

18 November 2015

Brett Mills

By email: fyi-request-3261-609197a1@requests.fyi.org.nz

Dear Brett

20 OCTOBER 2015: OFFICIAL INFORMATION ACT REQUEST

In your email dated 20 October 2015 you requested from the New Zealand Film Commission (NZFC) under the Official Information Act 1982 (OIA):

"...all the internal documents related to the Gibson Group being awarded the BDS. Namely and especially the document exploring the the timeline of the application and the sale of the company to the directors"

In response to your query, we attach the following documents:

- 1) an extract relating to Blueskin Films and Gibson Group from a document dated 19 December 2013 containing notes from a meeting with an external consultant assisting with the BDS;
- 2) a letter to Blueskin Films and Gibson Group dated 13 January 2014 informing them that they made a shortlist of BDS applicants;
- 3) an extract relating to Blueskin Films and Gibson Group from a document dated 22 February 2014 containing a timeline of the BDS to date and a summary of each shortlisted applicant;
- 4) a letter dated 1 April 2014 sent to each shortlisted applicant introducing the external panel who were assessing the applications;
- 5) a letter to Blueskin Films and Gibson Group dated 7 May 2014 informing them of their successful application;
- 6) a document dated 10 November 2014 containing a timeline of the BDS to date (please note this document was current as at 10 November 2014; contracts with the remaining BDS companies have since been finalised and agreed); and
- 7) a document dated 11 November 2014 containing a Q&A relating to the BDS.

Information has been redacted or withheld (and extracts provided instead) where the document contains information outside the scope of the request or one of the withholding provisions under the OIA applies, in which case the specific provision is noted by the redaction.

Please be aware that you have the right, by way of complaint to an Ombudsman under section 28(3) of the OIA, to seek an investigation and review of our decision to withhold any of the information.

Yours sincerely



P.P.

Chloe McLoughlin
Head of Business Affairs
New Zealand Film Commission

Document 1

Extract from "NOTES FROM MEETING WITH RUTH HARLEY RE BDS (MLADEN, NAOMI, LISA)" (Date: 19 December 2013)

Blueskin/Gibson Group () Sections 9(2)(b)(ii) and 9(2)(ba)(i)

Initially very attracted due to Asian aspect but pretty speculative. How will GG go without DG? How will slate go without DG? Wait and see? Visitor attraction business the real strength? All eggs in Asian basket? Ongoing TV? Too early? Strength = Catherine F (creative) and Victoria (business). What is the product? Only factual has been successful in Asia so far. (B) – (C)

DOCUMENT 2

13 January 2014

Blueskin Films and Gibson Group
Catherine Fitzgerald, Victoria Spackman, Bevin Linkhorn, Steve Barr

By email: [REDACTED]

Section 9(2)(a)

Dear Catherine, Victoria, Bevin and Steve

BLUESKIN FILMS AND GIBSON GROUP - BUSINESS DEVELOPMENT SCHEME EXPRESSION OF INTEREST

I am pleased to confirm formally that your expression of interest to the NZFC Business Development Scheme was one of six selected to proceed to full application stage.

We received 10 expressions of interest and these were considered by a panel consisting of NZFC staff (Mladen Ivancic, Naomi Wallwork, Lisa Chatfield) and external assessor Ruth Harley. We expect to support two or three applicants from the six shortlisted.

The successful applicants were assessed as being strong in most of the following areas:

- a) The business plan included a mix of screen production, e.g. film and television
- b) The team had a strong mix of the relevant skills (creative and physical producing, financing, sales, distribution, etc)
- c) The team had a number of promising projects in various stages of development
- d) The business plan clearly included some projects with significant New Zealand content
- e) The business plan had a point of difference e.g. by focusing on particular markets, activities or genres.

The panel felt that your application had a good mix of the relevant skills with a number of promising projects in development including those with significant New Zealand content. We felt that the focus on Asian markets was interesting but also brings certain challenges that your entity could be in a good position to face given the groundwork put in to date in China. The key areas you should elaborate on in your full application are:

- More information on how other screen production formats (beyond feature films) fit into your business plan
- More detail on how you will address the challenges of the Asian market, particularly in relation to drama productions, given that to date

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documentary/factual productions have been most successful into breaking into this market.

