TV Drama Series Development in the US – new possibilities for the Australian industry

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Higher Education and Skills Group Overseas Fellowship

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Dedication
This report is dedicated to Nick McMahon, a pioneer in Australian television and a kind and generous friend and mentor who taught me how the Australian television industry works and gave me valuable introductions and advice for this fellowship.

Notes to reading this report
For ease of reading, sources are not listed, except for when specific information, such as industry statistics, is given. All other information comes directly from interviews or content of the Variety TV Summit conference. When the report lists estimated industry figures e.g. how many projects are developed each year, figures from multiple sources have been amortised to give the most reliable estimation possible. Full transcripts and references are available should anyone want references for specific information in the report.

The International Specialised Skills Institute (ISS Institute) provides Fellowships with the aim of disseminating the knowledge to industry. Accordingly, this report is available in soft copy to all teachers of media and film studies. Please contact Ken Greenhill at info@issinstitute.org.au or Ros Walker at ros@walkerfilms.com to obtain a copy.
i. Executive Summary

This report aims to stimulate debate in the Australian screen industry about how the Australian industry develops TV adult drama and comedy series and trains writers and producers. It also examines whether there are any processes used by the US industry that could be usefully applied in Australia.

The current delicate financial state of the Australian networks and recent consolidation of the cable channels means that it is more important than ever to create Australian TV series that are successful with audiences and, ideally, also sell in the international markets.

The Australian television writing pool is aging. Most senior writers were trained as members of in-house teams at large production companies like Grundys, Southern Star and Crawfords and at the networks and the ABC. The majority of these in-house development teams have been disbanded, to be replaced by individual writers writing episodes with a series script editor supervising/editing all scripts. In this system, script editors and non-writing producers are overworked; writers only work on one episode of a show at a time and there are insufficient entry level positions in the Australian television industry to train up the next generation of writers and producers.

In contrast, the US system for developing TV series is primarily based on the writer’s room model, where a showrunner, usually the creator of the show, works with a group of writers to develop and write the series together. This model provides a systematic way to select talented emerging writers and develop their skills through mentorship by experienced writers in the collaborative writing process. The writer’s room model brings collective brain power to the re-writing process allowing individual episodes to become highly polished, especially in comedy.

In the writer’s room model, writers act as producers on the episodes they write. This gives directors a producer on hand so scripts can be modified during rehearsals and production. The writer/producers know the show intimately, understand the intention of each episode within the series and are invested in making each episode the best it can be. Being present in rehearsals and on set reduces the load of the non-writing producers.

The US industry’s practice of commissioning hundreds of pilot scripts and producing many pilot episodes is too expensive for a small territory like Australia. Similarly, agents and managers being involved in most aspects of the television development process adds a layer of costs that would seem too high for a small industry.

Given older and female writers are not fully employed in the US, there are many talented former showrunners who could train Australian writers in areas where Australia lacks expertise such as sitcoms and primetime animation series.

The Australian system could benefit from implementing the following US processes:

- Adopting the writer’s room model for development of most TV drama and comedy series
- Adopting the practice of writers producing episodes they write and training producers to write and producers to produce
- Using US showrunners to train Australian writers in specific genres
- Developing industry union awards that allow for the writer’s room model and writer/producer crew roles
- Sending potential Australian showrunners to the LA showrunner’s course or developing a version of that course to run in Australia.
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AACTA    Australian Academy Cinema & Television Arts
ACMA    Australian Communications and Media Authority
AFTRS    Australian Film Television and Radio School
AMC    American Movie Channel
AOL    America On-line (providing multiple types of on-line content)
AWG    Australian Writers Guild
EP    Executive Producer (a senior or the senior writer/producer on a series)
MEAA    Media and Entertainment Arts Alliance
MSN    The Microsoft Network (providing multiple types of on-line content)
RMIT    University of the Royal Melbourne Institute of Technology
SAG    Screen Actors Guild of America
SPAA    Screen Producers Association of Australia
TV    Television
US    The United States of America
VCA    Victorian College of the Arts, School of Film and Television
VOD    Video on demand (where viewers pay a fixed amount to download television shows)
WGA    Writers Guild of America
WIFT    Women in Film and Television
Animatic
An early stage of an animation, where the outlines and movements are done but it is not coloured or polished.

Cable Channels
Subscription TV, where only people who pay a monthly fee, have access to the channels e.g. Foxtel. In Australia these channels are also known as Pay TV, but I will use the term Cable TV or Cable channels in line with US practice.

Comcast
US company providing cable, internet and telephone services.

Cut
An edited version of a show, there can be many ‘cuts’ before the final version is produced.

Encrypted
Using a computer code to make the screen product only able to be accessed by an authorised user.

Emmys
The US major awards for television programs.

Facebook
A social networking platform on the web.

First Run
The first time a series is screened.

Format
When a series is sold and remade in another country, the rights to remake the show are called ‘format’ rights.

