

New Zealand Film Commission

STATEMENT OF INTENT 2014/15 – 2017/18

This Statement of Intent reflects our strategic objectives for the four year period from 1 July 2014 to 30 June 2018. It is produced in accordance with s141 of the Crown Entities Act 2004.



Dame Patsy Reddy
Chair



Andrew Cornwell
Chair Finance, Audit & Risk Committee

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Who we are

The New Zealand Film Commission (NZFC) is here to help our film industry grow. We make sure New Zealand stories are told and are available to be enjoyed in cinemas and smaller screens here and throughout the world. We support a vibrant industry to make sure we have the talented well-connected individuals and widespread capability necessary to get a wide range of New Zealand and international productions made here. We happily straddle cultural and economic objectives to enrich and grow the New Zealand screen sector.

We are an Autonomous Crown Entity and you can see a full description of our statutory functions [here](#). We allocate funds provided by the Crown and Lottery Grants Board to meet our statutory functions and implement government policies.

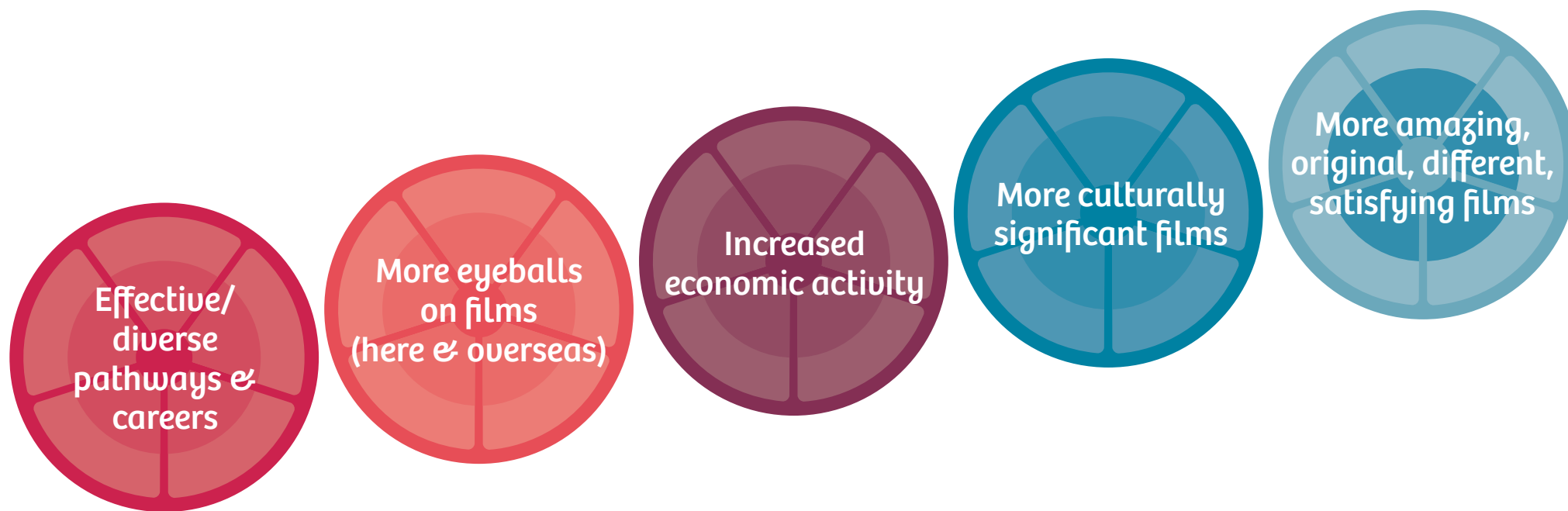
We are committed to ensuring New Zealand has a successful screen industry.

We:

- Help amazing, original, different and satisfying films get made
- Help culturally significant films get made
- Support the growth of the audience for New Zealand films both here and overseas
- Support talented filmmakers to develop their careers and make meaningful connections offshore
- Contribute to increased economic activity

We judge our success by the success of the New Zealand screen industry.

If you walked out and looked at the night sky and there was a perfect alignment of planets all shining brightly on a successful screen industry, it might look like this.



Lining up the planets for our industry and our stakeholders

Operating environment

Our work is consistent with the Government's priorities, in particular the responsible management of finances, building a competitive and productive economy and delivering better public services.

Ours is a sector of rapid change. Technological advancement is affecting every level of business from the way films are shot (now digital with rapidly advancing formats), the way they are enhanced with digital, visual and sound effects through to the way films are consumed – in cinemas, on TV (perhaps with time altered viewing), on DVD, on BluRay, and on smart-phone, tablet and computer screens either streamed or downloaded.

This is a particular area of interest for us – who is watching our films and where are they watching them? We are embarking on a significant piece of research to fill in the gaps in what we know already.

We also know that a number of factors including the prolonged global financial crisis had an impact on work, particularly in Auckland where the lack of a major international television series left a hole in the eco-system, affecting employment, capability and the retention of businesses and equipment. We have also seen an extended period where there has been a lack of private investment in the sector. Although there is some money coming in for large budget productions there is only a moderate amount of private money for most New Zealand productions. Producers have become too reliant on funding from Government agencies and screen incentives.

