The Scottish Parliament
Pàrlamaid na h-Alba

CULTURE, TOURISM, EUROPE AND EXTERNAL RELATIONS COMMITTEE

AGENDA

11th Meeting, 2018 (Session 5)

Thursday 26 April 2018

The Committee will meet at 9.00 am in the Robert Burns Room (CR1).

1. **Scotland's Screen Sector:** The Committee will take evidence from—

   Philip Donnelly, Scottish Film Head of Education, Scottish Film Education;

   Ken Hay, Chief Executive, Edinburgh International Film Festival;

   Jaki McDougall, Chief Executive Glasgow Film and Film Hub Scotland;

   Robert Livingston, Director, Regional Screen Scotland;

   James Mackenzie-Blackman, Chief Executive, Eden Court;

   Allison Gardner, Programme Director and Glasgow Film Festival Co-Director, Glasgow Film Festival.

2. **Scotland's Screen Sector (in private):** The Committee will consider the evidence heard earlier in the meeting.

3. **Scotland's Screen Sector (in private):** The Committee will consider a draft interim report.

4. **Work programme (in private):** The Committee will consider its work programme.

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The papers for this meeting are as follows—

<u>Agenda item 1</u>

Note by the Clerk	CTEERC/S5/18/11/1
Note by SPICe	CTEERC/S5/18/11/2
PRIVATE PAPER	CTEERC/S5/18/11/3 (P)

<u>Agenda item 3</u>

PRIVATE PAPER	CTEERC/S5/18/11/4 (P)

<u>Agenda item 4</u>

PRIVATE PAPER	CTEERC/S5/18/11/5 (P)

Culture, Tourism, Europe and External Relations Committee

11th meeting, 2018 (Session 5) Thursday 26 April 2018

Scotland's Screen Sector inquiry

Supplementary written evidence

The following supplementary written submissions were received from witnesses on today's panel ahead of the meeting:

- **Film Distributors' Association**

Supplementary written evidence from Film Distributors' Association

Due to prior commitments we are unable to attend the Committee meeting on 26 April, but we are most grateful for the opportunity to submit this brief written evidence for the Committee's consideration.

About us and our multi-layered working relationship with Scotland

Film Distributors' Association (FDA) is the trade body championing the generic interests of UK film distributors. It is distributors who acquire, position, release and promote films to audiences across an ever-increasing array of platforms. By connecting films with consumers, distributors act as the lynchpin of the industry's value chain. The UK cinema marketplace as a whole is very heavily supplied and often highly risky for distributors who commit substantial sums to acquire films and bring them to market before without, of course, any guarantee of a commercial return.

FDA's membership comprises 32 film distributors, one of whom, Park Circus Films, is based in Glasgow. Overall the films released by FDA member companies generate 99% of UK cinema going.

FDA publishes data on cinema box-office in the nations and regions of the UK in our annual *Yearbook* (available free online[1]). In 2017, Scotland generated 8.2% of total UK cinema box-office, in line with its proportion of the total UK population. This amounted to £104 million in cinema ticket sales, of which £81m came from Central Scotland and £23m from Northern Scotland.

We present press shows (preview screenings) in Glasgow to an array of journalists, producers and commentators from across Scotland. These take place at least fortnightly in a cinema that we hire for the purpose.

We were pleased to be consulted last year by Ken Hay of the Centre for the Moving Image; as you know, Ken has a long track record of developing the screen industries in Scotland. He attended an FDA board meeting as part of an on-going constructive dialogue.

Issues and opportunities relating to film distribution and audience development in Scotland

We would like to suggest two broad, yet significant and measurable areas, in which the Committee might consider current and future opportunities:

- **Younger audiences**: As the population ages, so too does the cinemagoing population. Adults older than the media age (about 40) are tending gradually to account for a higher proportion of cinemagoers, varying naturally according to individual films.