Free to Air TV
Television supported by advertising and available at no cost e.g. Networks 7 and 9, Channel 10, ABC and SBS.

Gap financing
Financing used to bridge the ‘gap’ between the amount of money that can be raised and the actual budget.

IMDb Pro
IMDb is the most comprehensive website listing screen projects and credited cast and crew. IMDb Pro is the subscription arm that gives access to more detailed information.
iii. Definitions

Incentives
Money offered to a production to film in a particular location, state or country; usually offered by a government body.

Network
A television company which screens television generally at no charge.

Latino
Spanish parentage.

License Fees
The fee paid by a network to screen a series on the network.

MIPCOM
Major International TV market conference in Cannes, France, where TV series are bought and sold.

Myspace
A social networking platform on the web.

Open Channel
Community Screen Education school in Melbourne.

Platform
The way that a series is viewed i.e. on a TV or on a mobile device or via the internet etc.

Producer Offset
An Australian tax incentive payable at the rate of 20 per cent of Australian spend on approved items.

Ratings/Non-ratings
Ratings are the calculation of what numbers of people are watching a show at any given time. The ratings period is when these figures are collected and non-rating periods when they are not being collected.

Re-runs
When a series is screened more than once, the second and subsequent screenings are called 're-runs'.

Runs
The number of times a series is screened.

Screen Australia
Federal screen funding agency.

Scripted Content
Television - where the cast work from a script.

Showrunner
The head writer and producer of a TV show, usually the creator but can be another writer/producer if the creator is inexperienced in network television or has left the series.

Stage
A studio where sets are built for filming different scenes.

State Agencies
Australian state government screen agencies.

Talent
Actors.

Working Dog
A successful Australian company.

Yahoo
Internet search engine.
1. Acknowledgements

Roslyn Walker would like to thank the following individuals and organisations who gave generously of their time and their expertise to assist, advise and guide her throughout the Fellowship program.

**Awarding Body – International Specialised Skills Institute (ISS Institute)**

The International Specialised Skills Institute Inc is an independent, national organisation that for over two decades has worked with Australian governments, industry and education institutions to enable individuals to gain enhanced skills and experience in traditional trades, professions and leading-edge technologies.

At the heart of the ISS Institute are our Fellows. Under the **Overseas Applied Research Fellowship Program** the Fellows travel overseas. Upon their return, they are required to pass on what they have learnt by:

1. Preparing a detailed report for distribution to government departments, industry and educational institutions.
2. Recommending improvements to accredited educational courses.
3. Delivering training activities including workshops, conferences and forums.

Over 200 Australians have received Fellowships, across many industry sectors. In addition, recognised experts from overseas conduct training activities and events. To date, 22 leaders in their field have shared their expertise in Australia.

According to Skills Australia’s ‘Australian Workforce Futures: A National Workforce Development Strategy 2010’:

> Australia requires a highly skilled population to maintain and improve our economic position in the face of increasing global competition, and to have the skills to adapt to the introduction of new technology and rapid change.

International and Australian research indicates we need a deeper level of skills than currently exists in the Australian labour market to lift productivity. We need a workforce in which more people have skills, but also multiple and higher level skills and qualifications. Deepening skills across all occupations is crucial to achieving long-term productivity growth. It also reflects the recent trend for jobs to become more complex and the consequent increased demand for higher level skills. This trend is projected to continue regardless of whether we experience strong or weak economic growth in the future. Future environmental challenges will also create demand for more sustainability related skills across a range of industries and occupations.

In this context, the ISS Institute works with Fellows, industry and government to identify specific skills in Australia that require enhancing, where accredited courses are not available through Australian higher education institutions or other Registered Training Organisations. The Fellows’ overseas experience sees them broadening and deepening their own professional practice, which they then share with their peers, industry and government upon their return. This is the focus of the ISS Institute’s work.

For further information on our Fellows and our work see [http://www.issinstitute.org.au](http://www.issinstitute.org.au).

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1. Acknowledgements

Fellowship Sponsor
The Victorian Government, Higher Education and Skills Group (HESG) formerly Skills Victoria, is responsible for the administration and the coordination of programs for the provision of training and further education, adult community education and employment services in Victoria, and is a valued sponsor of the ISS Institute. The Fellow would like to thank them for providing funding support for this Fellowship.

Supporters
Jo Bell     Development Manager    ABC Drama
Charlie Carman  Script Development Manager   Film Victoria
Joe Connor  Producer     Renegade
Jen Livingstone  Producer     Renegade
Steve Luby  Producer     Ruby Entertainment
Toni Malone  Producer     CordelJigsawZapruder
Julie Marlow  Senior Policy Manager     SPAA
Nick McMahon  Producer     Ex CEO Crawfords
Mark Ruse  Producer     Ruby Entertainment
Colin South  Producer     Media World
John Winter  Producer     Wintertime Films
Tony Wright  Producer     December Films
Blake Murdoch  Senior Media Officer     ACMA

And members of the Victorian Working Party - a cross industry policy group consisting of Australian Writer’s Guild, Australian Director’s Guild, Screen Producers Association of Australia, Australian Screen Editors, Australian Cinematographers Society, Media Entertainment Arts Alliance and SPAA.

