

Discussion Paper

THE NEED FOR DRAMA

1. Introduction

Under section 37 (c) of the Broadcasting Act 1989, NZ On Air is required to:

“Ensure that, in its production of television programmes, reasonable provision is made to assist in the production of drama and documentary programmes.”

NZ On Air wishes to make a difference in the local content that is broadcast on television, and has determined that its goal, in supporting the production of drama in New Zealand, will be:

NZ On Air will promote an increasing number of diverse, innovative drama programmes that reflect and foster the different expressions of New Zealand’s cultural identity and serve the needs of viewers as citizens, not simply as consumers.

2. The Objective in Perspective

This paper sets out how NZ On Air aims to achieve a sustained and consistent presence of popular New Zealand drama on screen. It is expressed against a background of considerable transition and change - both in New Zealand and globally. There are thus some key points which should be kept in mind by readers of the document:

- The level of drama production activity in New Zealand is likely to be determined by both NZ On Air’s budget and the outcome of the Government’s review of broadcasting policy, within the next 12-18 months.
- NZ On Air has identified an overall level and spread of projects that would ensure a sustained, consistent presence of local drama across all three major free-to-air networks. This remains an ideal for which we should strive, but it will depend on a high degree of collaboration amongst the production and broadcast communities, working with NZ On Air.

- A key issue to be addressed is the potential for NZ On Air's drama budget to be, in effect, boosted by funding from other sources. This has been the case in the past, particularly for series drama. For the future, the options will depend on resolving the potential conflict between international market developments and NZ On Air's focus on working to achieve New Zealand series for New Zealand audiences.

In circulating this paper, NZ On Air wishes to consult with stakeholders to:

- Get feedback on the proposed strategy;
- Achieve a common understanding of, and agreement on, the main goals; and
- Secure a commitment from the industry to collaborate to achieve them;

One of the aims of discussing this strategy with industry stakeholders will be to identify a level of NZ On Air funding for drama that would be appropriate over the medium-term (taking into account all other relevant factors) to achieve the desired outcome.

3. The Current Situation

While documentary production has increased ten-fold in the time since NZ On Air's inception, the development and proliferation of New Zealand television drama has been, at best, a stop-start affair.

In 1998 a total of seven hours of first-run NZ On Air-supported drama appeared on our screens. The situation improved in 1999, with *Greenstone*, *Duggan* and *Jackson's Wharf* being broadcast to boost hours. However, with the broadcaster's decision not to commit to a second series of *Duggan*, and no fresh projects in development to take its place, there has been a falling off of local drama on TV ONE. By comparison, however, apart from a small number of feature films and the telefeature *Tiger Country*, no New Zealand drama has screened on TV3 since the first series of *Cover Story* in 1995. It is only in the last 9 months that TV3 is demonstrating a renewed interest in drama.

Memorable successes have not led to a continuing presence of New Zealand drama on our television screens, apart from the initially NZ On Air supported soap opera, *Shortland Street*. New Zealanders still rely on foreign imports for their television drama, most notably of course from the United States and Britain.

Why does that matter? Without our own stories, our own presence on television, we run the risk of falling victim to the "colonisation of the imagination" that the former Irish Minister of Culture, Michael D. Higgins, warned of at the 1999 NZ On Air symposium, *Counting the Cultural Beat*.

Television drama is also an exportable commodity. *Shortland Street*, *City Life* and *Mirror, Mirror*, for example, have all made substantial sales internationally. Therefore, its further development is also completely consistent with the Government's aims of:

- revitalising the cultural sector as the expression of key elements of New Zealand identity,
- developing the cultural industries as important contributors to New Zealand's economic growth; and
- contributing to "cultural tourism" by taking New Zealand to the world.

For these reasons, NZ On Air is seeking to ensure that there is a sustained, consistent presence of New Zealand drama on all the main free-to-air channels. This implies a mix of long-form and shorter-run series, as well as occasional one-off programmes, with returning series to be supplemented through a development process that keeps the reservoir of projects replenished.

4. What Constitutes Good Drama?

Good drama needs a combination of good stories, believable and likeable characters, and a strong production team to package and present the raw material to an audience in a way convincing and entertaining .

Drama series need time to find and develop a loyal audience following – provided they have the potential in the first place.

It follows that we need a good depth of creative talent; writers, producers, directors, editors and actors. There can be no weak links in the chain. Our own research tells us that if New Zealand drama is to succeed it must be as good or better than its foreign competition. The New Zealand audience will do us no favours. In fact we know from long experience that New Zealand audiences will watch local shows with a far more jaundiced and demanding eye than they will any foreign programmes.

