

# Visioning Group

Screen



Highlands and Islands Enterprise  
Iomairt na Gàidhealtachd 's nan Eilean

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## SUMMARY

Discussions with screen production businesses in the Highlands and Islands and with MG Alba, highlighted the pressing need to look at the impacts of the current commissioning and financial landscape, and how small production companies could be helped during a period of significant challenge.

A cross-sectoral ‘visioning’ group was pulled together, bringing different, knowledge, experience and approaches together that would benefit the process of finding alternative ways of working, business models and support options – how these small businesses can continue to tell their stories, but get them to markets in different ways. The result of the group’s meetings are highlighted in this report.

The report does not critique any of the valuable work being carried out by other organisations or the approaches they take, rather, it is an attempt to identify alternative ways of working, to start conversations and encourage collaboration.

The meetings established very quickly the importance that should be placed on bolstering confidence, particularly amongst emerging talent. This is an issue in the region and has been

worsened by the uncertainties brought about by Covid-19. The report advocates for mental well-being and mindset support alongside skills development to empower creatives to pursue new opportunities.

Addressing gaps in career guidance was identified as crucial and proposes enhanced collaboration with organisations such as Skills Development Scotland (SDS) to provide more comprehensive guidance. This would include utilising social media, webinars and workshops to showcase opportunities and connect young people with industry networks, commencing at senior, school age.

Whilst there is clearly variation between academic institutions, there are still disconnects between education and industry. The report highlights the value of initiatives like FutureCreative to help bridge this gap and to provide practical experience through webinars, workshops and placements. The report also highlights the importance of providing non-academic entry points to promote equality and diversity. Aligning non-academic and academic options offers wider choice for young people.

Digital literacy and access to information are also highlighted, with an emphasis on improving existing digital skills. Highlighting the importance of these skills and how they can be used across sectors was considered important, as was recognising the need to encourage collaboration between small business to share delivery of training and placement opportunities. These digital skills also allow for the exploration of new business models, exploiting the wide variety of platforms that reach different audiences, and therefore broaden employment and freelance options.

Financial constraints were clearly discussed as a significant barrier, particularly for small businesses in rural areas. The group advocated the need to look at alternative financial models, reducing reliance on the public sector. This could take the form of improved collaboration with investors and encouraging new partnerships with brands (who are increasingly working in this field), in addition to cross sectoral collaborations and labs. Effectively using creative skills to solve problems and support growth in this and other sectors. As well as potential finance, the ability to tap into the infrastructure and customer base of much larger collaborators are seen as vital for growth and sustainability. Public sector support, particularly around innovation grants for example, are often constructed in ways that make them difficult for the sector to access, and flexibility around amounts and around insertion points in the development process would help de-risk proof of concept work and allow faster success or failure.

Data-driven approaches were also highlighted as essential for maximising content reach and returns in a digital age, and the potential for partnerships with data rich platforms and the use of crowd economy models as validation of ideas should be developed.

Fostering unique regional voices and collaboratively taking them to global audiences is also emphasised as crucial for long-term sustainability and nurturing a vibrant creative ecosystem in the Highlands and Islands.

In conclusion, the report highlights the need to foster closer relationships with industry for new entrants, and the need to develop alternative finance options, greater collaboration with brands and strategic partners, exploration of new platforms, and fostering wider collaborations as key strategies to address challenges and drive growth in the screen production sector in the Highlands and Islands.

## INTRODUCTION

*To drive discovery, engagement, and monetisation of their intellectual property and services, media and entertainment companies may need holistic strategies that operate across TV and film, social media and user generated content, and interactive gaming.*

Deloitte Digital and Media Trends 2024

Evolving trends in content consumption, shifts in commissioning budgets and approaches, larger scale companies moving into markets previously held by smaller companies, all mean that the small production companies who make up the screen sector in the Highlands and Islands, face formidable challenges.

Highlands and Islands Enterprise (HIE) convened a 'visioning' group, consisting of decision makers and subject experts from different backgrounds with a cross-sectoral spread of knowledge to address the challenges outlined. The objective was to explore new approaches, alternative business models and alternative avenues of support HIE and others could consider. Whilst three meetings and additional one-to-one conversations were conducted, it was not appropriate to try and develop a fully crafted long-term strategy in that timescale, nor does the report assume that all opportunities and approaches have been identified.

Acknowledging the diverse range of business support available in Scotland, including the work done by organisations such as Screen Scotland and TRC, our intention was not to critique their valuable efforts, but rather to examine potential models and strategies focused on new products and new markets. The discussions aimed to present a spectrum of ideas, encompassing short-term actions as well as proposals requiring further research and planning. These ideas are intended to initiate conversation and potential collaborations.

Before convening the group, HIE, via its XpoNorth networks carried out conversations with production companies and freelancers across the region and more widely in Scotland to make sure we understood the challenges businesses face. We would also like to thank MG Alba, for their valuable insights, gained from working with a range of suppliers and recent research carried out on the need for change in the sector. Thanks also to EKOS, who have carried out so much research in the sector and made a valuable contribution to this work.

The composition of the group was curated to encompass a diverse array of experience and expertise, spanning various sectors including screen and broadcast. This was deliberately done to encourage cross-learning from other countries and other sectors. Whilst acknowledging the need for public sector support, the group have recognised that the current financial situation means that there cannot be an over reliance on public sector grants.

One outcome of this exercise that is so important to us, is the enthusiasm, support and goodwill exhibited by the group members. Their shared conviction in the potential of the Highlands and Islands, and their readiness to work with us to ensure future success has been inspiring.



## BACKGROUND AND ECONOMICS OF THE CREATIVE ECONOMY

The Creative Industries have continued to be a significant economic driver in the Highlands and Islands, encompassing 16 diverse subsectors and contributing to 5,500 jobs and a market value of £740 million (HIE 2018). The sector mainly comprises microbusinesses, sole traders, and freelancers, many of whom are poorly captured by official economic statistics. The result is that the sector certainly has a larger economic footprint than official data would suggest. It is also widely dispersed across the region (despite some concentration in the Inner Moray Firth area).

At national levels, the sector has shown remarkable growth globally, growing by 57% (£10.3 billion) in Scotland between 2001 and 2021. The forecast growth for employment requirements in Scotland is 3000+ people (SDS). The UK sector is valued at over £100bn and employs more than 2.4m people. Even during the Covid period, employment grew 20x faster than any other sector. The UK Government's ambitious targets of creating 1 million jobs by 2030 and achieving £50 billion GVA, underscore the significance of sustained growth in this sector. £41.4bn was reported for exports in the early part of 2022 – a rise of over 14% on 2019 and twice the level the UK gets from Food and Drink and more than Aerospace, automotive and biotech combined. Digital media revenue in the UK alone is predicted to be worth \$22.72bn in 2024.

However, the creative engine has wider importance. Research has clearly identified that the creative and cultural sector addresses the drivers and ambitions of Generation Z (McKinsey 2022). SDS research (2022) has shown that 31% of Highland Region pupils S4 – S6 pupils wished to work in the sector and that annually almost 7,000 young people leave the region for FE and HE, with 30% enrolling in creative related courses. This interest from young people is an under used resource for the sector.

Although just over a year old, a report by Just Entrepreneurs suggests that *“over 1.3m (18%) of 18 – 26-year-olds in the UK are making or aspiring to make their main income from creating content from social media platforms”*.

Research shows that knowledge spillover from the creative sector increases innovation levels in the wider economy. Non-creative sector businesses are increasingly seeking creative skills, with 83% of businesses in a UK survey expressing the need for such skills. However, 63% reported difficulty in finding these skills (UKCIF 2022). The increasing number of non-creative businesses seeking support through HIE's XpoNorth programmes evidence that regional businesses see how creative skills can help grow their business.

Geographically, the Highlands and Islands covers half of Scotland, but with less than 10% of the population. 72% of CI businesses in Scotland employ fewer than 5 people and this percentage is higher in the Highlands and Islands. The region is rich in history and provenance, and this is evident across the creative sector from textiles like Harris Tweed and Shetland wool to a strong traditional music sector and rich craft traditions. There is also evidence to suggest that creative businesses can have disproportionate impacts in small and remote communities. The definition of the creative economy adopted by XpoNorth Digital, highlights this: *“the people, enterprises and communities that transform cultural skills, knowledge and ideas into economically productive goods, services, and places.”*

Scale in this sector is created through collaboration, and the geography of the Highlands and Islands with a highly dispersed population, creates additional challenges to accessing networks and potential collaborators. Distance from market has also been a challenge. Despite this, the industrial structure need not be a barrier to growth – gains in employment and GVA can be achieved by very small businesses and evaluations of our previous work commissioned by HIE confirm this point.