  It is very important that the film industry as a whole engages with young people (aged 5+) in age-appropriate ways and enthuses them in the range and scale of storytelling on screen as well as in print/audio formats. This could

[1] www.launchingfilms.com/fdayearbook2018

take in special screenings of children's classic films to fresh initiatives in schools and colleges.

- **Experiential**: Audiences have a vast array of platforms on which they can now watch films and programmes. It is important that the cinema experience continues to be uniquely and spectacularly immersive in a way that other formats cannot match.

  In today's digitally-powered world, 'theatrical' experiences extend beyond cinemas to premieres or 'event' screenings presented in any number of other special venues, festivals and iconic locations. We believe that Scotland could take a lead in such 'event' presentations of films as *experiences*, and in the coming years, an enhanced digital infrastructure and 5G technologies may help further to deliver such experiences.

Culture, Tourism, Europe and External Relations Committee

11th Meeting, 2018 (Session 5) Thursday 26 April

Scotland's Screen Sector inquiry: distribution, exhibition and audience development

This briefing was prepared for the Culture, Tourism, Europe and External Relations Committee ahead of its evidence session on the distribution, exhibition and audience development aspects of the Screen Sector Leadership Group's report.

Distribution

Theatrical film distributors are the companies that release films for cinema audiences.

A BFI web article describes distribution as an invisible art which nevertheless can be described as the "most important part of the film industry, where completed films are brought to life and connected with an audience".

Another BFI web article on Prints and Advertising (P&A) highlights some of the issues distributors have to consider, including:

- quantity and production of release prints and trailers
- advertising campaign - locations, ad size and frequency
- arranging visits by talent from the film.

According to the latest BFI's Statistical Yearbook 2017:

- 48% of independent domestic UK films with production budgets of £500,000 or over shot between 2003 and 2014 were released within two years of principal photography

- of the films which do not achieve a theatrical release, 79% get shown via another platform or become available on other platforms, with screenings at film festivals and releases on physical video being the most common.

The Film Distributors' Association (FDA), the UK trade body, produced a position paper covering a number of issues, including P&A support. They argued that "investing in the release of a finished film is a less risky use of (public) money than investing in a new production when nothing exists other than a treatment or a screenplay".

In the publication prepared for the Screen Sector Unit Project Board, Scotland's Screen Sectors – Economic Baseline, although film and TV broadcasting are separate businesses, given the small sample size, the report authors merged them together for the purpose of the analysis of the distribution sector.

The report estimated that the average company in the Scottish distribution market is very small, with £167,283 in turnover for 2016, and 2 permanent employees. The majority of the activity occurs in Glasgow, with Dundee representing the next largest market hub, though all are small parts of the overall UK market.

The following table is reproduced from the report:

Postcode Area	Business Count	Turnover	GVA	Employment
Glasgow	4	£1,064,176	£691,986	11
Edinburgh	2	£206,846	£138,000	2
Paisley	2	£206,846	£123,000	2
Dundee	2	£386,546	£222,000	8
Kilmarnock	1	£103,423	£69,000	1
Aberdeen	1	£103,423	£69,000	1
Perth	1	£103,423	£69,000	1
Total	13	£2,174,683	£1,381,986	26

Source: Olsberg•SPI analysis of data from Companies House and D&B

Exhibition

UK data

According to the latest BFI's Statistical Yearbook 2017:

- at the end of January 2017, the number of exhibitors that owned or programmed 20 or more screens in the UK totalled 17, they include: Cineworld, Odeon, Vue and Picturehouse. The top six exhibitors had an 80% share of the gross box office in the UK and Republic of Ireland in 2016. The others include: 21 major exhibitors and 253 independent single venue exhibitors

- at the end of 2016, the UK had 4,150 screens, 104 more than 2015, in 766 cinemas, 97% of all screens in the UK were located in town or city centres, 'edge of centre', 'out of town' or suburban locations

- all screens in the UK have been equipped for digital projection since 2014 (IHS information)

- all cinemas have English language subtitle/caption and audio description (ST/AD) facilities. In 2016, 180 English language films were shown in UK cinemas with captions and 170 were shown with audio description.

