



Building a Commercially viable Black Segment of the UK Film Industry

Why is the UK not exploiting all its talent & all its opportunities?

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INTRODUCTION

The £4.5bn British film industry is one of the most admired in the world, with its great locations, state of the art facilities, world class talent in front of and behind the camera and its ability generate export revenue and attract inward investment. We must also not forget the industry's astonishing ability to produce world class movies which have taken the world by storm.

Films like *The King's Speech*, *Skyfall*, *Slumdog Millionaire*, *Harry Potter*, *Johnny English* to name a few have delighted audiences and made fortunes for the UK across the globe, yet for whatever reasons, the film industry has not been able to do what the music industry has managed to do for decades and that is to tap into the talents and global market appeal that comes from its Black population. This is rather disappointing as this group can contribute an enormous amount to the industry and take it to even greater heights.

The UK is blessed with a culturally diverse population with an estimated 4million people describing themselves as Black & Mixed race in the 2011 census. However, this population remains an untapped pool of vast wealth to the film industry as they make no significant contribution to the film economy in terms of GDP, employment, taxation, investment and exports.

Another fact is that this culturally diverse black population is also key to the UK having special access to some of the biggest and fastest growing markets in the world like the 44million African-Americans in the USA with spending power close to a trillion dollars, Nollywood, Nigeria's film industry worth around half a billion dollars and arguably the fastest growing film industry in the world, South Africa's 51million people made up of 80% Black, Brazil with its strong cultural Black ties are just some of the opportunities the UK should be taking advantage of but are currently not.

With this report it is important to show that, not only is there scope to develop a black segment of the UK film industry but it can also be built on sound commercial foundations so it contributes significantly to the continuing success of the UK film industry and ultimately the UK economy.

While this report is directed mainly at the British Film Institute (BFI) as it is the Governments lead organisation in delivering film policy in the UK, it is also directed at other organisations and people who have a stake in developing this important sector of the film industry, in fact it is fair to say that the whole of the UK has a stake in making sure we are utilising all our resources, especially in these very challenging economic times.

OBJECTIVES

- To make the BFI and other stakeholders aware of the huge opportunities that can be exploited for the benefit of the UK society and economy, by investing in and developing the Black sector of the UK film industry.
- To galvanise the BFI into providing the necessary focused leadership using its influence, creative, commercial, educational and representative resources to inspire, nurture, develop and strengthen the virtually non-existent Black sector of the British film industry.
- To get all stakeholders to support and work with the BFI in its crucial role to develop a policy framework that will ensure that we are able to identify the problems and find solutions so the UK can develop a commercially viable segment of the UK film industry that caters for Black films and its audiences within and outside the UK.

BENEFITS OF DEVELOPING A UK BLACK FILM INDUSTRY

Going by current figures the UK film industry contributes over £4.5 billion to UK GDP and £1.2 billion in taxes to the treasury. It also brings in over £2.8bn in export earnings, generates £1.9 billion a year in overseas tourism revenues and supports 100,000 jobs. These are very impressive figures, however, research suggests that if the UK black film industry is developed it can contribute the following:

- **GDP:** The black film segment could contribute an extra £180m (4%) to the £4.5bn the film industry already contributes to UK GDP and that figure could double within five years.
- **Taxation:** This sector could add between 10 - 12% in taxation revenue onto the £1.2 billion that the industry currently generates for the Treasury.
- **Employment:** The Black Film industry could generate between 8,000 - 15,000 jobs directly and indirectly for the UK economy and this would reduce the unacceptable high levels of unemployment within the black community.
- **Home Market:** American films dominate the UK film industry not only in the mainstream but also in the Black segment. Research indicates that, of the over £57m generated from the Top Twenty highest grossing films released in the UK that can be defined as Black, only one could be classified as a Black British film, all the others are American and there are signs that Nollywood (The Nigerian film industry) is also getting in on the act with many films already making their way into the UK film market.

This confirms one very important point and that is, there has always been a market in the UK for Black films and it is growing. Therefore if this sector is developed we can begin to claw back some of the tens of millions of pounds and jobs that we are currently losing by watching others service our home film market, not to mention the extra income that could also come into the UK from abroad from film services (royalties, film production services etc).

