

「 FILM VICTORIA CORPORATE PLAN 2007-2010 」

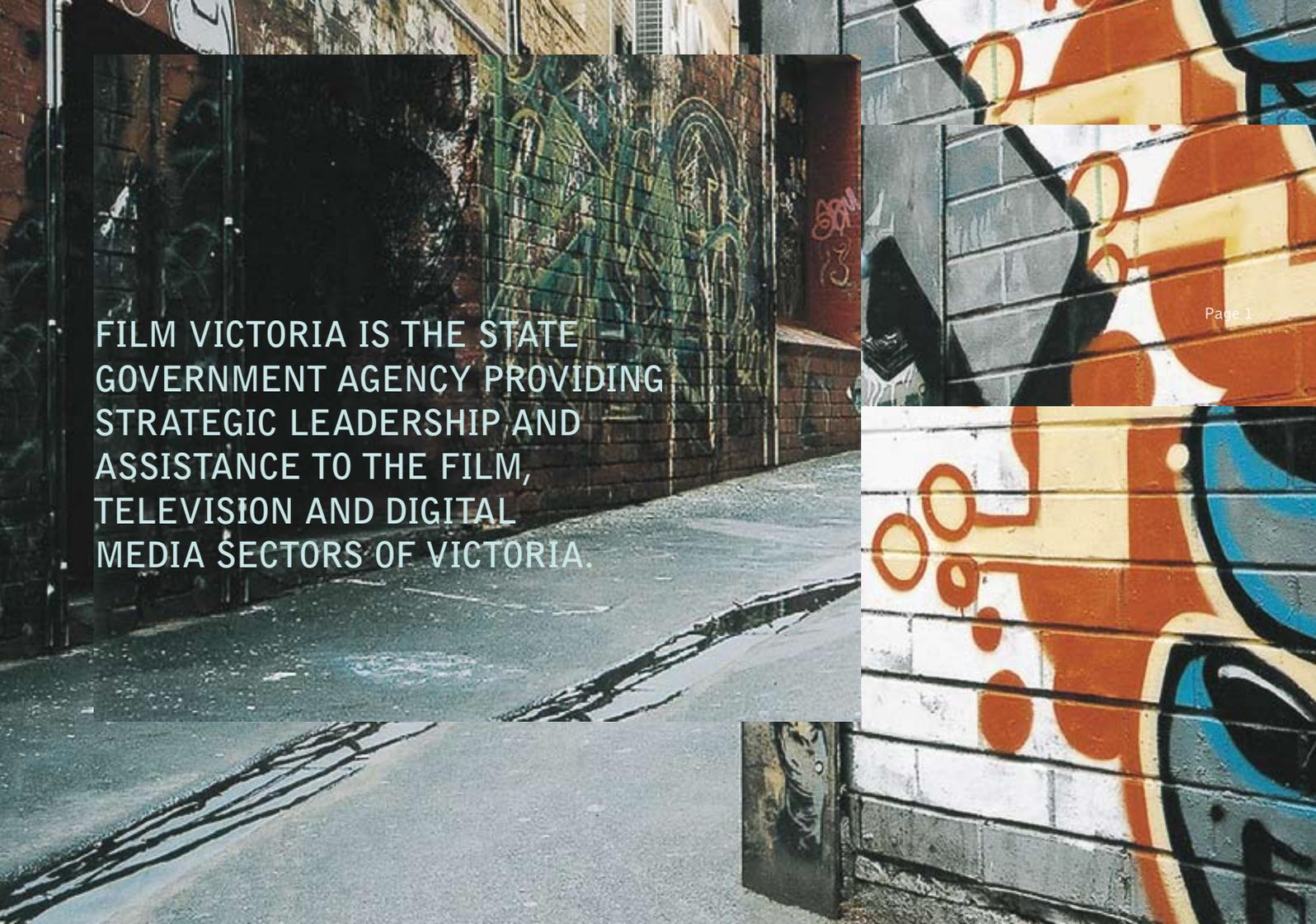
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FILM VICTORIA IS THE STATE  
GOVERNMENT AGENCY PROVIDING  
STRATEGIC LEADERSHIP AND  
ASSISTANCE TO THE FILM,  
TELEVISION AND DIGITAL  
MEDIA SECTORS OF VICTORIA.