Table 3 Screens and admissions by ISBA TV region, 2016 (ranked by screens per 100,000 people)

ISBA TV region	Screens per 100,000 people	Screens	% of total screens	Sites	Population (000)*	Admissions (000)	Admissions per screen	Admissions per person
Northern Ireland	11.8	218	5.3	30	1,852	5,740	26,331	3.1
Central Scotland	7.2	269	6.5	40	3,737	11,006	40,914	2.9
Wales and West*	6.8	338	8.1	75	4,988	12,644	37,409	2.5
London	6.7	911	22.0	163	13,571	40,642	44,612	3.0
Lancashire	6.4	468	11.3	65	7,278	15,834	33,834	2.2
Southern	6.3	370	8.9	80	5,827	18,402	49,736	3.2
Northern Scotland	6.1	82	2.0	20	1,347	3,577	43,626	2.7
South West	6.0	114	2.7	33	1,891	4,140	36,316	2.2
Midlands	5.9	618	14.9	107	10,448	21,751	35,195	2.1
Yorkshire	5.5	334	8.0	59	6,109	13,835	41,421	2.3
East of England	5.4	241	5.8	51	4,474	13,103	54,369	2.9
Border	5.3	33	0.8	16	617	1,129	34,226	1.8
North East	5.2	154	3.7	27	2,943	6,457	41,926	2.2
Total	**6.4**	**4,150**	**100.0**	**766**	**65,082**	**168,260**	**40,545**	**2.6**

Source: Dodona Research, Beacon Dodsworth, Cinema Advertising Association (CAA), BFI RSU analysis

The statistical volume also shows that, in 2016, Scotland had 361 screens in 66 sites, with 6.8 screens per 100,000, people. 279 of the screens were in multiplexes, the rest (82) were either traditional or mixed use screens.

The BFI reports that event cinema, alternative content or non-feature film programming has become a regular feature over recent years following the shift to digital-enabled screens.

Screenings of theatrical productions were the most popular form of alternative content programming in 2016 with 51 performances of plays or musicals shown in UK cinemas.

Opera had the second highest number of events (40), followed by 31 film/documentary screenings and fourth was ballet/dance with 22 events. eSport events were also part of the alternative content programme, with three screenings including the launch event for the professional eSports league for the video game Overwatch.

The BFI yearbook also touches on community cinemas. Cinema For All is the national support and development organisation for community-led cinema: community cinemas, film clubs and societies.

Its work is funded by the BFI, member subscriptions, sponsorship, film licence fees as well as project funding from trusts and foundations. There is a map of community cinemas which can be searched by location. The map shows activity in Scotland from the Isle of Whithorn in Dumfries and Galloway up to the Shetland Islands.