Our strategy

We are primarily working to support the growth of an industry that brings cultural and economic benefits to New Zealand and New Zealanders.

We are helping filmmakers make films that audiences, critics and prestigious festivals appreciate. We'll contribute production financing to between eight and 12 great New Zealand films each year.

A great New Zealand film may be popular at the box office, it may be selected by prestigious festivals, it may receive critical acclaim, it may have something important to say about New Zealanders and New Zealand culture or it may do several of these things. In a world of online content and quality international episodic drama, the feature film remains a powerful and easily transportable storytelling format.

We'll be flexible and adaptable when it comes to how audiences see those feature films we have funded.

While we principally support films that have a cinematic or theatrical quality, we know those films will increasingly be viewed over the internet. We have added our own Films On Demand (FOD) function to our website and will increase the number of titles and the territories available over time. In addition to new titles, we have an extensive digitisation programme underway, which means more of our important films are being preserved and will be offered on FOD at a higher quality and resolution. All films are placed on the site with the permission of the film's producers and it means for them another (admittedly small at this stage) source of revenue.

While helping feature films get made and seen remains a core priority, talent and career development including the facilitation of international connections is more important than it has ever been.

Internally we are placing more emphasis on supporting career development and on helping filmmakers travel and meet with the right people to get their next projects made. We attend a number of key markets and festivals each year in order to support screening films and to maintain and build on relationships with sister agencies offshore, festival and market selectors, sales agents and individual producers. Domestically we have also partnered with a number of industry organisations on three-year programmes for up-skilling producers, directors, writers and actors.

We expect to see more and more successful screen businesses operating in the years ahead. We support a number of collectives with financing awarded through the Business Development Scheme.

The scheme aims to grow the screen sector and ensure New Zealand stories can continue to be told while fostering the development of businesses with the scale and connections to attract more private and overseas investment. We encourage new partnerships and alliances, the discovery and development of new talent and projects, a strong presence in the international marketplace, new revenue streams and clever thinking about alternative distribution models.

We look forward to seeing the success of this scheme in the years ahead, and to contributing financing to further worthy Business Development Scheme recipients.

We also encourage filmmakers to take advantage of the existing co-production treaties, and are particularly interested in the development of projects with Chinese content producers. We are leading a collective of interested parties and officials here in New Zealand to grow business with Asia and with China in particular.

The New Zealand Screen Production Grant will bring in more international productions - and be a catalyst for growth in the industry.

The higher incentive for international productions combined with the broader incentive for New Zealand productions will help empower New Zealanders to transition from being service providers to generating and owning more of their own exportable intellectual property.

We will continue to work closely with local industry, government organisations and fellow international funding agencies to improve New Zealand screen sector outcomes. We continue to work closely with our colleagues at other government organisations including the MCH, MBIE, NZTE and MFAT. We work particularly closely with NZ On Air, with whom we share a building and collaborate on a number of joint ventures and research projects, and Film New Zealand, with whom we collaborate on efforts to attract more international productions to film here.

NZFC results framework and how we will achieve these goals

We support an overarching goal to see:

- A culture that is unique, distinctive and valued in a globalised world
- A growing workforce that drives innovation, creativity and collaboration
- A higher quality of life in our communities, towns and cities

Sector outcomes:

- Create – Cultural activity flourishes
- Preserve – Our culture can be enjoyed by future generations
- Engage – Engagement in cultural activities is increasing
- Excel – Cultural activities achieve excellence
- Helping businesses to become more productive, innovative and internationally competitive
- Increasing opportunities for all New Zealanders to participate in the economy with more productive and successful people, communities and regions

NZFC goal: A successful New Zealand screen industry

How we will make a difference

NZFC medium term goals

Identify & support
NZ screen talent

Connect NZ &
international screen
talent

Effective/diverse
pathways & careers

Provide effective
marketing support
for cinema releases
& additional release
platforms