International Market: So if foreign black films are being imported into the UK, then the question is why is the UK not producing Black films and exporting them to other markets? Surely, it cannot be due to the lack of the talent to produce the right films, after all, the UK has been very successful in exporting films like *The Last King of Scotland*, *The Kings Speech*, *Slumdog millionaire* to name a few and these types of films contribute over £2.8bn to the country's net trade position every year.

The UK Black film industry is very fortunate as it can very quickly become a significant contributor to the UK film industry's exports because huge international markets already exist for its films in countries such as the USA, Nigeria, South Africa, Jamaica and Brazil to name a few, we just need to find the will, drive and the commitment to unlock the potential.

- **Cultural Life:** Films contribute to British cultural life expressing the different identities and addressing issues of diversity. If the Black community can contribute its fair share of films depicting their lives within British society then it will aid in the continuation of building understanding and creating harmony within the UK. This benefits the UK society as films are major components of popular culture and powerful means of expression that enables people to see things differently; question long-held perceptions & feelings, broaden knowledge and enrich lives.

Black British films will also help inform Black British people about who they are, how they fit in to the world and what they share with other ethnic groups and nationalities. So there is no doubt that British Black films have a very important role to play in defining our multi-cultural national identity and self-confidence. Moreover, they will also influence how the UK is perceived abroad in a positive way.

- **Image and Brand:** Exporters also benefit from the part films play in establishing and reinforcing the UK's image and brand. This is helped by the large number of Black films from Nollywood and the United States that are premiered and released in the UK, which generate substantial media exposure.
- **Tourism:** Black films depicting the UK would appeal to a host of emerging markets and help add to overseas tourism revenues which currently stand at around £1.9 billion a year.

- **International Centre for the production of Black films:** As the demand for Black films grows there will be a real opportunity for the UK with its world class talent, facilities, locations and post-production facilities to further capture international business from Countries such as the USA, Nigeria and South Africa to name a few. This can generate tens of millions of pounds more for the UK economy.
- **Extra Boost to the UK Box office:** Research suggests that on average, the presence of Black UK films in the cinemas can increase UK cinemas box office receipts by nearly 6% a year, over-and-above the level we would expect if all the films shown were foreign.

This provides an estimate of the monetary value UK audiences place on watching movies at the cinema which inform them about some aspect of UK culture. If those that stream or buy DVDs of feature films pay the same premium to watch an indigenously produced film at home, the private cultural value of UK films could increase even further.

CONCLUSIONS & RECOMMENDATIONS

Policy Formulation: The Black segment of the UK film industry needs the necessary strategic thinking and resources allocated to it within a strongly formulated policy framework that will specifically help it catch up with the rest of the UK film industry and develop a deeper engagement with audiences.

Better collaboration between functions: The BFI is making some progress in this area but more needs to be done to encourage Writers, Producers and Distributors who are interested in developing and distributing Black film content to work in partnership to access funding opportunities.

The benefit of this approach is that it enables greater flexibility and allows funding to go to targeted projects that are likely to reach larger audiences both at home and abroad. This approach will also increase the possibility of the UK film industry making more Black films that will achieve commercial success and to some extent avoid the current situation where the few Black films that are made fail commercially, making this sector look as if it is a charity case rather than one with the potential to grow into a strong sub-sector.

Connecting development funding to the rest of the filmmaking process: This affects filmmakers who desire to make Black films more than any other sector because they have limited access to other sources of finance.

While we do not advocate that the BFI do away with the development fund, however we would like to see it tilt more towards production and away from its emphasis on development activity alone, as this will enable more UK Black films to get made.

Commercial Films: We hold the view that it is absolutely crucial for the UK Black film segment to become commercially successful. For far too long this segment has either been ignored or treated as a policy box ticking charitable exercise to fulfil cultural and diversity objectives.

While we do not underestimate the importance of making films for educational, cultural and diversity reasons, we would like to see a more balanced approach adopted, as commercial success more than anything else will guarantee the sustained growth and global success of this segment of the UK film industry.

Encouraging Film projects to be Distribution led: The BFI should use its funding clout to push filmmakers towards making Black films that are distribution-led and therefore audience-led and not production-led as is mostly the case today.