Employer Support
Jennie Hughes, Executive Director, Open Channel
Daniel Schultheis, Vocational Education & Training Manager, Open Channel

Organisations impacted by the Fellowship

Government
Film Victoria
Screen Australia

Industry
Producers and writers in Victoria
Emerging filmmakers in Melbourne

Professional Associations
Screen Producers Association of Australia
Australian Writers Guild
MEAA

Education and Training
Open Channel
VCA School of Film and Television
RMIT Media and Communications
2. About the Fellow

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**Short Biography**

Walker’s (the Fellow) producing credits include the feature Peaches, telemovie Baby Bath Massacre, the documentary Portrait: The Making of Portrait of a Lady and AFI winning short Mr Electric. Walker line-produced Not Quite Hollywood and Big Mamma’s Boy and is currently line producing the feature documentary Jabbed - love, fear and vaccines and producing a documentary Remain in Light about architect Sean Godsell. She is financing and developing several feature films.

Walker was Manager of Film Victoria from 1998-2002, responsible for drama investment, managing a $15 million cashflow facility and overseeing the script development, documentary and professional development areas. She was Victorian Chapter Head of the Screen Producers Association of Australia for five years, is a current member of the Victorian Working Party and a former board member of Women in Film and Television and Melbourne Fringe.

Walker established the producing course at the VCA School of Film and Television and lectured there for six years before returning to producing. Roslyn is currently consulting with Open Channel on developing courses in screen development.

Highlights of Walker’s career to date include establishing the producing course at VCA School of Film and TV and working with the Save VCA campaign to successfully lobby for Federal and State funding ensuring the VCA continued to deliver intensive arts training in Victoria. The Fellow also helped to secure $4 million in 2000 to initiate fund development in Victoria though the Commercial Script Development as well as producing and line-producing some wonderful projects.
3. Aims of the Fellowship Program

The Fellowship provided the opportunity for the Fellow to learn the processes by which highly successful TV series are developed in the US, namely:

- Techniques used by writers to develop their television scripts
- Optimal composition of a TV series development team
- Input of network personnel and agents into developing successful TV series
- Processes used by US networks/channels to select series to commission
- Usual development budgets in the US
- Development processes specific to adult animation TV series
- Training pathways for writers in the US
- How show creators learn their craft.
4. The Australian Context

Australia is well placed to produce world class, internationally popular television series. Our acting and film and television schools are top quality; we have a strong comedy and theatre culture, robust government support and speak English, the easiest language to sell internationally.

Australia is also a small territory and the Australian government supports the television industry through production investment, a tax rebate scheme and legislative measures. Prime time adult series on Free to Air television cost between $600,000 to $1,200,000 per hour to produce and are generally funded by license fees paid by the network or cable channels, investment from Screen Australia and/or state government agencies and the Producer Offset – a system where the Australian Tax Office refunds approximately 20 per cent of the Australian budget spend to the production company.

Australian Free to Air Networks are required, as a condition of their license fees, to screen a set quota of prime time hours of first run Australian programming (approximately one third of prime time shows) each year.

Cable channels are required to spend 10 per cent of their programming budget on Australian programs. This policy has resulted in the creation of several TV successful series, such as Love My Way, Tangle, Satisfaction, Killing Time and the internationally successful Cloudstreet. Cable channels now often fully finance TV series utilising the Producer Offset.

These government measures are designed to put Australian stories and voices on screen. They do not require TV series to be attractive to an international market. For the networks, the priority is to make series that rate well locally and, for the cable channels, that attract new or keep existing subscribers. The highest rating Australian series tend to be family shows such as Packed to the Rafters, Winners and Losers and Offspring, which have made limited sales into major territories overseas. This contrasts with previous decades, when shows such as Neighbours, Home and Away, Prisoner, The Sullivans, and The Flying Doctors enjoyed large overseas sales.

To give an overview, in 2010/11, 40 Australian TV drama series were produced worth $326 million (www.screenaustralia.gov.au/research/statistics/mpvdramasummary.asp). In 2009/10, export sales of Australian TV drama series were worth $71 million and imports of TV drama into Australia were worth $778 million (www.screenaustralia.gov.au/research/statistics/atradetv.asp).

Effectively, ten times more money was spent on importing international television than was earned exporting Australian television to international markets. This is to be expected because Australia, as an English speaking nation, is a prime market for sales of television made by the dominant British and US television industries.