## THE CURRENT POSITION OF THE SCREEN SECTOR

### **The picture across Scotland:** presentation by Brian MacLaren, Managing Director, EKOS

The Scottish screen sector is undergoing significant transformation amidst shifting broadcast and media landscapes. With nearly 11,000 individuals employed, the sector is valued at almost £630m annually, with production and development comprising the largest segment. Notably the sector experienced substantial growth between 2019 and 2021, particularly in high-end TV production.

Scotland boasts a diverse array of production companies, spanning various genres including drama, factual entertainment, and animation. However, most companies, particularly in television production, remain sub-scale, with notable exceptions such as STV Productions. The indigenous film industry in Scotland is comparatively small, with much of the film activity being driven by inward investment.

Public service broadcasters like BBC Scotland, STV and MG Alba play significant roles, although commissioning practices remain risk averse, with London centric dominance. The rise of the 'Super Indies' further consolidates the market, squeezing smaller companies. In contrast, the streaming market offers substantial growth opportunities, with international production and streaming platforms driving much of the recent expansion.

The business model of broadcasters such as ITV and STV is evolving, with a shift towards production and streaming models. STV Productions, for example, has sought private investment to support its growth through the acquisition of other production companies, building scale and capacity across key genres such as drama.

Additionally, the emergence of brands as major players in the sector is reshaping funding dynamics and content distribution. Brands like Red Bull and Nike are now significant in terms of visibility and funding, leveraging digital platforms to engage with audiences directly. This inversion of the traditional model has significant implications for funding sources and content creation strategies within the sector.

The impending UK Media Bill aims to provide a legal framework for the digital age, potentially impacting production quotas and commissioning practices. This transitional legislation seeks to bridge the gap between linear broadcasting and a future dominated by streaming platforms.

Digital content creators and tech companies like ISO and ICE are leveraging digital platforms and engaging with a broader range of buyers, signalling a shift in content creation and distribution.

Overall, while challenges persist, including funding dynamics and market consolidation, the sector remains resilient. However, adaptation to evolving consumption patterns and new digital opportunities will be critical for business competitiveness and survival in a global media landscape.

## Summary of current situation in Scotland (EKOS)

- SOME PART OF PRODUCTION SECTOR IN REASONABLE HEALTH BUT WINNERS AND LOSERS
- PSBS STILL MAIN REVENUE SOURCE (QUOTAS) AND NO GROWTH EXPECTED IN PSB BUDGETS (CONTRACTION MORE LIKELY) – MARGINS UNDER PRESSURE
- GROWTH OPPORTUNITIES INTERNATIONAL AND SVOD BUT SOME PRESSURE NOW EVIDENT
- COMMISSIONING PRACTICE RISK AVERSE AND LONDON STILL DOMINATES
- CONSOLIDATION HAS CREATED SUPER-INDIES (STV PRODUCTIONS GROWTH THROUGH ACQUISITION) – SQUEEZE ON SMALL AND MID-SIZED COMPANIES
- SCOTTISH GROWTH DRIVEN BY INWARD INVESTMENT – SKILLS PRESSURES
- RISING COSTS
- SCOTTISH INDIE FILM SUCCESSES BUT REMAINS A SMALL INDUSTRY
- ALL ISSUES MAGNIFIED IN H&I

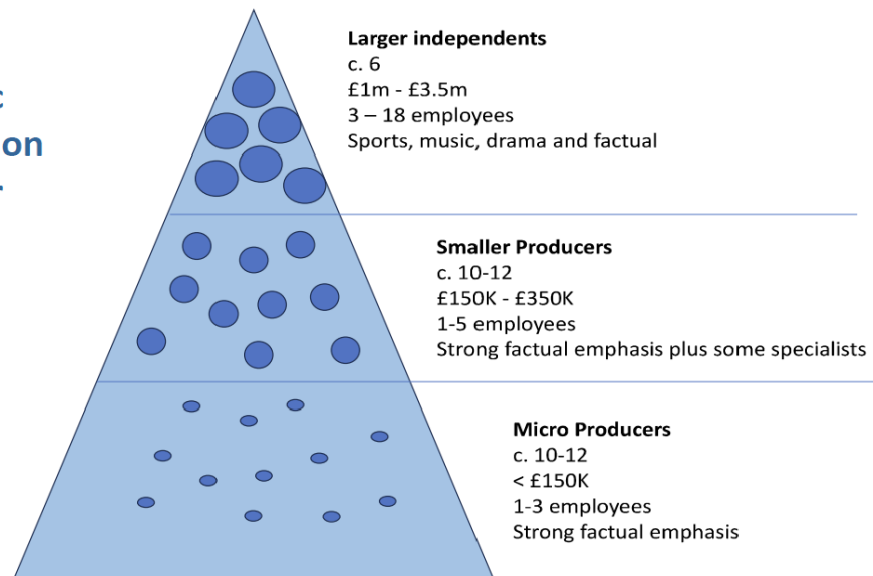
**Gaelic broadcasting overview:** presentation by Domhnall Caimbeul, Chief Executive, MG Alba

MG Alba was formed in 2008 as a partnership between the BBC and Gaelic Media Services and is committed to promoting and developing Gaelic language broadcasting in Scotland. It operates the channel, BBC Alba, and provides funding and support for Gaelic programming across media platforms. MG Alba plays a crucial role in preserving and promoting Gaelic culture and language through broadcasting. It also has spin off impacts on other creative areas. The broadcasting of Gaelic and traditional music for example, gives a platform to musicians that are not available on other channels. Domhnall Caimbeul is the Chief Executive of MG Alba, having joined at its formation.

For context, the number of Gaelic speakers (60,000) has declined over the past century, with the main concentrations now on the islands and west coast of Scotland. However, the impact of Gaelic medium education amongst other measures has seen a resurgence of interest in the language, with growth in the number of speakers out with the traditional heartlands in cities such as Glasgow. There is also a niche but growing international interest in the language. Duolingo Gaelic for example signed up around 130,000 users on its launch, with 20% being out with Scotland. Anecdotal, there is also a growing number of talented young Gaelic speakers appearing across many creative sectors including media, writing and music.

The Gaelic production sector is small, although there are a number of other businesses who provided services to these production companies. The core suppliers:

## Gaelic production sector



*Charlotte Wilson Research Services & Ekos, November 2023*

This picture is changing however, as larger UK and international level businesses are winning more of the work from lower budget commissioners. In terms of the Scottish picture, MG Alba is at the bottom of the scale for commissioning budgets, and there is a decline in the market for content made in Scotland for Scotland. The largest budgets are available for content created in Scotland for UK and Rest of World audiences. This last is attracted by skills available, locations and production funding of up to 20%. This however leaves a relatively small amount of the spend in Scotland.

The audience reach of BBC Alba, has seen a significant drop between 2018/19 and 22/23, particularly in the 16 – 44 age group. However, iPlayer views have grown by 9% in the same period, and an incredible 97% growth to 5.9m in short form content views.

The companies who supply MG Alba, can certainly make content, they have a passion for the subject and the content they make, and bring provenance and authenticity from being rooted in the communities and culture they are filming. There is perhaps a requirement to look at the capacity of the business knowledge in the sector, and a requirement to move away from what could be seen as an over dependence on public funding. Short form content and greater international collaboration offer opportunities, but a better understanding of the new business models may be required. This move to increased short form content can no longer be an add on to a longer production.

There is also a requirement to look at content ideas and see how they can be extended further and more leveraged from them rather than solely a production for BBC Alba.



## XPONORTH DIGITAL

Building on the momentum and networks of earlier project models, XpoNorth Digital was created to be HIE's mechanism to deliver specialist industry support to the creative sector, fostering new partnerships and collaborations to propel local business and organisations into global markets. The project focuses on digital adoption and its transformative potential for small and micro businesses in the region. Technical innovation is key to empowering businesses to develop new products and services, to adapt quickly to changes in audience expectations and to maximise their reach. One of the key purposes of this approach is also to introduce high-level strategic visioning and thought leadership approaches to encourage innovative new solutions to challenges, using a more ambitious cross-sectoral approach. This means that wider community infrastructure, particularly in more rural locations, benefit from access to ambitious creative thinking, new ways of solving problems and a customised mechanism to explore the value that the sector can surface for their business, organisation, community, or network. The approach has resulted in an increase in demand for support from enterprises in other sectors, looking for creative skills to help solve the business problems they are facing and helped to diversify regional supply chains and to encourage young people to develop careers in the region.