Encouraging distribution and production companies to approach projects together will facilitate the valuable exchange of commercial knowledge plus it will ensure that the films that do get made are more likely to be films audiences at home and abroad want to watch.

This move will also lead to more Black films achieving commercial success and that will ultimately open the door to private sector investment coming in, which will ultimately reduce the sectors dependence on public funding therefore securing its long term future.

Improving access to BFI funding: Filmmakers dealing in Black content have found it particularly difficult to access UK Film Council/BFI funding over the years for a myriad of reasons but one of the main ones, apart from the lack of understanding of the target market, is the fact that these bodies have a single gatekeeper's taste prevailing over development and production decisions. This has limited the number of and the diversity of projects supported, which in effect has led to the UK public having a narrower choice and variety of films to access.

In many cases, the choice of material to support has increased the likelihood of Black British films either having limited commercial success or failing completely. This compounds the already difficult position for the filmmakers of this type of content as decision makers wrongly believe that these types of film projects are likely to fail therefore they push resources towards tried and tested projects.

It is therefore important for the BFI to have decision-makers involved in the process who have a broader understanding of this type of content and its market, as it is in the best interest of the audience and the wider economy that more UK Black films are supported by the various BFI funds.

Addressing the very low number of Black British films being made: Despite the UK's history, diversity and large Black population its record of producing Black films is very poor.

Research shows that between 1990 and 2012, the UK only produced and released eight Black British films. Eight films in 22 years gives an average of 1 film every 3 years, while in

that same period 59 African American films were released in the UK earning over £170m at the Box office. If we include revenues from other windows such as DVD, rentals, free to air TV etc it is estimated that overall earnings are well over £300m.

This research not only dispels the widely held myth that Black films are not commercially viable but it also shows how complacent we have been in exploiting our own home market. While we all widely accept that the US dominates and will continue to dominate the UK film industry, surely, we don't want to be completely absent from our own home market and continue to lose out on the vast social and economic benefits the sector has to offer. Needless to say, the BFI along with all stakeholders need to sit down together and find some answers so this segment can at least play some part in its home market.

Reducing Investment Risk: It is widely acknowledged that funding film production is a high-risk activity, more so for a sector that has no proven track record of commercial success, therefore it is imperative that the BFI uses its position and resources to engage, encourage and support these types of projects in such a way that will help reduce the real and perceived risks that private sector investors may harbour.

The BFI can do this by offering producers more targeted and flexible support on all aspects of the filmmaking and distribution process to compliment the existing tax benefits we have in the UK until such a time as this sector builds up a solid commercial track record and can stand to some degree on its own two feet in the private finance space.

Making more Black British Films with International Appeal: Research conducted shows that none of the very few Black British films made have actually achieved any commercial success outside the UK. For example *Adulthood* (£3.4m) which is to date the highest grossing Black British film of all time delivered next to nothing in international sales.

Considering the UK's numerous advantages of language, cultural and historical ties with many emerging and established export markets there is not reason why we should continue to under exploit the global opportunities available to us. One way of addressing this problem is to get filmmakers making these types of films to co-produce with countries that are major target markets for us, like the USA, Nigeria and South Africa. The BFI should encourage UK filmmakers to enter into co-producing partnerships even where there are no formal co-production treaties between the two Countries, as is the case with Nigeria.

These types of formal or informal creative/commercial collaborations have worked very well for the mainstream UK film industry, allowing film projects to take advantage of benefits each country has to offer so why not for the Black segment of the industry?

Strategy for film Exports & Trade: Audiences across the world enjoy British films, *Slumdog Millionaire*, *Constant Gardner*, *Last King of Scotland* are a few that are testimony to this fact and data collected by the BFI Research Unit indicates that 72% of the box office of British made films is generated overseas, this is a huge number, yet UK Black films contribute absolutely nothing to these figures.

To ensure that this sector generates its fair share in export revenues to the UK economy, it is important that the BFI working with stakeholders come up with a robust, cohesive and comprehensive international strategy for UK Black film that focuses on exploiting the opportunities that exist in established and emerging markets like the USA, Nigeria, Ghana, Jamaica, South Africa and Brazil to name a few but still engages with Europe.