In addition to the above, we would expect that your full application would contain the following information:

- Detailed profit and loss information over recent years of the applicants' prior companies and which parts of your business have contributed to profits
- Detailed profit and loss forecasts for the first five years including all income streams (i.e. not just BDS funding) and how the BDS funding will contribute to growth, turnover and profit over time
- How you see your company transitioning out of the BDS to be a sustainable business
- More detail on the governance and staffing structure of the company
- An indicative production schedule for the three-year period of the BDS funding.

We intend to hold an information session for applicants in Auckland around mid to late February in order to assist with preparation of the full application due by 31 March 2014. We will provide further details in due course. We will aim to meet individually with teams around the same time.

Congratulations for reaching the next stage and we look forward to discussing your application with you further. Please feel free to call me if anything in this letter is unclear.

Yours sincerely



Naomi Wallwork
Head of Business Affairs

Document 3

Extract from "BUSINESS DEVELOPMENT SCHEME BACKGROUND FOR INFORMATION SESSION" (Date: 22 February 2014)

Timeline

March 2013	NZFC received an unsolicited proposal from Libertine (143 pages) plus summary version (22 pages) requesting [REDACTED] over three years Separately NZFC had been investigating a Screen Australia Enterprise-type scheme	Sections 9(2)(b)(ii), 9(2)(ba)(i) and outside scope
April 2013	NZFC Board briefed in short paper Naomi and Graeme travelled to Australia and met with Screen Australia and Helen Bowden of Matchbox among others	
May 2013	Research on other schemes commissioned from Judith McCann (MPICS)	
June 2013	More detailed paper to Board recommending that funding of [REDACTED] be offered to Libertine for its first year with any further commitment pending outcome of decision on a wider scheme at August Board meeting Board agreed with recommendation in principle	Sections 9(2)(b)(ii), 9(2)(ba)(i) and outside scope
August 2013	Detailed proposal on scheme considered to Board and approved Further paper to Board on Libertine. Board agreed to extend Libertine offer to \$1m in total (including [REDACTED] in first year) BDS and Libertine decisions announced at Big Screen Symposium	Sections 9(2)(b)(ii), 9(2)(ba)(i) and outside scope
November 2013	Expressions of Interest deadline – 10 received	
December 2013	Six teams shortlisted	
25 February 2014	Information session	
31 March 2014	Deadline for full applications (NB: 25 March production funding deadline for May Board meeting)	
April 2014	External assessment	
6 May 2014	May Board meeting (final decisions)	

Shortlisted teams

Blueskin Films and Gibson Group

Catherine Fitzgerald, Victoria Spackman, Bevin Linkhorn, Steve Barr

Requested [REDACTED]. Asian focus.

Sections 9(2)(b)(ii) and 9(2)(ba)(i)

Specific feedback in shortlist letter:

The panel felt that your application had a good mix of the relevant skills with a number of promising projects in development including those with significant New Zealand content. We felt that the focus on Asian markets was interesting but also brings certain challenges that your entity could be in a good position to face given the groundwork put in to date in China. The key areas you should elaborate on in your full application are:

- More information on how other screen production formats (beyond feature films) fit into your business plan
 - More detail on how you will address the challenges of the Asian market, particularly in relation to drama productions, given that to date documentary/factual productions have been most successful into breaking into this market.
-

DOCUMENT 4

1 April 2014

Dear Applicant,

You will be pretty close to finalising your BDS application (due at NZFC by 9am on Monday 14th April) and it seems to me that it would be helpful to give you an update on the panel and decision process, and gently remind you of a few things.

As we discussed at the information session, decisions will be made by an independent panel. Mladen, Naomi, Lisa and I will make ourselves available to the panel should they have questions but your applications should take into account that the panel will not already know who you are.

The panel will be:

Helen Bowden

Helen Bowden is one of Australia's leading drama producers. She was a principal and founding partner of Matchbox Pictures. Matchbox was formed from five producers across four companies in 2008 and received Screen Business Venture Funding from the Australia Film Corporation in its first year and Enterprise Program funding in 2009 (the first year of the scheme). Matchbox produces television drama, children's' programming, factual and entertainment content, animation and feature films for the domestic and international marketplace. They have also developed games and apps. In May 2011 NBCUniversal took a majority stake in the company and it was announced in February that they have now taken full control.