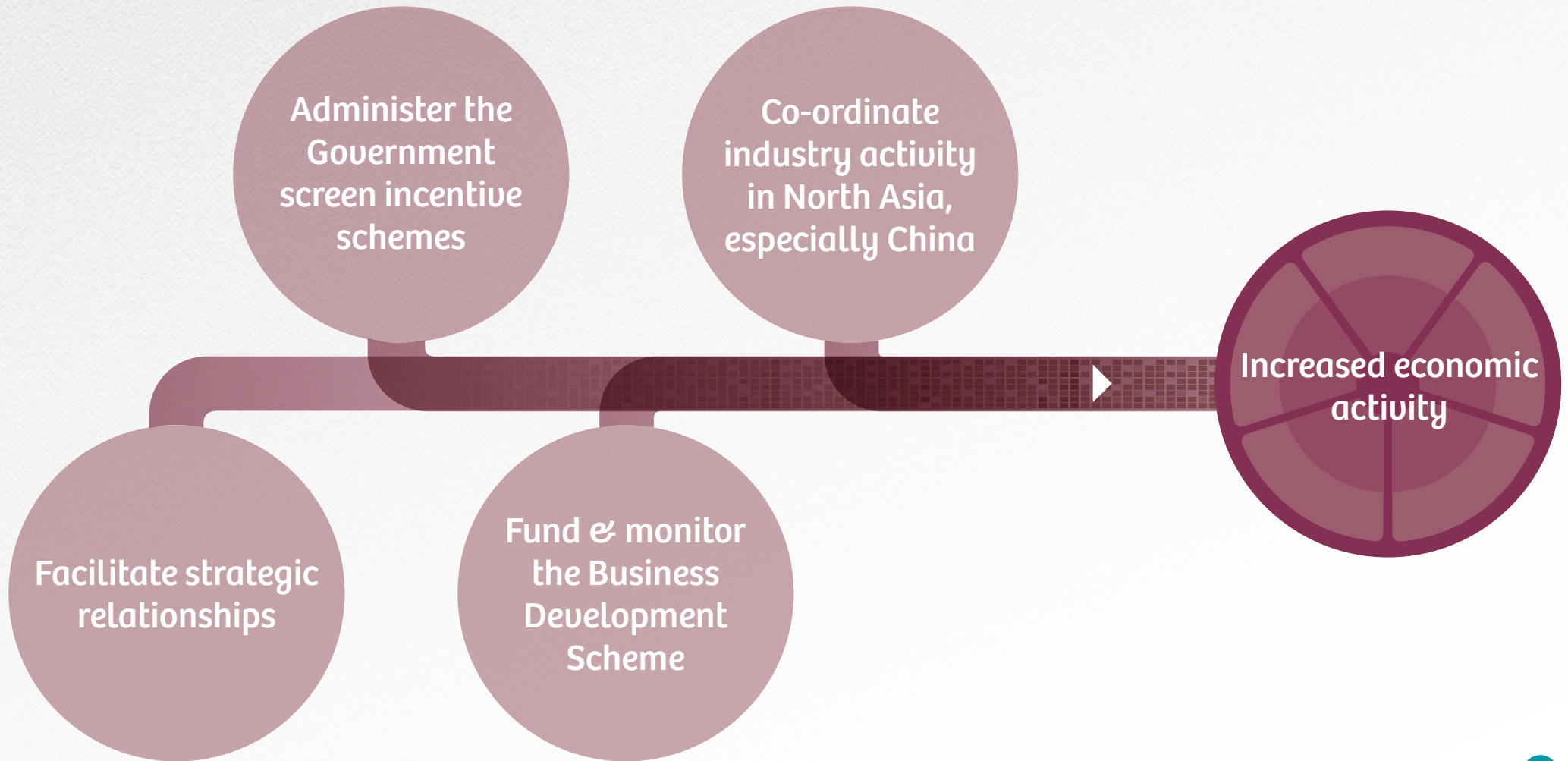
Manage a
focussed
international
festival strategy

Conduct audience
research

More eyeballs
on films
(here & overseas)

