

FUNDING FOR CULTURAL INDUSTRIES PROJECTS.

1 SUMMARY AND RECOMMENDATIONS.

i) Since the autumn of 1983 the Arts and Recreation and Industry and Employment Committees have been working jointly to develop policies for London's cultural industries, industries which employ well over a quarter of a million Londoners. The key conclusion of this work and of a joint conference which was held on the subject was that the distribution of cultural products, rather than their production should be a priority for the GLC and GLEB in this area. This should be geared both to supporting the distribution of newspapers, magazines, books, videos and records, including many which have depended on GLC support, and to helping to reverse the trend, exemplified in the high street chains like W.H.Smiths, Boots and Woolworths, towards narrowing the range of what is available to the consumer. This is seen as having both a crucial cultural importance and a significance in protecting the jobs of people involved in cultural production.

ii) the second main area for intervention is in the 'infrastructures' which serve to support independent and minority cultural producers in the areas already identified: film and video, music, the press, book publishing and the visual arts. These include joint information services, common resources such as video equipment and music recording studios etc.

iii) GLEB's special commercial expertise, combined with its cultural industries network which has been built up in recent months, will work in a complementary way with the GLC's ongoing work in the arts and recreation field. This will serve to ensure that projects can be structured in such a way that they will not require further funding, as well as gearing intervention more towards the commercial side of popular and minority culture.

It is therefore proposed that:

(i) it be agreed in principle that the GLC provide funding for a series of projects in London's cultural industries which will help to develop the economic base of distributors and producers which are independent of the majors and multinationals;

(ii) that where appropriate GLEB should play a role in developing, appraising and monitoring projects which fall in this area. In the case of particular projects these would be approved in the first place by the Arts and Recreation Committee and subsequently submitted to GLEB for implementation using GLEB's particular expertise in this area;

(iii) that a budget of £1.29m be approved to be passed into the Arts and Recreation budget for spending in this area.

I BACKGROUND TO GLC/GLEB WORK ON THE CULTURAL INDUSTRIES

1 Since the autumn of 1983 the Industry and Employment Committee and Arts and Recreation Committees have been working closely together on developing policies which will assist the creation of employment and the implementation of the GLC's cultural policies in the more commercial areas of cultural activity in London. The cultural industries - the film and video industry, the music industry, the press and publishing industries - play a crucial role in London's cultural life as well as being major employers of well over a quarter of a million people. The main thrust of the policies which have been developed in this area has been to highlight the importance of those industries which are only tangentially affected by grant aid, in particular areas like the record industry, the press, and film and video.

2 In the past public policies have tended to be geared towards supporting producers in the 'arts' and culture. This often ignores the reality of cultural consumption, and the cultural and economic importance of having a wider diversity in distribution and a sector in which producers can be viable without being entirely tied to the mass market or the demands of a wealthy elite. Technological changes in areas like video, cassette duplication and printing are creating the conditions for much greater variety in culture and for the development of much more specialised markets in popular culture, in ethnic culture as well as in more overtly 'minority' areas. In their wake these changes could provide opportunities for many more people to be employed in producing culture than is currently the case. The key problem, however, is that distribution of all forms of cultural product remains firmly in the control of a handful of companies which are geared to providing a narrow range of high turnover products. As long as this remains the case the cultural and economic potential of this sector will remain underdeveloped.

3 The main conclusion of the joint work of our two committees has been the need to concentrate resources on building up effective distribution and other infrastructures for independent and alternative culture. These will take many different forms, such as organising distribution for the ethnic press, investing in the independent record distributors, and working towards bringing a wide range of videos into the public library service.

4 In the last three months GLEB has been working with a team of advisers from within the cultural industries to generate proposals in line with this strategy. The main reason for the existence of this report is the inadequacy of funds within GLEB to fulfill these goals.

5 The proposals mentioned here are intended as outlines. Budgets, too, are notional. As these projects, many of which have been initially generated from within the GLC and GLEB, become concrete applications for grants and loans it is proposed that they be agreed firstly by the GLC's Arts and Recreation Committee and subsequently that they be submitted to GLEB for approval and implementation using GLEB's special expertise in this area.

Prior to any financial decisions being taken the details of each project would be considered both by the GLC and GLEB to ensure their viability and to ensure that they will meet the cultural needs which have been identified.