## MESSAGE FROM THE PRESIDENT

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Film Victoria is a government organisation responsible for leading and supporting the Victorian screen industry.

Our screen industry plays a crucial role in Victoria's cultural, economic and social development. It generates jobs and business activity and enriches our lives by capturing Victorian narratives, voices and important ideas.

Through our financial support, the screen industry is able to create culturally significant and innovative projects that Victorian audiences want to see and experience; stories about our history, society and life on screen. Local stories in particular invoke feelings of pride, understanding and respect, and will continue to reach appreciative audiences over generations to come.

By promoting Victoria as a leading production destination nationally and internationally, we're also able to attract production and post-production to the State. This enhances opportunities for employment and skills development, creates business prospects and generates a substantial boost for the Victorian economy.

The screen industry is diverse in discipline, multi-faceted and dynamic and therefore it is essential that our program and service structure is designed to cultivate an environment in which the industry can flourish. We achieve this through a flexible and dynamic structure that allows us to remain responsive to change.

In November 2006, the Victorian Government transferred responsibility for Film Victoria from Arts Victoria to the Minister for Innovation. As a result we now work closely with the Department of Innovation, Industry and Regional Development, who are responsible for economic development in Victoria and regard innovation to be a key driver of Victoria's future economic success.

Film Victoria welcomes this move, which offers increased access to the knowledge, experience and connections of a business and investment-oriented department. This partnership will support our endeavours to stimulate original, locally-produced cultural content that will ultimately secure a stronger future for the industry.

We will draw on the expertise developed in the Department's business areas of innovation, ICT, design, science and technology, export, tourism and skills and training, to encourage growth and sustainability in the screen industry.

We recognise that achieving the vision set out in this plan is integral to the future of the Victorian Screen Industry. Film Victoria is committed to its role of providing strategic leadership and assistance to the industry and we look forward to working with our stakeholders to realise this vision.

A handwritten signature in white ink that reads "Howie". The signature is fluid and cursive, with the first letter 'H' being particularly large and stylized.

John Howie  
President



## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

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On behalf of Film Victoria, I am delighted to present the Film Victoria Corporate Plan for 2007 to 2010.

In addition to stating our vision, the plan highlights both the challenges and opportunities that exist for the Victorian Screen Industry.

New technologies and markets are propelling the global industry into a future where adapting to new delivery mechanisms for content and changes in consumer behaviour will be integral to achieving success. These changes present opportunities for Victoria to build commercially sustainable screen businesses and increase audiences for projects through cross-platform media. The next three years will certainly be exciting.

Over the past 12 months Film Victoria has focused on achieving four key outcomes to position the Victorian Screen Industry to take advantage of future opportunities.

### **New approaches to funding**

After extensive research and industry consultation, a new suite of Industry Development and Investment funding programs has been developed.

Our new approach responds to global changes in technology, audience demand and market forces by fully integrating our digital and traditional media programs. This increases opportunities for the digital media sector and provides traditional film and television creators with the choice to explore digital media options.

We also recognise that original ideas and highly developed scripts are fundamental to a successful screen industry. Our stage-by-stage funding approach works to encourage high-quality, homegrown projects that can progress through every stage of the development and production process, reach audiences, and provide ongoing business growth.

A further significant benefit for the industry is the decision to revert our project rights and entitlements to the producer five years after release. We have recognised that the ability to retain and exploit assets is an essential part of building a sustainable industry.

### **Provincial Film Strategy: Location Victoria**

This strategy will result in a coordinated approach to filming and increased promotion of regional Victoria to filmmakers across the world. Every provincial council in Victoria has committed to the Location Victoria initiative, led by Film Victoria with support from Regional Development Victoria. Local and international filmmakers alike will benefit from this agency-first initiative.



### Encouraging skill and economic development through international production

Film Victoria's strategy to attract increased skill enhancement and business opportunities through international production has provided substantial benefits to the Victorian Screen Industry. In a year which saw box office success for locally-filmed international productions *Charlotte's Web* and *Ghost Rider*, excellent ratings for *Nightmares and Dreamscapes* and the filming of *Where the Wild Things Are*, we were proud to secure the high-budget miniseries *The Pacific* to Victoria. Reported to be the biggest television mini-series in history, it is the 10th production to film at Melbourne Central City Studios in just four years.

