



screenwest

Screenwest Infrastructure Report
2020

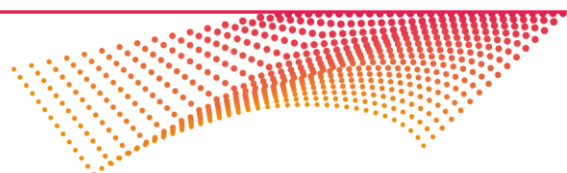


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SCREENWEST INFRASTRUCTURE REPORT 2020

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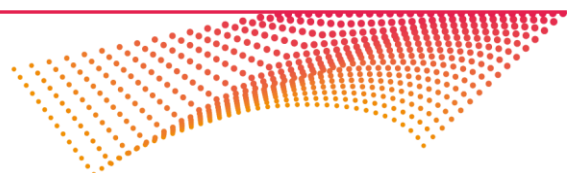


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Guiding the Creative industries sector

We will ensure Western Australia benefits from the projected significant growth of the creative industries sector over the next five years. We will build key markets, attract investment through co-productions and cultural infrastructure; and equip the workforce with the skills and confidence to sustain the creative industries sector...

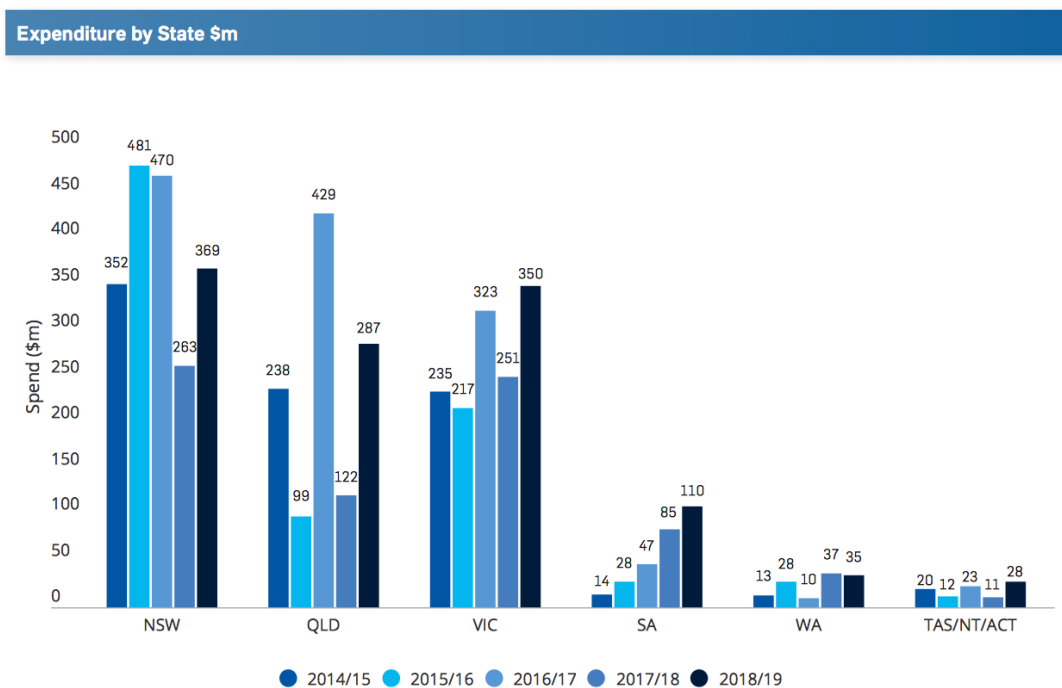
Extract from "Diversify WA" July 2019 – Written by the Department of Premiere and Cabinet (Page 32)



1. OVERVIEW

\$1.17 billion was spent on drama production in Australia in the 2018-19 financial year - the second highest year on record and up more than 50% on the previous year - driven by all-time high expenditure on local content and significantly bolstered levels of foreign spend¹.

While these results are significant for the Australia-wide industry the figures again highlight that states without studio infrastructure do not experience the same levels of growth as states with purpose built sound stages.



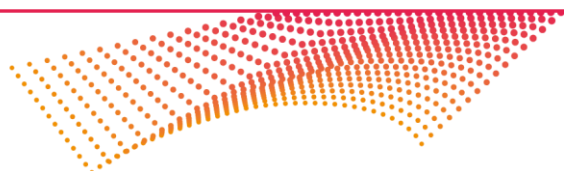
A comparison of Western Australian expenditure and growth against other Australian states demonstrates²;

- Queensland, New South Wales and Victoria all experiencing sharp upward shifts in state-based expenditure.
- South Australia, which in 2014 through 2016 had similar levels of production to Western Australia, maintained a strong upwards expenditure trend that culminated in a \$35M increase this financial year alone.