Recognising the geographical challenges of the region, XpoNorth Digital has successfully implemented an online delivery model, resulting in significant cost reductions for participants. This approach has also substantially lowered the carbon footprint.

In 2023/24 XpoNorth Digital delivered 34 online events, ranging from an introduction to academic research, to AI usage, digital tools for creative industries, the annual Twitter Pitch, etc. Most were recorded and added to the online archive, which has now been viewed more than 120,000 times.

Events such as the Shared Perspectives conference, held in Fort William were hybrid, with a live and online audience, and events such as the Heritage and Screen Mixer, or some of the advisory sessions with producer Jason Lust, were also live.

A total of 520 unique enterprises were supported in 2023/24. 1,374 since the beginning of the project. 439 unique enterprises have now received in excess of 7 hours support, with a further 50 having received in excess of 35 hours of support.

XpoNorth Digital offers:

1. **Tailored Advisory Services:** Providing personalised 1-2-1 specialist advice to enterprises, ensuring bespoke support aligned with individual client needs.
2. **Knowledge Dissemination:** Conducting webinars and workshops, complemented by an on-demand archive of content, fostering continuous learning and skill development.
3. **Global Collaborations:** Facilitating access and collaborations with key global industry decision-makers – a reach that currently cannot be matched by any other organisation in Scotland – and establishing and supporting networks at a local, national, and international level.
4. **Hybrid Networking Events:** Organising hybrid networking events, bridging the gap between industry players and academic research, fostering synergies and knowledge exchange.
5. **Opportunities and Support for Youth:** Offering platforms for direct pitching for work, along with a dedicated program to enhance the employability of UHI students and other young people and aims to address identified skills gaps and retain young talent in the region.

## XpoNorth review findings

The three independent evaluations carried out on XpoNorth have all identified that the programme is excellent value for money, highly regarded and has an international reputation for its ground-breaking approaches to supporting the sector. Importantly, XpoNorth Digital has given HIE a significantly greater reach into the region's business base and offers a low-cost, high-impact service, demonstrating scalability and providing replicable models adaptable to most other sectors.

### Key findings:

1. Cost-Effective and Scalable Service
2. Increased HIE Reach and Reputation
3. Growing Demand for Creative Skills from other sectors
4. Importance of Sectoral and Expert Knowledge
5. Support for Innovation in Business Models
6. Critical Role of Networking
7. High Demand for XpoNorth Support: More than 75% of respondents would approach XpoNorth for support in digital working, new business models, funding, marketing, mentoring, and networking.
8. Synergies Between Programs: Strong connections between programs, such as XpoNorth and Innovation Service, provide added value. 40% of XpoNorth participants anticipate developing new products or services because of support.
9. Digital Delivery and Face-to-Face Balance: While digital delivery is welcomed for some services to increase accessibility, face-to-face interactions remain pivotal for others.
10. Quantitative Benefits: Evaluation during Covid lockdowns showed a Return on Investment (ROI) of over £2 for every £1 invested at a Highlands and Islands and at a Scottish level.
11. Qualitative Benefits Measurement: Qualitative benefits include increased confidence, improved market knowledge, new connections, enhanced regional reputation, and reduced isolation for businesses in rural locations.
12. Leadership and Management Emphasis

### Case studies:

**1. Collaboration:** XpoNorth Digital's collaboration with Smartify, has resulted in an accelerated transformation of business models by small museums that would not have been achieved otherwise: new partnerships – academic and other museums; 60% of those now engaging are new international audiences.

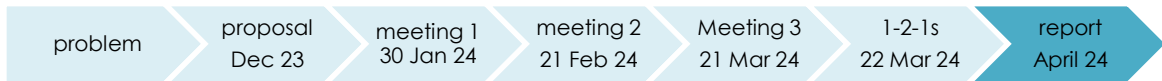
**2. International Recognition:** XpoNorth Digital's invitation to join the international council of the Project Management Institute (PMI) – an international networking organisation with 3m members -has led to global recognition, networking opportunities CEO level – including Deloitte, Intel, Google, Apple, IKEA, Petronas, NASA etc.

**3. FutureCreative and Skills Development:** FutureCreative, was developed as an interface between UHI students and industry. It has facilitated skills development through workshops, expert residencies including Jason Lust, and collaborations, resulting in new start businesses, film sales, work placements, and international recognition for students. There have also been additional training programmes such as the Synch workshops which have seen students successfully license/sell music for tv and advertising. The programme has also spun off a new CPD product which commenced in 2023/24.

**4. Pitching and Webinars:** Annual events like the Twitter Pitch and Synch Boot Camp, along with webinars covering diverse topics, highlight XpoNorth's commitment to fostering talent and providing platforms for creative professionals to learn how to approach the market and create the opportunity to make these approaches. All have resulted in sales and contracts. The 23/24 Twitter pitch had a total reach of 5.7m people.

**5. Hybrid events,** such as Shared Perspectives, which bridges local enterprises with cutting-edge academic research, along with the forthcoming Content Accelerator project, underscore XpoNorth Digital's dedication to networking, knowledge sharing and ongoing innovation. The Content Accelerator is poised to leverage international industry insights to streamline processes for micro-businesses and SMEs, facilitating the creation of new products that can reach the marketplace quicker.

## PROJECT PLAN – SCREEN VISIONING



PLAN		
Project		<p>Bring together a small group to discuss the challenges faced by small tv and film production businesses due to changes in the commissioning landscape. Identify alternatives:</p> <ul style="list-style-type: none"> <li>• help rethink business models,</li> <li>• how new content can be produced,</li> <li>• what the new markets might be and</li> <li>• how barriers can be reduced allowing content to reach the market faster. Protect and retain jobs in the region and encourage new entrants to live and work in the region.</li> </ul>
Skills	Visioning group requirements.	<p>Screen sector, digital distribution of content, other digital content markets, tech – platforms and solutions, innovation, network access/contacts, investment, international models, knowledge and data management systems, global markets.</p> <p>Understanding of sector in Scotland and Gaelic TV.</p>
Activity	Meeting 1	2 Hours: Introduction to all participants, outlining the current state of play in the Highlands and Islands and in Scotland, what are we trying to achieve, and initial thoughts and examples. Send summary out.
	Meeting 2	2 Hours: Reflect on possibilities and ideas from session 1. New ideas and discussion points with potential priorities. After session 2, send out a new summary of all the ideas and discussion points and some potential priorities.
	Meeting 3	2 Hours: Discuss the summary and priorities and specific questions posed. What are the next steps? Would you work on any elements of this with us?
	1-2-1 clear up	Discussion with anyone who missed a meeting, answer specific additional questions.
Output	Final report	Draft to group, amend and prepare for distribution
	Distribution list	MG Alba, HIE, Screen Scotland, Scottish Government, Creative Scotland, Skillset, UHI (University of the Highlands and Islands), other academic institutions, download available for businesses, Screen Commissioners (Local Authorities), BECTU, SOSE (South of Scotland Enterprise), SE,
	Assess process / lessons learned	Assess and amend process. New visioning exercise planning
	Development / delivery Team	Jeni Oliver, Jessica Fox, Alex Smith, Iain Hamilton

## VISIONING GROUP PARTICIPANTS

**Michela Magas:** is an innovation catalyst who bridges the worlds of science and art, design and technology, and academic research and industry, with a track record of over 20 years of innovation. She is an innovation advisor to the European Commission, and the creator of Music Tech Fest and Industry Commons. She has worked with clients including Apple, Nike, FIFA/ Global Brands, Microsoft Research, and many others. European Woman innovator of the year in 2017, the first woman from the creative sector to do so.

**Jason Lust, Soluble Fish Productions:** Jason was an original founder of prolific management and production company Circle of Confusion, which was responsible for The Matrix Trilogy and The Walking Dead. He then joined The Jim Henson Company where he ran the production division for film and produced Alexander and The Terrible, Horrible, No Good, Very Bad Day. While at Henson he developed new works for legacy projects: Fraggle Rock, The Dark Crystal, and Labyrinth. More recently Jason partnered with The LEGO Movie producer Animal Logic Entertainment where he conceived and produced Peter Rabbit, grossing \$350M worldwide and a sequel. Jason is presently developing projects with Heyday and has a joint venture with Altitude films, UK. Jason also executive produced Guillermo Del Toro's Oscar-winning Pinocchio.