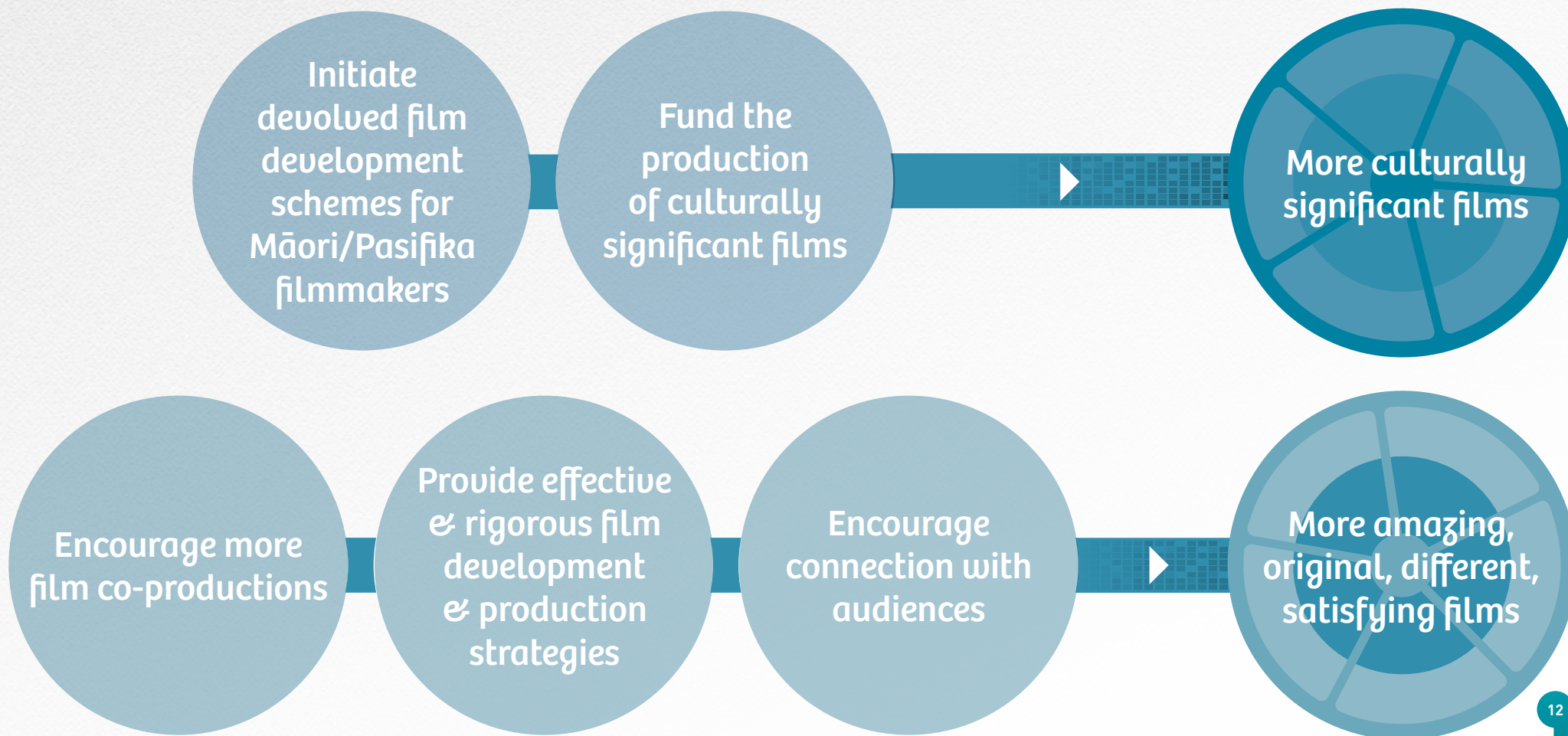
How we will make a difference

NZFC medium term goals



How we will make a difference

NZFC medium term goals



How we will assess our performance

In order to assess our performance against our goals we will use the investment-to-outcomes method based on the NZFC results framework set out in our annual Statement of Performance Expectations.

We will have measures for:

- Our long-term goal of a successful New Zealand screen industry
- Each of the activities leading to our medium-term goals as set out on pages 10 to 12
- Each output as represented by the four main business units:
 - Development and production
 - Talent development and relationships
 - Marketing
 - Screen incentives administration
- Our measures will be a mix of quantity, quality and effectiveness indicators

Using this method we will be able to determine whether we are achieving our long-term goal and whether we are making a difference to the success of the industry.

As some of our activities may take a long time to have an impact due to the length of time it can take for a feature film to get made, we may also supplement these measures with case studies in the future.

Within the NZFC there are four main business units and three support units ensuring culturally significant, amazing, original, different and satisfying films are made, talented filmmakers can develop their careers and are well connected internationally, more people are seeing New Zealand films and that there is increased economic activity in the sector.

Development and production

The Development and Production unit is tasked with overseeing the realisation from an exciting idea to a great film.

The unit facilitates the production of between eight and 12 feature films a year, encompassing a variety of budgets and genre including dramatic and documentary. We strive to ensure better films are being made, and to maximise the chance of each film finding its appreciative audience. Producers are required to outline explicit audience expectations at the point of making a production funding application. Once a film has been edited, the producers are expected to make the film available for a test screening to gather valuable feedback for confirming or modifying the target audience. Some films are suited to a wide reaching publicity campaign and distribution, while others are better suited to a finely targeted campaign for screening in selected cinemas or online. Astute producers may use the results of the test screening to finely tune their cut. We'll use box office information, festival selection and critical reviews as well as financial returns to measure the success of our film investments.



Mt Zion, 2013

Talent development and relationships

This unit comprises professional development including international festival, market, and networking opportunities, as well as short films and He Ara.

We invest in professional development to ensure talented filmmakers are developing successful careers and are creating projects with larger budgets and international connections. We also invest in a number of programmes in partnership with industry organisations to ensure a growing talent base from which to draw for New Zealand and international productions.

Business is often most effectively done face-to-face and with established contacts. We support filmmakers to travel to key festivals, markets and professional development opportunities and expect this part of our business to increase. We maintain a presence at key festivals and markets and nurture relationships with overseas players.

They include:

- Sister agencies offshore - with a particular focus on those countries with which New Zealand has or is likely to have a co-production treaty
- Foreign producers - with a particular focus on official co-production partners and those who have co-produced with New Zealanders previously
- Sales agents - with a particular focus on those with a strong New Zealand talent/project focus and/or those with existing contractual relationships with New Zealand productions
- Distributors operating in New Zealand specifically and Australia more broadly

We are partnering with industry organisations to run programmes for producers, directors, writers and actors through our [Professional Development Services Programme](#). This will broaden the industry's wider experience base.