Scottish data

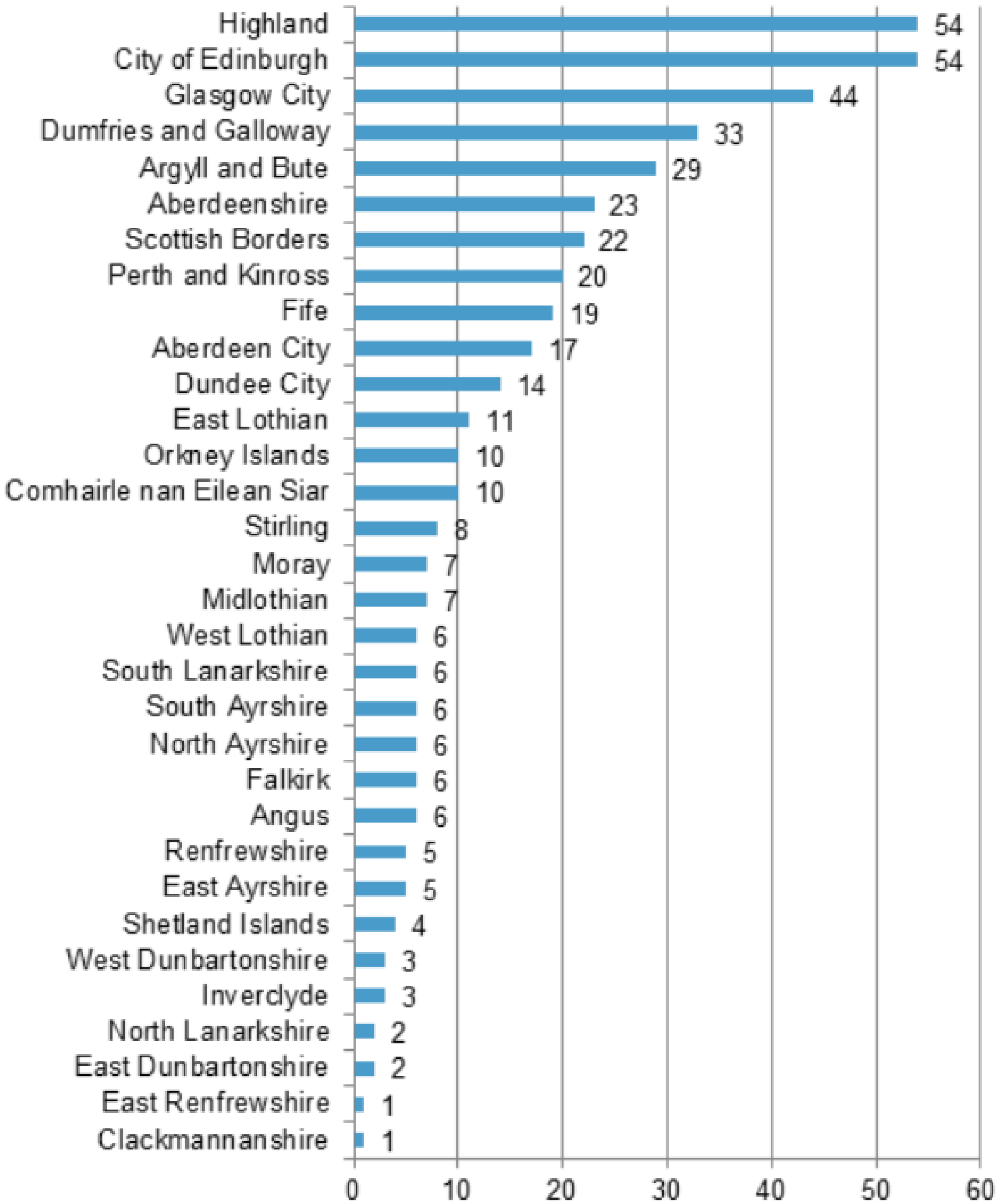
In June 2016, Mapping Film Exhibition in Scotland, a report commissioned by Creative Scotland was published.

The report concluded that audience access to film exhibition in Scotland is defined by where they live, with each type of film exhibitor making an important contribution to the sector as a whole.

The number of exhibitors in Scotland was found to be stable and the amount of screenings and audiences continues to grow. However, the report highlighted that there are clear geo-demographic gaps in provision of cinemas, as shown in the figure below:

6.1 Exhibition locations

Figure 4 - Number of exhibition locations by Local Authority



Source: Drew Wylie Research

The report found that collaboration would be a key success factor for the future development and sustainability of film exhibition in Scotland. Key areas identified requiring a joined up approach ranged from environmental improvement and facility development, to incentivising programme diversity. When addressing gaps at local level the role of Local Authorities was seen as important, together with support to help exhibitors overcome a lack of capacity to develop and improve.

National organisations should aim to present both an agreed set of priorities and a coordinated response to them.

The report recommended further work to explore the key issues raised, for example: attendance by young people; programming; film in schools; and the role of Local Authorities.