I FILM AND VIDEO

In the film and video sector we propose intervening in distribution, export, the provision of common resources as well as in the overall organisation of the sector to provide opportunities for the alternatives in womens, ethnic and working class culture to play a part in the mainstream of today's culture:

1 FILM/VIDEO AGENCY FOR OVERSEAS SALES.

The need for an agency of this kind arises out of the problems faced by the independent film and video sectors dependence on a small number of institutions including Channel 4, the GLC and other metropolitan authorities. The aim is to develop new markets for the programmes which are being produced in this area to enable producers to achieve a greater degree of autonomy and self-sufficiency. It would primarily consist of people with expertise in the legal and commercial problems of export, co-production, pre-sales etc, and would cover services which cannot be viable for any small producer to organise alone.

We believe that an agency of this kind could play an important role in building up alternative revenue bases for the many hundreds of independent producers based in London which have made a central contribution to building up an alternative to mainstream television and feature film production. It would also help to project a more representative view of modern British society to viewers abroad than that offered by James Bond and Upstairs Downstairs, as well as providing opportunities for links to be built up between ethnic communities here and abroad.

It is envisaged that this project would be attached to an existing body covering a large number of small producers. It would be structured so that it could achieve self-sufficiency within 3-4 years. Funds would be directed towards premises, telex/telephone etc and staffing costs.

OUTLINE BUDGET £150-200,000 for working capital, premises, telex/telephone etc.

2 VIDEO DISTRIBUTION.

The second main area of intervention in the film and video sector is to build up new structures of distribution. GLEB is currently funding a study into the possibility of setting up new bodies in this area and building out of existing ones with an emphasis on making links between video and other media such as books and records. In addition a number of pilot projects are likely to be launched based around magazines and newspapers. A key goal will be to establish new outlets for independently produced video, particularly in bookshops and libraries where there are already a number of pilot projects underway for hiring out a much wider range of videos than is available in the high street shops.

OUTLINE BUDGET: £200,000 towards market research, loans to existing video distributors and producers and pilot schemes in retail outlets and public libraries.

This budget would cover a number of projects including several which will involve the production of videos geared to the needs of public libraries, towards developing mechanisms for existing video distributors to cover more marginal products and towards encouraging existing cultural retail outlets such as bookshops to develop their use of video. A considerable amount of work has already been done, including discussions with producers such as the TV History Workshop, Poetry Video project, the ACTT franchised workshops and ICA Video, and distributors such as Concord, The Other Cinema, Lightning, Theatre Despatch. Out of these have been generated a number of schemes which could be funded within 2-3 months.

3 COMMON RESOURCES

The third main area of intervention which has been identified for this sector lies in the provision of resource facilities in video and film equipment, particularly in areas like post-production and editing to high-band for the independent video producers, particularly those funded by the GLC and the ACTT franchised workshops. The aim would be to establish facilities which could provide services below commercial rates to enhance the viability of small video groups and workshops. Here both GLEB and the GLC are currently looking at 2 proposals to establish a centralised facility which could provide services and facilities.

Services would include hiring out video and film shooting equipment and in-house editing facilities. The project would aim to achieve self-sufficiency and a capacity to generate surplus for equipment turnover?

within 3-4 year

BUDGET: up to £180,000 for equipment, premises refurbishment, working capital, in the form of a grant/loan package. Management would be organised around a user/worker cooperative structure. The cost will depend crucially on what studio facilities are included.

4 MEDIA FAIR

The fourth main project in this area will also link up with work in other sectors. The aim will be to set up a permanent centre in the middle of London which will link the international sales/exhibition role outlined in (1) above with exhibition space for a wider range of products from London's independent sectors. We also envisage bringing in a retail/showcase section for music and video products.

Its goal would be to act as a showcase for London's alternative cultures while being closely linked to initiatives in export and distribution. The fair would link together a number of the servicing agencies described elsewhere in this report with 'curated' exhibitions on e.g. London history as a counterweight to the Royalty/ceremonial view of London, and a sound and image information centre. This project will undoubtedly require outside finance if it is to be successful; considerable interest in the project is already evident in the more mainstream film and video industries. The importance of GLC involvement will be to ensure that alternative and minority cultures can fully participate in the project. Discussions are currently being held with the (annual) London Multi-media Market and a number of other interested bodies as to the exact costings and potential of such a venture.