We want more drama that shows New Zealanders being New Zealanders in situations we can believe. The point of the distinction between citizens and consumers is that NZ On Air funding exists to support and promote drama for the widest audience – not just the audiences that advertisers tell broadcasters they wish to reach. It follows therefore that NZ On Air will promote drama for a mainstream (prime time) audience.

Good shows are popular shows. NZ On Air is not and cannot be in the business of serving niche audiences when it comes to this particularly risky and expensive genre. This is not the same as saying that we cannot serve a range of audiences. Or that we cannot agree in advance which key demographics broadcasters are trying to reach – as long as this does not compromise NZ On Air's aims. We will and must make a range of programmes that will cater more for the needs of different age groups. The commissioning of *Street Legal* is a recent example.

While aimed at a general audience we fully expect it to be more popular with younger viewers. Some of the other shows we currently have in development we expect to be more popular with older viewers.

Our desire to fund programmes for the mainstream does not suggest that such programmes cannot be innovative, original or deal with specific subcultures.

5. An Analysis of Perceived Impediments

What has caused this stop-start approach? It is easy to say that New Zealand is a young and small country, which cannot yet be expected to have a vibrant television drama and film industry, but this is an argument that can be easily contradicted. There are there are other, more compelling factors.

First, drama is not made in New Zealand without significant public funding. The exception to this – *Shortland Street* – required a kick-start of four years of gradually reducing funding from NZ On Air to secure its viability. Commercial broadcasters are loath to take the kind of risks that drama entails, with their own money. This is understandable in the New Zealand context in that the size of the market limits the returns that drama can generate.

Second, having invested heavily in a first series, NZ On Air has often been frustrated at the apparent lack of broadcaster commitment to the success or furtherance of projects into a second series. We recognise that not every project is going to have the potential to return, but the constant need to start again from scratch imposes significant start-up costs, production inefficiencies and delays as new ideas are developed.

The opportunities for a strong pool of creative talent to hone story-telling, directing, acting and production skills are therefore limited. Often a creative team needs a whole series to develop rapport amongst themselves, with their characters, and with the audience.

The arrival and demise of successive shows also adds to the danger of an audience perception that New Zealand dramas can't cut it, as they simply don't last on screen.

NZ On Air must also shoulder some of the responsibility. We have not always taken the kind of strategic approach needed to encourage and promote successful drama, nor followed a consistent policy with regard to its development and funding.

More fundamentally, however, the amount of funding that has historically been available for investment in drama has been inadequate to set up and maintain an active development and production slate of diverse drama projects. Funding of around \$12 million *per annum* (for both drama and comedy) has meant it is difficult to invest in much more than one drama series per year.

To achieve fully the strategic objectives outlined in this paper, it is estimated a drama budget of between \$25 and \$30 million *per annum* would be needed.

6. Proposed Strategies to Overcome Impediments

Step one is for NZ On Air to put a proactive peg in the ground - saying this is what NZ On Air wants to happen with drama and this is how we are going to go about it.

The best way to deal with the audience “jaundice” mentioned above is to produce more, and better:

Diverse, innovative drama programmes that reflect and foster the different expressions of New Zealand’s cultural identity and serve the needs of viewers as citizens, not simply as consumers.

To do so, we believe it is important to look at all stages of the process – from development, through production, to broadcast and sale into other markets. We propose actions that NZ On Air might take, within the limits of our legislation and our funding base, to facilitate the process at different points along the way.

(a) Development

This falls into two areas: the development of specific projects, and the more general development of talent. The two are not entirely exclusive.

One of the main shortfalls is in the area of writing talent. How do we deal with this? Once again by ensuring that there is more drama to write. The best way to improve on the size of the pool of working writers with sufficient experience and talent is make sure that there is more paying work and a continuous stream of it.

This begins with the development process. To date, NZ On Air has tended to develop a small number of projects, with a correspondingly high proportion going into production. It is proposed that this process is broadened out, in discussion with broadcasters, to allow for a greater number of projects to be developed, but initially to a less advanced stage. In other words we need to split the two processes into funding of development and funding of production. This will help with our objective of diversity and innovation, by giving a greater variety of “good ideas” the opportunity to see if they can fly.