The current convergence review recommendations are still under consideration by the Government. However, a first stage response from Senator Stephen Conroy, Minister for Broadband, Communications and the Digital Economy on 30 November 2012, extended the television licence fee reductions for spectrum access to the Free to Air networks for a further year, with a permanent reduction to 50% of current licence fees in the future; mandated increasing levels of Australian content hours on free to air multichannels over a three year period beginning with 730 hours in 2012-13, with increased points for commissioning first run drama; retain the current 55% Australian programming quota for drama, children’s and documentary programs between the hours of 6am and midnight, but allow flexibility in the subquotas. The multichannel program hours are across all genres, to include news, current affairs and sport. Eventually, with the competition from cable TV likely to increase after analogue switch-off in 2013, the networks may well shift to ‘tiered’ television content where drama will be treated more as ‘premium’ television. If this happens, the networks are likely to make more in-house productions and shift their focus to making programs which return on their investment through rating well locally and generating advertising revenue, and/or making larger DVD, VOD or international sales. If this happens,
4. The Australian Context

the networks will commission based on sales potential as well as likelihood of rating well. Australian producers will need to develop series with good sales potential, including internationally, for programs to be commissioned.

The Australian development process has changed in the past two decades. In the 1980s and 1990s, large production houses such as Grundys, Crawfords, Southern Star, Simpson Le Mesurier and Artist Services and all of the networks including the ABC, had sizable development departments with writers and producers on permanent staff. Substantial money was spent developing series ideas and making pilots. Emerging writers, producers and directors learned their skills in developing and making television as part of development teams. A golden era of top rating Australian sketch comedy series including The Comedy Company, The Late Show, Fast Forward etc., was written by groups of comedy writers employed for the duration of the show - a development tradition carried on by the Working Dog team with their successful Frontline and Thank God You’re Here series.

The main development model for Australian adult television series now is networks and cable channels commissioning independent producers to develop shows, with Channel Seven being the only network still developing and producing in-house with shows like Home and Away and Packed To The Rafters. While there are several informal writer’s rooms that have worked in recent years such as Sea Patrol and Underbelly, typically independent producers employ a group of writers to brainstorm the show and then, when the show is commissioned, employ a series script editor, and pay individual writers to write each episode, with feedback and re-writing as necessary by the script editor.

Development funds from the networks cover writing fees for the writers plus small fees for the independent producer. Government agencies have not traditionally spent much of their development budgets on TV series development, based on the theory that the networks have funded television development without requiring subsidy. In 2011, Film Victoria spent $107,900 (p24 http://www.film.vic.gov.au/__data/assets/pdf_file/0006/3759/FV_AnnualReport2010-2011_WEB_7MB.pdf) on TV development plus funded producers to attend several TV markets. Screen Australia did not fund TV series development and funded producers to attend one TV market. Both agencies gave slate funding to larger production companies, a percentage of which was used to develop TV series.

Government agencies have introduced internships for emerging writers and producers with development teams in larger companies overseas, however the numbers of these internships are very limited.

In Victoria, there are specialised screenwriting, producer and screen development courses at VCA, AFTRS, RMIT, Victoria University and Open Channel. While these courses teach how to write, produce and develop screen projects, there are very limited opportunities to put the skills learnt in an academic environment into practice in a real work environment. Emerging writers therefore train at university, write for theatre or live comedy or mainly, write on their own. If an emerging writer pitches a show, even if the idea is strong, network or cable executives will not have the confidence in the writer to be able to execute the show or will delegate creative control to a producer who does have television credits. The executives will generally not even trust the emerging writer to write a single episode until that writer has obtained a television credit. The result is a stalemate where a smaller pool of writers is used and fewer writers gain industry experience needed to maintain the pool. The industry stagnates and when senior writers retire, there are not sufficient trained writers to replace them.

The change in development practices in Australia from network/production company in-house development teams to solo writers working on individual episodes, has shifted the responsibility of the quality of series episodes onto individual writers and overworked editors. In the process, many on-the-job training opportunities for emerging writers and producers have gone and there is a danger of there not being a pool of well trained writers and producers to create Australian TV series in the future.

SWOT ANALYSIS of training in developing TV drama series

Strengths (if recommendations implemented):
- Ensure long term, on-going systematic training for screen writers in Australia
- Writer’s rooms increase development skills of current producers and writers
- Individual episodes of TV series strengthened through using collective brain power of many writers to polish episodes
- Individual episodes of TV series strengthened through writers being involved with production of the episodes they write
- Non-writing producers gain support and time to focus on big picture issues through having a showrunner take responsibility for the writing area
- Experienced US showrunners can mentor writer’s rooms in specific genres to develop skills and knowledge of all writers in those rooms.

Weaknesses (if recommendations not implemented):
- Pool of experienced screenwriters declines until there are not enough experienced writers to maintain a viable TV series industry
- Screen industry misses opportunity to maximise quality and international appeal of Australian TV series
- Talented emerging writers leave the industry

Opportunities (if recommendations implemented):
- Stronger economy through Australian screen projects becoming more internationally competitive and earning more export dollars
- More high quality local TV series produced, so retaining or increasing Australian TV audience for local product.