**Rod Butler, VP Content & Regulatory, Canada Media Fund:** Rod is responsible for developing CMF policy, analysing, and advising on legal and regulatory issues that impact CMF. Prior to joining CMF, Rod worked at the Writers Guild of Canada and Entertainment One. A lawyer, Rod obtained his Bachelor of Laws (LLB) from Queen's University and his Bachelor of Arts (Hons.) degree in Media, Information and Techno culture from Western University.

**Thanos Kokkiniotis, Co- founder, Smartify:** the world's leading museums and galleries app and fastest growing company in the sector, with 5.5 million current users and over 700 partner cultural institutions. The app includes everything from the National Gallery, London, and the Smithsonian, to small regional museums in the Highlands and Islands.

**Ed Hoffman, Ph.D.** is a Lecturer for the Master of Science in Information and Knowledge Strategy (IKNS) program at Columbia University's School of Professional Studies and CEO of Knowledge Strategies, LLC, a consultancy providing services to a wide range of organisations including the Scottish Government. He is also the Strategic Advisor to the Project Management Institute. Previously he spent 33 years as a senior executive at NASA becoming the first Chief Knowledge Officer there in 2011. He also ran the NASA Academy of Program/Project and Engineering Leadership, which became the top-rated Project Management Academy in the world. He received the NASA Outstanding Leadership Medal in 2010.

**Alexander Knetig, Head of Digital Distribution, ARTE** - Alexander runs teams responsible for the distribution of the programs of ARTE in six languages (French, German, English, Spanish, Polish, Italian); on Arte's own platforms (website, apps, Smart TV), as well as through presence on social media. They also look after the programming of the channels (TV replay and web only) programs throughout these platforms. Alexander was previously editor in chief of ARTE Creative, the young cultural platform, and was involved in some of ARTE's most award-winning interactive web-productions as well as interactive movie projects created with international partners like Mozilla and Google.

**Domhnall Caimbeul, CEO, MG Alba,** joined MG Alba in 2006 and was instrumental in the establishment of the partnership that launched the Gaelic TV channel BBC ALBA. Domhnall chairs the joint management board of BBC ALBA and has previously been Chair of the Celtic Media Festival.

**Lynne Cadenhead:** Entrepreneur and investor, Lynne has over 25 years' start-up and equity investment experience and is currently CEO of her third start-up company. She is a founding director and Chair of Mint Ventures, a women-led business angel group and a member of the UKBAA Women Angel Task Force. Lynne is also Chair of Women's Enterprise Scotland and serves on the Scottish Government's National Council for Economic Transformation, influencing women's entrepreneurship policy at a national and international level. With a wide range of policy, strategy, scientific, marketing, investment and entrepreneurial experience, Lynne specialises in supporting entrepreneurial companies and ecosystems to scale-deep with an emphasis on leadership, governance, and fundraising.

**Andrew Dubber, Director of MTF Labs and a Senior Researcher and Steering Board Member at the Industry Commons Foundation.** He is an author, academic, media producer and broadcaster who works primarily within the digital creative sector. Dubber's work is characterised by his interest in emerging technologies and by the cultures and ethics surrounding them. As Director of MTF Labs, he has developed international initiatives focused on issues of justice, inclusion, and sustainability, using collaborative experimentation as a tool for innovation. His experience includes advisory roles for organisations like Bandcamp, as well as producing the international award-winning documentary film *Wetlands*. With a background in both academia and media production, Dubber brings a multidisciplinary approach to his work at the intersection of technology, culture, and the creative industries.

**Russell Finch, Senior Producer, Wondery:** Wondery is an American podcast network and publisher of podcasts including *Dirty John*, *Dr. Death*, and *The Shrink Next Door*. Wondery was founded in 2016 with backing from 20th Century Fox, now an Amazon company. Russell delivered Wondery's first UK podcast which went to no 1 in the UK podcast charts, as well as other award-winning podcasts such as *Time Flame* (no 1 US podcast charts). Has worked as a freelance producer and podcast consultant working for Radio 1, 2, 3, BBC World Service amongst others and his recent podcast *Who Killed Daphne?* won gold for true Crime Podcasts at both UK and US Podcast Awards.

**Tim Wright, co-founder Twintangibles and XpoNorth Digital Specialist advisor:** A leading thinker and practitioner on crowdfunding, Tim co-founded Twintangibles, a Scottish based management consultancy that helps organisations create value through accessing the crowd economy. Tim has provided expert insight to the OECD (Organisation for Economic Cooperation and Development), European Commission and the Scottish Government and is author of *The Scottish Crowdfunding Report*. Previously Tim has worked for Egon Zehnder International and McKinsey & Co and several other highly respected organisations.

**Jessica Fox, director, author, co-founder of Innerwell Media, specialist advisor for XpoNorth Digital:** has over 15 years of directing experience with credits that span award-winning film, theatre, and TV. Her memoir, *Three Things You Need to Know About Rockets* was Waterstone's Book of the Month and is in development with Endeavor Content. Innerwell Media's film, *Stella*, a period-drama feature set in Galloway, Scotland won Best Drama at Tel Aviv International (2023) and Best First-Time Filmmaker at Montreal Independent Film Festival (2022). She also consults for science organisations and start-up companies in the UK/US looking at storytelling, creativity, and communication (nerd-whispering). She was resident storyteller at NASA. Her current book, *"Once Upon a BioFuture"*, a collaboration with Edinburgh University's Synthetic Biology Lab is now out.

**Brian MacLaren, Managing Director, EKOS** -Brian is responsible for the ongoing development of the consultancy. He began his career in academic research before moving into public policy and research roles in culture and economic development and then into private consultancy. His research interests focus on creativity, innovation, and public service development, and he has particular expertise in creative and digital industries, higher education, arts and culture, sport and leisure and innovation policy and practice. Brian has high level skills in the design and delivery of a

wide range of quantitative and qualitative research methods, including financial and economic appraisal and impact assessment. He advises clients across the UK including national and local government, development agencies, broadcasters, and universities. Outside of work he has held various Board positions with leading arts organisations in Scotland.

**Alex Smith, Project Manager, XpoNorth Digital**

**Iain Hamilton, Head of Creative Industries, Highlands and Islands Enterprise**

**Jeni Oliver, Sr. Development Manager, Creative Industries, Highlands and Islands Enterprise**

**Also attended:**

**Stuart Black, CEO, Highlands and Islands Enterprise**

**Alistair Dodds, Chair, Highlands and Islands Enterprise**

## MEETING SUMMARIES

### Meeting 1: 31 January 2024

#### Outcomes of process

1. Increased content being made in the region and increased sales/revenue generated.
2. We have a set of priorities and ideas. This would then be split by work for XpoNorth or work for academics or Scottish Government etc. This information then be shared widely.
3. Start to see businesses notice the themes themselves.
4. Potential for collaborative projects and seeing these develop.
5. Feedback to allow us to refine how we have done this exercise so we can use it to address other problems.

This is the first of 3 visioning sessions to be followed up with a report which will outline areas of opportunity and how they might be approached. The report will be made available to businesses, agencies etc to encourage change. XpoNorth Digital will also look at what elements they can deliver. A record of each session will be circulated along with a recording which was agreed by all participants. Session 2 will start to raise ideas and possible opportunities and approaches, which will be refined and prioritised in session 3. The draft final document will be sent to all participants for sign off after session 3.

#### Discussion

#### Highlands and Islands Enterprise (HIE)

The agency's role is to foster community and economic development on the Highlands and Islands, a rural area covering half of Scotland, but with a relatively small population. HIE seeks to encourage people to live, work, study and invest in the region. HIE has supported the Creative Industries since its inception, because of the benefits the sector brings in economic and cultural terms, and because of the opportunities it offers to raise the profile of the region internationally, and to produce products and services for local, national, and international markets.

#### Strengths and opportunities

- Scale of businesses: the businesses in this sector are predominantly small but create scale through collaboration. There are structural barriers, including in the support available from support agencies so the structure does create challenges. However, scale need not be a barrier to economic growth.
- Access to networks and markets is crucial for the region's businesses, to open new collaborations and innovate new products and services. Distance from market can be a challenge, but as Covid lockdowns have demonstrated, physical proximity is not everything. XpoNorth has a great track record of connecting with key global networks and decision makers for the benefit of the region.
- Access to finance is recognised as a significant issue for the sector, not just in the Highlands and Islands. In the current climate, there is a need to innovate new solutions and place less reliance on public sector funding.