Jonathan Olsberg

Jonathan has been a member on Screen Australia's Enterprise panels. He has an international reputation as a strategic adviser at the highest levels of media, business and government. He has decades of experience in film, television and digital media variously as producer, executive producer, distributor, sales agent, management consultant and government adviser and has a unique perspective on films and the ecology of film sectors around the world.

Michael Stedman

Michael has worked in the television industry for close to 40 years. In addition to producing over 1000 hours of television programs, he's held senior positions in Australia and New Zealand including: Head of Department for Television New Zealand, Head of Training at the Australian Film and Television School, Head of Features for ABC Australia, Director of Production for TVNZ. As the Managing Director of NHNZ Ltd, Michael took NHNZ from point of closure to world leader status. NHNZ is now global, with a presence in Singapore, South Africa, Beijing and Washington DC. NHNZ has based its success and growth on forging significant co-production relationships throughout the world. NHNZ documentaries are seen in over 180 countries and have won over 400 international awards and with an annual turnover of around NZ\$25 million. Michael's personal awards include, an ONZM for services to the industry, an Honorary Doctorate (Laws) from Otago University, the SPADA/Onfilm Industry Champion Lifetime Achievement Award, Kea World Class New Zealander award (Creative). Last year Michael retired as MD of NHNZ as result of ill health.

Please do not contact these people at all. This would be considered a serious breach of protocol.

They will receive your materials after they have been checked at the NZFC.

They will meet in Wellington on Monday and Tuesday 28, 29 April. Please keep two or three key members of your team available for a Skype call of up to one hour on the Monday afternoon or Tuesday morning.

They will be operating to the eligibility and assessment criteria published by the NZFC.

On reading the drafts there are a few key points that it feels have not been fully addressed in the business plans. They are not listed in any particular order of importance.

- A clear and simple vision: where are you taking the company and where will the company be in 5 years and in 10 years?
- What are seen as the key drivers to future growth?
- What difference will the BDS money make to the company?
- Company structure paying particular attention to the business side of the company. If a collective, is one person in charge? What's the management structure? Succession planning for key team members and exit strategies if relevant.
- Balance of income from different income streams. Any likely changes over time?
- How will profit be generated? Is it sustainable if people are taking normal wages or salaries?
- Any relevant balance between IP ownership and commissions. Changes over time.
- Development strategy for the projects on the slate.

- Marketing strategy for the company. How will the company position itself?
- Sales strategy - both domestic and international. Any relevant references to new media, multimedia, publishing, merchandising etc.
- Financial management systems - what you have in place and what is proposed.
- Capex strategy if relevant.
- Information about company overhead, % of staff versus contractors, how to deal with unrecovered overhead.
- Can you point clearly to business growth, less reliance on domestic government funding and increased turnover and profit which will come from receiving a BDS?

We have also asked for a certain amount of supplementary material on the application form. As the panel will not have any existing knowledge of your company or individual businesses, it is essential that this material provides the following:

- A summary of the company's business and growth to date. If this is a collective or a startup this should be some strong information about business success of the individuals so far. If this is an existing business it should be profit and loss reports for the business not just project success.
- Future profit and loss estimates including the pay back provisions.
- Information on where other money will come from for both the business and the projects? Incentives? NZFC or other public money? Co-production? Presales? Other investment? Co-financing opportunities?

All the best



Dave Gibson
Chief Executive

DOCUMENT 5

7 May 2014

Gibson Group

By email: [REDACTED] Section 9(2)(a)

Dear Victoria,

BUSINESS DEVELOPMENT SCHEME EXPRESSION OF INTEREST

As you know the panel for BDS met last week and made its decisions on which applicants to support. The panel thought your plan stacked up and is interested in providing you with some financing subject to further discussions, clarification and of course contracting.

Because your financial projections are so positive it is likely that the amount recommended by the panel will be around \$600,000 rather than the [REDACTED] requested.

Sections 9(2)(b)(ii) and 9(2)(ba)(i)

They would like to have more detail on the exact nature of the proposed relationship between the GG and Catherine's company and also the detail regarding Steve's involvement in writing, given the importance placed on them in your application.

There were concerns about the amount of money that was intended to be spent on the person in China (too low) and that perhaps more of a sense of urgency was needed in that market. Some more details on your China strategy would be helpful, given the importance it plays in your business plan.