The publication prepared for the Screen Sector Unit Project Board, Scotland's Screen Sectors – Economic Baseline, estimated that, for exhibition sector, the total turnover for cinemas in Scotland in 2016 was £112 million, generating £36.2 million GVA, with 923 total FTE employees.

Regional Screen Scotland

Regional Screen Scotland (RSS), which receives regular funding from Creative Scotland and funds from Highland and Islands Enterprise, activities include:

- providing advice and information on setting up local screen facilities
- operating the Screen Machine mobile cinema
- managing a grant aid fund for Local Film Festivals across Scotland
- advocating for the social and economic benefits of cinema for local communities.

RSS works with communities, across Scotland, which have no access, or only very limited access, to the full range of screening possibilities. It helps develop access by working with a range of partners, including: Film Hub Scotland, UK Cinema Association, Cinema for All and Film Mobile Scotland.

Audience Development

National Outcome

The Scottish Government's current National Performance Framework includes a National Outcome to:

- Increase cultural engagement, the measure being the percentage of adults who have either participated in a cultural activity or who have attended or visited a cultural event or place in the last 12 months.

The cultural events include attending the cinema. The latest Scottish Household Survey report for 2016 showed that trips to the cinema make up the majority of cultural attendance, with 58% of men and 59% of women having made a trip to the cinema in 2016.

People in younger age groups were more likely to have attended the cinema:

- 86% of adults aged 16 to 24 and 77% of 25-34 year olds visited the cinema, compared with 19% of those aged 75 or over and 39% of 60-74 year olds.

The new questionnaire for the Scottish Household Survey in 2018 will also include a question on whether the interviewees had attended a streaming of a live performance (e.g. theatre or dance) in a local venue such as a cinema or community hall.

BFI Audience Fund

In BFI2022 the BFI set out its commitment to give everyone, everywhere in the UK the opportunity to enjoy and learn from the richest and most diverse range of great British and international filmmaking, past, present and future.

By 2022, the BFI aims to have:

- increased the diversity of audiences and talent supported across all BFI activities

- increased access to the BFI's National Film Archive and those of the regions and Nations.

Using funding from the National Lottery, the BFI Audience Fund (which replaced the separate Distribution, Film Festival, Programming Development and Neighbourhood Cinema Funds) is important to this commitment. The BFI promises include to

- develop a simpler, more accessible and responsive Audience Fund, able to support distributors, exhibitors, festivals, national and touring programmes, multi-year projects and strategic partners. The fund will take a more flexible approach to help build audiences for commercially risky projects regardless of the partner and the platform, with a particular focus on strategies to develop the 16-30 year-old audience

- pass more responsibility to a more strategic Film Audience Network (FAN) – encompassing eight Film Hubs, including one in Scotland. The Film Hub Scotland will be led by Glasgow Film Theatre. The Film Hubs will each carry a strategic lead role and have direct responsibility for more of Lottery funds to support local distribution strategies, festivals, education activity and key programmes.

Moving Image Archive

The National Library of Scotland now houses the Moving Image Archive (formerly the Scottish Screen Archive) in its Kelvin Hall premises in Glasgow.

The archive has over 46,000 items including film cans, videotapes and digital files.

Many of the items are unique and cannot been seen elsewhere. The collections are largely non-fiction reflecting the lives of ordinary Scots across the generations and the achievements of Scottish film-makers in the craft of film production.

The types of film held include:

- documentaries
- educational and public information films
- advertising and promotional films
- cinema newsreels
- Scottish regional television broadcasts
- Scottish funded short films and features.

Screen Sector Leadership Group

In its final report, presented to the Committee in January 2017, the Screen Sector Leadership Group (SSLG) wrote that:

> “An important element of any national screen strategy is the need to ensure that audiences are able to have access to a wide, diverse range of film content.”

A sub-group of the SSLG drew up:

> “a model for an ambitious 5-10 year development to achieve a step change in the value and impact of the film distribution and exhibition sector with an increase in the number of cinema screens and admissions, benefitting communities across Scotland and creating economic opportunities.”