Note: this increase is the same as Westerns Australia’s entire 2018/19 spend and does not include the \$70M production of Warner Bros. “Mortal Kombat” produced at the Adelaide Studios in the second half of 2019.

¹ IF Article “Spend on local drama production reaches all-time high, foreign spend rises”

² 2018/19 Screen Australia Drama Report



In the past three years, the WA screen production industry, as measured by WA spend, has increased by nearly 50% to a record of \$40M in 2018-2019.

However, whilst the Western Australia Regional Film Fund (WARFF) has provided unprecedented growth in Western Australia, the reality is that other states are outstripping us. We currently have 3% of Australia's drama production and less than 1% of its post-production and VFX (Visual Effects). For a state that has 10% of the population these are highly motivating statistics.

Key to the state's inability to track the growth of the sector nationally is that Western Australia has been unable to participate in any of the \$650M worth of production that Ausfilm has facilitated for Australia³ since June 2018 through the federally funded \$140M Production Location Incentive Program. Without studio facilities Western Australia was not able to even pitch for these projects.

The latest figures serve as a wakeup call to the sector as a whole. While the nation is experiencing a growth period Western Australia is missing out. Western Australia is not benefiting from additional Federal Government investments nor are any of the inbound jobs or wealth being transferred into our economy.

Driving the issue home is a current gap in drama production in the state. The second half of 2020 is on track to be as busy, if not busier than last year. However right now, following two years of unprecedented activity, there are currently no dramas in production, or scheduled for production until June this year. This is a disaster for Western Australian crew, and is particularly dismaying, given the extraordinary progress made in crew-capacity here in Western Australia in recent times. We now have the crews, but we don't have work they need to sustain themselves for the next six months.

Unless the local sector invests in infrastructure, more opportunities will be lost to the east coast, with our highly skilled crew and related businesses bound to follow.

This report will discuss how Western Australia has a unique opportunity to offer a point of difference in an established landscape. It will advise what can be done now to deliver ongoing, sustainable outcomes that include jobs, technological advancement and local investment while exporting Western Australian culture to global audiences.

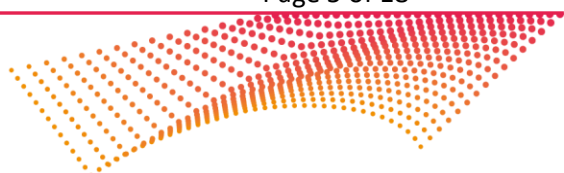
The report presents a plan of action to scope a new long-term, purpose built, technically cutting edge, world class studio. In the immediate term it presents a smaller, cost effective and more practical option to get studio production happening in Western Australia as soon as the second half of 2020.

2. REVIEW

What's happening in Western Australia

The Western Australian Regional Film Fund (WARFF) has been a resounding success. Highlights include the ABC TV series "Mystery Road" which screened to 1.8million Australians per episode, with the Kimberly region and indigenous cast applauded in international publications from *The*

³ Ausfilm Grow Australian Jobs For The Future Report



Guardian to *The New York Times*, as well as winning Best Australian Drama Series at the AACTA awards. Series Two, shot in Broome, will premiere in February in the Berlin Film Festival – one of the world’s most prestigious festivals.

“H Is For Happiness”, filmed in Albany, won the 2019 CinefestOZ Film Prize, and opens the Kinderfest section of the Berlin Film Festival in February. Reviews are already describing the film as an “Australian classic”. The ABC children’s series “Itch”, also filmed in Albany, is enjoying strong international sales and Screenwest is currently in discussions regarding series 2 and 3.

2020 will see the theatrical release of “H Is For Happiness”, “Rams” and “Dirt Music”. “Go” – filmed in Busselton – is currently in cinemas nationwide and has been sold to Netflix internationally. The documentary series “Aussie Gold Hunters 4” is the leading factual series across all Australian Foxtel channels with 1.77 million viewers in Australia and 3.55 million viewers in the UK.

For the first time in its history, Western Australian crews have been able to live and work for a full 12 months in their home state. In 2018 Western Australia was described as the “powerhouse of the Australian feature film industry” by Screen Australia CEO Graeme Mason. WARFF has well and truly put the Western Australian screen sector on the map.

Throughout this time Western Australia has remained a national leader as a producer of internationally marketable factual projects.

However, extraordinary growth in other states, and the current production gap, show that we are still to generate the consistency of production and the growth, that the state’s screen industry needs and is capable of.

