

#BFI2022

INDUSTRY-LED BFI REPORT PROPOSES MEASURES TO BOOST BRITISH INDEPENDENT FILM

STRICTLY EMBARGOED until 10.30am, Wednesday 18 July 2018: Minister for the Digital and Creative Industries, Margot James joined figures from the British film industry today at the BFI for the publication of the report from the BFI's Commission on UK Independent Film. Chaired by Lionsgate UK CEO, Zygi Kamasa and made up of leaders from across the UK film sector, the Commission took contributions from individuals and organisations representing every area of the film industry.

The Commission's report makes four key industry-led proposals alongside five recommendations for the BFI and UK government to consider.

Minister for Digital and the Creative Industries, Margot James, said: "From Paddington to God's Own Country, the UK independent film sector is a creative powerhouse, producing films that are enjoyed by millions globally and that reflect the rich diversity of modern Britain.

"With our world class facilities, talented workforce and highly competitive tax reliefs, we are committed to supporting the UK film sector to grow and flourish for years to come."

Chair of the Commission and CEO of Lionsgate UK, Zygi Kamasa said: "I was pleased to have the opportunity to Chair this Commission and I extend my thanks and gratitude to those who shared their time and thoughts.

"We are very aware that this is a time of revolutionary change across our industry and although we are realistic about what this report can achieve, I believe we have identified several targeted opportunities to address some of the challenges posed to UK independent film by global forces. The entire UK film industry has been very receptive to collaborating and working together with the aims of this commission, and it's crucial we all to continue to do so, in order to help our sector flourish and grow as it so richly deserves."

BFI CEO, Amanda Nevill said: “Independent films are woven into the fabric of our cultural life – they give filmmakers a space to innovate with craft and form, and they tell the urgent stories that go to the heart of who we are as a nation.

“While acknowledging global challenges, the Commission has identified some practical approaches and models available to industry itself, the BFI and the Government, which could equip our filmmakers to harness opportunities that our increasingly digital world offers for future growth and success. This fast-evolving industry is known for pushing boundaries, and we hope to continue that tradition.”

The aim of the Commission was to: identify measures that would help UK producers and filmmakers retain significant intellectual property (IP) rights in their films, leading to long-term benefits for UK companies; to find ways to grow overall revenues for UK independent film; better understand, monitor and respond to changing audience behaviours; identify new sources of commercial investment; address whether current rights arrangements are fit to maximise value to filmmakers and investors and strengthen the UK’s ability to collaborate internationally.

The four key proposals for industry are:

- **Maximising the value of rights** – calling for industry-wide cooperation and collaboration to maximise the value of the rights at every stage for the benefit of all those with a stake in boosting a film’s revenues (including producers, distributors, sales agents, exhibitors and broadcasters). The proposal recommends the BFI commission a detailed independent study in cooperation with key stakeholders across the value chain.
- **Projects to engage and grow younger audiences** – two pilot projects, one delivered by ourscreen in partnership with a major UK broadcaster, and the other by BIFA (the British Independent Film Awards). These aim to convert younger audiences towards British independent films, the film type with which they currently have the lowest engagement. The BFI is to present the data and findings of both pilots for the benefit of the industry.
- **A new EIS fund to channel equity into UK independent film companies** – the Commission recommends a new EIS Fund, affiliated with but independent of the BFI, be created to raise private investment to help strengthen and grow a diversified group of dynamic and ambitious UK film production companies. It would exist as a commercial investment model and aim to maximise benefit to the investor and the investee (the production company).

- **More commercial development funding** – acknowledging that outside the BFI Film Fund, BBC Films and Film4, development funding is scarce, particularly for the optioning and packaging of high value, commercially-focused properties, the Commission proposes a new £5+ million commercial development fund over five years backed by investor partners who are seeking to engage with leading UK talent. Target investors for the fund could include SVOD platforms alongside Pay TV and telecoms companies (Sky, Virgin, BT), broadcast TV channels and private individuals, with a portfolio approach to maximise returns to investors.