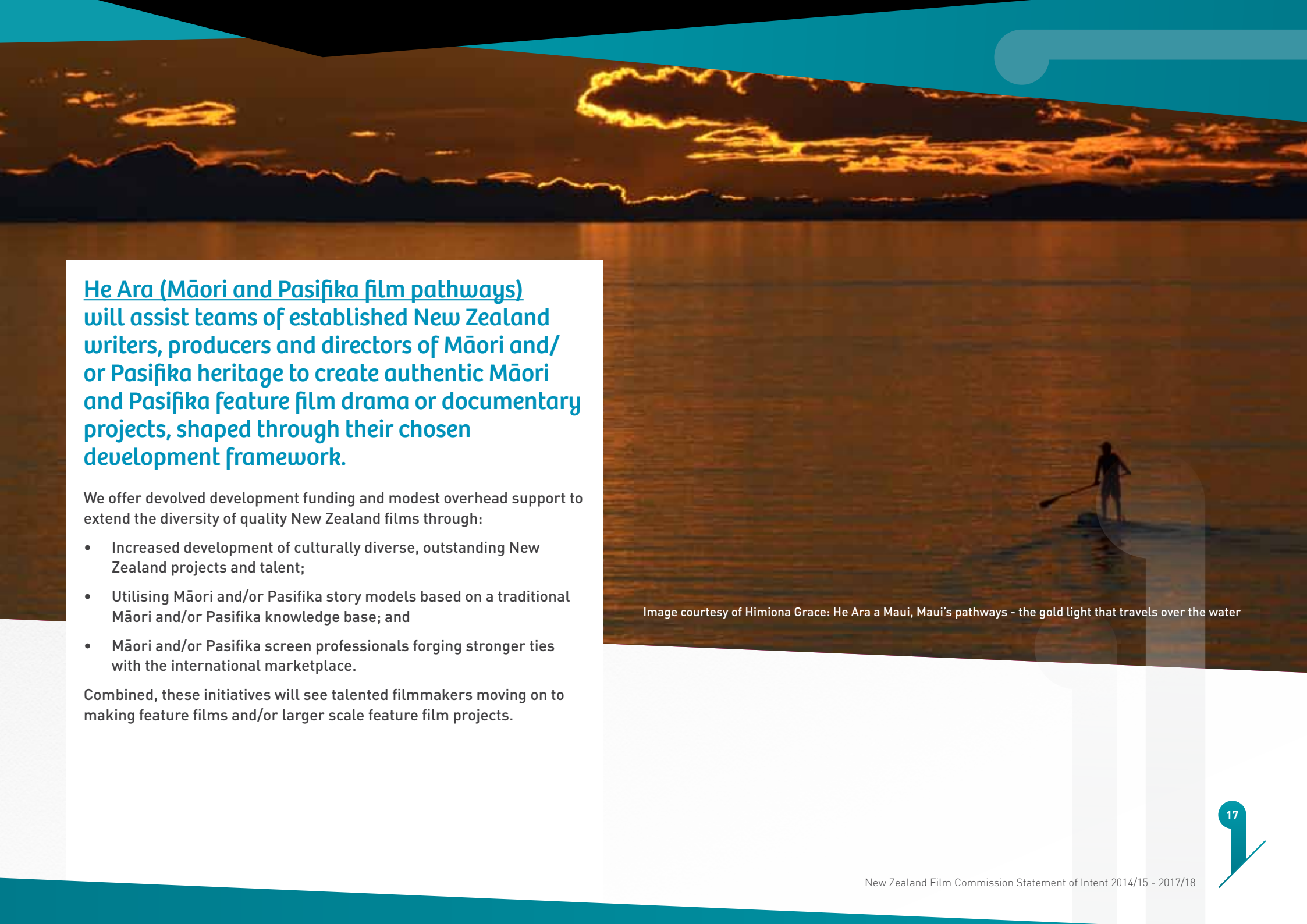
We are looking forward to working with the members of the Screen Advisory Board (James Cameron, Jon Landau, Sir Peter Jackson, Fran Walsh, Andrew Adamson and Jane Campion). The Board will help the New Zealand screen sector create the skills and connections to be able to generate their own intellectual property, compete internationally and attract overseas finance. They will also assist the NZFC, Film New Zealand, and the New Zealand screen sector to market and promote the New Zealand screen industry overseas.

Short films play an important role in establishing unique creative voices, reflecting New Zealand culture and helping filmmakers develop craft skills and long-term relationships with cast, crew and the wider screen industry, both locally and internationally.

Many celebrated New Zealand feature filmmakers have used NZFC-funded short films as a key strategy in moving towards feature films. We're focused on helping more short filmmakers establish a clearer and more effective trajectory towards feature films. Our short film funding structures are in line with our overarching goals to support the making of amazing, original, different, satisfying and culturally significant feature films.



Sasha Dingle-Bell as Emily in *Eleven*



He Ara (Māori and Pasifika film pathways) will assist teams of established New Zealand writers, producers and directors of Māori and/or Pasifika heritage to create authentic Māori and Pasifika feature film drama or documentary projects, shaped through their chosen development framework.

We offer devolved development funding and modest overhead support to extend the diversity of quality New Zealand films through:

- Increased development of culturally diverse, outstanding New Zealand projects and talent;
- Utilising Māori and/or Pasifika story models based on a traditional Māori and/or Pasifika knowledge base; and
- Māori and/or Pasifika screen professionals forging stronger ties with the international marketplace.

Combined, these initiatives will see talented filmmakers moving on to making feature films and/or larger scale feature film projects.