3. HISTORY

The 2014 Hames Sharley Report “Focus on the Future”⁴ identified the following high risks to the long-term sustainability of the Western Australian screen industry:

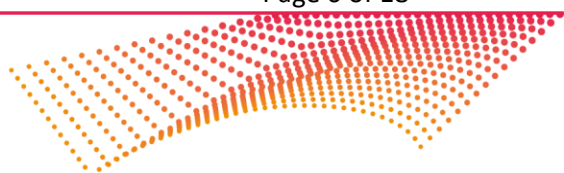
- Not having raw studio space.
- Not having a sound stage to augment location requirements of productions.
- Not having workshops and production offices.
- Lack of funding for infrastructure.

Comparing local production levels to other states, Western Australia is tracking only moderately for physical production and poorly for post-production expenditure⁵.

While Western Australia is well known as a location-based filming destination, the lack of a sound stage or exclusive production facility has seen a number of locally based productions attracted to

⁴ 2014 Hames Sharley Report Focus (page) 52

⁵ Screen Australia Drama Report 2018/19



other states, for example *I Am Mother*, and *Hotel Mumbai*, both significant and highly successful international productions, were developed in Western Australia, but based their productions at the SAFC's studios in South Australia. Further, many Australian footloose projects have not arrived in the state for the same reasons.

WARFF has positively supported physical production in the state from its Production Attraction Scheme and via the Film Friendly initiative, however without a sound stage or other production-based opportunities, the impact the fund can have is limited. WARFF projects are generally contained to the regions with a makeshift hub created on a project-by-project basis. A sound stage would provide a better gateway to the regions and enable WARFF to attract bigger budgeted projects.

Though the ABC East Perth facility does have a 600m² and a 300m² TV Studio, the facility is not a film production facility, is not well located, has limited capacity for parking, set design and storage. The facility does not comply with construction requirements such as ventilation and extraction thus limiting its overall use. Filming of "The Heights" has placed the facility off-line for the majority of the industry throughout 2018 and 2019. Even for this moderately sized show, the ABC does not have enough capacity, meaning construction and additional sets needed to be built and housed at alternate locations away from the ABC Studios.

4. A HUB

A studio is not just a shooting space, it is a hub for every aspect of production.

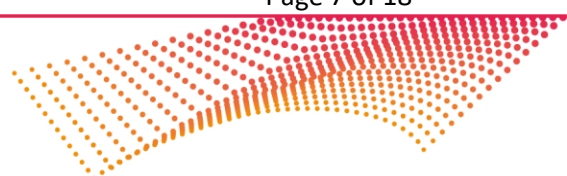
Both local and inbound projects in Western Australia, independently source facilities to operate from on a short-term, ad-hoc basis. This often results in wasted expenditure and limited carry over outcomes from production to production. If one central production hub existed, project-to-project improvements of that facility could more readily occur.

There are a number of practitioners and companies based in Western Australia already working with global and international partners on production opportunities, project development and completing post-production work. Additionally, a number of local companies – niche operators at this time - are utilising the ever-changing digital landscape to be at the forefront of new screen practices.

Surrounding these entrepreneurs with infrastructure that supports a practical and creative hub would encourage further investment into the sector, strengthen a pipeline to the marketplace and provide opportunity for junior players to enter the industry.

What We Missed Out On By Not Having A Space Available, Particularly A Share Of The \$140M

Western Australia has been unable to participate in the federally funded \$140m Location Incentive Program. As above, this federally funded program has facilitated a \$650m in international production spend in Australia. Without exception these productions require large sound stages and



without one Western Australia has not been able to bid for these projects. Unless a suitable sound stage is available Western Australia will continue to miss out on high budget international projects.

In the past six months alone, there have been five inbound Ausfilm supported projects Screenwest were unable to pitch on. These projects had a combined estimated budget of more than US\$250M that may have resulted in state based spend of an estimated \$50M.

It is likely that if even one of these international projects had filmed in Western Australia the ongoing cost of any built infrastructure would have been considerably offset.

5. COMPETITORS

Who Do We Compete With For Screen Sector Opportunity?

Knowing our competitors and understanding our core assets is vital when selling Western Australia to the world. Identifying what is unique to Western Australia will assist us to stand out to inbound productions that have a multitude of options to choose from.