### Enhancing industry safety

Film Victoria has developed an online Occupational Health and Safety Management System specifically tailored for the screen industry. This practical tool will simplify health and safety management for film and television productions, and help to create safer production workplaces in Victoria. A first for an Australian screen agency, we hope to see the system adapted in other states.

Building on these significant achievements, this Corporate Plan details our strategies to build a dynamic, innovative and more sustainable screen industry for Victoria.

Sandra Sdraulig  
Chief Executive Officer

## OUR VISION

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**OUR VISION IS FOR VICTORIA TO HAVE  
A WORLD LEADING SCREEN ECONOMY  
AND CULTURE.**

IMAGE COURTESY OF TOURISM VICTORIA





## OUR MISSION

OUR MISSION IS TO LEAD AN  
INNOVATIVE SCREEN INDUSTRY  
WHICH ENRICHES OUR CULTURAL LIFE  
AND GENERATES JOBS, PROSPERITY  
AND CREATIVE OPPORTUNITIES.

## ABOUT FILM VICTORIA

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Film Victoria is the State Government agency providing strategic leadership and assistance to the film, television and digital media sectors of Victoria.

We work closely with the screen industry and other government agencies to support the growth and development of the sector by investing in projects and people, and promoting Victoria as a world-class production destination nationally and internationally.

Film Victoria:

- delivers cultural and economic outcomes;
- supports the retention and development of a diverse Australian voice;
- operates with a global perspective; and
- pursues national and international opportunities for cooperation.

### Our Structure

Our staff support the film, television and digital media industry through four core business areas:

- **Directorate**

Planning for the organisation's and industry's future, developing industry policy, managing the relationship of Board and Government, communicating with partners, the industry and government, and marketing the organisation;

- **Industry Development and Investment**

Providing professional and business development support to foster business growth and a skilled workforce. Supporting the creation and production of original screen content and encouraging audience engagement;

