



2 July 2020

**SLR PRODUCTIONS SUBMISSION
SUPPORTING AUSTRALIAN STORIES ON OUR SCREENS OPTIONS PAPER 2020**

INTRODUCTION

SLR Productions welcomes the opportunity to provide a response to the indicative models outlined in the March 2020 OPTIONS PAPER: **SUPPORTING AUSTRALIAN STORIES ON OUR SCREENS**.

As founder and owner of SLR Productions, which has been creating and producing quality Australian children's content for over 18 years, I believe this is an exciting time not only for my company but for the industry as a whole.

Whilst we acknowledge the need for regulatory reform to address the complex and rapidly changing screen ecosystem we find ourselves in, we also strongly believe that a key part of ensuring the continued growth of a vibrant, dynamic Australian children's content industry, thus enabling the continued supply of culturally relevant Australian content for our children, is through the continuation of quotas, strong funding and tax incentives.

In order for SLR Productions and other children's producers in Australia to continue to create and produce audience driven, culturally relevant content and in order for us to continue providing training and employment opportunities for not only our current generation of content makers but also our future content makers, it is imperative that any reforms introduced by the Government in relation to children's content safeguard the continued viability of this section of the production industry.

It is our firm belief that, given Australian children are now accessing their content across a range of new platforms in Australia, those platforms should also be regulated so that our children continue to have access to their own, locally produced, shows across all Australian content platforms.

Modernising our regulatory framework in such a way that will ensure not only that Australian children continue to have access to their own stories and their own culture but that will also secure the continued viability of our Australian production community is, we believe, paramount when considering any changes to our screen ecosystem. Regulatory reforms that result in a steady pipeline of work will allow us to create, develop and invest in our own IP which will not only grow our businesses but will also provide opportunities for further skills development as well as employment and training within the screen and media sector.



RESPONSE TO THE OPTIONS PAPER

Subject to the various points below, SLR Productions is broadly in agreement with Model 3 policy objectives articulated in the Options Paper. SLR Productions is supportive of Model 3 as it will make certain all content platforms in Australia have streamlined obligations at meaningful levels for children's content including the promotion and discoverability of this content. Implemented with care, Model 3 will establish the continued supply of culturally relevant content designed specifically for the Australian children's audience.

In the absence of Government support the market will certainly fail to deliver meaningful levels of Australian children's content. The increase in streaming platforms and services has led to greater competition in relation to the content offered by traditional broadcasters. Foreign players invest substantial sums in big-budget productions, against which local productions must attempt to compete.

It is essential that an obligation to commission Australian children's content is placed on all content platforms and that tax incentives and funding supports continue to be provided to Australian producers in order for them to be in a position to create and produce the high quality of programming for which they have an excellent and well-deserved reputation, both within Australia and internationally.

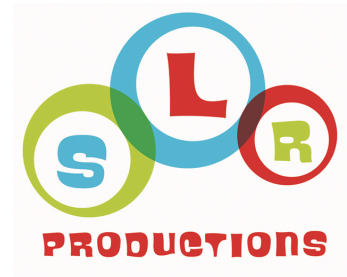
SLR Productions supports a regulatory model as follows:

1. Commercial FTA

- Introduce measures to ensure quality Australian children's and youth content is made on commercial FTA platforms by introducing a requirement for Australian children's programming 0-16 years with a further sub requirement on retaining scripted Australian children's content for all ages.
- This would apply across all commercial FTA content platforms, and replace the existing commercial FTA model.
- Remove prescriptive rules around advertising on FTA, and replace the existing commercial FTA regulatory framework.
- Self-governed determination of Australian children's content or in consultation with a regulatory body reviewed periodically to ensure compliance (i.e. remove ACMA pre-approval process).
- Relaxing broadcasting time restrictions and allowing variable time formats and series lengths within this obligation.

2. All content service providers (including subscription services)

- Be required to invest a percentage of their revenues on Australian children's content applicable to their platform.



3. Public Broadcasters ABC, SBS, NITV

- Specific obligations for the public broadcasters to have a comprehensive offering across all genres and ages of Australian children's content with a percentage to also be guaranteed as first run content.
- Following on from the above point, it is also our belief that the Government should reinstate the full, indexed amount of annual funding sufficient to support the ABC's commitment to ensure that the total percentage of Australian content on ABC kids platforms is at least 50%.
- Further Government support for specific children's funding to allow SBS and NITV to create indigenous and multicultural children's content.