**Monetising short form content:** a major structural problem as the traditional business models and support opportunities do not encourage this approach. Changing consumer demands, different distribution models, and successful examples discussed illustrate potential strategies for improvement.



**Strategic approach to brand building:** The importance of a strategic approach to brand building was highlighted, with discussion on how to lever more from partnerships and merchandise to monetise content more effectively.

**Platform differentiation:** Different platforms, such as YouTube and TikTok etc were discussed in terms of their suitability for various types of content and monetisation strategies. As Arte clearly demonstrated, significant impacts can be achieved, and the types of content being consumed on platforms such as YouTube vary significantly. Whilst they have developed an audience for longer form factual content on YouTube, developing an audience for long form fiction on YouTube is a real challenge. More work on this differentiation would be useful. Smartify highlighted how their platform uses a distribution hub model to significantly multiply reach and consumption. How do we engage more effectively with different platforms?

**Visibility and engagement:** Being heard above the noise is a challenge, and strategies for achieving visibility and engagement, including use of crowd economy models were explored.

**Talent Development:** New entrants are not wedded to traditional models and see themselves as content creators, rather than being focussed on specific areas of activity and markets. The importance of talent development and cultivating relationships with brands and agencies was highlighted, especially in the context of new entrants' and the next generation of content makers. Working in a large company offers experience across multiple departments. Co-ordinated sharing of trainees across businesses required the Highlands and Islands. Developing digital skills and skills as disruptors, creates new jobs and vitally changes the challenge of brain drain, instead the knowledge and skills bring work into the area that can be delivered from anywhere.

**Funding and finance structures:** The discussion looked at how open traditional funding structures in Scotland are, and where the blockages fall in securing finance or a commission for content production. Also discussed need to change shape of funding and finance models. Seeking introduction of potentially smaller amounts of finance introduced at different points in the development process allows for proof of concept activity, faster success or failure and thereby changes the risk profile. More research is required to look at finance options and whether it is possible to encourage more flexibility in their finance offerings.

**Role of broadcast media:** The role of broadcasters was discussed. Whilst they still have an important role to play, it was agreed that there is without question a need to adapt in a rapidly evolving media landscape. The importance of the role of brands as new broadcasters highlighted.

**Collaboration:** is essential. Making collaboration easier by identifying skills and contacts available.

## **Conclusion**

Emphasised the need for broader thinking about opportunities in the region's creative sector, especially around growth and innovation.

There are challenges for smaller businesses in particular navigating complex funding and finance structures, with a call for increased support for aspiring content creators.

Overall, the discussions provided valuable insights into the dynamics of the creative and economic ecosystems in the Highlands and Islands and Scotland, highlighting the challenges that need to be addressed as well as the opportunities available.

## Meeting 2: 21st February 2024

### Discussion

**Indigenous stories with global appeal:** Participants emphasised the need for a regional voice that resonates universally, citing examples like Hannah Bailey's film funded by Patagonia as a successful model. Australia's indigenous storytelling was highlighted for its ability to penetrate global markets, underscoring the importance of drilling down into this approach.

**Streaming platforms:** Despite challenges, platforms like Netflix do offer opportunities to showcase short regional films that traditional commissioners might not risk. Regional stories are deemed 'exotic' yet relatable, presenting a chance to re-evaluate target audiences and explore partnerships with platforms.

**Brand partnerships and collective storytelling:** There was consensus on the strength of stories to engage audiences if there is a platform to reach them. Participants discussed aligning brands more effectively with storytelling, making greater use of platforms such as Smartify for distribution, and with brands which thrive on storytelling.

**Unique voices and identity:** The discussion revolved around the significance of unique voices, visual identities, and storytelling methodologies in collective storytelling. The focus shifted from individual programmes to a collective approach that ties into brands and identities, fostering stronger audience engagement.

**Smart partnerships and distribution:** Smart partnerships emerged as a viable strategy for expanding distribution networks, with Smartify's B2B2C model in arts and culture being an example. The importance of creating robust distribution networks through collaborations with larger companies/brands was emphasised.

**Accessing networks and finance:** Challenges related to accessing networks and finance were highlighted prompting suggestions for crowd sourcing contacts and exploring crowd funding and collaboration models. Co-creation initiatives faced hurdles regarding IP (Intellectual Property) ownership. Blockchain solutions show promise. Discussion also looked at scalable lab models and the adoption/collaboration with the lab model developed by MTF.

**Collaboration, leadership, and strategic planning:** A collaborative approach was deemed essential, especially considering the complexity of the industry. Participants stressed the need to move away from heavy reliance on public sector funding and explore approaches to finance and skill acquisition.

**Conclusion:** The discussion highlighted the global appeal of indigenous storytelling, exemplified by successful models like Hannah Bailey's film with Patagonia. Streaming platforms such as Netflix offer opportunities to showcase regional stories to broader audiences, necessitating re-evaluation of target demographics and partnerships. Aligning brands with storytelling emerged as a key strategy, alongside leveraging digital platforms for distribution and promotion. Unique voices and collective storytelling approaches were emphasised for engaging audiences, while smart partnerships were identified for expanding content distribution networks. Challenges in accessing networks and finance prompted suggestions for crowd-sourcing contacts and exploring crowdfunding and blockchain solutions. A collaborative leadership approach was deemed essential for navigating industry complexities and moving towards sustainable financing and skill acquisition strategies beyond public sector funding.

## Meeting 3: 21st March 2024

### Discussion

**Workshop Development:** The suggestion of creating workshops for screen businesses aimed to provide development guidance with a focus on expanding sales potential beyond traditional avenues. This included exploring alternative formats such as podcasts, books, and merchandise to maximize revenue streams. Additionally, there was a discussion about incorporating students into these workshops to provide them with practical learning experiences within the industry.

**Project Advancement:** • Work undertaken by Jason Lust to create a mechanism to advance selected projects to market readiness more efficiently was noted. A desire for more focused workshops dedicated to discussing ideas and strategies for project advancement within the screen industry was put forward.

**Information Management:** Participants emphasized the importance of carefully managing information sharing within these initiatives, deliberating on what aspects should be shared openly and what should be kept confidential due to intellectual property (IP) considerations.

**Approach Suggestions:** Two distinct approaches were proposed and deliberated upon. One involved organizing hackathon-style events focused on content repurposing and innovative market strategies. This approach was considered a valuable way of creating opportunities for aspiring new entrants and leveraging more from existing assets. The shortcomings of traditional hackathons were discussed, and innovation models like MTF (Music Tech Fest), which focus on fostering sustainable collaborations and transparent management of intellectual property rights (IPR) advocated. Success stories from MTF projects such as a recent project on food sustainability with a leading food manufacturer, led to an interactive film development and demonstrated the value of interdisciplinary collaboration in generating innovative solutions. It also serves to illustrate how cross-domain collaboration can produce access to finance. Participants expressed an interest in looking beyond the creative sector and exploring new collaborations and opportunities, particularly in areas such as net zero and sustainability. It was highlighted that workshops should cater to different audience segments and objectives. Some workshops would be open to everyone, while others would be tailored for selected participants, recognizing variations in expertise and interests.

These discussions also touched upon the potential of delivering these at national and international events such as Cannes or Berlinale to expand networks and collaborations and build on the networks developed by XpoNorth Digital.

**Funding Models and Shared Spaces:** The group acknowledged the need to diversify funding models beyond reliance on public funding. Additionally, discussions addressed ideas around the transformation of unused spaces into creative hubs. Geographic challenges were recognised.

**Crowd Engagement and Data-driven Insights:** The potential of crowd economy models as a means to de-risk projects and validate ideas was explored. Participants discussed leveraging large datasets from crowdfunding platforms to gain insights into market trends and inform project development decisions. This would provide excellent pre-marketing data. An approach to a company like Amazon to partner with an approach like this would provide incredible post-marketing data. More research is required to see whether this approach is feasible.

The importance of iteratively refining content based on audience feedback and market dynamics was underscored.

**Support for Talent Development:** The abundance of talent in the Highlands and Islands was acknowledged, along with the challenges faced by emerging talent in navigating market shifts and accessing opportunities. Efforts by organisations such as XpoNorth Digital to support students and young professionals at various stages of their careers were highlighted, emphasizing the need for infrastructure that is flexible and supportive of long-term career growth.