Image courtesy of Himiona Grace: He Ara a Maui, Maui's pathways - the gold light that travels over the water



Marketing

We want to increase the number of people seeing New Zealand films, in cinemas and on other screens, both here and overseas.

We want New Zealand films to find an appreciative audience through either a targeted release or a widespread campaign, whichever is most appropriate for the individual film. Our ongoing research project will ascertain who is watching New Zealand films and where and how they are watching them.

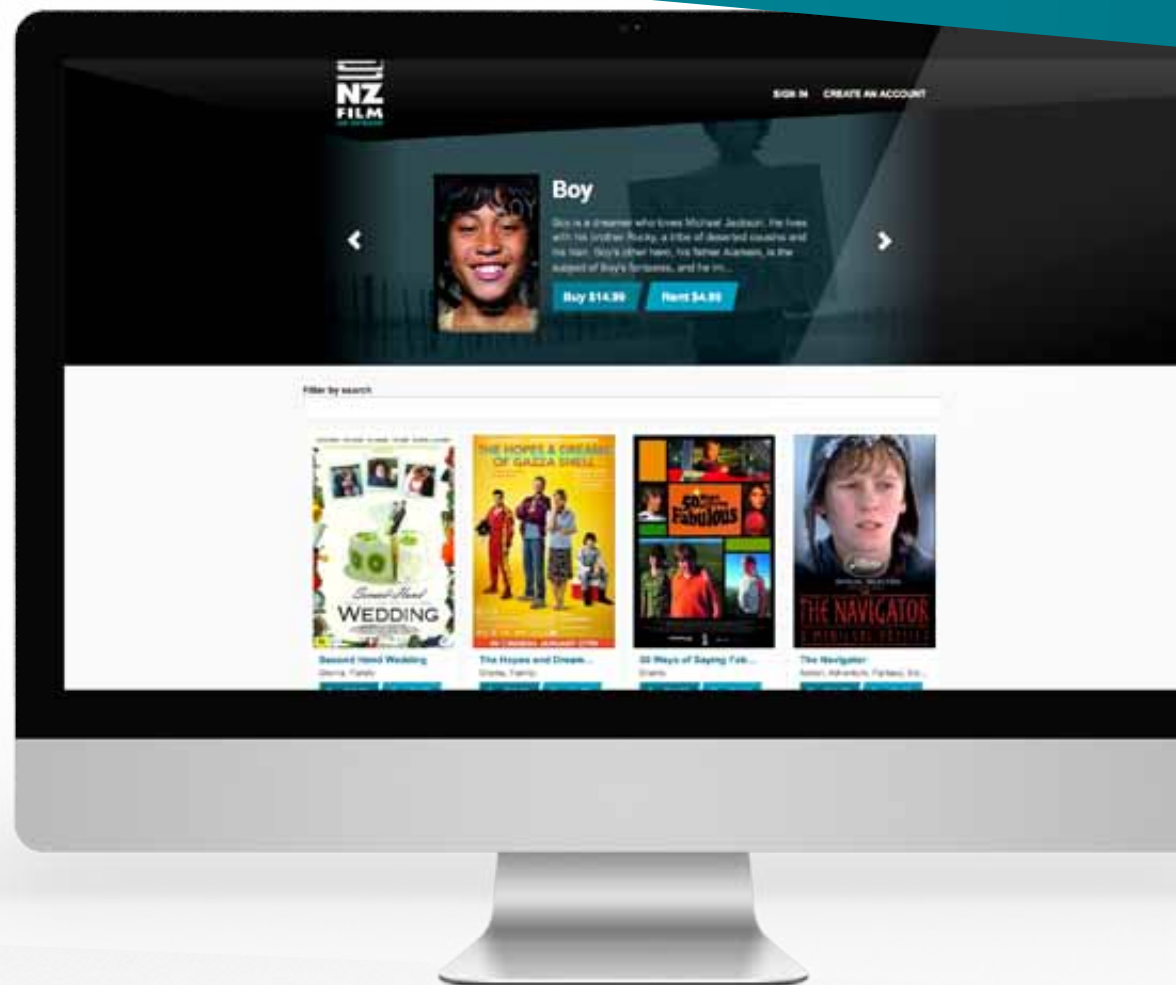
Domestically we're looking closely at distribution models. Traditional distribution is not the best path for some films yet self-distribution is challenging and not always the right route. We are keen to see distribution targeted at the right audience and the right sized audience. In parallel with the Print and Advertising Grant, we plan to introduce a new scheme that rewards films that have clear, astute and different distribution plans. We've also reintroduced test screenings, to help give filmmakers the best chance of targeting the right audience.

UTU Redux screening, Berlin International Film Festival, 12 Feb 2014

Over time we'll continue adding to the [NZFC Films On Demand](#) service on our website. We'll add new titles after an agreed period of time and would eventually like to see all the features and shorts we have invested in offered on the site.

While this will likely return only a small amount of income, which will be paid to producers, it will provide an online catalogue and vastly increase the access New Zealanders here and abroad have to New Zealand films. With future proofing in mind we have identified 174 feature film titles from 1977 to 2013 for digitisation. Of these, approximately 77 exist in high resolution digital formats. We have identified 39 feature titles to rank as priority for digitisation over the next year, both because of their iconic status and their continued demand as entertainment.