Also, there has also been considerable discussion amongst the panel about whether a non-Executive Director would be useful for all the successful BDS companies and if perhaps the NZFC should require this. Because it is a new idea at this stage, we would be interested in your views.

I hope this letter is positive and helpful and look forward to discussing it with you.

Yours sincerely,

Dave Gibson
CEO
NZFC

DOCUMENT 6

NZFC BUSINESS DEVELOPMENT SCHEME TIMELINE

Date	Action
25 March 2013	NZFC receives a business plan and proposal for a scheme from Libertine Pictures
3 April 2013	<i>Extract from minutes:</i> The Board requested a detailed proposal from staff on an Enterprise-type scheme and the criteria/framework to be applied to such a scheme so that the Libertine proposal can be considered against those criteria at the June Board meeting
4 June 2013	<i>Extract from minutes:</i> The Board considered whether the Libertine proposal could be treated as a pilot for such a scheme. It was AGREED IN PRINCIPLE to offer funding of up to ██████ for the first year of Libertine’s business plan subject to approving the performance measures, drawdown milestones and business case. However, consideration of longer term support would be dependent upon consideration and approval of the introduction of an enterprise funding scheme, based on the paper to be prepared for the August Board meeting. The Board noted that, if necessary, the staff could submit the detail for final approval of this one year commitment at an out-of-time Board meeting prior to the next scheduled Board meeting.
6 August 2013	<p><i>Extract from minutes:</i></p> <p>IT WAS RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The Board approve the implementation of a business development scheme as proposed in the Board Paper, subject to changing the requirement for “all directors of the company to be New Zealand citizens or residents or the company to be New Zealand registered with its management and control in New Zealand” to “the company must be registered in New Zealand and the majority of the directors must be New Zealand citizens or residents”; 2. The Board approve the allocation of \$1M per annum for such a scheme for three years from 2013/14; 3. The scheme be announced after the August Board meeting and criteria for applications to be developed for approval at the October Board Meeting; and 4. The staff are to consider other measures to support business sustainability and present proposals to the December Board meeting. <p>It was further NOTED THAT:</p> <ol style="list-style-type: none"> 1. The business development scheme is consistent with the New Zealand Film Commission Act 1978; 2. Funding for successful applicants will be for three years only; 3. The staff will forward draft text for an announcement to the Board prior to release. <p>Libertine Pictures Partnership Proposal</p> <p>IT WAS RESOLVED THAT:</p> <ol style="list-style-type: none"> 1. The NZFC offer a funding commitment of ██████ for the first year of Libertine’s business plan; and 2. The NZFC make a conditional offer of up to \$1M maximum over three years, subject to successful negotiation of a detailed funding agreement with Libertine.

Sections
9(2)(b)(ii),
9(2)(ba)(i)
and outside
scope

Sections
9(2)(b)(ii),
9(2)(ba)(i)
and outside
scope

10 August 2013	<p>Media release announcing BDS including:</p> <p>“The scheme builds on past devolved development and overhead schemes that have supported such businesses as South Pacific Pictures, Gibson Group and Wingnut among others. It extends the NZFC’s support for screen sector businesses by funding their development as well as the development of the film content they produce. It is not limited to film projects.</p> <p>The NZFC will publish further details of the scheme in September and will call for applications. The NZFC aims to fund up to two more three-year proposals in February 2014.”</p>
September 2013	Consultation with select group of industry on eligibility criteria
1 October 2013	<p>Board meeting: <i>Extract from minutes:</i> N Wallwork spoke to the Business Development Scheme Criteria Consultation Document and updated the Board with feedback received to date. Staff will circulate a new version to the Board at the beginning of next week with a deadline for comments with an aim to finalise and publish by the end of next week.</p>
8 October 2013	Revised criteria presented to Board
15 October 2013	<p>Criteria published with two-stage process. Expressions of Interest due by 29 November 2013.</p> <p>From the expressions of interest, a panel convened by the NZFC which may include external assessors will confirm eligibility and decide who will be invited to submit full proposals.</p>
Nov-Dec 2013	Developed BDS Funding Agreement and contracted with Libertine
1 November 2013	Graeme Mason (CEO) last day
29 November 2013	Ten applications received (including Gibson Group)
3 December 2013	<p>Board meeting Dave Gibson was announced as the new CEO to start 1 January 2014. BDS: <i>Extract from minutes:</i> The Board noted a lack of Maori teams or applications with an animation or documentary focus. The Board may discuss at the Strategy Day whether the NZFC needs to be more proactive in ensuring a diversity of applications if there is to be another call in future. Staff will aim to have a shortlist before Christmas and will circulate this to Board Members. It was noted that the new Chief Executive will not be involved in selection of the BDS shortlist this time, because of potential conflict of interest. An external assessor or assessors will be used at the full application stage.</p>
19 December 2013	Lisa, Naomi and Mladen met with Ruth Harley to consider EOI applications and develop shortlist. Six teams selected to proceed to full proposals (including Gibson Group).
23 December 2013	All teams notified verbally or by email of shortlist/decline.
13 January 2014	Formal decision letters sent. Full proposals due 31 March 2014.
19 February	Board meeting