OUTLINE BUDGET: up to £50,000. The overall cost of the project will be a great deal more than this. However we believe that the GLC and GLEB can play a useful 'catalytic' role for the reasons cited above.

II THE MUSIC INDUSTRY

The proposals for the music industry arise both from policies suggested in the Economic Policy Groups report on the music industry (Strategy Document No.16), from the report produced in July 1984 on the Black Music Industry in London and from consultations.

The projects outlined in this section in many ways parallel those made in the film and video sector above. These cover 4 main areas:

1 DISTRIBUTION:

Research done by the EPG pointed to a clear need for intervention in distribution of records and tapes produced by the independent record labels. There are several hundred of these in London alone which have suffered in recent years from a contraction of their market and from aggressive market control exercises by the multinationals such as Thorn EMI and CBS. There are strong arguments for linking distribution and retailing of records to that of other products such as videos, posters, T-shirts etc. A number of projects are currently being developed to meet these aims, involving the main independent distributors such as Rough Trade, Jungle, Lightning and others. The aim of these will be to effectively computerise the independent sectors distribution and to link distributors with a record pressing plant organised as a cooperative. This would be linked to investment in the distributors information and marketing systems. Proposals along these lines are fully developed and await funding.

OUTLINE BUDGET: £220,000 - this would include up to £90,000 for computerisation and reorganisation of distribution, a further £30-40,000 for reorganising wholesaling, and £20-30,000 for information and marketing based around the 'Cartel' group. The remaining £60,000 would be spent on smaller projects relating to more specialist distributors such as 'Making Waves' and in the distribution of black music.

2) EXPORT

In parallel with work on distribution within the UK it is proposed that an agency should be set up to cover sales of rights of independently produced records around the world. This would also need to have a strong commitment to the black music industry and to building up markets for black British music, again linked to touring and promotion. The agency would use a series of touring reps. linked to a London base, and would be tied to the membership of the Independent Labels Association which GLEB has already funded. Here again the project is fully developed. The aim would be to achieve self-sufficiency within 2-3 years.

OUTLINE BUDGET: £30,000 - for working capital, premises, telex, etc.

3) SERVICES

The Independent Record Labels Association has already been provided with some funding. The Association has been successful in bringing

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several hundred small labels into membership. It is proposed to expand its operations with the goal of achieving self-sufficiency within 2-3 years. As in many other parts of this sector it is crucial for small producers to have access to cheap and accurate commercial and legal information, as well as information about manufacturing and distribution. The association aims to expand to provide a more general musicians advisory service, including discounting facilities, a computerised jobs service, and is already developing a series of courses to help people new to the business in areas like starting a small label, music publishing, record pressing etc.

OUTLINE BUDGET: £50,000 - this would need to include a grant element and would go towards premises, working capital, promotion and courses. The aim would be for the project to be self-sufficient within 3-4 years. a

4 TOURING AND PROMOTION.

The fourth area of intervention in the music industry would be around establishing a touring and promotion agency for London's black music scene. One of the main barriers to the success of British black music has been the lack of effective touring linked to promotion and distribution of records. This has been particularly true in terms of Europe and the USA; the inability of the British Black Music industry to build up overseas markets has been a major factor in preventing it from playing a full role in providing employment in record companies, recording studios etc. The goal of this proposal would be to link touring and promotion of new British bands to that of more established and internationally known black musicians.

A project is in the course of being developed which would serve to play this role.

OUTLINE BUDGET: £40,000 - for working capital, training, premises refurbishment etc.

5 RECORDING STUDIOS - FIREHOUSE

The aim of this proposal is to set up recording studios which can succeed in being both open to local groups at less than commercial rates and achieving self-sufficiency.

One which is currently being considered jointly by the Community Arts Subcommittee and GLEB would be based in the New Technology Network and would link music recording facilities with a video link-up. By ensuring that facilities are hired out for part of the week at commercial rates the long term viability of the studio's community access would be more assured. The studio would be run by a cooperative structure linking workers and users under ICOM rules. The project has been fully developed and awaits funding.