We are repositioning our sales agency and no longer assuming sales responsibilities for any new short or feature films. Whilst we have placed the more recent or high-profile titles (either individually or as a library) with other sales agents, those that remain in our care will become part of a new gallery of films called Te Ahi Kā. Te Ahi Kā literally means the home fire - a concept which epitomises our intention to be the ultimate and enduring home for New Zealand films, ensuring they will be seen and enjoyed by future generations. We facilitate sales agency relationships, using our experience and connections to help filmmakers achieve the best possible outcomes for their film or films. We do this in our role as an investor, a cultural agency and as a champion of New Zealand films.



Screen incentives administration

We administer the Government screen incentives, including the New Zealand Screen Production Grant and the previous Large Budget Screen Production Grant and Screen Production Incentive Fund (of which there will still be some productions that began filming before 1 April 2014 for which the latter two apply). We anticipate the recent changes to the structure and level of support for New Zealand screen incentives will lead to more productions taking advantage of the increased financial assistance for mid-budget level New Zealand productions and international productions.



Avatar © 2009 Twentieth Century Fox Film Corporation

We have three support units: Research and Strategy, Business Affairs and Finance, which are responsible for a number of functions. The work includes keeping operations running behind the scenes, but also includes the following:

Co-productions



In addition to our role certifying official co-productions we are now accelerating efforts to encourage producers to take advantage of the existing treaties. We are coordinating a programme with key interested parties in order to increase screen business in Asia, and with China in particular.

Stakeholder engagement



We will continue to provide information to the industry, Government, media and the public through statutory documents such as Annual Reports, Statements of Intent and Statements of Performance Expectations and reporting to MCH and through newsletters, media releases and the maintenance of an informative and current website.

Research



We are particularly working to extend our understanding of the audiences for New Zealand films beyond that which is easily available i.e. box office gross and television ratings. We want to better inform ourselves and our stakeholders of who is watching New Zealand films.

Organisational health and capability

Good employer policies and equal employment opportunities

Our culture and work environment reflects a genuine commitment to the principles and policies of being a good employer as set out below. We maintain a positive, dynamic and safe environment to enable the employment and retention of skilled staff with recent industry experience.

Our culture and work environment promotes and reflects a genuine commitment to the principles of equal employment opportunities by elimination of all aspects of procedures, practices or any institutional barriers that may cause or perpetuate inequalities in respect of employment opportunities for any person or group of persons. Staff participation is important to us. We encourage staff to be involved in the development, review and renewal of policies and staff are invited to undertake an annual staff engagement survey.

Measures for employee engagement will be set out in our SPE annually with results published in our annual report. Each year we will also publish a workplace profile covering headcount, age, gender, ethnicity and disability. In general, our workplace profile is younger compared to most and predominantly female.

The NZFC's activities against the seven key elements of being a 'good employer', as defined by the Human Rights Commission, are summarised below:

LEADERSHIP, ACCOUNTABILITY AND CULTURE

We are committed to being a good employer and as such, work to manage and lead employees fairly and equally in all aspects of employment. Our management and leadership team is committed to the principles of equal employment opportunities by elimination of all aspects of procedures, practices or any institutional barriers that may cause or perpetuate inequalities in respect of employment opportunities for any person or group of persons.

Employees are treated fairly. Different skills, talents, experiences and perspectives are recognised and valued, and different cultural values and beliefs are respected. The needs of Māori, ethnic or minority groups, women, and persons with disabilities, are recognised. We do not tolerate harassment, bullying or discrimination.

RECRUITMENT, SELECTION AND INDUCTION

We appoint the best candidates after a fair and rigorous recruitment and selection process, which incorporates equal opportunity principles. Staff

selection is on the basis of merit – for any position the best available person is appointed irrespective of gender, race, colour, ethnic or national origins, religious or ethical beliefs, disability, marital or family status, age, sexual orientation or any other irrelevant factor. However, we are keen to ensure our workplace reflects New Zealand's diversity and will take this into account where we are able.

Industry development programmes have a secondary benefit for us because they provide a talent pool from which staff can be recruited. Internal applications are encouraged for job vacancies, recruitment to senior positions in the NZFC is a mix of internal promotions and external appointments to ensure a freshness of approach. Some contract positions exist to meet the criteria of recent industry experience and these recruits often return to the industry after a period with us. We believe this porous border between the organisation and the industry is healthy and we seek to encourage it.

All new staff are involved in an induction programme, which provides useful information about the NZFC and assists new staff in settling in.

EMPLOYEE DEVELOPMENT, PROMOTION AND EXIT

We offer staff a range of development opportunities and staff are encouraged and supported to undertake training and professional development. We provide individually tailored professional development opportunities for all staff based on identified needs.

We encourage our staff to attend industry functions, gain industry experience in their spare time and we organise regular screenings so that all staff are familiar with the films we have invested in. All staff have an opportunity to attend courses on te reo and tikanga.

We are committed to developing and up-skilling staff to work towards our objectives. The effectiveness of training and development activity is evaluated to ensure that key objectives are met.