Threats (to successful implementation of recommendations):
- Australian networks being resistant to placing unaccredited writers in entry level positions in a writer’s room
- Writers being resistant to working in a group environment
- Producers being resistant to writers becoming writer/producers
- Writers being resistant to taking on a producing role
- AWG and SPAA having to renegotiate terms to allow for a writer’s room model.
5. Identifying the Skills Deficiencies

In the past eight years, the Fellow has been involved in creating the Post Graduate Diploma and Masters in Film and Television (Producing) at the VCA and the Advanced Diploma in Screen Development (Feature Film and TV series) at Open Channel. These courses are designed to identify talented, emerging filmmakers and give them enough knowledge and practical producing and script skills to enter the industry with confidence. While tertiary courses can form a strong base for a career, the bulk of real learning and polishing of skills in the arts comes from doing the job in the real world and working with skilled mentors who can pass on their knowledge through example and guidance.

Opportunities to enter the Australian television industry are more limited than in the past. Ten years ago, emerging writers and producers could work in large production houses in entry level positions, do internships and be assistants at the networks, make video clips and low budget television commercials, training videos and government funded short form projects. All of these opportunities have contracted substantially. The digital industry has opened some new doors but practitioners are generally younger and so it is rare to be able to work with very experienced mentors.

Development is the base for drama and comedy series industry and, without the next generation of writers and producers being properly trained, the entire Australian television industry is at risk.
6. The International Experience

The US TV industry serves 311 million people in the US, approximately fourteen times Australia’s population. The US industry is structured differently to Australia and this directly affects how TV development occurs.

The US is served by four types of television services: network, basic cable, premium cable and on-line streaming.

**US Television Industry Overview Part I – the networks, basic and premium cable and on-line streaming**

**Broadcast Networks**

There are a large number of networks in the US; from the majors to smaller networks serving single states. The highest rating networks are CBS, FOX, ABC, NBC and Univision. Four of the top ten (see Appendix 1), including Univision, are Spanish language networks with the accountants Price Waterhouse Coopers predicting that by 2050, one in four Americans will be Latino (http://www.pwc.com/us/en/consumer-finance/publications/assets/081105hispanicmarkets.pdf).

Traditionally, a US broadcast network commissions a studio to produce a series and pays that studio a license fee in exchange for the right to transmit the series for a defined number of runs. The studio retains ownership of the show. The network’s primary source of income is advertising revenue so network series are designed to attract a large audience, all viewing at the same time.

US TV networks each have 21 hours per week of prime time slots to program. They commission 22 to 24 episodes of a drama series per year so they can run the series at the same time each week in the ‘ratings’ period of the year. The ‘non-ratings’ period is often, as in Australia, filled with re-runs and less expensive programming.

Each network spends a large sum developing pilot scripts and making pilot episodes, and makes between ten to 12 new shows each year. Generally network shows have higher budgets and star actors. Episodes typically have many scenes and are shot in 12 or more days.

The development cycle for the networks is traditionally:

- June to September: Pitching and selection of pilot scripts
  - Production of new season materials
- September to November: Pilot script development
- December to March: Pilot production
- March to May: Pilot season

Marc Graboff (former Chairman of NBC Entertainment and Universal Media studios) suggests that the $700 to $800 million spent on development by the networks is more expensive than it needs to be, as everyone is trying to make their pilots at the same time. This means agents can charge premium prices for actors and key creatives. Cable channels have the advantage of being able to develop at any time of the year so are not paying premium process for piloting shows.

The networks have a team of executives who look after the development and production of TV series. There are usually separate drama and comedy departments. Executives dedicated to looking after shows which have been in production for a while e.g. NCIS, are called ‘current’ executives. After
proving themselves in the ‘current’ team, some executives are moved to the ‘development’ team, who decide which ideas will go to a pilot script, episode or series. There is a lot of interaction between executives and producers, with varying levels of satisfaction about that interaction.

Cable TV
Cable TV is television requiring a special viewing device to deliver the channels to the viewer’s home, either through cable or satellite. The viewer pays a cable provider to receive this content.

Basic Cable
Basic Cable in the US is not encrypted. If you pay for the cable setup you can view any of the basic cable channels. There are over 300 to choose from; some general entertainment channels screening older network shows and some which are very specialised i.e. Golf Channel, Retirement Living TV and the Water Channel.

The cable suppliers pay a small fee to each basic cable channel based on the number of viewers, or ‘eyeballs’, watching the channel. Most basic cable channels use advertising to top up the payments from the cable suppliers. This means that they often cut rescreened network programs to allow for additional advertising.

To give an idea of the scale of cable in the US, a medium sized basic cable provider, now ranked No. 11, Suddenlink Communications, sold in August 2012 for US$6.6 billion (http://www.tylerpaper.com/article/20121110/NEWS08/121129791). The number one provider, Comcast, has approximately the number of subscribers as the entire population of Australia (see Appendices 2 and 3).