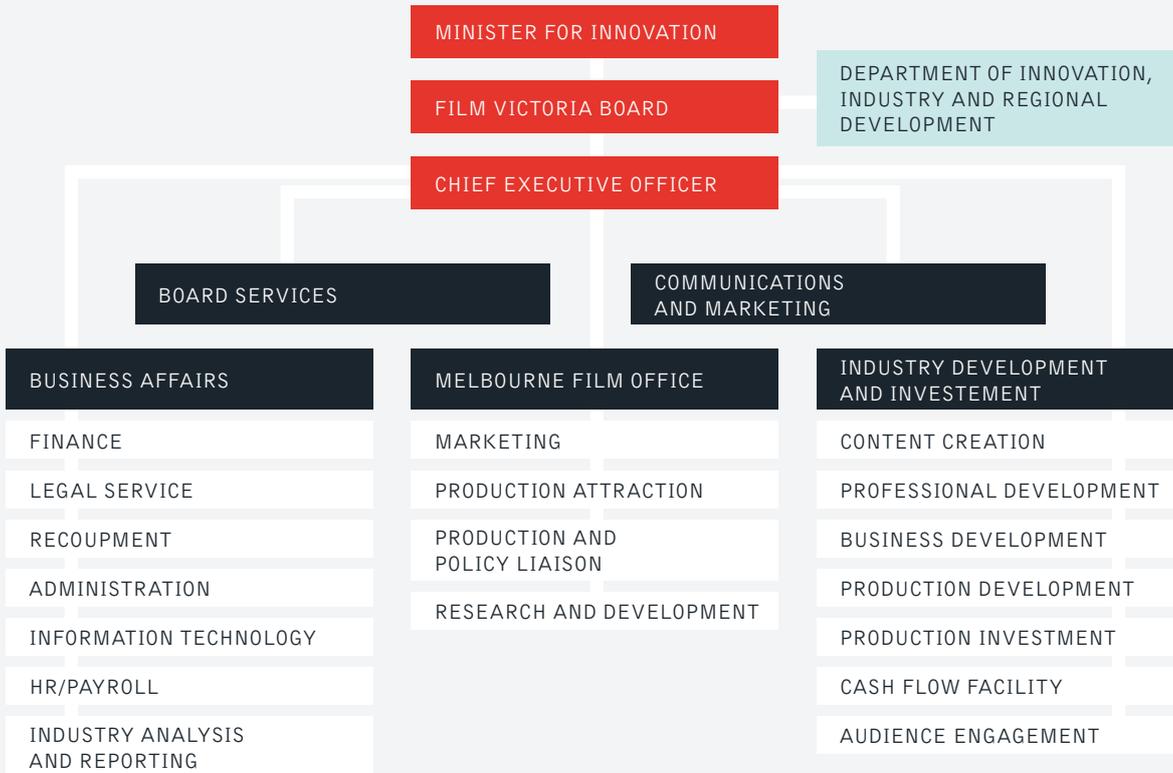
- **Melbourne Film Office**

Marketing and developing the state as a world class production destination to increase the economic value of Victoria's film and television production industry; and

- **Business Affairs**

Managing the corporate governance and financial, legal, recoupment and information technology requirements of the organisation.

The Film Victoria Board consists of not more than 11 members and not fewer than 7 members. Our board members bring extensive experience from the industry, and the business and finance sectors.



## How We Work

Under the Film Victoria Enterprise Agreement 2004, Film Victoria embraces the following ethical and professional standards:

- respect and support for the people and businesses which comprise Victoria's film, television and multimedia industries;
- a commitment to sourcing and using sound industry research;
- transparent accountability in our dealings with government;
- high standards of integrity and quality;
- interactive working processes, openness and transparency;
- active listening and communicating with stakeholders;
- a preference for action, creativity and innovation;

- equity, consistency and fairness;
- future orientation and planning;
- encouragement of staff development; and
- a commitment to sound corporate governance.

Film Victoria's staff are bound by the Code of Conduct for Victorian Public Sector Employees, issued by the Public Sector Standards Commissioner in 2007. The Code promotes adherence to the public sector values prescribed in the Public Administration Act 2004 which are:

## Responsiveness

- public officials should demonstrate responsiveness by:
  - (i) providing frank, impartial and timely advice to the Government;
  - (ii) providing high quality services to the Victorian community; and
  - (iii) identifying and promoting best practice.

## Integrity

- public officials should demonstrate integrity by:
  - (i) being honest, open and transparent in their dealings;
  - (ii) using powers responsibly;
  - (iii) reporting improper conduct;
  - (iv) avoiding any real or apparent conflicts of interest; and
  - (v) striving to earn and sustain public trust of a high level.

## Impartiality

- public officials should demonstrate impartiality by:
  - (i) making decisions and providing advice on merit and without bias, caprice, favouritism or self-interest;
  - (ii) acting fairly by objectively considering all relevant facts and fair criteria; and
  - (iii) implementing Government policies and programs equitably.

### Accountability

– public officials should demonstrate accountability by:

- (i) working to clear objectives in a transparent manner;
- (ii) accepting responsibility for their decisions and actions;
- (iii) seeking to achieve best use of resources; and
- (iv) submitting themselves to appropriate scrutiny.

### Respect

– public officials should demonstrate respect for colleagues, other public officials and members of the Victorian community by:

- (i) treating them fairly and objectively;
- (ii) ensuring freedom from discrimination, harassment and bullying; and
- (iii) using their views to improve outcomes on an ongoing basis.

### Leadership

– public officials should demonstrate leadership by actively implementing, promoting and supporting these values.

### Human Rights

– public officials should respect and promote the human rights set out in the Charter of Human Rights and Responsibilities by:

- (i) making decisions and providing advice consistent with human rights; and
- (ii) actively implementing, promoting and supporting human rights.

For a copy of the full Code of Conduct, visit [www.ssa.vic.gov.au](http://www.ssa.vic.gov.au).

## POLICY CONTEXT

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Our Corporate Plan outlines Film Victoria's strategic priorities over the next three years. These priorities align with the functions established for Film Victoria by the *Film Act 2001*, and contribute to the achievement of the *Growing Victoria Together Statement* and related government policies and commitments.

