



Submission on Exploring Digital Convergence 16 October 2015

WeCreate is an alliance of New Zealand's creative industries with the mission to grow and promote New Zealand's creative sector. WeCreate's 20 member organisations represent content creators and owners across the spectrum of the creative industries from film and television, to games and books, visual arts, music, media, design and photography.

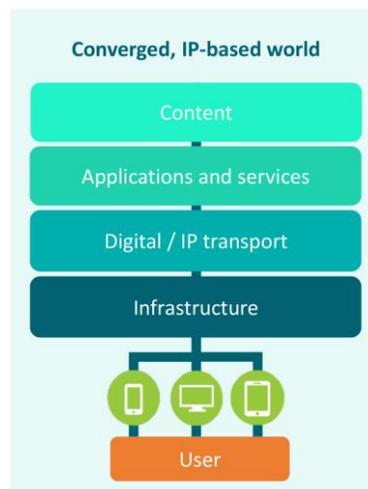
1. WeCreate members and WeCreate friends who have separately submitted to this and/or the *Content Regulation in a Converged World Discussion Document* are:

- Recorded Music NZ
- Publishers Association of NZ
- Copyright Licensing NZ
- SPADA – Screen Producers and Directors Association
- IGEA – Interactive Games and Entertainment Association
- NZGDA – NZ Game Developers Association
- NZ Screen Association
- Home Entertainment Association of NZ
- Screenrights
- Motion Picture Distributors Association
- Television New Zealand
- NZ on Air
- Sky Television
- NZ Music Commission
- NZ Society of Authors

WeCreate supports these submissions and provides the following comments in relation to WeCreate's strategy to facilitate growth of the New Zealand creative industries in ways that benefit both individual creators and creative businesses – both of which lead to economic prosperity for New Zealand.

2. We congratulate the government on taking a broad approach to ensuring that New Zealand law and regulation is fit for the digital age.
3. We are excited at the opportunity to engage with the government during its study of the creative sector's use of copyright and design regimes.
4. We agree with the way the paper defines convergence at the highest level.

5. We suggest caution is required in regard to some aspects of the paper that are not supported by evidence. For example, stating that *“distribution is no longer a significant barrier for content creators”* is a generalization based on the notion that the internet is the ultimate distribution channel. In order to generate scale and a financial return from online distribution content creators and creative businesses still require a channel or channels to structured markets that have a mass customer base. In addition, while the cost of copying may have plummeted, the cost of creation of content is still high in relative/ratio terms. That equation needs to be both understood and factored into the applicable regulatory framework accordingly.
6. We agree that *“the business models of content creators and content distributors are changing”* and highlight the challenges that this presents to the New Zealand creative industries. New Zealand is a tiny market (in global terms) and many of the major international creators and distributors have little or no interest in our market. We need to ensure that New Zealand regulation and our legislative framework supports New Zealand business and New Zealand content equally as well as it enables New Zealand consumers to access international content.
7. We are fully supportive of *“the principle of reasonable access to relevant, high quality local and global content, legally, safely and cost effectively for all New Zealanders.”*
8. We note that local content is, almost without exception, only invested in and produced by, local creators and local creative businesses. Without a strong New Zealand creative sector, supported by intellectual property law that encourages investment and ensures that, when the law is broken, timely, cost-effective remedies are available, the opportunity to not only tell New Zealand stories but to then sell those to a world-wide audience, will be diminished.
9. We are pleased to see *“content”* at the top of the *Converged, IP-based world*.



10. We note a recurring feature in the paper in relation to content creation and consumption. The motivations of individual content creators are less likely to be economic than those of commercial content creators. Each has its own place in terms of what consumers may want to access, however

from a regulatory perspective and in terms of deriving economic value for the New Zealand economy, the differences between individual and commercial creators need to be acknowledged.

11. The matter of jurisdictional boundaries may be becoming less important to consumers. However, we reiterate that New Zealand is a tiny market in global terms and, while major international distributors continue to influence which content is made available, where and when, the notion of all content being made available everywhere in the world at the same time is one that should be considered with caution.
12. We emphasize that the New Zealand creative sector, along with other sectors that monetize intellectual property and enable the government to diversify the economy's reliance on primary products, need a balanced regulatory and investment framework.
13. We draw your attention to our separate submission on the *Content Regulation in a Converged World Discussion Document*.

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