Two facts stand out about basic cable in terms of the TV series they develop and program. The first is that the most popular channels screen re-runs of popular series for the majority of their programming, similar to many of the second digital channels of the Australian networks. The second is that AMC (American Movie Channel) which makes the Emmy Award winning shows, Mad Men and Breaking Bad, is ranked number 19 in terms of viewers i.e. a ‘smaller’ channel is making TV series which are regarded as very successful.

Premium Cable
Premium cable is similar to Australian subscription TV. The subscriber chooses a package of channels they want to subscribe to, and pay a monthly fee for that package. The TV drama and movie channels, Showtime and HBO, are often packaged together in the US, meaning that if either channel screens a successful TV series which attract new subscribers to the drama package, it is financially beneficial to both channels.

There are presently about 30 million premium cable subscriptions in the US (see Appendix 4). This equates to between 118 and 150 million adult consumers – so a third to one half of the US population have access to premium cable.

US premium cable usually derives income from subscriptions and therefore does not contain advertisements. Premium cable channels want to program TV series which are exclusive and will make subscribers feel they are getting something special that non-subscribers can’t get. Cable channels also program series to attract new subscribers. Awards and critical reviews are valuable for a premium cable channel. Because the premium cable channels develop and produce shows that work for their brand, they can take some risks to build up a series over time. For example, Sex in the City had a challenging first series in terms of ratings and The Wire received very mixed reviews, but HBO were able to let them go to a second season to develop and find their audience. The networks, being funded through advertising revenue, generally have to see ratings success by episode five to keep a series on air. The minimum requirement for the networks for a show to stay on air is around eight to ten million viewers for prime time shows.

The average age of subscribers to the premium channels HBO and Showtime is 50, i.e. people with disposable income. Showtime has a skew towards middle aged women. This means that these cable channels need to commission some original content that is attractive to the older female demographic.

The major cable networks have smaller development teams than in the networks, i.e. both HBO and Showtime have development teams consisting of less than ten people.

Showtime is currently diverting some of their former movie purchasing budget and telemovie budget allocations to fund more TV drama series. It costs Showtime US$6 to $8 million to make a telemovie and more than US$5 million to advertise it, thus the total cost is equivalent to making a new series, and a series has a greater reputation, sales and replay value. Showtime is also beginning to make more high level documentaries around the $1 to $1.5 million mark.

HBO are producing occasional telemovies but they need to be ‘event television’ to remind subscribers that only subscribers get this content, e.g. a telemovie about Sarah Palin called Game Change screened in early 2012 when the presidential campaign was starting.

The differences between cable and network shows
TV series made for either basic or premium cable channels can be different to those made for the networks as cable channel success is measured by the number of people watching or subscribing to the channel rather than the ratings for the initial screening. This means that cable shows can contain adult themes, can have varied number of episodes and episode lengths and don’t have to attract a large mainstream audience, so the subject matter can be adventurous or niche.

Cable series are typically between eight and 13 episodes (compared to the network average of 21 to 24 episodes) and the cable channels making original content usually commission one or two new shows per year compared to the networks ten to 12 new shows. The shooting times for cable are shorter, usually seven to nine days per episode compared to a network show’s 12 days and cable budgets are lower, often half of the network show’s budgets.

In terms of development, cable shows have less scenes, approximately 40 scenes per episode, compared to a network show’s 60 plus scenes. This allows cable shows to have more of a feature film storytelling style. In terms of production, cable shows are generally lower budget than the network shows and premium cable shows are often made for under US$1 million per hour (equivalent to an Australian TV series budget).

The cable channels do not commission as many pilots as the networks as pilots are expensive and they often commission whole series rather than waiting to see if the first few episodes rate. They have the ability to ‘build the audience’, whereas a network cannot risk losing the advertising dollars if a show is not rating.

As evident in the Emmy nominations for the past few years, nearly all of the drama series nominees are cable shows, with the comedy series nominations split between network and cable shows. This supports the popular theory in LA that cable can produce the best shows as they can take a risk to take creative risks and allow their showrunners to make the most interesting product. However, it is the network shows that can pull the large audience numbers, be syndicated and make the ‘mega bucks’.
6. The International Experience

Some of these cable shows are much admired by filmmakers in Australia but they do not necessarily rate well on Australian TV. They often have to screen outside the primetime hours due to adult content and are not designed to appeal to a broad audience. These shows are also niche in the US, it’s just that a niche audience in the US is 15 times the size of a niche audience in Australia.

Cable channel HBO’s answer to what part of their process has led to them producing so many successful TV series is that the HBO can commission writers who don’t have to write to the market, but from a ‘fire in their belly’, where they have a strong point of view and something to say.

Several interviewees mentioned that the cable channels have a more sustainable business model than the networks, given advertising is moving off the television screen.

On-line Streaming

On-line streaming is when viewers can watch television shows on-line. This space is changing rapidly, with many players trying to carve out a brand in the new environment. This is also the space where piracy is rampant.

