – AFM, MIPTV, SUNDANCE and CANNES – **new10ba** can keep the National creative ethos alive and produce stand alone Australian content while reflecting everything about this Country and our Cultural Heritage.

### SOME KEY FACTS

Thousands of games designers and film practitioners, and there is a new crop of them every year from AFTRS, are out of work and have fallen through the support funding cracks while major external productions have been put on hold or cancelled.

However, thousands of Australians are not virus affected and will come up to the end of the tax year with surplus funds. Private funds for investment are in abundance according to my sources.

Another industry on its knees is the Financial Advice business, now under strict guidelines following the Banks Royal Commission. This perfect resource is no longer on the nose.

Put this all together and you can have a shovel ready game and film production recipe. Films and games can be produced with Government support but with a minimum of red tape and creative intervention. But how?

### BASIC PROVISIONS

- The script or treatment must have an Australian theme and may have been developed with Screen Australia or other State bodies previously. There are a lot of good projects sitting on shelves.
- At least 80% of the story must be shot in Australia. This allows up to 20% of the story to reflect the roots of many Australians who came here through migration policies.
- A prospectus and marketing materials would need legal preparation and ATO approvals.
- The budget would be capped at \$10 million AUD. This spreads the resource.
- An Australian director and the Australian writer must be legally attached.
- The Producer must have Australian citizenship or be a fully owned Australian Incorporated body.
- Actors: There would be a cap of one female and one male overseas actor, at capped fees.
- FtA TV broadcasters would not qualify to produce **new10ba** projects. However, any project completed could be a pilot for a series while each project would attract full Australian drama points.
- A parallel regime for Digital game production would run in tandem with this initiative. Some indeed may be spinoffs from the films produced.

## QUOTING YOUR PAPER

**“...pressures on the budgets of feature films will often incentivise producers to invest their own money into productions on the basis that a tax offset will cover their expenses. In these circumstances the Producer Offset serves as a way of propping up individual project budgets and is less effective in supporting the ongoing sustainability of businesses”.**

### CURRENT BUDGET CONSTRUCT

INVESTOR SOURCE	\$M
SCREEN AUSTRALIA	1.5
PRODUCER'S OFFSET	4
State Bodies, Post Partners etc	1.5
GAP	3
	10

### new10ba OPTION A

INVESTOR SOURCE	\$M
SCREEN AUSTRALIA	1.5
State Bodies, Post Partners etc	1.5
new10ba plus GAP	7
	10

### TOTAL BUDGET OPTION B

INVESTOR SOURCE	\$M
new10ba Budget	10
	10

- A and B would have no rights encumbered on completion, perfect for one stop streaming shops.
- International distribution could go **only to Australian distributors to boost that business**, also on its knees with the virus for all the same reasons above. The producer however could distribute if desired, perhaps locking into Screen Australia's overseas market presence when and if they ever re open.
- The current construct is cumbersome in the management of the offset, locking in with international companies and handing over rights sales control effectively.

new10ba allows far greater producer control and far less red tape. There is no cash up front required by Government, simply minimally diminished tax revenue from the investors.

## SUMMARISING

Acknowledging the US/ Euro gap sources are in dire straits and god knows how long it will take for them to rise again, the idea of **new10ba** for gap financing addresses key problems and thousands of Australian sole trader jobs.

As mentioned there is no shortage of tax payers with deduction challenges. And if we set, a 175% deduction for film and game gap investment, it provides a rather elegant on shore solution.

Option B is the best in that it would function under the auspices of Screen Australia whose presence provide Government with a number of safeguards. ~~Having said that~~ Unencumbered full financing, ~~option C~~, should be an available choice.

I have had overwhelming industry support from highly regarded industry figures , across production, distribution and finance.

As mentioned above, "Whatever the history and opinions about the affectability of the offset, as mentioned, **new10ba** has one big virtue, it brings in local investment and the ability to produce here on a stand-alone basis while creating a product free of any intrusive rights deals.