### FILM ACT 2001

The functions of Film Victoria are:

- to provide financial and other assistance to the film, television and multimedia industry in Victoria;
- to promote, whether in Victoria or elsewhere, the use of locations or services in Victoria for the production of any film, television or multimedia project;
- to provide financial assistance, whether in Victoria or elsewhere, to organisations, events or activities including festivals, conferences, publications or exhibitions, where film or other screen-based programs are made, seen or discussed;
- to establish and facilitate, whether in Victoria or elsewhere, relationships for the development of film, television or multimedia programs;
- to provide leadership to the film, television and multimedia industry in Victoria;
- to develop strategic plans for the development and improvement of the film, television and multimedia industry in Victoria;
- to advise the Minister on matters relating to the film, television and multimedia industry in Victoria; and
- to develop relationships or enter into partnerships with other organisations, including government bodies, whether in Victoria or elsewhere, to improve the film, television and multimedia industry in Victoria.

## GROWING VICTORIA TOGETHER

### Thriving economy

- More quality jobs and thriving, innovative industries across Victoria
- Growing and linking all Victoria

### Quality health and education

- High quality, accessible health and community services
- High quality education and training for lifelong learning

### Healthy environment

- Protecting the environment for future generations
- Efficient use of natural resources

### Caring communities

- Building friendly, confident and safe communities
- A fairer society that reduces disadvantage and respects diversity

### Vibrant democracy

- Greater participation and more accountable government
- Sound financial management

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## GOVERNMENT POLICIES

*Victoria: Leading the Way*  
Economic Statement  
April 2004

*Victorians: Bright Ideas,  
Brilliant Future*  
Innovation Statement  
October 2002

*Moving Forward:*  
Making Provincial Victoria the Best  
Place to Live, Work and Invest  
November 2005

*Maintaining the Advantage*  
Skilled Victorians  
February 2006

*Creative Capacity +*  
Arts for all Victorians  
May 2003

*Building Tomorrow's  
Businesses Today*  
Business Statement  
April 2002

## THE CHALLENGE

The global screen industry is evolving at a spectacular pace, driven by new technologies and new markets. A potential generator of sophisticated businesses, high wages, high-skill jobs and economic activity, the industry is also a hub of cultural expression and creativity. These combined qualities are powerful drivers of economic growth and the markers of an advanced and cultured society.



**THE JAMMED** JAMMED FILMS AND THE PICTURE TANK  
SUPPORTED THROUGH THE PRODUCTION  
INVESTMENT FUND IN 06/07

### Technological change

The spread of broadband and wireless capacity is seeing consumers migrate from physical to digital distribution formats. Convergence is occurring across content, networks and devices, redefining both the industry and consumer behaviour. Theatrical release is increasingly the marketing tool for sales in ancillary markets – including DVD and other digital platforms – rather than the profit driver. The time between cinema and DVD release is shortening.

Technological change is also placing strain on infrastructure and forcing content providers to reach consumers in new ways.

### Opportunities for local content

In an environment where US and UK drama dominates our screens, the opportunities for audiences to engage with local stories that reflect Australian society have diminished. The future challenge is to ensure Australian audiences can see stories about our own cultural life and unique identity on screen.

### Changing consumer behaviour

Consumers of screen products today want more choice and control; they are increasingly willing to pay to view; they want to consume more in less time; they want to participate in screen-based activities such as games, the internet and interactive TV.

### Global growth / local contraction

The global entertainment and media sector's market value is growing, with the highest growth tipped for the Asia-Pacific region. Yet locally not all the trends are positive.

- Australian feature film production is below the 10-year average.
- The box office share of Australian films is marginal.
- Investment from broadcasters remains static while production costs grow, resulting in a drop in TV production. The value of the TV drama slate is below the 5-year average.
- Finance from private investors remains consistently low.

- The high Australian dollar and increasing competition in key markets makes it harder to attract offshore production.
- In Victoria television commercial production has declined.
- Game developers operate predominantly on a fee-for-service basis with no benefit from royalty streams.

### A transforming industry

Digital technology offers unparalleled opportunities for the creation of content and its distribution through new channels. It is also creating larger and more diversified audiences for that content.

More people and businesses have the ability to get involved in the industry than ever before. The screen industry is now a value chain linking content creators, makers, service providers, programmers, distributors and exhibitors. The world has become a multi-screened environment, providing ubiquitous access and portability.