All staff undertake an annual performance review, providing opportunities for feedback and specific work-related appraisals. All departing staff will be given the opportunity to complete an exit interview.

As mentioned above, many of our staff return to the industry after a period with us. We see their time spent with the NZFC as an important contributor to developing industry capability.

FLEXIBILITY AND WORK DESIGN

We allow flexible working hours and practices for staff, where possible.

REMUNERATION, RECOGNITION AND CONDITIONS

Pay parity is an important aspect of developing long-term capability at the NZFC. Remuneration policies are focused on attracting and retaining skilled, flexible and knowledgeable staff. In order to ensure we continue to maintain high standards in this area, a sub-committee of the Board has been convened to consider Human Resources and Remuneration issues.

HARASSMENT AND BULLYING PREVENTION

We have a zero-tolerance position and respond promptly to all accusations of harassment and bullying. We use reasonable endeavours to recognise and address unacceptable behavior that may lead to harassment and bullying. All staff are required to adhere to the State Services code of conduct as well as that set out in our Policy Manual which is revised and updated from time to time.

SAFE AND HEALTHY ENVIRONMENT

We are committed to providing a safe and healthy work environment and take a proactive health and safety approach including fire and earthquake preparedness. We have a health and safety policy and provide regular reports on health and safety to our Board. Ergonomic workstation assessments are available to all staff.

Functions

Functions, roles and responsibilities

We are a body corporate established by the New Zealand Film Commission Act 1978. We have functions and powers under Section 17 and 19 of the Act relating to the support and encouragement of New Zealand film and the New Zealand film industry. We are required to carry out our statutory obligations using and/or administering funds provided for that purpose, by Parliamentary appropriation. We also receive substantial annual funding through the New Zealand Lottery Grants Board and a small level of earned income.

Section 17 – Functions of the NZFC

The NZFC shall have the following functions:

- (1) To encourage and also to participate and assist in the making, promotion, distribution and exhibition of films:
- (2) To encourage and promote cohesion within the New Zealand film industry, and in particular:
 - a) To encourage and promote the exchange of information among persons engaged in the film industry; and
 - b) To encourage and promote the efficient use of available resources within the New Zealand film industry; and
 - c) To co-operate with other interested or affected bodies and organisations in order to encourage and promote employment in the New Zealand film industry, and the productivity of that industry:
- (3) To encourage and promote the proper maintenance of films in archives:
- (4) To encourage and promote, for the benefit of the New Zealand film industry, the study and appreciation of films and of filmmaking:
- (5) To gather, collate, disseminate and publish information that ... relates to the making, promoting, distribution, and exhibition of films:
- (6) To advise the Minister on matters relating to or affecting the functions of the NZFC. The NZFC may carry out its functions within and beyond New Zealand.

Roles and responsibilities

We have several decision making bodies:

- a) The full Board (currently seven members), which meets at least six times a year to set policy and budgets, monitor progress against targets and budgets, and consider applications for feature film production financing. Special meetings to consider time sensitive issues or matters in more depth are held as required. Our Board members are appointed by the Minister for Arts, Culture and Heritage, usually for terms of three years.
- b) Finance, Audit and Risk Committee: a subcommittee of the Board that takes responsibility for risk management and financial issues to maximise the time available for policy and production financing decisions at full Board meetings.
- c) Human Resources and Remuneration Committee: a subcommittee of the Board that takes responsibility for human resources and remuneration-setting.
- d) SPIF Committee: a subcommittee of the Board that takes responsibility for considering all provisional and final SPIF applications. Currently up to five industry personnel are members of the Committee and operate as a pool with two required for each meeting. This Committee will likely be replaced by a committee convened to consider New Zealand Screen Production Grant applications in 2014/15.
- e) Certification Committee: a subcommittee of the Board that takes responsibility for considering all provisional and final co-production applications.

Glossary

We interact with a number of organisations and use a number of terms throughout this Statement of Intent that readers may not be familiar with and have defined these below to assist with the understanding of this document.

Business Development Scheme	Funding scheme to develop and grow New Zealand screen businesses
Film New Zealand	An independent industry-led organisation facilitating access to New Zealand as a screen production destination
FOD	Films on Demand
He Ara	Devolved development scheme to assist teams of established New Zealand writers, producers and directors of Māori and/or Pasifika heritage to express authentic Māori and Pasifika film perspectives
LBSPG	Large Budget Screen Production Grant (funding via MBIE)
MBIE	Ministry of Business, Innovation & Employment
MCH	Ministry for Culture & Heritage
MFAT	Ministry of Foreign Affairs & Trade

NZ On Air	Broadcasting Commission – TV funding body
NZFC	New Zealand Film Commission
NZSPG	New Zealand Screen Production Grant (replaced SPIF and LBSPG effective 1 April 2014)
NZTE	New Zealand Trade & Enterprise
Print and Advertising Grant	Grant scheme for distributors to assist with the release of New Zealand films
SPE	Statement of Performance Expectations
SPIF	Screen Production Incentive Fund (funding via MCH)
Te Ahi Kā	A gallery of New Zealand films retained and preserved for future generations