Diversification of UK film export performance: UK film exports have risen strongly in recent years to reach £2.8bn, however, if you take a closer look at the figures, they show that more of the UK's film exports go to Europe and the USA than the rest of the world combined. Therefore, if the UK Black film segment is developed it will allow the industry to enter into new markets and further exploit segments of existing markets like the \$100m per film African-American market which to date we have largely ignored.

Inward Investment: Another aspect of the film export market is inward investment, this income comes from UK films wholly or partly financed and controlled by organisations outside the UK. Today most of this type of income comes from the US but features UK cast, crew, locations, facilities, post-production and often UK source material therefore it is vital that the BFI encourage the development of a Black film segment as it will open the door to more of this type of inward investment coming in from the US.

The competition for inward investment especially from Hollywood is aggressively competed for by most film producing countries all over the world but luckily for the UK the cultural, historical, language, tax benefits, talent and commercial ties still make us a very attractive destination for the US film industry and we see no reason why this will not continue. However, the black segment of the UK film industry can help attract more of this type of investment from other emerging film economies like Nigeria, Brazil and South Africa and this

would create thousands more new jobs and generate additional income which could be in the tenths of millions for the UK.

A Black Film Champion: The BFI should consider assigning or appointing a dedicated officer who not only has a deep understanding of this section of the industry but also has the ability to drive through policy and get results. The appointed individual should be able to connect with the Black community, broker networks of expertise, gather support and finance for Black films and act as an advocate for the sector within and outside the BFI.

To ensure the appointed individual is not working within a vacuum, a committee of stakeholders can be put together to aid with the important task of achieving the set objectives so this sector can grow and thrive.

Better connection to the Black Community: The relationship between the BFI and the UK Black community can be at best be described as patchy and for this segment of the film industry to grow and thrive it must be built up from the grassroots and the black community are its foundations.

Therefore it is important that the BFI revisits the way it reaches out and connects with the black community and its filmmakers at local levels, so they firmly engage them, this will ensure that the right policies and projects are formulated and delivered.

Under-representation of UK Black Talent: While merit must always be a major factor in accessing opportunities in any industry, not fully utilising the abilities of sections of your talent pool can be equally damaging. This is a glaring anomaly within the UK film industry both in front of and behind the camera as most of the industry is dominated disproportionately by white males. However, if we develop a strong Black segment of the industry it will play to the unique strengths of the Black talent and help redress some of the in-balance.

Opportunities to have Careers in the Film Industry: While ethnic minorities do have good access to formal training opportunities, the problems start when these talents enter the labour market. This is where the opportunities for Black people to have long successful careers in front or behind the camera become very limited indeed.

This is mainly because after the formal training, ethnic minorities find it especially difficult to get the practical experience they need from consistently working on film projects to develop

and enhance their skills, hence there is an uncomfortable high proportion of Black Directors, Actors, DoP's, Producers etc. that never get a fair chance to have fulfilling careers in the industry.

The development of this segment of the UK film industry will play to the strengths of the this under-represented pool of talent which, will mean they will have far greater chance to build successful careers for themselves and contribute their unique talents to building the UK film industry.

Creating Jobs & Apprenticeships: The UK film industry employs around 100,000 people mostly white males, while ethnic minorities and women are disproportionately under-represented in all sectors of the industry. The Black community is especially disadvantaged, for example, in London which is the centre of the UK film industry 24% of the workforce are from minority ethnic groups but the film industry employs just 7% of its workforce from this group. This disadvantage has persisted despite a decade of attempts to encourage greater diversity in employment.

If we put this in a wider context, out of the 2.56m people unemployed in the UK 48% come from the Black community as opposed to 31% of Asians and 20% of whites, others 1%. When you break these figures down further the picture gets grimmer as youth unemployment in the Black community sits at an uncomfortable 45%, with unemployment among British black males aged 18-25 doubling since the recession rising to 55.9% in 2012, compared with 23% per cent for young white males. Black male graduates do not fare any better with 22% of Black male graduates unemployed, compared with 13% of Black females. In my very humble opinion these figures show that the UK is sitting on a social time bomb just waiting to go off.

While we acknowledge that creating a Black film industry will not solve all these problems, it can in a small way contribute to creating thousands of jobs and apprenticeships that play to the strengths of the Black community and therefore give it a degree of economic power, pride, purpose, opportunities and most importantly hope.