This is a shift from the networked age to the connected age - where the consumer is both programmer and content creator and customisation is the key.

Audiences are demanding higher production values than Australian production budgets currently deliver. This raises the issue of better aligning product with audience engagement, and the need to generate consumer demand for excellent Australian content as well as the imperative to advocate for higher broadcast license fees to provide higher production values.

### Legal issues

Piracy continues to be a major concern. Tougher laws improved digital rights management and the emergence of legitimate alternatives is, however, slowing incremental losses. Retaining control of intellectual property rights is essential for producers and developers to benefit from increased sales opportunities across platform channels.

### Competition

Our screen industry operates in an increasingly competitive global environment. There has been a rise in the number of international competitors entering the off-shore production environment with infrastructure, incentives and skilled labour.

### The Victorian Picture

In the face of these challenges, the size and output of the Victorian screen industry has remained remarkably steady in recent years. This reflects the sustained investment from the Victorian Government, the historical strength of our industry talent, an increase in infrastructure, and the growth of new sectors, especially the games industry.

Strong promotion efforts have increased market awareness of Victoria as a destination for film and television production. Combined with the opening of the Melbourne Central City Studios at Docklands, this has seen an increase in offshore production attracted to the state.

Victoria is the largest centre of game industry activity in Australia, with the highest number of independent game developers. Victorian consumers are also early adopters of new technologies.

The recent national decline in television drama commissioned by broadcasters has also had an acute impact on the Victorian industry, given the State's historical strength in this area.

However in May 2006, the Victorian Government allocated an additional \$4.5 million additional Television Production Initiative funding package to Film Victoria over a two-year period. The purpose of this additional funding was to stimulate TV production activity in the state through investing in long-form television drama and children's series, and a new TV Pilot Scheme.

## THE OPPORTUNITY

Building and supporting commercially sustainable screen businesses that can respond to these challenges is a focus of Film Victoria's activity. Energetic, consistent and persistent strategic action in the following four foundation areas is essential for a thriving and competitive industry.





MACBETH MUSHROOM PICTURES  
SUPPORTED THROUGH THE PRODUCTION  
INVESTMENT FUND AND REGIONAL LOCATION  
ASSISTANCE FUND (RLAF) IN 05/06

### Encouraging innovation in cultural content

While global demand for screen content is increasing rapidly, so is the competition to provide it. Innovation is the answer – both in content creation and the technology used to deliver it.

This means:

- Nurturing and developing original ideas, stories and content that are identified as distinctly Australian, and delivering them in an innovative way to world-wide audiences;
- Telling compelling stories that reflect, celebrate and engage with our national identity;
- Investing in the research and development of innovative content delivery mechanisms;

- Developing a co-ordinated and sophisticated export and marketing strategy for Victoria's screen content; and
- The ability to exploit the commercial potential of locally-produced intellectual capital.

### Audience engagement

As consumer preferences evolve and increase in sophistication, Victoria's screen industry must be highly conscious of audience trends.

This means:

- Providing opportunities for audiences to view, understand and appreciate locally-generated stories that showcase our history, society, political landscape and lives on screen;
- Increasing the industry's capacity to analyse consumer needs and demands;

- Using market intelligence to inform ideas creation, product and content development and effective marketing strategies;
- Emphatically and consistently branding Victorian content as Victorian; and
- Maximizing audience size through cross-platform media.

### Skills and capacity

Many businesses in the screen industry are small. Screen professionals can be experts in their field, but not in business development. Growth in the number of trained professionals and enhancement of the business skills held in the sector is essential. This means:

- Adopting business models that are integrated, entrepreneurial and growth-oriented, with the capacity to attract private investment;

- Basing business decisions on industry and market intelligence;
- Supporting the development of business and technical skills among screen professionals;
- Providing education and training that is responsive to market forces;
- Aligning the education sector's research endeavours with industry needs;
- Developing growth strategies through collaboration with other companies;
- Creating successful industry-based training models; and
- Developing flexible business structures that can respond to changing markets.