Sydney, Auckland, SAFC And Beyond – What Is Working

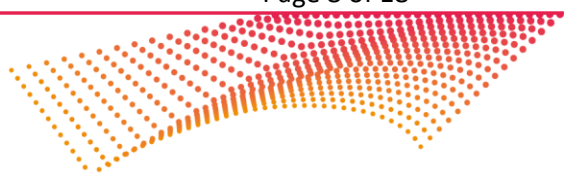
Sydney – Backed by Fox and known for very high budget inbound productions. Projects arriving at this facility often do so with extensive further backing from both Create NSW and the NSW Government (over and above federal rebates), for example *Thor*, *Wolverine* and Baz Lurhmann’s productions.

A significant amount of reality TV is also made at Fox, along with domestic content. Once a major US project lands at Fox, other smaller users can be forced to look elsewhere, either within the state or interstate. Satellite locations like Newcastle and Canberra are coming online, however Australian domestic projects that cannot fit in at Fox usually look to Melbourne or Queensland as their next option. The Carrigeworks facility should be closely studied as it has provided use to many projects and has effectively operated as hub space for over a decade.

Melbourne is expanding through a relationship with Dick Cook Studios, despite having a very unsure future in its foundational years. There are many learning’s present when investigating Docklands early history.

Melbourne has a great balance of hosting international and Australian projects and is the premiere location for creating Australian TV.

Queensland – launched with a successful formula from the start by having the Queensland Government partner with Warner Bros to create a unique sound stage, water tank and entertainment precinct on the Gold Coast which established an immediate presence in the national and international market. The water tank makes Queensland a location of choice for many projects.



In line with the 10-year Screen Industry and Roadmap Plan the Queensland Government reinvested in screen sector infrastructure in 2018. The Brisbane Studios⁶, at a cost of \$12M, is the conversion of an existing site designed for use by mid-scale international and domestic producers and content creators. While the sheds are not a sound stage and are not air-conditioned or sound proofed, they are already in high demand. Queensland has averaged A\$215M per year of screen sector expenditure over the last five years⁷. Queensland has also attracted the 2020, 2021 and 2022 editions of the highly attended Screen Forever⁸ Conference, another coup that will generate awareness of that state's film capability.

A deep dive into how Queensland attracts projects should be completed as should an assessment of how the commercial / government partnership works. Warner's use of the state for high budget stage-based filming almost guarantee's the viability of the industry.

South Australia – Building the \$43M Adelaide Studios in 2011, and moving away from the long running Hendon Studios site that had been in operation since the 1980's, has resulted in numerous national and international productions being filmed in the state. Since that time South Australia has established a strong post and digital innovation sector that compliments the offsets and rebates on offer through the South Australian Film Commission.

The sound stages at the SAFC are designed to attract domestic inbound productions from other states including "I Am Mother" (developed in Western Australia). Over a number of years, a busy South Australia has built crew depth, invested in post houses (that are now known globally) and created a comprehensive financial package to offset the cost of doing business in the state.

The State Government is enjoying the outcomes of this work by hosting the \$70M international film from Warner Bros, "Mortal Kombat", the biggest budgeted project to be made in the SAFC studio. The project is reported to deliver 580 jobs⁹, many to local South Australians.

In New Zealand both Auckland and Wellington have dedicated studio/soundstage spaces with offices, parking, backlot and workshops. There are a number of other studios and warehouse spaces, which can be used for shooting in other regions including Christchurch, Queenstown and Dunedin. New Zealand has (spearheaded via Peter Jackson and "Lord of The Rings") developed a reputation for big budget filmmaking and TV Series facilitation. New Zealand has supported a dynamic and ever-growing post sector by understanding the value of capturing end-to-end production.

The NZFC used great foresight to form a partnership with the creators of "The Meg" to develop new water tank facilities as a leave behind legacy for the domestic industry¹⁰. In a multi stakeholder

⁶ kftv.com – 2019 New Film Studio Opens In Brisbane

⁷ Screen Australia 2018/19 Drama Report

⁸ Screen Queensland September 19, 2019 - Australia's premier screen conference returns to the Gold Coast

⁹ ABC News May 14, 2019 - Mortal Kombat reboot set to be produced and filmed in South Australia

¹⁰ Kftv.com - 2108. Meg Producers Help Set Up NZ Film Studio.



approach the site was leased long term by the Auckland Tourism, Events and Economic Development Commission who have since built two more sound stages, which are now in operation.

Last year gross screen sector revenue in New Zealand, a country with a population only twice the size of Western Australia's, totalled NZ\$3.5B. **Creating A Point Of Difference**

The WARFF fund has been highly successful in activating unique Western Australian locations, previously cost prohibitive to film in. However, the absence of a production hub, continues to present a significant challenge to producers wishing to shoot in WA, regardless of specific location. In New Zealand for example, a production may shoot in Auckland for a limited number of weeks before shooting countrywide. However, the production base in Auckland remains the anchor for the entire shoot and is therefore critical to activating those locations.