2014	<p><i>Extract from minutes:</i> The Board NOTED that Dave Gibson has now sold all his shares in the Gibson Group and AGREED that Dave Gibson does not have a conflict of interest in dealing with the Business Development Scheme applications, despite Gibson Group being one of the shortlisted teams. The Board agreed that final decisions would be made by an external panel of three people who between them would have experience in business, the screen sector and comprise at least one New Zealander. Ideas for membership were discussed. NZFC staff will review all applications, brief the panel on the NZFC's expectations and act as an advisor to the panel. It was also agreed that the CEO (in conjunction with another NZFC staff member) should be available to work with all applicants if they wish to ensure the strongest applications possible are submitted.</p>
25 February 2014	<p>BDS information session in Auckland for shortlisted teams (Helen Bowden, Chris Oliver, Michael Tear, Libertine presented). Clarified Dave's role in decision-making process – extract from Naomi's intro below:</p> <p>"In terms of assessment, the plan is to use a panel of three external assessors (although NZFC staff will provide the panel with some input) with final decisions to be ratified by the Board. We haven't finalised who the panel is yet but the aim is to have at least one NZ'er (not involved in the NZ screen industry), at least one person with international screen experience and at least one person with experience in building a successful business. This means that NZFC staff will not be making the final decision which brings me to the elephant in the room.</p> <p>Obviously Dave is here today, as are people from the Gibson Group who are involved in one of the shortlisted teams. When Dave accepted the CEO role he told the Board that he didn't believe he should be involved in the selection process for the BDS given Gibson Group was putting in an expression of interest.</p> <p>However given that Dave has sold his shares in the GG, the Board's clear view is that Dave does not have a conflict of interest. And that there would be some value in his involvement given that he will be dealing with the successful teams for several years. And needs to have some ownership of the scheme. And has been involved in building a successful screen business in New Zealand.</p> <p>That said, we know there is a perception that he might have a conflict, and one way of managing this is through the use of the external panel. So the Board has asked him to be involved in these early discussions and to talk with the applying teams about their applications.</p> <p>BUT not to be involved in the selection process.</p> <p>So he will be is available to all the teams to discuss their applications, prior to the panel meeting.</p> <p>Subsequently staff, including Dave, will also be involved in negotiating final funding amounts and KPIs in situations where not all aspects of an application are supported by the panel."</p>
4 March 2014	<p>Sent letter to applicants extending schedule:</p> <p>"Any drafts submitted to the NZFC for staff feedback must be received by 4pm on Friday 28 March. Feedback will be provided to teams no later than Friday 4 April.</p> <p>Final proposals are now due by 9am Monday 14 April 2014."</p>