The Commission also makes a number of **recommendations for consideration by the BFI and the Government**. These include:

- Encouraging Government to explore whether the current film tax relief could be maximised by stimulating the production of internationally successful films.
- That the BFI works with Government nationally and locally to consider how additional financial incentives could boost production in the nations and regions, and enhance the export value of UK films internationally. This could be through production incentives, which create jobs and growth, as a potential use for its proposed Prosperity Fund, and a boost to UK films in the international market could be consistent with, and contribute to, the Government's industrial strategy priority of targeting a 50% increase in creative industries exports by 2023.
- Ensure the UK Film Tax Relief does not penalise official UK co-productions by enabling the UK co-producer to claim 100% - rather than 80% as is currently the case – of qualifying UK spend (up to a maximum of 80% of the total budget), thereby making the UK a more attractive co-producing partner for international collaborators.
- Securing the UK's continued participation in the successor programme to Creative Europe after Brexit, in return for appropriate funding, to ensure the UK continues to access the substantial benefits membership of the programme brings; and that the BFI to conducts a full analysis of the benefits and costs of rejoining Eurimages with recommendations to Government to be made by the end of 2018.
- That the BFI seeks funding for permanent representatives to be based in key international territories, particularly where co-production treaties are now in place (notably China) to enhance the UK's opportunities to build long-lasting and fruitful new partnerships post-Brexit.

The full report from the BFI Commission on UK Independent Film can be downloaded here:

www.bfi.org.uk/ifc

ENDS

PRESS CONTACT:

Emma Hewitt, Deputy Head of Press and PR, BFI
020 7173 3264 / 07584 264 618 / emma.hewitt@bfi.org.uk

Tina McFarling, Corporate and Industry PR Advisor, BFI
07879 421 578 / tina.mcfarling@bfi.org.uk

Judy Wells, Head of Press and PR, BFI
020 957 8919 / 07984 180 501 / judy.wells@bfi.org.uk

NOTES TO EDITORS

Chair of the BFI Commission on UK Independent Film

Zygi Kamasa is CEO of Lionsgate UK & Europe. He previously worked at Scorpio Productions before co-founding indie distributor Redbus Film, which was acquired by Lionsgate in 2005.

Members of the BFI Commission on UK Independent Film

Chris Bird is Worldwide Head of Film Licensing, Amazon. He was previously director of film strategy at LoveFilm.

Efe Çakarel is CEO of online film service MUBI, which he founded in 2007. Previously, Çakarel worked with Goldman Sachs in London and New York.

Peter Czernin is a producer and co-founder (with Graham Broadbent) of Blueprint Pictures, which has produced films including Three Billboards Outside Ebbing, Missouri and The Best Exotic Marigold Hotel. He is also a BFI Governor.

Gail Egan is a producer and co-founder of Potboiler Productions which has produced films such as The Constant Gardener, A Most Wanted Man and the forthcoming The Little Stranger and The Boy who Harnessed the Wind.

Philip Knatchbull is CEO of Curzon Cinemas.

Hakan Kousetta is COO, TV, at See Saw Films and a council member of UK producers' association Pact.

Amanda Nevill is CEO of the BFI, which she joined in 2003.

Ben Roberts is Director of the BFI Film Fund. He was previously CEO of Protagonist Pictures and a veteran of Universal Pictures International and Metrodome.

Lisbeth (Libby) Savill is a partner in the London office of Latham & Watkins and a member of the firm's Entertainment, Sports & Media Practice. She is Deputy Chair of the BFI.

Thorsten Schumacher is the founder and CEO of sales company Rocket Science, which launched in 2017. He previously worked at HanWay Films for 13 years.

Kevin Styles is Managing Director, UK & Ireland for Vue Entertainment.

Alison Thompson is a co-founder of sales company Cornerstone. She previously headed Focus Features International and Pathé Pictures International.

About the BFI

The BFI's role is to champion the future success of film in the UK. The BFI is the lead organisation for film in the UK with the ambition to create a flourishing film environment in which innovation, opportunity and creativity can thrive by:

- Connecting audiences to the widest choice of British and World cinema
- Preserving and restoring the most significant film collection in the world for today and future generations
- Championing emerging and world class film makers in the UK - investing in creative, distinctive and entertaining work
- Promoting British film and talent to the world
- Growing the next generation of film makers and audiences

The BFI is a Government arm's-length body and distributor of Lottery funds for film. The BFI serves a public role which covers the cultural, creative and economic aspects of film in the UK. It delivers this role:

- As the UK-wide organisation for film, a charity core funded by Government
- By providing Lottery and Government funds for film across the UK
- By working with partners to advance the position of film in the UK.

Founded in 1933, the BFI is a registered charity governed by Royal Charter.

The BFI Board of Governors is chaired by Josh Berger CBE.