### Increasing production activity

Expanded activity increases the skills and the capabilities of the Victorian industry. More jobs are created and screen services businesses expand their capacity. Supporting increases in production activity means:

- Identifying future industry infrastructure and technology needs to capitalise on future market growth;
- Investing in infrastructure that is self-sustaining and enables businesses to compete globally;
- Prioritising productions and projects that maximise returns;
- Encouraging businesses to locate in Victoria;
- Promoting the Victorian screen industry as an excellent investment opportunity;

- Attracting offshore production in all sectors of the screen industry;
- Influencing Federal Government policy to encourage and foster investment; and
- Developing the systematic implementation of "film-friendly policy" across Victoria.

## STRATEGIC OBJECTIVES

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FILM VICTORIA'S STRATEGIC OBJECTIVES ARE DESIGNED TO HELP US ACHIEVE OUR VISION OF AN AGILE, INNOVATIVE AND SUSTAINABLE SCREEN INDUSTRY THAT IS A KEY CONTRIBUTOR TO THE AUSTRALIAN KNOWLEDGE AND IDEAS ECONOMY.

ROMULUS MY FATHER ARENAFILM  
SUPPORTED THROUGH THE PRODUCTION INVESTMENT  
ATTRACTION FUND (PIAF) AND REGIONAL LOCATION  
ASSISTANCE FUND (RLAF) IN 05/06



# OBJECTIVE 1: DEVELOP AN INNOVATIVE INDUSTRY

## PRIORITY AREAS

- Support and invest in innovative local projects that reflect Australian perspectives and engage audiences
- Create a strategic framework and action plans for screen industry sustainability
- Maximise opportunities for local production and post-production activity
- Build local and international relationships that benefit the Victorian screen industry
- Recognise best practice in creative and business partnerships and projects

## OBJECTIVE 2: BUILD SKILLS AND CAPACITY

### PRIORITY AREAS

- Identify and encourage industry growth opportunities
- Support professional development and other approaches to foster a skilled and productive workforce
- Work with industry, associations and other Government agencies to improve business skills capability