The biggest player in the US space is Netflix. Netflix started life as a DVD mail service that evolved into a flat fee per month and no late fees for receiving unlimited DVDs via mail. Now Netflix offer the DVD mail service and a streaming service.

Over 15 million people subscribe to the Netflix streaming service, paying $US8.90 per month to subscribe and get access to Netflix’s extensive catalogue. Netflix has been very strategic in partnering with major players, having deals with the major studios as well as the platform providers; Bravia, X-Box, iphone and ipad.

At the Variety Future of Television summit, Netflix was identified as having provided a useful income stream to the major studios and networks for on-line viewing of their series, i.e. rather than pirating the shows, people pay a small fee, a percentage of which is returned to the studios.

However, Netflix has just started financing scripted content, so this useful secondary platform provider has suddenly become a formidable competitor with output streaming deals with three major studios and the major small screen platform owners. The statistic given at the Variety summit was that 61 per cent of movies downloaded legally in the US are being downloaded on Netflix.

The other major movie and TV series site is Hulu, funded by NBC, Fox and Disney/ABC to offer an alternative to people pirating on-line. Hulu is funded through advertising and has syndication deals with AOL, MSN, Facebook, Comcast, Myspace and Yahoo!

YouTube is investing $US2 million each in 100 streaming channels to see which ones work and they may become the future web channels. YouTube can afford to run channels that are very niche as in the US context, it still equates to enough ‘eyeballs’ to be attractive to advertisers. Facebook and Google and many other companies are also experimenting with streaming and pay per view models so this sector is set to develop in the next few years.

US Television Industry Overview Part II – the studios and the syndication model

The Studios

In the US, studios make the television series for the network and cable channels. The show creator and the studios become partners and share copyright in the project, with the creator/showrunner traditionally getting 35 per cent of sales after the first year.

While the studios were traditionally independent, most are now part of vertically integrated companies, i.e. the same company owns the studio and the network. This allows the company to control the production and sales pipeline and amortise risks across the network and studio departments. Generally the studio has a first look deal with their affiliated network but, if a show is rejected, the studio can take an idea to another network.

Several of the studios who have previously focused on producing reality TV shows, like Fremantle and Endemol, are beginning to produce scripted content too. (See Appendix 5.)

The smaller independent studios have much smaller development teams than the major studios and their overheads are lower. For example, Lionsgate doesn’t take big executive fees and make an average of about 15 per cent profit on TV series; their most profitable shows being Mad Men and Weeds.

The Syndication model

Syndication, where a show becomes a long running series that can be sold as a package, is the ‘Holy Grail’ for a studio, as a successfully syndicated show can provide cash flow for a long period after production. Generally, syndicated series require episodes that can stand alone. This is unlike the traditional BBC television model, where series are like a long unfolding novel, i.e. even Dr Who has a continuous narrative. The exception is soap operas, which can still be syndicated, but need to be watched in a particular order to follow the storyline. (PR)

The studio makes a TV series with the network paying a license fee to broadcast the first run of the series, plus repeat screenings and catch up viewing on the network website. International affiliates of the network also buy the first run rights.

When around 80 episodes have been produced and the show is past its exclusive ‘first run’ zone, usually three to four years, the studio can sell the series as a package to smaller networks and cable channels in the US and internationally. Syndicated shows are usually able to be ‘stripped’, i.e. played out of order if required and the shows can be cut to allow for more advertising space. The individual sales are much smaller than the initial license fee but there are many buyers for programs which can be screened for a long period or played every day if they are popular.

The syndication model includes two conventions that affect costs. In the US, agents try to renegotiate actor’s salaries after three seasons if the show is a critical or ratings success. If the show is a blockbuster, they will try to renegotiate even sooner. This means there is a sizable increase in talent costs if the show is popular enough to go to a fourth season. The second convention is that the networks usually pay for the full cost of production after Season 5.
Table 1: Example of licensing and production costs over six seasons. Per episode basis ($US000s)

<table>
<thead>
<tr>
<th></th>
<th>Season 1</th>
<th>Season 2</th>
<th>Season 3</th>
<th>Season 4</th>
<th>Season 5</th>
<th>Season 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic licence fee</strong></td>
<td>1,000</td>
<td>1,050</td>
<td>1,103</td>
<td>1,158</td>
<td>1,805</td>
<td>1,932</td>
</tr>
<tr>
<td>Increase per year</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td><strong>56%</strong></td>
<td><strong>7%</strong></td>
</tr>
<tr>
<td><strong>Production cost</strong></td>
<td>(1,500)</td>
<td>(1,560)</td>
<td>(1,669)</td>
<td>(1,736)</td>
<td>(1,805)</td>
<td>(1,932)</td>
</tr>
<tr>
<td>Increase per year</td>
<td>4%</td>
<td>7%</td>
<td>4%</td>
<td>4%</td>
<td>7%</td>
<td></td>
</tr>
</tbody>
</table>

Here is how the figures play out in a traditional syndication model.