So, how does Western Australia move into an existing global and domestic market, be immediately competitive and become an attractive destination that returns jobs, sector growth and cross sector outcomes?

The long term, necessary, and ambitious answer is a tech-based sound stage that attracts multi sector content creators.

6. BUILDING INTO THE FUTURE – LONG TERM THINKING

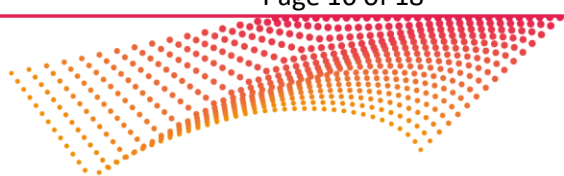
Building a sound stage relevant to the size, scale and future ambition of the Western Australia screen sector is the ideal outcome. To get this right it is of vital importance to research and understand what exactly those needs are today, and likely will be in the future. At the very least any studio facility must have the capacity to expand and advance as technology does the same.

The location on which a physical stage is built - be that inner city, urban or greenfield - will determine the design and scale of the structure, as will incorporation into any form of cross purpose-precinct, be that accommodation, entertainment, tourism or other.

We should assume that that any future studio will need to be completed to the highest of standards and be an innovative digital space. To achieve this the build will embrace effective soundproofing, a full complement of rigging and lighting structures, offset power generation (solar/wind) and provide an ability to segregate and divide the space for multi-use (for example live gaming inclusive of a grandstand audience).

Who's looking for stage space, why, when and how often?

Internationally, television series are continuing to drive high levels of production, as can be seen in New Zealand via the expected NZ\$1.3B Amazon spend (now predicted to rise to \$3billion) on the



new television series of “Lord Of The Rings”¹¹. There is no doubt that the decisions being made by the likes of Amazon, Disney, Apple YouTube, Google and others will continue to elevate budgets. Economies of scale will drive organisations to seek out the best facilities in locations that are offset by rebates and incentives that are supported by world-class crew.

To activate significant uptake of any new facility Screenwest must embed itself with organisations like Ausfilm and Screen Australia to be at the forefront of attracting inbound productions. Relationships must be built with all the big players so that Western Australia is in the very least being regularly considered. Western Australia must also be actively attracting domestic projects in order to reach the minimum quota of weeks in production that will be required to make any facility viable. From that foundation it is possible that one or two international inbound productions per year is enough to prove long-term sustainable levels of stage-based production.

As we have seen via the recent Docklands / Dick Cook Studios relationship in Melbourne¹², a facility that can accommodate international opportunities will bring with it the potential for new organisations to participate in the domestic market. Western Australia must look at this type of relationship, and others like it, to be the backbone of a film space that caters for inbound international productions.

Netflix, Warner’s Or Amazon – Can They Partner With Government?

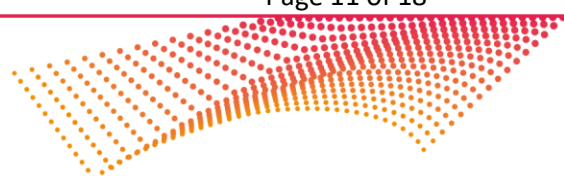
As all other major states already have built infrastructure there is a case to be made for the Western Australia Government to actively seek to partner with a global organisation to facilitate and build a studio in this state. Western Australia can offer exclusivity to an individual organisation providing a direct relationship and outlet for all their Australian content production.

One way to achieve this may be to engage the streamer or studio to complete a minimum amount of production in the state year by year, in return for competitive financial offsets. This type of arrangement would advantage local crews, drive spend, promote Western Australia to the world and create cultural outcomes. This is a real option. **Netflix executives are visiting Australia this month to scout potential locations to build a new studio. They will not be visiting Western Australia, but will be meeting with Screenwest executives in Sydney.**

A full study of the global streaming industry delivering an understanding of which organisations may be looking for an independent studio space outside the US would be relatively simple. Screenwest and the State Government could lean into already existing relationships with organisations including Screen Australia, Ausfilm, Australian’s in Film or through individual practitioners who are already working with the industry frontrunners.

11 The Guardian – 18 September 2019. Auckland beats Scotland to NZ\$1.3bn contract for what is expected to be the most expensive TV series ever made.

12 Hollywood Reporter 21 October 2019. Former Disney Studios Chair Dick Cook to Make Two Adventure Films in Melbourne.



Why Would a Netflix Type Invest Here?