March/April 2014	Feedback given to various teams on draft applications
7 April 2014	Sent letter to applicants revising criteria: “Accordingly, any successful team will enter into a BDS funding agreement with the NZFC that will be with the relevant company and any individual producers who are directors of that company. The funding agreement will also identify key personnel. If these key personnel subsequently leave the team then the NZFC can choose to terminate the funding agreement. For the purposes of your final applications, you may identify some of the members of your team as key personnel rather than company directors.”
28-29 April 2014	Meeting with external decision-making panel (Dave, Naomi, Mladen present)
6 May 2014	The Board APPROVED the recommendations of the Business Development Scheme panel for the three selected companies and agreed to a total aggregate expenditure of \$2,100,000. The allocation and timing of funding for each team is to be determined by the CEO and senior staff consistent with the draft letters presented to the Board. The Board NOTED that the 2014/15 budget includes provision for \$50,000 for business development planning. Staff will report to the Board on Libertine Pictures’ progress at the October Board meeting and provide an interim report on the other teams at the same time. Teams will be required to report the loan and grant amounts of the BDS funding in their accounts in a consistent manner. Ongoing monitoring will be undertaken by the Head of Development and Production in respect of creative elements and by the CEO and Deputy CEO in respect of the general business matters.
7 May 2014	Decision letters sent stating likely amount and seeking further information before willing to confirm offers
20 June 2014	Draft contracts issued to all teams
9 July 2014	Board meeting <i>Extract from minutes:</i> D Gibson spoke to the BDS paper and the Board NOTED the paper.
12 September 2014	Gibson Group BDS funding agreement signed
28 September 2014	Successful teams announced at Big Screen Symposium, Auckland
30 October 2014	Field Theory BDS funding agreement signed
As at 10 November 2014	GFC Fightertown BDS funding agreement still to be finalised – one outstanding issue.

DOCUMENT 7

1. What is the procedure at the NZFC for dealing with potential conflicts of interest?

Staff and Board members are required to advise annually any general potential conflicts of interest. These are recorded in a conflict of interest register. In addition as and when specific perceived or actual conflicts of interest arise, staff and board members are required to declare those conflicts, either by advising the CEO (in the case of staff) or the Chair (in the case of the CEO and board members).

At the NZFC's Board meeting on 3rd December 2013, the Board minutes record that the Board:

"noted that the new Chief Executive will not be involved in selection of the BDS shortlist this time, because of potential conflict of interest. An external assessor or assessors will be used at the full application stage."

The reference in this minute to the new Chief Executive is a reference to Dave Gibson, whose appointment as Chief Executive was to commence on 1 January 2014.

The process for selecting recipients for Business Development Scheme funding was agreed by the NZFC's Board at its Board meeting on the 19th of February 2014. The Board minutes record that:

*The Board **NOTED** that Dave Gibson has now sold all his shares in the Gibson Group and **AGREED** that Dave Gibson does not have a conflict of interest in dealing with the Business Development Scheme applications, despite Gibson Group being one of the shortlisted teams. The Board agreed that final decisions would be made by an external panel of three people who between them would have experience in business, the screen sector and comprise at least one New Zealander. Ideas for membership were discussed. NZFC staff will review all applications, brief the panel on the NZFC's expectations and act as an advisor to the panel. It was also agreed that the CEO (in conjunction with another NZFC staff member) should be available to work with all applicants if they wish to ensure the strongest applications possible are submitted.*

2. Were any other NZFC staff part of the discussions with the short-listed applicants?

Mladen Ivancic (Chief Financial Officer), Naomi Wallwork (then Head of Business Affairs), and Dave Gibson (Chief Executive) were involved in discussions with the short-listed applicants.

3. Who asked Dave Gibson to participate – the Board or the panel of experts or the applicants?

Some of the short-listed companies felt that Dave Gibson's experience in building a successful screen company would be valuable. The Board concurred with this view, and asked Mr Gibson to participate in the process.

4. Who was on the panel?

The panel members were:

Helen Bowden

Helen Bowden is one of Australia's leading drama producers. She was a principal and the foundation MD of Matchbox Pictures, which formed in 2008 and sold to NBCUniversal in 2014. In 2011 she made the 8 part mini series *The Slap*, which won five AACTAs, two Logies, an AWGIE and was nominated for a BAFTA and an Emmy. It is now being remade for NBC in the US. In 2012, Helen produced *Underground*, a telemovie about Julian Assange, starring Rachel Griffith and Anthony LaPaglia. It screened at Toronto and London, played to ratings success on Network Ten and was nominated for three Logie Awards, two AACTAs and won an AWGIE. It is currently being released by Focus in the US. And in 2013 Helen was the lead producer on *Devil's Playground*, a 6 part drama for Foxtel starring Toni Collette, Don Hany, Jack Thompson and Simon Burke.

Helen has also produced three feature films and her 2006 documentary *Girl in a Mirror* was the first Australian film ever to win the prestigious Rose D'or Award in Montreux, as well as winning many other documentary prizes.