The sub-group recognised that this would require sustained investment. The report also highlighted that while other cultural events, including theatre and music and zoos are already VAT-exempt, film exhibition is not.

The SSLG made 10 recommendations:

- develop an advocacy strategy to seek the VAT paid on cinema admissions to be retained for re-investment in the sector. The SSLG believed that if the VAT generated by film exhibition in Scotland were retained it would release £18m [at 2015 prices] for investment
- maximise opportunities presented by the installation of superfast broadband connectivity across Scotland, through developing pilot programmes with Digital Scotland Superfast Broadband and other partners
- establish a Digital Screen Initiative supporting the maintenance and expansion of digitally-enabled and connected venues and facilities across the country
- develop a model for a virtual, digitally connected “national film theatre” curating contextualised film programmes and content
- review the opportunities for enhancing cinema provision across Scotland
- establish a commissioning fund to support the development and promotion of live cinema and events, tours and local film festivals
- continue to support the development of film festivals in Scotland’s cities
- work in partnership with the BBC and other broadcasters and streaming services to promote a broader range of content on broadcast platforms and streaming services
- strengthen connections between audiences and Scotland’s screen heritage.

Screen Unit

The Screen Unit collaborative proposal was published in December 2017. The Unit’s remit will include:

- support growth of audience size, diversity and reach, at home and abroad

- develop the sector through funding, advice and support.

There are no other specific outcomes for Distribution, Exhibition or Audience Development in the proposal.

Funding

According to that paper Creative Scotland currently provided funding of £2.58m for distribution, exhibition and audience development. The draft proposal for investment for 2018/19 would see an additional fund of £570,000, which might include some one-off, capital or pump-priming investment.

Written Evidence

In its call for evidence the Committee was particularly interested in understanding how Scotland can keep pace with digital trends, ensure equitable access to content and develop new audiences. It asked the following questions:

- How can Scotland maximise the opportunities associated with proposed roll out of superfast broadband nationally?
- How can we ensure/promote the consumption and production of domestic content in the digital age?
- What measures can be taken grow audiences and encourage participation in the sector more generally?

The Committee received 28 responses, 11 of which commented on all of some of these questions:

Association of Film and Television Practitioners Scotland:

> "What measures can be taken to grow audiences and encourage participation in the sector more generally?
>
> This is not an area in which our members have much expertise, but we have a suggestion from a unit publicist that better relationships should be forged with distributors. We have excellent film festivals in Scotland, but we do not take advantage of the potential of hosting more film premieres in Scotland. Scottish cinema audiences are second only to London West End audiences in their loyalty and attendance rates. Given the current security issues in Central London, and relative ease that these events can be organised in Scotland, there should be more efforts made to bring premieres to Edinburgh, in particular. With that comes increased interest from the world's press, and proof that Scotland is a film-friendly country."

Association for Media Education in Scotland (AMES):

> "How can we ensure/promote the consumption and production of domestic content in the digital age?

AMES would advocate the idea of a one-stop online shop for Scottish domestic content which combines contemporary content with access to the Scotland Moving Image Archive. The archive should also receive increased funding so that that it can convert Scottish-made film content currently held on outdated formats. Lottery funding may be one avenue for this.

There should be a means of organisations automatically archiving Scottish content created in educational and other contexts so that the archiving issue 'disappears'. Perhaps it could be possible to adapt the notion of the 'legal deposit' of books to national libraries to the automatic uploading and indexing of content to national film archives.

What measures can be taken grow audiences and encourage participation in the sector more generally?

Film education for all Scottish pupils would be the best of all starts.

The removal of unit assessments in National and Higher Media means that it should be much easier for schools and colleges to offer adult evening or daytime classes. Linkage of the FANS network to schools could provide a means of expanding filmmaking expertise.

Studios which receive government funding should have an educational remit so that the school pupils and the public can learn more about the sector."

