

I co-founded Element Pictures with Ed Guiney 21 years ago in Dublin. We started out focusing on opportunities to provide production services to inward investment television and feature film projects and reinvesting any profits earned to develop a slate of our own projects to bring to market. S481 was a key driver of the inward investment business, and helped establish Ireland as a competitive location for international productions. It also proved a crucial component of the funding we put together to finance our own slate of films and television productions.

Ed and I have grown up in the film and television business in Ireland. We have seen the industry develop from its infancy in the early 1990's spurred by the success of Neil Jordan's THE CRYING GAME and Jim Sheridan's MY LEFT FOOT, to the present day where Ireland is rightly considered a significant player in the global film and television industry enjoying critical, awards and commercial success for the talent working here and projects shot here over the last few years. We are proud of the fact that the team at Element and the talent we work with have helped contribute to that success.

Over the years, films that we have produced or co-produced include THE MAGDALENE SISTERS, ADAM & PAUL, GARAGE, THE WIND THAT SHAKES THE BARLEY, THE GUARD, THE LOBSTER, ROOM, A DATE FOR MAD MARY, THE FAVOURITE, ROSIE, HERSELF, THE WONDER. In our early years we provided production services to many television series including MURPHY'S LAW, INSPECTOR GEORGE GENTLY, RIPPER STREET, and we developed and produced/co-produced television series including PROSPERITY, CHARLIE, DUBLIN MURDERS, RED ROCK, NORMAL PEOPLE, THE DRY and CONVERSATIONS WITH FRIENDS.

Our production company now has offices in Dublin, Belfast, and London. We also branched into film distribution and film exhibition with two art house cinemas in Dublin and Galway. As the company has grown, we have invested profits back into the development of our own slate of film and television projects, as well as in distribution and exhibition, motivated primarily by the desire to ensure that the films that we and our colleagues in the industry in Ireland produce, have an opportunity to be marketed and presented in the best possible circumstances to ensure they reach and resonate with as wide an audience in Ireland as possible. In different ways, Screen Ireland, Enterprise Ireland and Section 481 have all been instrumental in creating an environment that has nurtured and supported the development of the industry in Ireland – and our company. We are very grateful for that support.

It has been gratifying for us to see Irish crew and talent we have worked with over the years develop their careers to the point that they are considered to be world class at what they do, working on productions around the globe. We have equally seen staff working for Element rise from entry level roles to senior staff with considerable levels of responsibility and enjoying significant creative and commercial success on the projects they produce for us.

Our industry is a project based one. The job of the producer is to initiate a project either by commissioning an original screenplay or an adaptation of a book that producer has acquired the rights to. The next step is to usually attach a director, and work with the director to cast the film, whilst identifying potential financing partners such as broadcasters like RTE, BBC, HBO, or film distributors such as Disney or Universal, or streaming platforms such as Netflix, Amazon etc or some combination thereof. Having raised the finance the producer, with input from the director, will select key creative heads of department such as the director of photography, production designer, costume designer etc who in turn will select key crew to make up their team.

As producers, we need to ensure that we raise sufficient finance to cover the costs of shooting the project, we are required by the financiers (including S481 legislation) to incorporate a DAC through which all the expenditure will flow to defray the cost of production. All rights generated from all the performers and crew, writers, director and producers are assigned to that DAC in return for payment, and they are in turn assigned

to the financiers in order to enable them exploit the project in the relevant forum – cinema, television broadcast or streaming signal.

Once we have completed and delivered the project to the financiers, the budget is spent, and the cast and crew have moved on to the next project. In other words, ours is a freelance, project-based industry. The employment provided is fixed term quality employment to suit the needs of the sector. That is the case globally and is by no means unique to Ireland.

As producers, we incorporate the DAC through which we engage the crew, mostly as employees, in some cases as Schedule D contractors. For the period that the crew are engaged they are provided with quality employment and have all the rights and entitlements afforded to employees under employment legislation.

There has always been a strong culture of on the job training in the film industry, it is how anyone I worked with over the years learnt their craft. The scale of productions now attracted to Ireland is testimony to the quality and breadth of our crew and talent pool here. Recent amendments to S481 that have incorporated a training programme as a required component of the S481 application have been welcomed by the industry and acknowledged as strengthening the commitment to training and development in our industry. We are very committed to training as a company, I mentioned earlier colleagues who have progressed through the ranks in the company to senior positions, we also ran an extensive training programme alongside the three years of production we enjoyed with RED ROCK when we shot 112 hours of drama for Virgin Media with writing and directing workshops for new talent which were supported by Screen Training Ireland and the BAI. On each of our productions we put a Skills Development Plan together and liaise closely with Screen Ireland on its design and implementation.

As the company has grown, we have increasingly expanded our horizons and shot films and television series abroad including in the UK, Canada, the US, Hungary, the Czech Republic, Croatia, and most recently in Zambia. A key factor in choosing an overseas location for our productions is the availability of a competitive local production incentive. S481 compares favourably with most of the incentives we have accessed over the years. It's current competitive disadvantage is the cap on budgets. I also believe that there is a strong rationale for the reinstatement of the regional uplift - both issues I am happy to discuss further if of interest to members.

In working abroad, we are constantly reminded of the quality of Irish crews which is the legacy of the State's investment in S481 and the focus on training from Screen Ireland. We are very grateful to the many Irish cast and crew who have worked with us over the years and have contributed greatly to the success of the projects we have produced. We have a responsibility to those cast and crew to ensure that they can enjoy quality employment whenever they work in Ireland and we are happy to play our part in ensuring that this is the case. We participate actively in industry bodies to work towards strengthening the policy landscape for the development of the industry in Ireland. We are great advocates for the power of collective agreements to best advance the interests of both workers and employers in our industry and have worked tirelessly over the years to help bring to conclusion the various collective agreements that are now in place in our sector.

We welcome the opportunity afforded us by the Committee to meet with you all today to discuss the S481 film tax credit.

Andrew Lowe

Dublin, 9th December 2022