Michael Stedman

Michael has worked in the television industry for close to 40 years. In addition to producing over 1000 hours of television programs, he's held senior positions in Australia and New Zealand including: Head of Department for Television New Zealand, Head of Training at the Australian Film and Television School, Head of Features for ABC Australia, Director of Production for TVNZ.

As the Managing Director of NHNZ Ltd, Michael took NHNZ from point of closure to world leader status. NHNZ documentaries are seen in over 180 countries and have won over 400 international awards and with an annual turnover of around NZ\$25 million.

NHNZ is now global, with a presence in Singapore, South Africa, Beijing and Washington DC.

NHNZ Group produces in excess of 150 hours of programs a year for the global market.

NHNZ has based its success and growth on forging significant co-production relationships throughout the world, among them are Discovery, Animal Planet, National Geographic, A&E Television Networks, the Travel Channel, NHK, ZDF, France 5 and CCTV.

His personal awards include, an ONZM for services to the industry, an Honorary Doctorate (Laws) from Otago University, the SPADA/Onfilm Industry Champion Lifetime Achievement Award, Kea World Class New Zealander award (Creative).

Last year Michael retired as MD of NHNZ as result of ill health.

Johnathan Oldsberg

Jonathan Oldsberg started out as a UK producer, sales agent and distributor. In 1992 he founded SPI – a consultant company he chairs, which advises public and private film and

media companies all over the world on growth strategies.

Jonathan is an international expert on building and maintaining sustainable film business. In 2012, Jonathan published an independent research report (sponsored by Film I Vast, PACT and the Swedish Film Institute) on "Building sustainable film businesses: the challenges for industry and government".

5. How many applications were received and what was the selection process for the Business Development Scheme?

The selection process involved two stages. The NZFC received 10 initial applications for the BDS on or by the deadline of 29 November 2013.

On 19 December 2013, Mladen Ivancic (then Acting Chief Executive), Naomi Wallwork (then Head of Business Affairs), and Lisa Chatfield (then Head of Development) met with external advisor Ruth Harley and selected a shortlist of 6 applicants from the original 10 applications received.

The six successful shortlisted applicants were then required to prepare a detailed application and business plan. The deadline for applications this second stage of the application process was 31 March 2014.

The external panel met in Wellington on 28 and 29 April 2014 to discuss the applications and select the recipients of Business Development Scheme funding. The meeting was attended by Dave Gibson (Chief Executive), Naomi Wallwork (then Head of Business Affairs), and Mladen Ivancic (Chief Financial Officer).

At the NZFC's Board meeting on 6th May 2014, the Board: **APPROVED** the recommendations of the Business Development Scheme panel for the three selected companies [...]

6. Have any complaints been received from unsuccessful applicants about the process?

No, there have been no complaints about not receiving BDS funding.

7. What was the amount offered to the Gibson Group?

The Gibson Group application requested [REDACTED] in funding over three years. The NZFC offered Gibson Group Business Development Scheme funding of \$600,000 over two years, subject to funding conditions and to be paid in drawdowns over the two year period linked to Gibson Group meeting contracted Key Performance Indicators. [REDACTED] of this total is to be provided as a loan, and the remaining [REDACTED] is provided as a grant.

Sections 9(2)(b)(ii) and 9(2)(ba)(i)

8. What are the amounts given to the other applicants?

The other successful applicants received as follows:

- Applicant 1: \$600,000 over three years to be paid in drawdowns over the three year period linked to meeting contracted Key Performance Indicators. [REDACTED] of this amount is to be provided as a loan, with the remaining [REDACTED] provided as a grant.
- Applicant 2: \$800,000 over two years to be paid in drawdowns over the two year period linked to meeting contracted Key Performance Indicators. [REDACTED] of this amount is to be provided as a loan, with the remaining [REDACTED] provided as a grant. Sections 9(2)(b)(ii), 9(2)(ba)(i) and outside scope

9. Have there been any other conflicts of interest with Dave Gibson as Chief Executive?

There has been one other potential conflict of interest, which is noted in the upcoming 2013/14 annual report. The NZFC paid \$12,500 to Gibson Group in the period 1 January to 30 January 2014 for project development funding. The funding was awarded to Gibson Group in November 2013, before Dave Gibson was appointed CEO of the NZFC. Dave Gibson was a shareholder and director of Gibson Group until 30 January 2014.