Developing a World Class Film Awards Event: Film awards ceremonies are the icing on the cake for any successful film industry. Therefore the importance of having a flagship film awards ceremony in the UK that showcases and celebrates Black films from home and aboard is essential. For example if you mention the BAFTA's, the Oscars or the Golden

Globes, you can visualise world renowned events that celebrate film, draw in positive international attention, bring in millions of pounds in valuable foreign exchange and give a boost to global box office take.

For an equivalent Black event to play its part in the industry's development it must be structured along the lines of existing successful film awards events and fit into the global Black awards season. In essence the Black film industry should aim to achieve something similar to what the MOBO's have achieved for the UK Black British music industry.

To achieve this goal we recommend that a committee be formed by stakeholders with the support of the BFI and input from successful British Awards ceremonies like the MOBO's, the British Independent Film Awards (Raindance) and BAFTA's so a implementable plan can be formulated that will make this event a yearly reality.

Developing a World Class Black Film Festival: Film festivals help generate global awareness, encourage the development of local audiences, aid in bringing filmmakers, distributors and sales agents together, provide networking opportunities and settings for formal and informal film education, so for a growing film sector this type of event is vital.

The UK has some excellent film festivals and quite a few very small festivals that cater for Black films, however none of these festivals provide what this industry really needs to kick start growth either because they are too big and Black films do not get a fair looking or they are too small and cannot provide what the industry needs.

To combat this problem we recommend that since the BFI already organise the world renowned London Film Festival it should along with input from stakeholders use its experience, resources and contacts to galvanise a mixture of public funding, private investment and sponsorship to either develop an existing film festival into one that will fulfil the needs of this segment or develop a new festival from scratch that will achieve all the objectives we have mentioned above.

Alternative Theatrical Distribution Network

The BFI does already recognise the cultural and commercial importance of the community film experience and in the last few years some good work has been done, so a wider variety and choice of films are made available to the UK public. However, a lot more needs to be done especially in the area of getting Black films to benefit from this development.

To facilitate this, the BFI should assist stakeholders in putting in place a coherent national strategy which should consist of major and independent exhibitors, distributors, film promoters, local film clubs & societies across the UK, all under one umbrella organisation maybe called the Alternative Theatrical Film Distribution Network (ATDN).

This Network will encourage and support the type of risk-taking programming and initiatives that will enable Black films to reach a wider audience hence afford the public across the UK access to new stories that can inform, educate and engage them in such a way that will enrich their cultural experiences.

Not only will this network allow more Black films to be seen in the UK, it will also have a positive impact on the commercial prospects of these types of films, generating additional income and reducing distribution costs. It is also important to point out that the alternative theatrical film distribution network should not be seen as a separate network from the mainstream distribution system but complimentary to it. This will give films that have had a mainstream distribution release but have not done as well a second bite of the cherry (Competing with major US Block busters puts many Black films at a major disadvantage) but it will also allow films that may have never gotten to the cinemas in the first place an opportunity to reach a national audience on this platform.

There are also social benefits, as this network will allow Black films to reach communities it may have never have gotten to, drawing people together through their mutual enjoyment of difference cultural experiences that will enrich their understanding leading to greater social cohesion.

Television Broadcasters and Black British Films

The BFI can and should influence Government to design and implement a policy which will encourage and possibly compel major broadcasters like the BBC, ITV, Channel 4, Channel 5 and BSkyB to support and show more British Black films on TV.

A starting point could be agreeing a Memorandum of Understanding with the broadcasters setting out agreed commitments to support Black British film. Should a voluntary approach prove difficult then Government should look at legislative solutions.

Research & Statistics: BFI has an excellent research function and knowledge base, with good qualitative and quantitative information on all sections. The BFI Statistical Yearbook is

great, however, when it comes to finding facts and figures on the Black or Asian segments of the film industry information becomes very limited indeed.

We would like the BFI to allocate some of its resources to build up some facts and figures upon which this segment of the industry can access to build rigorous, evidence-based cases that will convince policy makers and private sector investors that the investment of time and resources in this sector is beneficial to the them, the industry and the UK.

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