**Example Projects and Collaboration:** Example projects developed by Arte, such as Fort McMoney and the Type:rider game, were discussed in the context of successful collaborations that leveraged distribution platforms and networks to achieve artistic and commercial success. Fort McMoney was an expensive international collaboration. The Type:rider game is perhaps a better example, as a smaller project that was particularly successful, being spotted and highlighted by both Apple and Starbucks, and going on to achieve in excess of 5m downloads.

**Collaboration and Co-creation:** There was an emphasis on bridging language barriers between different sectors and industries to facilitate collaboration and co-creation. Prototyping and showcasing case studies emerged as effective strategies for illustrating successful collaborative efforts.

**Collective Support:** The meeting concluded with a very welcome sense of collective support and goodwill towards the ambitions of the Highlands and Islands, highlighting the importance of ongoing collaboration and cooperation among stakeholders.

**Conclusion:** the discussions highlighted the imperative of workshops tailored to diverse audience segments and objectives, emphasizing the need for focused sessions on speeding up the advancement of projects, information management, and innovative funding models. Leveraging national and international events for workshop delivery was proposed to expand networks and collaborations. Diversifying funding models beyond public funds was recognised as crucial. Additionally, the potential of crowd economy models for de-risking projects and validating ideas was explored, alongside efforts to support talent development in the Highlands and Islands. Successful collaborations, exemplified by projects like Arte's Typewriter Game, underscored the value of collective support and cooperation among stakeholders for the region's ambitions.

## STRENGTHS AND WEAKNESSES

### Strengths

- A core base of production companies with solid skills base
- Producers passionate and rooted in the stories and culture of the region of the region.
- Strengths in factual and documentary.
- Good connections with S4C and TV4 for co-productions.
- A flow of young people coming from UHI, and other sources interested in developing media skills. Young media professionals with experience in Gaelic Media. Young people already have significant digital skills that can be re-applied to business.
- A growing number of writers in the region.
- Increasing digital skills available
- Increasing access to national and international networks (needs to be strengthened further). A lot of goodwill for businesses in the Highlands and Islands from these networks.
- Diversity – high percentage of women, geographic diversity

### Opportunities

- A growing demand for authentic stories coming from the region, but across multiple platforms rather than linear broadcast.
- Growing demand for digital and storytelling skills from other sectors.
- Growing opportunities from the movement of brands into the 'broadcast' space.
- A range of platforms offering the opportunity to distribute and monetise content.
- Streamed content market growing.
- Increased amounts of advice and support available to identify areas of innovation and help access new markets.
- Significant opportunities for international co-production.
- Increased opportunities to generate new revenue streams.
- Increased opportunities to collaborate with and learn from other sectors including other creative sectors.
- Develop specialist women's sessions

### Weaknesses

- Over dependence on public funding and on single broadcaster.
- Need to learn more from other sectors in terms of new approaches to content creation and development.
- Access to finance, networks, and markets.
- Lack of knowledge on potential new revenue streams, products, and services.
- Young people, students need better connectivity with industry while learning and in the early stages of their careers.
- Increase knowledge of business and legal.
- Too many productions are for single use, without exploring wider opportunities – other distribution options, licensing, and merchandising.
- Support organisations often not geared up to deal with small production companies effectively, and the value of the sector not fully understood.
- Confusion between 'arts' projects and commercial opportunities – support and strategy development
- Not enough collaboration between creative sectors.

## ISSUES AND RESPONSES

Before moving to the challenges and activity proposed, a few points need to be highlighted.

- The report and proposed activity will not solve every challenge in the sector but should kickstart collaborative approaches for practical help.
- The suggested activities do not aim to replace engagement with commissioners and traditional models, but to expand the options available.
- Recommended activities will evolve based on experience, available resources, participant expertise and by the specific needs of an area.
- The activities aim to enhance connectivity between organisations and producers without replacing successful existing initiatives, and particularly emphasising the importance of the availability of specialist advice.
- Short term activity that HIE/XpoNorth currently intend to undertake are marked \*

### Audience: established businesses

Issues identified	Responses
Encouraging more local collaboration	<p>Mixer events with other sectors – story telling e.g., recent mixer organised by XpoNorth Digital for heritage professionals, screen production and writing. Museums pitched their stories. Two screen projects are being developed from it. *</p> <p>Pitch and Mix - Small fund offering c.£5k. Selected pitches get a small amount of development money. The events bring together people from diverse backgrounds who might collaborate on new approaches, bringing additional skills.</p>
Accessing industry knowledge and scale	<p>Specialist advice service. *</p> <p>Potentially develop collaborations with larger production companies</p> <p>Webinars/workshops and archive *</p> <ul style="list-style-type: none"> <li>• rethinking exports</li> <li>• new business models</li> <li>• what different platforms can offer?</li> <li>• Crowd economy models – building an audience and maximising returns – A&amp;R, income, PR, data.</li> </ul>
Connecting with platforms and customers/commissioners of the future	<p>Meet the platforms - Who uses them, what kind of content, length of viewing etc. monetising, revenue streams etc. *</p> <p>Developing relationships with the platforms – for collective access e.g., excellent working relationship currently with STV platform*</p>
Telling the story – why creative skills impact on all sectors.	Workshops/webinars, archive – creative skills and non-creative businesses why you need creative skills and storytelling*
Support to accessing new markets faster and removing barriers to access.	Content accelerator: Develop a programme for different screen and digital media options and design support frameworks to help get them to market faster and more effectively.

## Audience: new entrants

Issues identified	Responses
Lack of confidence has been identified in current work as one of the serious issues facing young talent.	Being 'pushy' is possibly not a Highland characteristic or perhaps it is a result of Covid, but there is clear evidence of a lack of confidence. Experience shows young people producing great ideas but struggling with the final stage of approaching a producer, commissioner, funder, or work experience opportunity more difficult. Look at the potential to include support around wellbeing and mindset.
The route to a career in the sector is not immediately obvious – cannot easily apply for a job. Careers advice not easily available.	Support SDS and others in careers: <ul style="list-style-type: none"> <li>• to provide increased guidance, notice board of opportunities etc. Webinars of successful businesses etc. *</li> <li>• Events – live or online – introducing teachers, pupils considering FE and HE, and parents, highlighting opportunities, challenges, and requirements. Create an archive of on-demand content. *</li> </ul>
Lack of connectivity between young people and the sector, including during FE/HE careers.	Future Creative: build on the programme of activity offered by XpoNorth Digital through its bespoke suite of customised support for 'creative' students. Extend to wider humanities and business students. Non-academic route to be established allowing transfer between academic and non-academic routes. Webinars, workshops, placements etc. *
FE/HE – for anyone outside FE/HE, working with institutions can be challenging, depends often on enthusiasm of individuals.	Research ways to improve understanding of academic partnerships and how to manage effectively
Access to good quality information	Promote notice boards – ensure easy access to news and opportunities. Ensure accuracy and clarity. *
Lack of awareness of the value of digital skills.	Including wider understanding of the value of current digital skills and confidence building exercises. *
Require opportunities to gain skills that allow employment.	Look at the potential for production companies to work together to give young people experience of a variety of different roles, making them more employable freelancers etc.  Look at opportunities to have young people/aspiring new entrants take unused archived content and turn it into new products.  Identify and promote the various schemes offering training and experience*

## Accessing finance

Issues identified	Responses
Monetisation models on different platforms are not all settled. New routes to finance needed. Traditionally Creative Industries considered complicated to invest in. Availability of public sector finance currently very limited.	<p>Explore monetisation models on different platforms Research required on these elements. *</p> <p>Explore options to address lack of funding available for short films, online content.</p> <p>Explore greater connectivity with investors e.g., linked angels' group to have representatives attend Screen Writing Festival to learn more about the sector and the opportunities for investment. Build on this.</p>
Encourage the adoption of new finance models and revenue streams	<p>Webinars/workshop and archive of potential monetising models*</p> <p>Support/encourage uptake of crowd economy models including patronage sites.*</p> <p>Further research on finance options. (See also innovation funding)</p> <p>Explore potential of a fund to encourage collaboration and to allow travel to international trade events.</p> <p>Start delivering webinars of alternative finance options, including working with brands, crowd economy models, membership platforms etc*</p>
Innovation funding – barriers of scale	<p>Whilst there are R&amp;D and innovation grants available, there is a gap in options tailored to the challenges faced by small creative businesses in rural regions like the Highlands and Islands. Often the innovation supports sits within a much larger programme that is inappropriate for the region's micro and small businesses. Addressing this requires smaller-scale grants that accommodate longer support periods, better reflecting the innovation process and the necessity to de-risk the range of research and bench-pressing likely to be required. It needs also to recognise the realities of a rural region, e.g. the region was effectively ruled out of funding for AHRC (Arts and Humanities Research Council) cluster development, because geographical clusters are challenging for widely dispersed communities and enterprises. Further research is required to develop a compelling case to influence innovation funding.</p>