4. Harmonised Producer, Location and PDV Offsets at 30%

- 10% cultural uplift for children's content, based on employment of local creatives (including producers, writers, directors, cast, directing and % of cast).
- 65-hour cap on episodes to be removed.
- Improved administration of offsets, including the introduction of payments in two instalments at Provisional and Final Certificate stages, thus improving cashflow and reducing lending costs to the producer.

5. Establishment of an Australian Children's Content Fund platforms to continue

- An Australian Children's Content Fund is supported in principle by SLR, however the details of how this fund would be operated, how it would select programs and how such programs would be made available on Australian platforms for Australian children, requires careful consideration and safeguards.
- An Australian Children's Content Fund would allow for continued growth in this vulnerable sector, and ensure dedicated Australian children's content continues to be made.
- The fund should only be able to be accessed by independent Australian production companies and producers, to foster growth and sustained production.
- Government should also contribute significantly to the Australian Children's Content Fund to support cultural integrity in local productions for local audiences.

6. Close New Zealand loophole

- Removal of the New Zealand content 'loophole' that currently permits NZ content to count as Australian content.

CULTURAL IMPORTANCE AND AUSTRALIAN LANDSCAPE

Australia is a world leader in the creation and production of children's content. Our content has longevity and strong international market appeal due to its world-class talent and crews in both live action and animation. Australian children's programs export into multiple territories and translate into many different languages throughout the world.



Our diverse children's programs also receive awards annually at many prestigious events including BAFTA, Emmys, Annecy, Kidscreen, Stuggart, Cartoons on the Bay, Asian Television Awards, Prix Jeunesse, Gold Panda, Hiroshima, Ottawa, Chicago and BANFF, Rockies to name a few.

Whilst the potential children's audience in Australia for 16 years and under makes up 21% of the Australian population, the Australian children's content sector is one of the most vulnerable areas in our industry. Australian children deserve to have access to television content that reflects the world they live in.

The development, creation and distribution of Australian children's content is essential in order for our children to continue to have a sense of both their own cultural identity and their place in the world. This can only be achieved by the continued creation, production and dissemination of their own unique and special stories. Furthermore, the creation, development and production of Australian children's content also provides a valuable and significant contribution to both the Australian economy and workforce.

As content creators we face enormous challenges each year due to the continuing decline in the Australian marketplace and the continuing uncertainty in our regulatory framework. As more broadcast platforms enter the Australian market and as financing continues to decline, it is paramount for us to recalibrate and modernise our system.

To conclude, we believe it is imperative that any changes to the media landscape introduced by the Government ensures the safeguarding and growth of the Australian children's content creation sector.

COVID-19 AND SUSPENSION OF CONTENT QUOTAS

The impact of the recent government response to COVID-19 of suspending 2020 content quotas on free-to-air and subscription television, has further exacerbated the ongoing challenges and has also heightened the immediate need for action. A successful outcome on the 'options paper' will allow the industry to move forward and provide a sustainable long term regulatory and industry environment and crystallise the need to diversify financing models across children's content and to see Australian stories on our screens in a modern, multi-platform environment.

Animation as a genre is valuable as it has a long shelf life and continues to provide 'financial returns. During the COVID-19 shutdowns, the flexibility of animation production pipelines allowed productions to be undertaken remotely, keeping Australian crews employed. Given this fact, the decision to suspend the 2020 content quotas was, we believe, not warranted and it is SLR Productions strong belief that this current suspension should be strictly limited to 2020.

While funding in Australia is currently challenged, the demand for children's content in the international market is growing. Streaming businesses are facing high demand for content. As new streaming services enter the Australian market, new family audiences are subscribing to these services and are looking for accessible and cost-effective entertainment for their children.



Furthermore, as a result of COVID-19 and the subsequent lock down, many more people are taking up subscriptions of online streaming platforms. These new subscribers have conversely put pressure on supply.

SLR Productions believes this is a timely window to capitalise on the situation thus leading to a growth in business and jobs, specifically in the children's animation content sector.

CREDENTIALS OF SLR PRODUCTIONS

SLR Productions is a long running business that has experienced highs and lows, yet, despite this, we continue to retain our employees and to contribute to the local economy, in significant measures when in production. Over the years, our productions have not only employed thousands of Australians in cultural, creative and technical occupations, but we have also been integral in training personnel and advancing careers in the Australian production industry.

SLR Productions contributes significantly to the exportation and exploitation of Australian content throughout the world. Our shows have sold to over 160 countries worldwide and we have developed and fostered highly successful relationships with international companies allowing us to attract foreign investment into the shows we produce in Australia. An essential component to our business model, however, is Australian licence fees, the tax incentives and offsets currently provided by the Government funding schemes as well as, when required, funding from Federal and State film bodies. We rely on foreign investment from Distributors, International Networks and Co Producers especially given the continuing reduction in Australian licence fees and the continuing increase in production budgets.