NZ On Air therefore envisages a tiered development process, as illustrated below, where the number of shows in development and those receiving NZ On Air production support form an inverted pyramid. For example:

8 new projects in Development
4 in advanced development
3 x 1st run series
2 x 2nd run series
1x3rd series

This will require of course clarification of the development process. Development funding is not a guarantee, nor is it the first stage of production funding. The purpose of development funding is to bring the widest amount of material to a form where it can be assessed for potential. Against earlier wisdom this means that not every show we develop must make it to air.

Allowing for a greater emphasis on development helps address the problem mentioned above of allowing more writers to be paid for what they do. Even a script that does not make it to air is valuable experience to a writer. Those who would condemn this approach need to remember that Hollywood spend around US\$ 0.5 B in development every year- most of it on scripts that never hit the screen.

Of course NZ On Air does not have the resources to pursue this tiered approach alone. The goal of more and better drama must be achieved by open and transparent partnerships with other industry stakeholders.

(b) Partnership with Broadcasters and Producers

It makes no sense for NZ On Air to plan strategically in isolation. For a sustained, consistent approach to drama in New Zealand, this must be backed up by regular dialogue and forward planning with both broadcasters and production houses.

Issues to be addressed in advance include:

- Identification of desired formats, themes and target audiences. This recognises that the desires of NZ On Air and a commercial broadcaster may not exactly coincide, but will overlap. It allows NZ On Air to plan for diverse projects to meet a wide range of audience interests across different channels.
- Timetables for development, production, broadcast. If these are planned for in advance, NZ On Air's funding cycles can work in with producers' needs. It also ensures steps are taken to encourage projects into development.
- Trigger-points for decisions with regard to subsequent series. Rather than risking dispersal of key personnel, all parties agree that they will make a decision in principle with respect to a subsequent series, at a common point in broadcast of the first series.

- Methods of testing audience reactions (pilots, focus group research etc). More regular use of tools to assess whether characters, stories and relationships have a good chance of working with their intended audience.
- Possible financing plans, including levels of broadcaster contribution. The broad expectation will be for broadcaster per-hour contributions to increase over subsequent series. An active, positive partnership with broadcasters and producers should also help to secure better international deals.
- A planned exit strategy for NZ On Air following gradual reductions in funding over a maximum of [????] series

What about pilots? With the kind of money NZ On Air has to offer, piloting every series will soon chew through it. But how do we overcome the problem of putting untried material on air? One thing we do know from experience is that dropping a pilot into a schedule and hoping that these one-off ratings will give you a steer is a waste of money. All experience shows that, with the odd exception, series need time to build and find their audience. One solution might be to agree to pilots, as part of our commitment to new, long-form drama series, that are produced in enough time so that thorough audience research can inform development of the rest of the series.

This leads us to another question. When do we commit to a second or third series? The experience of the past has been that this often happens so late that the series barely makes it to air. A recent example is *Jacksons Wharf* which suffered from intense and unsettling media speculation, and a very tight scripting and production schedule as a result of a delayed commitment to the second series. We need to develop a formula, agreed with broadcasters that means that everyone knows as the show goes to air when and under what conditions another series will be agreed to.

Longer-run series raise issues with respect to NZ On Air's ability and commitment to fund several high-volume productions. Could this mean staged production commitments? That is, for those new shows where the broadcaster is wanting a series run longer than thirteen episodes, do we commit to the first half of the series and only commit to the rest at an agreed point? Say, halfway through the series, linked to pre-agreed ratings targets in key demographics. This will save resources if the show is manifestly not working, but what will it do for economies of scale, achievable production deadlines, and contracting of stars? One way through might be to commit to a full series, but establish a review point for all parties to re-confirm this commitment.

(c) Other Funding Initiatives, including International Investment

NZ On Air, by legislation and inclination, is in the business of making culturally specific stories. NZ On Air is not interested in projects in which the story is not a New Zealand one or is deliberately rendered geographically anonymous. The experience of international film shows us that culturally specific stories can travel well. In fact, the international market looks for stories that are treated in a different or fresh way, but that have wide resonance.

While NZ On Air's focus is on stories by, for and about New Zealanders, we must, of necessity, boost the budget we have available for drama by encouraging third-party sources of funding. The need for international investment in New Zealand productions raises several questions, the most pressing of which are:

Have sources of international investment dried up as countries focus more on producing their own drama projects?

Does the involvement of third-party funding inevitably lead to a "watering down" of the New Zealandness of a project in favour of a blander, more globalised approach?