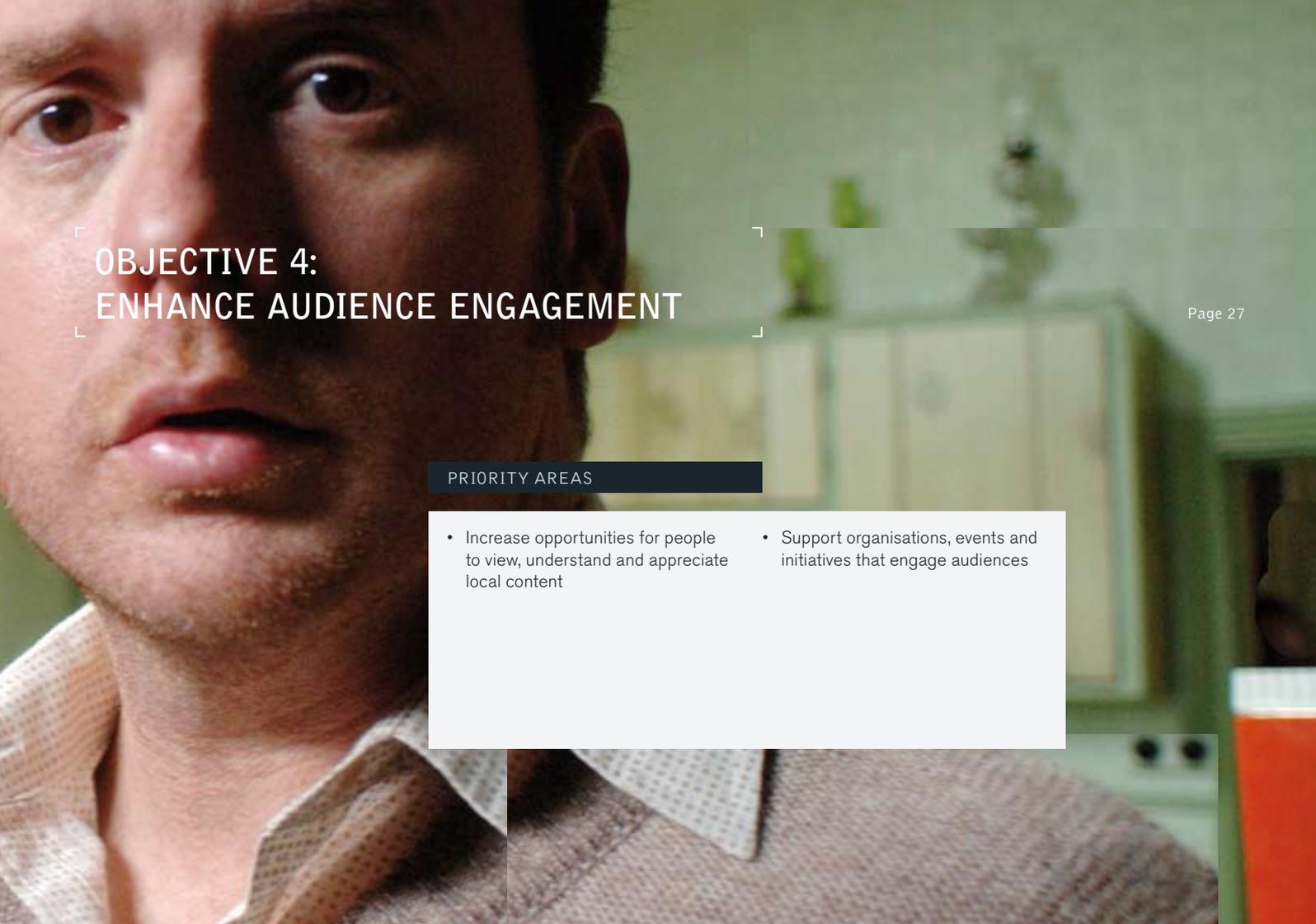
## OBJECTIVE 3: MARKET VICTORIA AND ATTRACT PRODUCTION

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### PRIORITY AREAS

- Position Melbourne and provincial Victoria as a world-class production destination
- Increase international and national production and post-production activity in Victoria
- Build awareness and recognition of Victorian product and talent in Australia and overseas

**WILFRED** RENEGADE FILMS  
SUPPORTED THROUGH SCRIPT DEVELOPMENT INVESTMENT  
IN 04/05 AND THE PRODUCTION INVESTMENT FUND IN 05/06



## OBJECTIVE 4: ENHANCE AUDIENCE ENGAGEMENT

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### PRIORITY AREAS

- Increase opportunities for people to view, understand and appreciate local content
- Support organisations, events and initiatives that engage audiences

## OBJECTIVE 5: SHAPE INDUSTRY POLICY

### PRIORITY AREAS

- Provide an integrated and focused industry policy framework that enhances sustainability, cultural outcomes, innovation and excellence
- Strengthen Film Victoria's research and analysis capacity and management and dissemination of industry knowledge

## OBJECTIVE 6: STRENGTHEN ORGANISATIONAL CAPABILITY

### PRIORITY AREAS

- Provide effective, efficient and transparent corporate services, business systems and infrastructure to achieve Film Victoria's strategic objectives
- Maintain corporate governance, through policies, procedures, relevant legislation and departmental standards
- Value and enhance our people and their skills

## PERFORMANCE INDICATORS

Film Victoria will monitor the performance of its initiatives against the performance indicators listed below.

### Production

Value of drama and documentaries produced in Victoria

### Cultural

Opportunities for audience participation and engagement, especially as it supports an appreciation for distinctly Australian content

### Employment

Full time equivalent (FTE) jobs generated through industry activity

### Attraction

Value of footloose production attracted to Victoria

### Capacity Building

Increase in industry skills and business capability



**CHARLOTTE'S WEB** PARAMOUNT PICTURES  
SUPPORTED THROUGH THE PRODUCTION INVESTMENT  
ATTRACTION FUND (PIAF) AND REGIONAL LOCATION  
ASSISTANCE FUND (RLAF) IN 04/05





**ROCK IT!** GALAXY POP  
SUPPORTED THROUGH THE PRODUCTION INVESTMENT  
ATTRACTION FUND (PIAF) IN 06/07





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 **FILM VICTORIA**



**THE TENDER HOOK** MANDALA FILMS  
SUPPORTED THROUGH THE PRODUCTION INVESTMENT  
ATTRACTION FUND (PIAF) AND REGIONAL LOCATION  
ASSISTANCE FUND (RLAF) IN 06/07