The streaming and content disrupter market that was led by Netflix has caused government regulators the world over to question how to control content, revenue and domestic quotas. Presently the French Government are debating a 16% reinvestment on all streaming revenue¹³ be returned to the country via French based production and content creation.

Believing the Australian Government will act in some way (we understand current considerations include a 10% returnable quota) companies like Netflix are looking at models to reach spend requirements without damaging international profit.

One avenue for the streamers may be to build, partner to build and or directly own studio space in individual territories where offsets and rebates make filming affordable. Consider the impact that may occur should Netflix, (who have just established their first studio outside of the US in Canada) put a foothold in Australia and access tax incentives while distributing 10% of their income into the local screen sector. Unquestionably the state that builds the Australian production base for Netflix is destined to receive the majority of that expenditure.

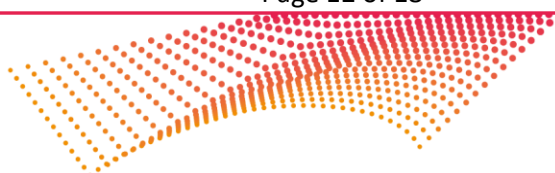
While it may seem a blue-sky idea, the chance that a streamer could tailor-build a studio space in a safe and affordable economy whereby only a percentage of the yearly rent is obligated (all the while acquitting any legislative expenditure requirements) might just be timing meets opportunity.

Sell Any Studio In Advance

In order to achieve significant uplift of Western Australian based production expenditure, a sound stage must first exist (or be going to exist). From inception the facility, associated incentives, rebates and opportunities (which includes new locations) must be sold to the world, over and over again, at every festival, and at every market! Sound stage utilisation is a competitive landscape that requires many levers for success however governments the world-over are investing, and that is because the outcomes are so positive. A meaningful budget must be allocated to pre-selling and facilitating the ongoing attraction of sound stage partners and users into any Western Australia facility. Screenwest is currently working with the Western Australia Department of Jobs, Tourism, Science and Innovation (JTSI) in response to a recent expression of interest from a major American studio to build a major new facility in Australia.

What Size Is A Good Size, What Suits Our Needs 20 Years From Now?

¹³ Digital TV Europe 4 September 2019 - New French media law to oblige Netflix to invest in local production



Until we know the actual needs and capacity of any potential stage-based facility, an accurate answer is not easy to provide. To get those answers we must seek an understanding of the future, speak to the disrupters and to the playmakers and appreciate what content creation may look like in 20 years.

Not all use of any sound stage needs to be for physical TV or film production. Imagine one of the Western Australia based sound stages being a date by date “event stage” and viewing arena for live gaming, or even a VR set for interactive conventions.

Cross hub pollination, where multiple players utilise the same tech facility

The way we watch content is ever-changing, as is the way we make content. One size no longer fits all and while a vast studio may well attract international productions and be a great outcome for crew depth and investment, a facility that can accommodate multi users will have greater opportunity to remain active, working and profitable.

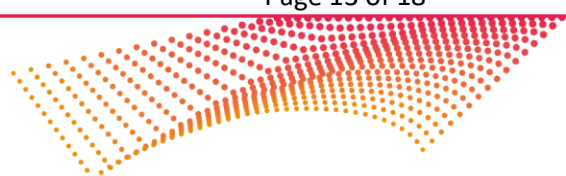
The end point of this revolutionary screen-based technology may yet be unquantifiable however we are sure that the use of the technology has potential to create multiple jobs in new and existing industries. Examples of future use (outside of the screen sector but inside the built facility) may include the image acquisition of remote and or important heritage sites made available locally for tourism outcomes. Indigenous points of interest could be mapped to preserve and share culture or for scanning hard to access mining infrastructure then projecting the images into the studio for workplace training exercises.

Post production opportunities and sector expansion

Other Australian states have reported increased uptake of local post providers once built infrastructure is in place. That makes perfect sense when one looks at the rebate systems in play in those states.

Of absolute strategic importance will be to integrate any uptake of stage facilitation, hand in hand with the post-production sector. This will not be exclusively achieved by a PDV (Post, Digital & Visual Effects) rebate or incentive, such as that offered by Screen Australia, South Australia, Victoria, New South Wales and Queensland. (These typically offer a 10% rebate on local post production expenditure). However, the stronger we can make the post sector, while engaging with the digital and content creation sector, the better we can utilise any new stage facility.

A sound stage can create new lines of work locally where specialised skills become required. This may include digital pre-visualisation technicians essential in the pre-production and production periods. For example, there are Western Australia based companies currently exploring new digital techniques where they bring the outside environment into digital labs. With more opportunity this sub sector could grow.



