

	Film Inquiry
Submission No.	26

## Intran Australia Pty Ltd Pty{private }

### Inquiry into the future opportunities for Australia's film, animation, special effects and electronics games industries

Intran thanks the Committee for the opportunity to make this submission.

#### Terms of reference

Of the Inquiry's terms of reference, this submission addresses primarily:

- (c) future opportunities for further growth of these industries, including through the application of advanced digital technologies, online interactivity and broadband;
- (h) whether any changes should be made to existing government support programs to ensure they are aligned with the future opportunities and trends in these industries.

#### Electronic games

In support of QANTM in their submission to the Inquiry, Intran's submission broadens the definition of the term 'electronic games' beyond just conventional PC, console, online or hand held games. Our definition embraces a product package which this company is presently looking to commercialise now that development is complete.

This commercialisation phase is not aimed at gaining a share of an existing market. Rather, we seek to create a new market. In developing the package we have taken a unique approach (see the Note below) to the application of computers in the entertainment and leisure time industries. We seek to create for those industries a new dimension/generation/genre of product (use what term you will).

Hence, we claim that opportunities for growth arise from looking beyond the conventional and prominent markets and activities. The illuminating and comprehensive submission to the Inquiry by the Film and Television Institute of WA illustrates the point that the electronic games market is diverse, dynamic and will extend its demographic when it offers appropriate product.

#### *'Persistence'*

Explaining and illustrating Intran's package in its entirety requires quite some time. Furthermore, to fully grasp all its aspects and understand how its various components relate, demands a level of attention well beyond the cursory.

To overcome such obstacles to its commercialisation, I wrote the manuscript '*Persistence*'. In story form, it explains my vision for the product package. Set in the future, *Persistence* describes various commercial successes Intran seeks to achieve, in Australia and internationally. Thus the story it tells is fantasy but the goals it implicitly sets are reachable. To engage and hold the reader's attention, some real institutions and people have been included in *Persistence* and on occasions, humour is used - well, I think it's funny in places!

Reading *Persistence* is essential for fully understanding what Intran is trying to achieve and therefore it is included in this submission as an attachment.

Some appreciation and understanding of the package and its potential can be obtained from the following chapters:

Chapter 2 '**Strategy and Tactics**': Explains why the computer system was developed and includes a fantasy story of the product breaking into the market.

Chapter 7 '**Bourse v Rambo**': Describes the circumstances leading up to a television contest, and the contest itself which is simulcast on the Internet (which Intran refers to as a '**Netcast**'). The Committee is invited to obtain replay files which will enable the computer based activity in the contest to be watched on a PC as the description of the TV show is read (email [intran@chariot.com.au](mailto:intran@chariot.com.au) for the files).

Chapter 8 '**The Long Reach**': Contains an example of how the package could be used to assist tourism, particularly in rural and regional Australia, and in event promotion.

Chapter 10 '**Triangle Defence**' and Chapter 11 '**Cruising to success**': These two chapters have a similar aim to Chapter 8 but add an international dimension.

Chapter 12 '**Gibraltar Retrocede**': Tells the story of a TV/Netcast event, commencing in 2004, which captivates Europe for a week every August, replacing sport as the main interest and reaching a huge Television and Internet audience. Its impact extends to newspapers and other media and flows into tourism. It is included in *Persistence* as an example of the mass market potential of the product.

Chapter 13 '**Thankyou**': A summary chapter.

**Note:** The claim that Intran's package is unique is reinforced by the FTI submission which makes no mention of products or even development trends in the direction taken by Intran. Of

course one could suggest Intran's package uniqueness is due to a lack of market demand for its approach but a reader of *Persistence* is more likely to conclude that it represents the next product generation - a future opportunity for growth as per Terms of Reference (c). To use the QANTM terminology, "Australia has an early adopter opportunity".

## Cross Promotion and Marketing

FTI also discusses cross promotion and marketing, and franchise arrangements and state in their submission "The inquiry should look at the approach of major international film and television production companies who maximise their IP by integrating film releases and TV

shows with game products, and merchandising."

The reader of *Persistence* will see that this also is Intran's approach with our product package but we seek to take it to another level with commercial opportunities in:

- Computer software licensing
- Hardware manufacture
- A television game series
- Television/Internet simulcast (A 'Netcast')
- Game centres
- A new occupation in a cottage industry

and cross promotion and marketing for

- Books and magazines
- Advertising through game replay downloads
- Locality and event promotion, and assistance to the tourist industry
- Theme entertainment venues
- Merchandising
- A story for a feature film
- Plots for telemovies
- A stage show

TV Shows

The potential of our package as the basis of a television game series is considerable. Conversely, it would be extremely difficult for the package to reach its full potential without the TV/Netcast function becoming a reality. This factor therefore is currently the prime consideration in our commercialisation endeavours. We believe that there is some value in comparing our goal with a well known television show as follows:

We understand that the television show 'Who Wants To Be A Millionaire' is the creation of UK company Celador International. Their website states that they have syndicated the show to more than one hundred countries, Kenya becoming the 100<sup>th</sup> in October 2002. We have no idea what a company (and therefore indirectly a country) pays for the rights but we imagine that the 100+ fees that are paid annually to Celador provide it with substantial revenue and do no harm at all to the British economy.

Presumably, shows like this incur one-off development costs but generate recurrent revenue and therefore are potentially quite profitable. Of course, not every game show idea is guaranteed the success of Celador's creation, but it is reasonable to assume that there will always be a market for outstanding product. We contend that future developments in TV game shows will require more than just clever format to be successful and that other dimensions will need to be incorporated. This was the strategy adopted in developing Intran's package.

The above consideration raises the question of whether Australia is 'geared' to recognise new ideas and developments and to adequately explore their potential.

### **Government support programs**

Reference is now made to the Inquiry's terms of reference '(h) whether any changes should be made to existing government support programs to ensure they are aligned with the future opportunities and trends in these industries'.

It has been said that "*government programs, such as those administered by AusIndustry, are very good at handing out money but not much else*". From our observation and experience, those programs provide valuable assistance for companies during product development. However in the brief time that we have been in the commercialisation phase we have not encountered any government programs which might now be of assistance to our endeavours, particularly any that 'open doors' to possible commercial partners.

To illustrate this point, we note that many book publishers do not accept unsolicited material and surround themselves with a wall of literary agents who have limited resources to examine the work of unknown authors. Likewise, production entities operating in the industries which are the subject of this Inquiry, are difficult to penetrate. That is not a criticism of such businesses which must survive in a very competitive market place and find it difficult to handle the volume of submissions they receive.

However, if as a nation, we wish to maximise our presence in these global industries, then perhaps we need to examine what programs should be put in place to assist in the commercialisation phase so that missed opportunities are minimised.

Brian Savvas

Managing Director

Intran Australia Pty Ltd

Tel: (08) 8277 4761

Fax: (08) 8277 0415

Email: [intran@chariot.com.au](mailto:intran@chariot.com.au)