## Smart and brand partnerships

Issues identified	Responses
Collaborating with brands and other larger scale strategic partnerships	<p>Adapt tried and tested CPD model to bring together brands with businesses ready to work with them. Training from buyers on how to approach, pitch and work with brands - where are the opportunities, how to access and how to pitch and how to manage unevenly weighted partnerships. *</p> <p>Advice and guidance on what brand partnerships and licensing looks like.</p> <p>Co-ordination of suppliers – allowing easier team building for enquiries and pitching</p> <p>Advisory sessions on legal/contractual implications</p> <p>Certificate/award for supporting the Highlands and Islands</p> <p>Develop new/better links with SDI (Scottish Development International) Global Scots,</p>
Develop opportunities for collaboration with larger partners	Assess opportunities to create new collaboration opportunities. E.g., XpoNorth Digital/HIE are members of Global Executive Council. Platform to develop new opportunities, with a global organisation, who's membership is largely global companies. *
Access sustainable cross sectoral, sustainable innovation labs	Explore Lab model options and look at potential to collaborate with existing models such as MTF
Getting heard above the noise and increasing reach.	<p>Identify new content distribution hubs.e.g., Smartify maximise their reach by providing the promotional content in the app, but each of the museums individually extends the reach of the app.</p> <p>Research on potential of different platforms to carry new content.</p> <p>Research option of influencers hosting and promoting content.</p> <p>Look at opportunity to create certification/recognition for people supporting the region.</p> <p>Extend beyond the creative industries.</p>
Co-creation requires proper allocation of IP.	<p>Valuing IP – arrange support to attach value*</p> <p>Research models that allow proper tracking of IP in co-creation.</p>

## Data

Issues identified	Responses
Data driven projects and approaches, better use of data and understanding of potential value of data.	<p>Research - validation of ideas through crowd economy models e.g., scraping data from crowd funding platforms – what types of content attract the most engagement and why?</p> <p>Webinars on using data effectively, and downloadable fact sheets to strengthen pitches and give comparative figures – what is a ‘good’ number of followers on social media, how many views are good e.g., Iron Sky. A Crowd Funding programme was launched to raise money to manage the crowd and to get data. The data from this and the relationships with audience allowed a successful pitch to distributors which funded the film.</p> <p>Research – the value of the data a business holds – maximising the returns</p>
Accessing existing research	Marshalling resources annual round up of research from universities etc and what small businesses can use or engage with. Previous examples undertaken Augmented Fashion and now tech solutions for creative businesses. Delivered in conjunction with Interface.
Support to access streaming channels	Develop additional networks*
Crowd economy models to maximise consumers.	Research and webinars on crowd economy. Look at how to build online audiences, maximising benefits gained from them – R&D, data, PR, money. Case studies. *

## Maximising returns

Issues identified	Responses
<b>Maximising content usage</b> - Where else, how else can it be used?	Advisory sessions, including support to identify ways of extending the life and returns on an idea. *
Webinars/workshops – brand partnerships and licensing, merchandise	Introduce mechanism to support this, including legal and business advice.

## A unique voice and identity

Issues identified	Responses
How to create a unique regional voice	Research a collective approach that ties into brands and identities, storytelling and fostering stronger audience engagement.
Develop specific opportunities and support activity for women, ensuring appropriateness.	Further research required on this topic and on how to be more pro-active to support neuro-diverse and disabled clients.
Continue to foster Gaelic content.	Deliver webinars/workshops in Gaelic where possible and ensure that Gaelic content and clients are serviced appropriately There are already specific workshops being delivered in Gaelic, from shared experiences with Cape Breton to Digital Marketing. Gaelic content creators on XpoNorth Digital panel at Screen Writing Festival etc. This can all be built on. *
	Research on opportunities to take Gaelic content further

## PR and support information

Issue identified	Responses
Where is support available for short form films, interactive media projects etc? Requirement for some public funding for short form films and innovative approaches. Not currently available.	Case studies archive, news items etc co-ordinated promotion*
	Promotional programme – why you need creative skills and storytelling
	Certificate/award for supporting the Highlands and Islands

## Long term strategy

Issue identified	Response
What next?	Build on initial work – research and develop a long-term strategy.

## ADDITIONAL RESEARCH REQUIRED

<b>Access to finance and monetisation</b>	Research monetisation models on different platforms, on short form films etc. How to increase and develop greater relationships with small investors. Research on grants and funding including Innovation and R&D grants – look at scale, who they target, creating longer term engagement with companies. Can the shape of the grants be made more flexible to ensure appropriateness for small businesses and the stages of development to allow more targeted funding which help to de-risk development work.
<b>Platforms</b>	Research around platforms and collaborations that will create hubs that extend the reach of messaging from businesses and access to their content. Research on potential of different platforms to carry new content and the potential use and impact of influencers to host content.
<b>Collaboration</b>	Research a collective approach that ties into brands and identities, storytelling and fostering stronger audience engagement – unique regional voice. Research models and options for collaboration amongst service suppliers to create scale and easier access to suppliers/service providers.
<b>Data</b>	Research additional income opportunities from data exploitation. Explore options for partnerships with platforms e.g., crowd funding and sales platforms to validate ideas for content, identify trends and markets in real time.
<b>Innovation</b>	Research on Innovation Lab models options and look at potential to collaborate with existing models such as MTF.
<b>New entrants</b>	Explore options for giving young people access to content and developing their own routes to exploitation – approaches to social media etc. How can we more effectively utilise the numbers of young people working in Gaelic media, who are developing their own careers very effectively? Industry links with academia. Look at potential of FutureCreative programme with UHI, increasing usage of student and graduate placement option. How can we more effectively work with and manage partnerships with academia?
<b>Other</b>	Research on confidence and entrepreneurial activity. Desk research on equalities and inclusion

## CONCLUSION

It is evident that many production companies are grappling with significant challenges in today's climate. Whilst some may seize opportunities to overcome these obstacles, it is important to recognise the daunting task many will face in re-imagining their business models. Despite the inherent risk in trying something new, the greater risk lies in not diversifying options.

Whilst there are constraints on public sector support due to financial limitations, it is imperative to provide as much practical assistance as possible. This report is intended to encourage conversation and offer actionable steps that can be implemented quickly.

Several key insights have emerged from the report, including the potential value of content originating from the Highlands and Islands, the need for support to reduce risk for new ideas, products and services, and the importance of introducing digitally skilled youth into the industry. Additionally, there is a call for improved access to information, networks and partnerships and new finance options that will foster growth and innovation.

Whilst HIE / XpoNorth Digital will endeavour to implement many of the identified actions, collaboration and support from others is essential. We welcome input and partnerships to collectively advance the goals outlined in this report and sustain the vitality of the sector.

## INTERNATIONAL CASE STUDIES

### Canada Media Fund

Canada Media Fund was established to foster, promote, develop, and finance the production of Canadian content and relevant applications for all audiovisual media platforms. To guide Canadian content towards a competitive global environment by fostering industry innovation, rewarding success, enabling a diversity of voices, and promoting access to content through industry and private sector partnerships. CMF had a budget of \$356.8m (Canadian) in 2023/24 which is funded by the Canadian Federal Government and a range of other partners. Their support programmes cover not only TV production but supports digital and interactive projects. The following outlines key metrics and an overview of the support programmes available. Full details are available at <https://cmf-fmc.ca> and their business plan at <https://cmf-fmc.ca/document/2023-2024-business-plan/>

#### Programmes

<b>Ideation</b>	Interactive Digital Media	Conceptualisation programme
		Prototyping programme
	Linear	Broadcaster Envelope programme
		Development and predevelopment funding
		Slate Development Pilot programme
<b>Creation</b>	Interactive digital media	Commercial Projects programme
		Digital creators pilot programme
		Innovation and Experimentation programme
	Linear	Broadcaster Envelope program – diverse languages / English, French
		Indigenous programme
		Official Language Minority Communities Production Fund
		POV Programme
		Programme for Racialised Communities
		Regional Production Funding
<b>Industry</b>	International	International incentives
	Linear	CMF-SODEC Predevelopment Programme
		CMF-Manitoba Film and Music Predevelopment programme
	Sector Development	Accessibility Support
		Sector Development Support