SLR Productions is one of Australia's leading Emmy and multi award winning children's entertainment companies, specialising in the creative development and production of world-class media content. Established in 2002, SLR Productions is recognised for producing successful brands such as *Alice-Miranda* movies; *Guess How Much I Love You*; *Space Nova*; *The Skinner Boys – Guardians of the Lost Secrets*; *Lexi and Lottie – Trusty Twin Detectives*; *Captain Flinn & The Pirate Dinosaurs* and *Sam Fox–Extreme Adventures*. SLR has also won a Daytime Emmy for its award-winning animated series *I Got a Rocket™*.

SLR Production's passion is to make creative, adventurous, imaginative and exciting programmes for audiences worldwide! With our highly experienced development and production divisions, SLR Productions partners with major content platforms, producers, distributors, publishers and creative both locally and internationally to create children's content for Australian and International platforms. SLR Productions has financed and executive produced more than 185 hours of screen content sold to over 160 countries.

CEO and Founder, Suzanne Ryan has more than 30 years' experience in screen content, she is an Emmy Award winning producer, winner of the Premier's NSW Export Awards in Creative Industries, a twice recipient Screen Producers Australia Children's Producer of the Year, and the



Winner of B&T Women in Media Producer of the Year. Suzanne is an Advisor to Council for the Screen Producers Australia, having previously been the Animation & New Media Councillor for three years. As well Suzanne works with the policy reference group and industrial negotiation committee for kids with the Screen Producers Australia. Suzanne has a renowned international reputation and strong working knowledge of the local and international marketplace.

SLR Productions is a medium size business with a core staff of 5-8 employees annually across IP development, business strategy, finance, legal, production and creative direction. The company attracts some of the premier talent in the industry to write, voice, direct, design, storyboard, edit, compose and collaborate. The core team of the company is integral to the creation, development and production of the outstanding content made.

HIGHLIGHT OF SLR PRODUCTIONS PROGRAMMES ON AUSTRALIAN PLATFORMS

DELIVERY	TITLE	FORMAT	CLASSIFICATION	PLATFORM
2021	Alice-Miranda A Royal Christmas Ball	Movie (FTA, SVOD)	C Drama	Nine Network, STAN
2020	Space Nova	Series (FTA)	C Drama	ABC, Nine Network
2020	Berry Bees	Series + Christmas Special (FTA, SVOD)	C Drama	Nine Network, STAN
2019	Alice-Miranda Friends Forever	Movie (FTA, SVOD, Cinema)	C Drama	Nine Network, STAN, EVENT Cinemas
2017	Lexi & Lottie – Trusty Twin Detectives	Series (FTA)	C Drama	Network Ten
2017	Guess How Much I Love You – Christmas to the Moon and Back	Christmas Special (FTA, SVOD, Cinema)	G rated	ABC, EVENT Cinemas
2017	Guess How Much I Love You – An Enchanting Easter	Easter Special (FTA, SVOD, Cinema)	G rated	ABC, EVENT Cinemas
2016	The Skinner Boys – Guardians of the Lost Secrets (S2)	Series (FTA)	C Drama	Nine Network
2015	Guess How Much I Love You (S2)	Series + Christmas special (FTA)	G rated	ABC
2015	Captain Flinn & The Pirate Dinosaurs	Series + Origin special (FTA)	C Drama	Nine Network
2014	Sam Fox – Extreme Adventures	Series (FTA)	C Drama	Network Ten, Cartoon



				Network
2014	The Skinner Boys – Guardians of the lost Secrets (S1)	Series (FTA)	C Drama	Nine Network
2013	Teenage Fairytale Dropouts	Series (FTA)	C Drama	Seven Network, ABC
2012	Guess How Much I Love You (S1)	Series (FTA, Subscription TV)	G rated	ABC, Disney Channel
2011	The DaVincibles	Series (FTA)	C Drama	Seven Network, STAN
2010	Gasp!	Series (FTA)	C Drama	Nine Network, ABC
2009	Dex Hamilton – Alien Entomologist	Series (FTA)	C Drama	Network Ten, ABC
2007	I Got A Rocket	Series (FTA, Subscription TV)	C Drama	Network Ten, Nickelodeon, ABC
2005	Deadly!	Series (FTA)	C Drama	Nine Network

Submission made on 2 July 2020

Suzanne Ryan, CEO and Founder

SLR Productions Pty Ltd

Suite 1, 2 Verona Street

NSW, 2021, Australia

www.slrproductions.com