A busy sound stage will encourage reinvestment of equipment by local crew (camera, sound, data) and will inspire crews to stay in Western Australia rather than leaving for the eastern states or overseas. It will increase training opportunities for the emerging sector while shining a light on the locations and landscapes of the state used to complement each project.

Potential For Digital innovation - Volumetric Image Acquisition

New technology bounds along at break-neck pace creating opportunity faster and more often. Knowing what technology to hitch a ride to and how to incentivise uptake is no doubt a complex algorithm.

Thanks to a US Consulate grant CEO of Sony Digital Innovation Studios (LA), Glenn Gainor presented the keynote speech at the 2019 CinefestOZ industry event in Busselton. There he revealed that Sony have been working on something that might be a game changer for innovation-based content production, worldwide.

The highlight of the keynote was the presentation of Volumetric Image Acquisition (VIA), a process that produces a photo-realistic three-dimensional recreation of a physical environment. The technology requires a complex and high-powered hardware system and multifaceted intelligent software program.

Imagine a world where the Western Australian Government partner could Sony to create a regional hub for the use of a technology that has the potential to establish specialised skills, generate new jobs and delivers stage-based filming at advanced levels via the technology. VIA has the potential to propagate an entirely new industry via the creation of a digital assets library whereby on file at any time are numerous mapped locations available for use by producers not looking to leave the studio floor.

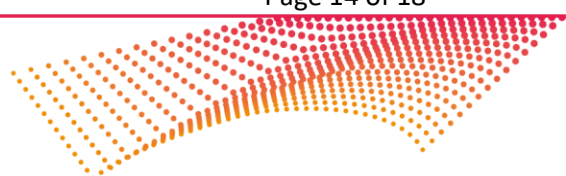
Can Western Australia Become A Niche Hub For Skills And Expertise Within South East Asia?

If Western Australia could position itself at the forefront of new technologies such as VIA there is the very real possibility that our near Asian neighbours would also start to look south for co-production partnerships and business opportunities.

The Upside Of International Production And Cutting-Edge Technology Partners

Stage based filming is a core multiplier of a healthy and vibrant screen industry. Outcomes for every week of sound stage production will ripple effect into a myriad of industries whereby inbound personnel will require housing, accommodation and transport while spending on food, beverage, recreation and social activities.

Were Western Australia to establish a relationship with a major partner, be that from the screen sector (for example Netflix) or the technology sector (for example Sony Innovation Studios, or Dell



Computers), there is no doubt such a facility would provide a major drawcard for local, national and international technology developers and providers. Local crew would gain valuable experience and skills improvement in their home state, rather than being forced to travel east or overseas.

7. CREATING THE ULTIMATE OUTCOME

As outlined previously there are a number of ways that the State Government can actively pursue to commercially partner on any studio build. The right partner(s) will identify the unique opportunity to have first position access to a state-of-the-art facility that is either a straight up sound stage, a more technical and digitally “smart stage” or a combination of the two.

Within any desktop study, a list of prospective allies must be drawn up and assessed for suitability. Industry and Screenwest are well placed to assist with developing these connections with the assistance of the various Australian based film agencies and organisations. It would be wise to investigate alternate “sub partners” from the gaming and VR sectors.

8. WHAT NOT TO BUILD

What not to build will be as important a decision as what to build.

No stakeholder of a new sound stage, production facility or digital partnership can or wants to see an under-utilised space. An empty box left standing multiple months of the year will drain resources and goodwill and will see crews leaving Western Australia to work elsewhere.

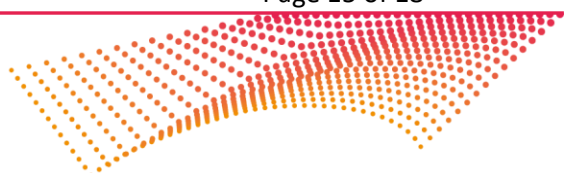
Any facility must interact with Perth and its surrounds and not be an isolated space where people only travel to the location when a project is in production. Activity must be daily and will require both an inward and out-facing relationship to the community.

Any screen sector facility development will need to address key concerns of inbound filmmakers who often ask:

- How close the facility is to the airport;
- What are the accommodation options;
- What about, warehouses, hardware and supply outlets;
- Where are the transport providers;
- How close are useable locations for filming?

Fortunately, there are many examples of screen-based facilities that a suitably experienced research company can examine (worldwide) to determine what makes for productive versus unproductive outcomes that result in cultural uptake, economic progress and positive community involvement.