Yours Faithfully  
Danny Mackay



Managing Director



.../more  
RESUME HEREUNDER

**DANIEL JOHN MACKAY**



**MANAGING DIRECTOR**

**TELEVISION, FILM and DIGITAL MEDIA INDUSTRY SPECIALIST**

**A VERSATILE MANAGING DIRECTOR WITH 40 YEARS' INTERNATIONAL EXPERIENCE IN TELEVISION BROADCASTING, CONTENT DEVELOPMENT, PRODUCTION, DISTRIBUTION AND CHANNEL MANAGEMENT FROM THEATRICAL FILM TO DIGITAL PLATFORMS**

**INDUSTRY SKILLS**

Senior Organisational and Financial Credentials at Board level  
Content Rights Management experience for Free to Air, PAY and Digital Television  
International Content Sales and Acquisition  
All Media Development and Production  
Live television studio and OB direction  
Live Theatre Management  
Event Creation & Management  
Business & Creative Writing  
Graphic and Stage Design  
Mentoring

**KEY SENIOR MANAGEMENT ASSIGNMENTS**

**CEO AUSTRALIA TELEVISION INTERNATIONAL**

SEVEN Network AUSTRALIA 32 Asian country markets

**GENERAL MANAGER NETWORK PRODUCTION**

Network TEN AUSTRALIA \$50M budget international interface

**PROGRAM DIRECTOR**

TVI FOXTEL Pay Television Australia  
PARAMOUNT, UNIVERSAL and SONY COLUMBIA Tri STAR j/v  
WORLD MOVIES PAN TV FOXTEL  
The Weather Channel FOXTEL  
ATV TEN Melbourne  
SAS TEN Adelaide

**FILM and TV COMMUNICATIONS-MARKETING-FMCG**

GENERAL MANAGER DISNEY DVD Home Entertainment  
MANAGING DIRECTOR THORN EMI Screen Entertainment  
TVNZ and STAR HONG KONG Program and production consultant  
QANTAS Entertainment Executive -Feature Films and Programming acquisition  
THE INTERNET AMUSEMENTS COMPANY Creative Director

**EDUCATION**

**DIPLOMA OF ART**

SA SCHOOL OF ART Graphics Major Commonwealth Scholar  
NATIONAL ART SCHOOL Summer School Multiple Semesters

**BUSINESS PSYCHOLOGY**

SA INSTITUTE OF TECHNOLOGY

**FINANCE for non FINANCE EXECUTIVES**

Australian Institute of Management

## **UNIQUE CAREER MOMENTS**

### **THE FILM CLIP**

As a young director with an art background and producer/director of a “pop” music show, I invented the film clip as a value add item. Kids wanted to “see” radio on TV and with the Beatles led music revolution underway I added overlay film images and pictures to studio bands and artists miming the hits of the day. Record companies accordingly came to me to shoot what is today the ubiquitous film clip seen as the best way to promote singles.

### **COLOUR TV**

After the Apollo 11 mission communications technology moved rapidly in the 70's with the introduction of PAL colour television. After studying the biggest change ever to the industry in the UK, the US and Europe as program manager, I pioneered a practice where all advertising clients were invited to special events to see their products and marketing in colour without cost. This interface created enormous sales and industry trust in our organization so we developed our own commercial production arm. We were seen across Australia as the leaders by the Agency fraternity. All national MYER retail was shot at SAS for many years. Every channel across Australia followed suit with in house production units.

### **TEST CRICKET**

NINE was not the first to telecast commercial test cricket, indeed it was Kerry Packer's observation of the initiative taken by the TEN Network via TVQ Brisbane and its MD, Australian test star Ron Archer, that inspired the NINE involvement. I worked out of SAS TEN Adelaide developing the first commercial TEST and Sheffield Shield cricket projects and marketing for TEN with Richie Benaud, Bill Lawry, Ian Chappell and Bob Simpson prior to the Packer takeover of the game. I produced and directed the Adelaide Oval matches.

### **THE WEATHER CHANNEL THE CRAWL**

In a quest to show Australia wide conditions as a updated footnote to live presentation I added a crawl to the bottom of the shot with an alphabetic lineup of towns and temperatures. I developed this idea from the golf leaderboard concept. This practice of running a crawl for text and headlines is used by every news presentation in the world today.

### **NEIGHBORS BACK FROM THE DEAD**

As Executive Producer in the late 90's, faced with a dying show and icon, I reintroduced a favourite “dead” character, Harold. This swung the demographics to an older base and the show survives today. One of its more memorable moments over many years is an amnesiac Harold found playing in a Salvo band in a shopping centre, once more back in the cast!

### **DISNEY HOME VIDEO / DVD BRANDING**

The branding and dvd covers initially featured largely Mickey Mouse and bland generic title designs. I convinced, over many battles, DISNEY execs in LA to use the posters the films were originally launched with theatrically and our revenue doubled.