In answer to the first question, it seems that the overseas success of *Shortland Street*, the sales of *Mirror, Mirror*, or the recent presales of *Street Legal*, *Lawless* and others, would suggest that this is not as great a problem as many would suggest. In fact the availability of overseas finance seems to depend more on ups, downs and trends of the international market with respect to the types of genre, than with the origin of the project. These trends affect producers from all over the world, trying to place their product in foreign markets.

In answer to the second, it is suggested that, first and foremost, a clear message needs to be given that NZ On Air funding is predicated on key elements of the project concerned that must not subsequently be changed without full consultation and our prior agreement.

So, to achieve the broad strategic objective for drama, NZ On Air must encourage deals that involve foreign money. To get more of it and ensure that we do not suffer "on the back end" NZ On Air needs to back that up by developing its own relationships with foreign money brokers and its own understanding of market pressures. It may be that this leads to possibilities for using the muscle of funding NZ On Air has to generate leverage across several projects. In exploring these options, however, NZ On Air would recognise the traditional role of producers, and the individual business relationships that have already been established.

7. Support for/from other Organisations

There are two funding organisations operating in New Zealand. The New Zealand Film Commission supports the production of feature films, and NZ On Air supports New Zealand drama (including a small number of feature films) with a television broadcast outcome. The linkages between the two audio-visual forms are recognised, but film and television operate in very different ways, and with very different end-points.

This brings us to the question of whether we should be in feature films. Television is a great training ground for film but is the reverse true? It is certainly

not a common career path. Should the limited money we have to improve broadcast outcomes on New Zealand television be used to do that alone?

NZ On Air is of the view that the contribution we have made to the Screenvisionz initiative represents our maximum desirable involvement in the feature film business. While features are an important part of the television schedule, we have to ask ourselves seriously whether the timeframes involved are such that the benefits of telling NZ stories on screen in this way are lost. Of the six Screenvisionz projects shot to date over three years, not one has been screened on New Zealand television.

Balanced against that, it is an important benefit for New Zealand makers of film and television to have more than one gateway through which projects can be financed. NZ On Air will maintain its relationships with agencies, including the Film Commission and Te Mangai Paho where, providing the action can operate in both directions, projects that meet the objectives of more than one agency can be jointly funded.

NZ On Air has also begun a process of relationship-building with equivalent organisations in Australia (the Australian Film Commission, Australian Film Finance Corporation, and the ABC). These organisations can assist us with policy development where similar issues may have already arisen. NZ On Air now proposes to extend this process by, for example, developing relationships with UK and/or Canadian-based organisations.

8. Building Infrastructure to Support Drama

(a) Training

NZ On Air has no mandate to fund training, but writers, and for that matter, directors and producers who have demonstrated the talent and the commitment, should not have to reinvent the wheel for every project. Perhaps NZ On Air could endorse those courses that we believe are worthwhile? Such endorsement would need to be arrived at with industry professionals and stakeholders.

What of talent development per se? Nothing in NZ On Air's legislation allows us to be directly concerned in this. We are more of the mindset that, if we create and foster a vibrant, thriving industry, then the right mentors will identify the writers and other creative personnel with the required skill, talent and commitment and they will get a shot or the chance to hone their skills.

(b) One-Off Drama Initiatives

What of other talent development initiatives, like Montana Theatre, Comedy Playhouse or the recent TV3 dramas? Have they been a success in identifying new talent or bringing talent on? Or do they simply serve as just another job for already established talent? The initiatives that have run to date have proven to be patchy, in terms of audience and critical reaction. The latest initiative has been plagued by lengthy delays in commissioning suitable projects. The unacceptable delays in getting the series of plays to air are likely to seriously compromise the possibility of achieving a talent development objective for any of the key creative personnel. NZ On Air is undertaking further analysis on this question.

Going for It

So how are we going to address these issues, answer these questions? NZ On Air believes the following goals and their associated action points will help achieve the objective of securing a sustained, consistent presence of New Zealand drama across all three main free-to-air channels.

NZ ON AIR GOALS IN DRAMA

NZ On Air will:

- achieve first-run television drama on all three, major, free-to-air channels throughout the March to November peak viewing period, featuring new and return series.
- achieve an improvement in the quality and innovation of television drama scripts.
- achieve progressively higher broadcaster and third-party contributions to drama productions.
- prioritise the dramatic sub-genres it wants to achieve in the following year. The priority for discussion is as follows:
 - At least one long-run (i.e. 20 plus episodes) mainstream drama series.
 - Two or more drama series (i.e. 13 episodes)
 - At least one children's drama series
 - A Maori oriented drama series
 - Miniseries
 - Telefeatures
 - Feature films (ScreenVisionNZ)

(At current funding levels there is no way NZ On Air can fund all of these)

- clarify the role, objective and mechanisms for development funding.
- increase its understanding of the international television market.