BUDGET: £96,000 - for building refurbishment, equipment, instruments and working capital (this would be in addition to a £30,000 grant for running costs from the Community Arts Sub-Committee).

III INITIATIVES IN DISTRIBUTION

A central plank in the overall policy which has been developed by I&E and A&R has been the need to expand distribution of cultural products - both the diversity of what is available to the consumer and ease of distribution for the small producer. A number of avenues are being opened up for pursuing this work in particular in the library services where the goal is to open up both availability of video (of a kind not found in the high street shops) and of retailing of books, magazines etc. A major feasibility study is currently underway funded by GLEB which is likely to generate a number of proposals and pilot schemes to set this in motion.

A number are already underway including Turnaround, a book distributor which is jointly funded by GLEB and the GLC's A&R committee, Bladestock, a distributor of ethnic books, as well as the projects mentioned in the above sections.

The main areas which are expected to be covered include:

i) distribution of videos to libraries and bookshops - products to include TV History Workshop, Poetry Videos, ICA Video project, GLC funded video projects through distributors including Concord, Other Cinema, Lightning &c.

ii) distribution of records and other materials through specialist record shops and other outlets through Rough Trade, Jungle, Lightning, Making Waves etc.

iii) distribution of small magazines and newspapers, particularly the ethnic press through Ansell, New Statesman Distribution etc.

iv) distribution of books to bookshops, arts centres, cinemas etc through Turnaround and Bladestock.

v) distribution of photographs based around existing organisations such as Camerawork and Network.

In addition to the projects mentioned above a further budget of £100,000 is proposed in particular for areas like photography distribution and multi-media distribution - i.e. distribution across a range of media such as videos, records, magazines, postcards, posters etc. We would propose a mixture of grants and loans in building up these areas.

IV MULTI-MEDIA RETAILING

In tandem with the projects relating to distribution and distribution across different media it is proposed to establish a multi-media retailing outlet in a central London site, covering minority musics, video and books, in conjunction with outside finance. A site has already been designated and the proposal is awaiting funding.

OUTLINE BUDGET: £50,000 for premises, to fund diversity in stocking policies, working capital, refurbishment &c.

V PRESS

Apart from interventions in distribution the main 'infrastructural' proposals in the press sector are in the area of advertising sales and common services:

1 ADVERTISING SALES

Sale of advertising space is crucial to the viability of any newspaper and magazine. For publications which reach a relatively small readership it is often extremely hard to attract commercial advertising. It is therefore proposed to establish small agencies covering the sale of advertising space across a number of similar publications, particularly in the ethnic press and the 'alternative' magazine sector. Work is currently underway on developing two projects in these areas. Once established these would contribute to the viability of small circulation magazines so making a contribution to the cultural life of the capital.

OUTLINE BUDGET: £40,000 for two projects covering start-up costs, premises and an element of training in advertising sales.

2 LONDON PRESS CENTRE

GLEB has been approached with a proposal to establish a permanent press centre for the voluntary and campaigning groups in London. This would provide press conference facilities, press release/public relations facilities etc and would be based in a central London site.

BUDGET: up to £30,000 (dependent on alternative sources of finance) for premises refurbishment, start-up capital, publicity etc.

V LEGAL CONTEXT

It is envisaged that spending on the projects outlined above would fall under Sections 142 and 145 of the Local Government Act. The projects are oriented towards 'anything necessary or expedient to ..the provision of an entertainment of any nature' {section 145(1)(a)} and 'the development and improvement of the knowledge, understanding and practice of the arts' {Section 145(1)(a)}.

It is proposed that when the projects outlined in this paper have been fully developed that they should be agreed by the Arts and Recreation Committee and that where necessary a grant should be made to GLEB to appraise projects on the basis of commercial criteria and to provide advice on management and other issues, prior to playing a monitoring role.

Where this is the case projects will need to be approved both by the A&R Committee and by GLEB. GLEB would then be responsible for regular reports back to the A&R Committee on the progress of projects.

GLEB's cultural industries network, which links a number of people working within these industries, provides a framework for generating the projects outlined within this paper. Their special expertise, combined with GLEB's experience and expertise in accounting and investment appraisal will be used to ensure that these projects can survive without further injections of funding.