## OVERVIEW OF KEY METRICS

The Canada Media Fund year at a glance

**2022-2023**  
**2021-2022**  
**2020-2021**

### WEB VIEWS

cmf-fmc.ca

**721,389** / 706,854 / **810,404**

cmf-fmc.ca/now-next

**109,000** / 118,912 / **177,260**

CMF-FUNDED  
DIGITAL MEDIA  
PROJECTS  
MEASURED VISITS

**13.1M**  
**27.4M**  
**44.4M**

PRODUCTION  
ACTIVITY

**1.7B**  
**1.9B**  
**1.5B**

CMF-FUNDED PRODUCTIONS  
DELIVERING OVER  
1 MILLION VIEWERS

**27**<sup>†</sup> 26 – FRENCH / 1 – ENGLISH

**31** 29 – FRENCH / 2 – ENGLISH

**25** 21 – FRENCH / 4 – ENGLISH

HOURS SPENT WATCHING CMF-FUNDED  
LANGUAGE PROGRAMS

English

**N/A**<sup>††</sup> / **1.1 B** / **1.0B**

French

**N/A**<sup>††</sup> / **1.2 B** / **1.3B**

YEAR OVER YEAR  
PROGRAM BUDGET

**\$365.8M**  
**\$366.1M**  
**\$356.8M**

NUMBER OF PROJECTS FUNDED

**1,334** / 1,433 / **1,326**

FUNDING APPLICATIONS

**1,746** / 2,020 / **1,815**

AWARDS WON  
BY CMF-FUNDED  
PROJECTS

**229**  
**222**  
**219**

FUNDING  
LEVERAGE  
RATIO

**1:4.85**  
**1:5.16**  
**1:4.29**

FACEBOOK  
FOLLOWERS\*†



**29,554**  
**27,333**  
**25,149**



TWITTER  
FOLLOWERS\*†



**29,337**  
**29,425**  
**28,598**

INSTAGRAM  
FOLLOWERS\*†



**16,127**  
**15,147**  
**11,586**

LINKEDIN  
FOLLOWERS\*



**10,240**  
**7,928**  
**6,440**

SECTOR DEVELOPMENT  
2022-2023

**\$3.4M**

BUDGET FOR UNDERREPRESENTED  
COMMUNITIES: DIVERSE,  
REGIONAL, MINORITY LANGUAGE,  
COMMUNITY PROGRAMS

**\$63.6M**

TOTAL FUNDS DISTRIBUTED BY  
ALL RECOVERY FUND ALLOCATIONS  
2022-2023

**\$2.2M** TO **68**  
COMPANIES

\*figures are cumulative

†figures include CMF, FMC, MADE | NOUS, and Encore+ (inactive as of Nov 30, 2022)

††figures available summer 2024

‡ As of August 28, 2023

## MTF Labs

MTF Labs is an international innovation consultancy that specialises in organising week-long, hands-on innovation labs that bring together global experts from diverse disciplines to collaborate on developing solutions that leverage new technologies to address and create new market opportunities. With a 12-year history of significant contributions to a range of sectors through these innovation labs, from Music Technology and other Creative Industries to Food, Education, Healthcare and the built environment, MTF Labs has established itself as a leader in fostering interdisciplinary and cross-sector collaboration.

## Methodology

The MTF Labs methodology has roots in hackathons and similar technology prototyping events but has significantly evolved and refined that creative approach. MTF Labs' innovation events are specifically curated to ensure brilliant and creative minds work together on practical and sustainable initiatives, utilising expertise in Innovation Management. The multi-day events follow a structure that enables the creation of projects, collaborations, and endeavours that go on to have a life beyond that week's event, following several routes to impact, including mentorship, incubation and collaborative partnerships with larger international organisations.

The labs begin with inspirational presentations by high-level speakers (some of whom are lab participants) who contribute ideas and energy to the subsequent brainstorming and idea-generation activities, together with remote participants from around the world. As the week progresses, the focus becomes the intensive collaboration between participants from varied backgrounds, including academia, industry, the creative sector, arts, and technology. Participants who might ordinarily have no other reason to be in the same room, team up and prototype new content solutions, products and business models. The connection of knowledge from various areas of expertise results in a multiplier effect.

MTF Labs are also *situated* and focus on ideas that respond to the local ecosystem. Local field trips, ongoing relationships with local organisations, and immersion in the landscape and culture of the place, leverage the unique local knowledge, approaches, and practices, and combine them with international expertise. Global live streaming of inspirational talks, remote collaboration and brainstorming with concurrent satellite labs in other locations worldwide result in new sustainable global partnerships, projects, and creative initiatives that are supported to evolve beyond the intensive week of prototyping. Highly diverse, cross-domain participation ensures that the resulting ideas appeal to worldwide audiences.

## Examples of outcomes

Impacts from MTF Labs have been so many it would be impossible to list them all. The following are a few examples.

1. The estimated value of <https://mtflabs.net/stockholm-2018/> was 12M SEK (over 1M GBP) and resulted in Incubation Grand Prize by KTH Innovation, International Sound Awards, Global Remix Competition by Splice.com.
2. The #MusicBricks method to generate startup results included: 11 new incubated products, patent for primary industry (media interface application), 1M € follow-up funding for neuroscience in gaming, multiple awards including MIT innovators under 35, 40 under 40 Forbes, First Prize in World Wearable Awards, First Prize European Women Innovators etc.

3. Music for Airports started with the intention of funding one media installation project, but the international traction resulted in one regional funded project, one MTF Labs-funded, and one sponsored by Sonos.
4. Collaborations that began at MTF in Umeå have contributed to industrial research and artistic residencies as well as funded documentary series such as Nokia Bell Labs 'We Speak Music'.
5. Outcome-Oriented: The labs are designed to produce tangible outcomes—from new product ideas and digital applications to strategies for systemic change. MTF Labs facilitates the continuation of these projects beyond the labs, supporting further development and implementation.
6. Creation of Case Studies and Reports: The MTF Labs approach to collaborative problem-solving results in the creation of case studies that serve as blueprints for addressing complex challenges and generating a wealth of data and insights. Projects are documented and analysed to highlight the creative processes and solutions developed and detail the implementation steps and outcomes. This systematic documentation enhances the transfer of knowledge and inspires broader adoption and adaptation of the solutions developed at MTF Labs.



## FURTHER READING



- [‘It’s happening everywhere’: Channel 4 CEO Alex Mahon on TV’s deep crisis | Channel 4 | The Guardian](#)
- [Bectu survey shows impact of slowdown on freelancers - Televisual](#)
- [https://www.linkedin.com/feed/update/urn:li:activity:7186059061291851776/?lipi=urn%3Ali%3Apage%3Ad\\_flagship3\\_feed\\_hashtag%3BEi2eUE4yRXiGc3Twd2DN9g%3D%3D](https://www.linkedin.com/feed/update/urn:li:activity:7186059061291851776/?lipi=urn%3Ali%3Apage%3Ad_flagship3_feed_hashtag%3BEi2eUE4yRXiGc3Twd2DN9g%3D%3D)
- [https://www.linkedin.com/posts/screen-scotland\\_screen-scotland-northern-ireland-screen-activity-7168649854779383808-Npws?utm\\_source=share&utm\\_medium=member\\_desktop](https://www.linkedin.com/posts/screen-scotland_screen-scotland-northern-ireland-screen-activity-7168649854779383808-Npws?utm_source=share&utm_medium=member_desktop)
- [Our Strategy | Screen Scotland](#)
- [PowerPoint Presentation \(skillsdevelopmentscotland.co.uk\)](#)
- [Creative Industries | Creative Scotland](#)
- [Supporting requirements - Inspiring Connections: Scotland's International Culture Strategy - gov.scot \(www.gov.scot\)](#)
- [Digital - gov.scot \(www.gov.scot\)](#)
- [National innovation strategy 2023 to 2033 - gov.scot \(www.gov.scot\)](#)
- [Creative industries sector vision: a joint plan to drive growth, build talent and develop skills - GOV.UK \(www.gov.uk\)](#)
- [Our Strategy | Creative Scotland](#)
- [4. Creative Industries Sector - Scotland National Strategy for Economic Transformation: industry leadership groups and sector groups - evidence - gov.scot \(www.gov.scot\)](#)
- [The-Creative-Economy-300x3001.pdf \(universities-scotland.ac.uk\)](#)
- [New South of Scotland Creative Economy Guide launched \(southofscotlandenterprise.com\)](#)

...and finally, a gratuitous plug.



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