## KEY ASSIGNMENTS and PROJECTS

FEATURE Simpson & the Donkey	Producer The story of Australia's greatest WWI hero, this project has attracted three phases of Screen Australia script development funding. Starring Sam Neil, Bryan Brown and David Wenham it will be directed by Peter Andrikidis.
CML Partners Executive Search	Senior Partner Business Development
SKY NEWS Australia NINE /SEVEN/ SKY UK partners	Programming and Production Consultant Designing documentation regarding the Government tender for SKY to manage the DFAT funded Asia Pacific Television service currently operated by the ABC, budget, \$90 million over 5 years.
dSp BEYOND Productions	General Manager and Executive Producer Prepared capital raising IM
SEVEN Network	CEO Australian Television International Retained to administer and develop the future path of this operation which had a massive Asian footprint from the South Pacific to India, China and Taiwan. The brief included allied business development in the region.
Pacific Publications	Television Production Consultant Collaborating with editorial staff to develop masthead television programming.
WORLD MOVIES FOXTEL PAN TV	Consultant Program Director Retained to buy rights, schedule and supervise production of live material plus seek new channel opportunities on the world market.
The WEATHER Channel FOXTEL	Director Programming & Production, directed business start up
NETWORK TEN AUSTRALIA SYDNEY	General Manager Network Production, Main task was commissioning and supervising a departmental budget of \$50 million and a development budget of over a million dollars. EP on all current drama and light ent, liaison with industry and Government bodies.
TV I FOXTEL	Director of Programming Partners Paramount Universal and Columbia delivered content. Scheduled and managed marketing this FOXTEL channel
NINE Network	Devised THE CRICKET SHOW
STAR TV HONG KONG	Australian Program and Media Consultant
TELEVISION NEW ZEALAND GRUNDY ORGANISATION QANTAS TV3 NEW ZEALAND VIP Australia BROADCOM THORN EMI SCREEN ENTERTAINMENT WALT DISNEY / SYME HOME VIDEO ATV CHANNEL TEN Melbourne SAS CHANNEL TEN Adelaide	Australian Program and Media Consultant Rights Consultant Entertainment Executive Programmer, Major Studio Buyer Australian Content Consultant Managing Director, a DVD distributor Production & Distribution Manager Managing Director General Manager Program Manager Program Manager

**D**anny Mackay is one of Australia's leading media management consultants and has worked on numerous and diverse major assignments here and overseas. His key management tools, his lateral thinking, strategic insight and strong people skills can function in any commercial environment.

He has managed corporate budgets in excess of \$50 million and has rare experience in outsourcing major projects and chairing and presenting major industry conferences.

His interpersonal communications matches an ability to work collaboratively with a strong commitment to achieving corporate goals.

Since joining SAS Adelaide as young graphic designer, he has had a life long association with broadcast television, production and distribution as his career moved from studio director and producer to senior posts in Operational and Program Management at SAS and ATV Melbourne.

Highlights include developing the first commercial TEST cricket project for TEN with Richie Benaud et al prior to the NINE takeover of the game.

On the International Film and TV market scene he is considered an independent distribution and rights acquisition expert. Having initiated DVD distribution in Australia with Disney through the David Syme Group he went on to the role of Managing Director for Thorn EMI Screen Entertainment releasing significant content into the Australian market such as Oscar legend Amadeus and Passage to India.

As Director of Programming with UCOM he pioneered the first phase of PAY TV in Australia. This led to the post of Program Director for FOXTEL's TVI jointly operated by Paramount, Universal and SONY Columbia. This provided the opportunity to work in Los Angeles in the Major Studio environment.

Mackay returned to Network TEN as General Manager Network Production and injected extensive economies and outsourcing techniques, managing a budget of over \$50 million and development budget of \$1 million..

He was EP on the first telecast of the G&L Mardi Gras and developed the long form human interest content around the Melbourne Cup Carnival.

He was appointed CEO of the SEVEN NETWORK's Asian cable and satellite operation, Australian Television International. He had the specific task of investigating viable options for a new direction for the Company in the highly complex Asian television environment.

Accordingly he has a strong and unique understanding of the massive Asian Broadcasting footprint.

Following this period he consulted on Asian Television for SKY NEWS Australia to open a \$90 million dollar tender for services in Asia and the programming and production section of the tender document.

He is a capable writer, producer and director in his own right with major documentaries and specials on credit as well as directing hundreds of hours in a broad spectrum of live television content where he created the first travel programming in Australia and the genesis for the now ubiquitous music clip.

With development grants from Screen Australia and Screen NSW he is currently producing a major feature film SIMPSON featuring Sam Neil and David Wenham. It is the quintessential and iconic WW I story of the ANZAC medic who took wounded off the battlefield on his faithful donkey.

Peter Andrikidis will direct.

He is actively involved in originating content for the digital age and within the practice he is currently raising capital for a new content syndicate to produce High End Digital Television.

He is an active artist and regular student at the National Art School's Summer School with an abiding interest in classical music playing cello and bass, as well as cooking and photography.