9. LEADERSHIP AND OPPORTUNITY - THE ADVANTAGE OF THE NEW



While being late to the studio game presents Western Australia with the significant disadvantages, with regard to the other states, detailed above, there are significant advantages in being new. One is the opportunity to learn from the other states. Perhaps more importantly we are able to be at the cutting edge and to literally design a completely new approach. It is also critical to note that there is a high level of appetite, across the industry and State Government, to engage with local, national and international partners to make things happen.

The approach must be comprehensive, robust and well researched. The work brings with it the potential to bed into Western Australia a cultural hardware that not only allows generations to come to tell their own stories, but to assist producers of global stories to tell theirs.

The opportunity, drive and leadership responsibility should be embraced by State Government, with strategic assistance of Screenwest and the engagement of the wider screen industry, to make this happen.

10. WHAT CAN WE DO NOW

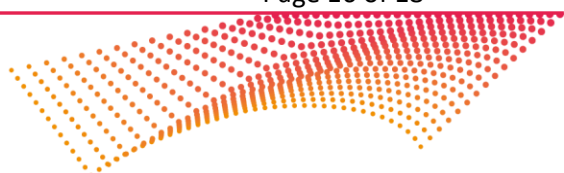
PRODUCTION FACILITY / HUB

Source, secure and establish a physical production space or hub whereby every project filming in Western Australia, (be that domestic or inbound), can arrive into a functioning space that provides for all departments pre-production and production needs. This facility will include offices, data connections, construction space, parking, set storage and more.

Immediately Available Government Owned Infrastructure

A short to mid-term opportunity has been identified for the screen sector and its associated partners. Screenwest, together with the City of Fremantle, have commissioned a business case to assess the viability of 2 Jones Street O'Connor - a property that can be made available to the Western Australian screen industry rent and rate free for a minimum term of five years. A not for profit organisation would be established to oversee the refurbishment and upgrade to the Jones Street site inclusive of a production office, art department construction hard stand, secure parking, storage facilities, as well as make up, costume and green rooms. Within the existing shed there is enough floor space to design and build a sound stage of any size up to and including 1200m² (20m wide).

The physical site could provide multiple filming opportunities and, if facilitated with the right intent, would afford the industry time to establish itself in Fremantle and prove sector growth. By centralising production in Jones Street, the industry has an opportunity to demonstrate the need for a purpose built, large-scale facility while delivering economic outcomes to the City of Fremantle. Having all projects that require production space make content from the same location means that money is spent upgrading and improving a site rather than purchasing and repurchasing dormant elements such as furniture and shelving.





2 Jones St, O'Connor

Should the site become available longer term there are exciting and unique ways to establish a production hub, overflow office facility and additional facilities that create revenue for the site.

If the refurbishment is coupled with the small-scale build of a cost-effective sound stage, industry expansion will showcase the requirement for future investment and capacity building. Quotes for works relating to the refurbishment of the Jones Street site, new facilities and a modular re-mountable sound stage are underway.

Screenwest has on hand an in-depth overview of the Jones Street site including images and a summary of what the site may offer¹⁴.

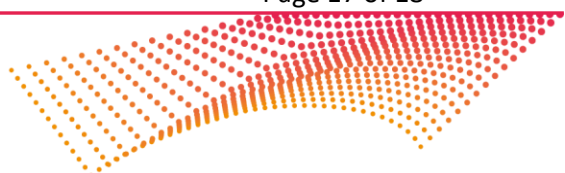
11. WHERE TO FROM HERE

Following is a key list of action points that should be considered in the short term of up to 12 months, while more ambitious long-term solutions are developed.

Advantages of the two-step approach are:

1. Early activation of an existing site means Western Australia will be able to facilitate local and national productions and pitch for higher budgeted national and international productions from late 2020.

¹⁴ Screen Infrastructure Working Group 28 October 2018 Report



2. Time and space to plan internationally competitive and market leading studio.
3. Ability for the Western Australian Screen Sector to grow as a studio capable state on an organic timeline over the next three to five years. Minimum cost, minimal risk to State Government/ private investment.
4. Western Australia's small and agile industry not tied to specific current technologies and we have the opportunity to leapfrog others that are.

The Next Steps

1. Commission an internationally robust scoping report on the options and opportunities available to build a highly ambitious world class studio in Western Australia, in approximately 3- 5 years' time. Including investigating potential global partners.
2. Commission a business case on the specific costs and design of converting the Jones Street site into an operating production space by mid to late 2020, complete with achievable small-studio capabilities.