BBC Scotland

"BBC Scotland notes the discussion points on how the sector in Scotland might promote domestically produced content in the digital age, and how measures can be taken to grow the audience. We cite the example of The Social (above) in developing new content for Scotland's younger audiences.

The BBC is aware of an increase in popularity for non-linear services delivered digitally. The BBC continues to develop digital propositions, but is mindful of the need for all audiences in Scotland to be able to access such services.

Meanwhile, in terms of ensuring that Scottish content continues to reach as wide an audience as possible, in addition to the proposed launch of our new channel in 2018, the BBC is also at the early stages of examining opportunities around personalisation. Information about our audiences, such as their location, friends and favourite programmes, could be used to provide a unique experience of the BBC tailored specifically to each individual. Through further developments in this area, and working with our partners, targeted Scottish content could be delivered to audiences not just in Scotland but around the UK and internationally."

Professor Beveridge

"How can Scotland maximise the opportunities associated with proposed roll out of superfast broadband nationally?

Use broadband to find and nurture new talent.

Make Scottish cultural website for international audiences, allowing streaming of live events, festivals and downloading of contemporary and heritage Scottis content: via pay per view as well: eg John Gray's documentary 'West Highland'.

How can we ensure/promote the consumption and production of domestic content in the digital age?

Tell our stories to ourselves and then internationally, including the diaspora and others. Maximise the advantages already present in 'Scotland the Brand'. Then develop and remake the brand.

What measures can be taken grow audiences and encourage participation in the sector more generally?

Make content which resonates with the audience."

Creative Scotland

"In our screen strategy, another priority is to broaden access to screen content in Scotland to as wide and diverse audience as possible. As such, we continue to support this area of work through, for example, a dedicated exhibition and distribution funding route for screen; support for cultural cinemas and major film festivals through Regular Funding; support for a range of smaller and diverse film festivals through Open Project Funding; and support for screen presentation in Scotland's more remote communities.

The SSLG set up a sub-group looking specifically at Distribution, Exhibition and Audience Development. The work of this sub-group informed the SSLG Report's key findings and recommendations in this area and in turn informed the further work that led to related actions for the Screen Unit."

Dr Franklin

"Superfast broadband adoption will likely increase streaming adoption and rates of use, but simplistic connections between such entertainment engagement and domestic film sector impacts should not made. Detailed understanding of audience demand, project distribution and marketing spend is required. […] Improved Internet provision should not be conflated with keeping "pace with digital trends". Delivering appropriate Internet access to the entire population is utterly vital for a raft of socio-economic necessities outside of domestic content consumption, including education and social service provision. See the work of Professor. M Graham at https://www.oii.ox.ac.uk/ on Internet geographies. The correlation between digital exclusion and social deprivation has been recognized, and attention to lowest rates of Internet use in social housing is an important issue for government to work on"

"More, high quality data about the entire life cycle of each film project, company financial performance, and audience behaviour is critical to the life of the independent film industry. Areas of impact include: access to finance; audience targeting and engagement; and improvement in distribution / exhibition efficiencies. Without rich, analysable, transparent data, answers to the following questions become even harder to discern. What measures can be taken [to] grow audiences and encourage participation in the sector more generally? How can we ensure/promote the consumption and production of domestic content in the digital age? Public agencies can lead in forming cross sector networks to address data issues."

Grouse Beater

"The power is in London. Distribution is in London."

"Having no distributer leaves a small nation producing expensive home movies. To some degree the Norwegian model overcomes that problem. Laudably, it subsidises all its films, as many as a dozen a year, ensuring the producer gets the most from box office so he or she can invest in another film together with government grant aid. The films get distributed in Scandinavian countries. A few make it to Europe.

But generally Norwegian films don't travel very far. Does that matter? It does, if Scotland wants to speak to other nations, not just to its self. We like to think we speak a kind of intelligible English that doesn't require our dramas subtitled or dubbed.

Having our own distribution arm for film and television production supposes there is enough activity to justify its existence. That means subsidising production to stimulate product. Here lies temptation on capitalist lines.