- communicate effectively with broadcasters and producers its requirements and priorities in drama.

If NZ On Air is to achieve all or any of the above it needs to be able to operate in an environment of certainty.

NZ On Air Drama Goals and Action Points

NZ On Air will prioritise the dramatic sub-genres it wants to achieve in the following year. The priority for discussion is as follows:

- At least one long-run (i.e. 20 plus episodes) mainstream drama series.
- Two or more drama series (i.e. 13 episodes)
- At least one children's drama series
- A Maori oriented drama series
- Miniseries
- Telefeatures
- Feature films (ScreenVisionNZ)

The NZ On Air budget for drama will not, however, allow us to fund all of the above in one year. The following action points also address possible means by which the budget could be stretched to achieve the desired outcome.

- NZ On Air will achieve first-run television drama on all three, major, free-to-air channels throughout the March to November peak viewing period featuring new and return series by:

Action Points

Maintaining an active development slate, with a higher number of projects being developed to an early stage, and making allowances for some research, such as focus groups.	Ongoing
Consulting with broadcasters about the types of drama shows they need and keeping them aware of NZ On Air's priorities.	Ongoing
Funding of special "ring-fenced", competitive initiatives to address shortfalls it believes must be met	Where necessary
Continuing to allocate funding based on the "best proposal wins" strategy	Ongoing
Decreasing its level of funding to subsequent series over time based on agreed ratings targets; exiting at the end of the third series	2000-2001 year onwards
Signaling its early commitment to subsequent series	Ongoing
Providing cashflow to projects against reputable distribution guarantees, when exceptional circumstances warrant it.	2000-2001 onwards

- NZ On Air will clarify the role of development funding by:

Action Point

Providing development guidelines and criteria around the following points for discussion: <ul style="list-style-type: none"> ▪ Development funding is neither a guarantee, nor the first stage of production funding ▪ The purpose of development funding is to bring the widest amount of material to a form where it can be assessed for potential. 	December 2000
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- NZ On Air will achieve an improvement in the quality and innovation of television drama scripts by:

Action Points

Maintaining an active development slate (see above)	Ongoing
Providing initial development to some special projects that do not have broadcaster support, in exceptional circumstances.	2000-2001 onwards
Identifying a stable of talented and able script assessors and consultants	December 2000
Publishing the list of these assessors and consultants	December 2000
Allowing for use of these consultants in development budgets (criteria to be developed).	January 2001 onwards
Providing producers with the assessments that have been commissioned on their projects	Ongoing
No longer "funding and forgetting". NZ On Air will continue contact with producers and writers through the development and scripting process	Ongoing
Having an input into final scripts as resources allow	

- NZ On Air will achieve progressively higher broadcaster and third-party contributions to drama productions by:

Action Points

Agreeing all contributions before funding commitments are confirmed by the Board	July 2000 onwards
Insisting that development monies are separate from the production budget	July 2000 onwards
Agreeing to sponsorships only on the grounds that money is returned to the production in a transparent and auditable manner	July 2000 onwards
Drawing up expected broadcaster contribution rates by genre	September 2000
Refusing to fund productions that do not meet these amounts, in other than exceptional circumstances.	Ongoing

- NZ On Air will increase its understanding of the international television market by:

Action Points

Subscribing to an increased number of key international trade papers and periodicals	July 2000 onwards
The Chief Executive or Television Manager will attend at least one television market per year, using the knowledge and relationships to assist producers in marketing their product overseas	January 2001 onwards
Options for attracting third-party investment in New Zealand drama productions to boost NZ On Air's funding to be explored.	

- NZ On Air will prepare and present a case to Government for increased funding for drama by:

Action Point

Seeking to secure long-term, stable or increased funding for drama, to an annual total of at least \$20 million, as part of the wider broadcasting review.	Immediately
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- NZ On Air will continue to communicate effectively with broadcasters and producers its requirements and priorities in drama by:

Action Points

Holding a forum to discuss the above strategy and reach decisions	December 2000
The Chief Executive, Television Manager and Contracts Manager continuing with regular informal meetings with producers and broadcasters	Ongoing
Annually reviewing the strategy	First review December 2001

August 2000