Government investment has a tendency to lead to hard-nosed commercial subject matter. If not a government grant the film has to make a profit, unless, that is, the state decrees a healthy level of 'art house' subject matter alongside populist material, the kind concerned with mature adult issues, and not super heroes running down corridors chased by fireballs. But the state should not choose scripts. It should discipline involvement to solely backing its indigenous filmmakers.

[…] To make all that work we need one terrestrial broadcaster mandated to invest in and transmit indigenous film, once cinemas show it. Any profits can be used to sustain the distributor, with a good portion reinvested in Scottish-made movies."

Mr Newbigging

"Other countries have Micro-budgeted feature film schemes and the BFI even supports one in London. So why do we not have that here? Considering the potential local audiences, a micro-budget feature film scheme could start a renaissance in Scottish screen storytelling, from the perspective of artists based here. This could tie in with the new BBC channel. They could place the projects on the iPlayer at very little cost and feedback with audience data. This would create projects for companies with a clear route to local funding and distribution and a clear way for talent to move up. The new screen agency could work with the BBC to curate projects.

These micro-budget films could also reach an international audience as can be seen with other filmmakers around the world."

Pact

"Pact has also launched an industry approved university module for universities in Scotland and across the UK. The module was developed by an industry working group, be launched in 2018/19 and kept updated on an annual basis. The aim is to provide graduates with up-to-date industry information [… including]:

> […] IP exploitation – understanding distribution, global trading and secondary exploitation."
>
> "As audiences increasingly consume content digitally it is becoming ever more important that consumers have access to content.
>
> […] The roll out of superfast broadband is vital to production companies based across Scotland but also important to the audience who should have a choice as to how they consume content.
>
> The key point for Pact in the online space is the protection of intellectual property rights for producers. The Terms of Trade framework which has developed a successful independent production sector from a small cottage industry to a global industry in the space of ten years, does not apply to content commissioned for online viewing.
>
> Pact is calling for a fairer deal for online producers and to ensure that, particularly new entrants to the market making content for BBC3, BBC Children's or All4 online have more control over their own IP in order to exploit this both in the UK and overseas. This will become particularly important as the value in short form content grows as it becomes increasingly commissioned by the broadcasters and platforms. Producer control over their IP, we believe will drive further research, development and innovation into quality content in the future."

Scottish Enterprise

> "In partnership with Creative Scotland, we launched a new business development programme, FOCUS, delivered through Film City Futures. SE, CS and the industry contribute £250,000 each to the £750,000 two year pilot project. This will give companies access to specialist business development services, provide access to expertise in digital distribution, aggregation, financing, international co-production, and audience development. The first cohort of seven companies was selected in August and a second will follow in 2018. We expect 20 companies to benefit from the programme and the outcomes will be crucial in defining future specialist screen business support requirements."

Oral Evidence

The Committee has held four evidence session to date for its inquiry: 8 February 2018, 8 March 2018, 22 March 2018 and 29 March 2018.

In his evidence on 8 February, Professor Schlesinger told the Committee:

> "We have new distribution systems, new devices, and new audience demographics, and there are new challenges to sustaining national content because of the ambiguities in dealing in the global marketplace.
>
> […] The transforming relationships between production, distribution and consumption need to be addressed in a different way, too. How will that be informed by evidence and strategy? […] if that is not inscribed into the future of the screen unit right at the beginning, it will be a problem."

On 22 March, Sophie Jones from Channel 4, told the Committee:

> "We have also heard this morning about the role and influence of the FAANG companies [Facebook, Amazon, Apple, Netflix and Google] companies. They represent huge opportunity in many ways and there are some exciting things going on for producers. Interestingly, they are not doing the same things that we are doing: they are not investing in the same types of things, they are not thinking about indigenous audiences in the same way as we are, and nor, I suspect, are they as focused on grass-roots investment to help deliver that long-term growth."

Francesca McGrath
SPICe