Table 2: Syndication model for a live action half hour show with a budget of $1.5m per episode and an initial network licence fee of $US1m per episode. ($000s)

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No. episodes (cumulative)</strong></td>
<td>22</td>
<td>44</td>
<td>66</td>
<td>88</td>
<td>110</td>
<td>132</td>
</tr>
</tbody>
</table>

**INCOME**

- Domestic network licence fee 22,000
- International sales, reruns and home entertainment sales 10,000
- Subscription VOD -
- Basic Cable -
- Domestic Syndication (US) 40,000

**DISTRIBUTION COSTS**

- Home Ent & rerun costs 1,000
- Distribution & advertising 1,000

**PRODUCTION COSTS**

- Production budget 33,000
- Talent and residuals -

**TOTAL PROFIT or (LOSS)** (3,000) (220) (2,328) 85,612 167,612 247,612

Deficit Financing

This example is for a series running a small deficit, however deficits can be very large if the series is expensive and does not make initial overseas sales prior to syndication, e.g. if it costs $US3 million per episode to produce and the license fee is $US2 million per episode and there are no international pre-sales, then the deficit for the first year might be 22 episodes at $US1 million, therefore $US22 million in total. In this example, the studio might have to fund up to $US66 million before syndication and recoupment of the deficit is possible.

If a studio is producing for an external network, e.g. Universal studio makes House for Fox network, they will try to keep deficits as low as possible. Some even try to make a profit upfront on external projects, or at least break even by Season 2. The independent studio, Lionsgate, has a limit of a maximum deficit of $US1 million per episode and they prefer to offset that risk through measures such as Canadian tax credits or US state production incentives.

However, if a studio is producing for the internal network, e.g. Universal studio, part of NBC, making Law and Order for the NBC network, they will be more willing to sustain a deficit, since the studio and the network are part of the same corporate entity, and the studio can ‘take one for the team’ by investing heavily in production values. There is less risk in this case, since the network will be more reluctant to cancel the series until the studio has made enough episodes to sell into the syndication market.

As a general rule of thumb, studios try to cover between 60 per cent and 75 per cent of their first season costs with the domestic network licence fee. They then try to cover the rest of the budget with sales to foreign territories and DVD. Comedy is most likely to accrue a deficit in the first four to five seasons until it hits syndication.

The syndication model does not usually work for ‘cable style’ drama shows, e.g. Mad Men. Cable series are usually 13 episodes per year or less, so it takes many years to produce enough episodes to syndicate, and the dramas are often sequential stories which cannot be ‘stripped’ and shown out of sequence so they are less appealing to the smaller networks and cable channels. For these non-serialised series, an on-line outlet like Netflix may be a replacement for syndication. Note that the popular cable shows sell well in the DVD market.

A hypothetical example of how syndication can work for a TV series:

Remake of Hawaii Five O

It is an expensive show to make being a location shoot with lots of action. However, Hawaii has good incentives and the show has strong international appeal with an established brand, beautiful people and locations plus action. It will make good sales to the international market for first run rights and good sales for second run rights. The Turner studio (hypothetically) makes the series at $4 million per episode with money from:

- $US0.5 million Hawaii incentives
- $US2 million Network license fee.

This means there is a deficit per episode of $US1.5 million but the preserves will probably be just over $1 million so there’s approximately a $US400,000 deficit per episode. When the show goes to syndication, Turner will be able to make sales of around $US2.5 million for the re-run rights so they will be ahead $US2.1 million per episode. (22 episodes at $US2.1 million is a profit of over $US46 million per year.) With these figures, it pays to keep making the show for as long as possible.
To conclude, syndication can be very successful and many shows are selected to be developed because they have syndication potential. The series in this example is making $247 million profit by year six and the profit increases as the series continues.

US TV Industry Overview Part III – Pitching and the pilot system

The US TV industry is large and very competitive, so there are defined ways in which people pitch and how shows are selected for development to a pilot script or a pilot episode. There are also limitations about which writers can pitch to the studios and networks and a hierarchy of agents and attorneys to sort out who is pitching to whom.

Pitching to a studio or a network

When a writer has an idea for a TV series, they usually run their ideas past their agents or managers as their first step in deciding whether or not to bother developing that idea into a pitch. An exception to this is Vince Gilligan (Breaking Bad), who runs his ideas past friends or his girlfriend, as he feels that sometimes ideas need to germinate a little before putting them into the tough professional arena.

The agent, manager or a producer set up a pitching meeting with a studio. The writer pitches, sometimes with a producer. Pitches run for ten to twenty minutes, usually no more than thirty minutes and the writer pitches to between one to five people. Options given by producers for TV series can be large but, for unknown writers, the options are usually less than $155,000.

The studio decides which pitches they will take to networks and then the writer and studio pitch to the networks together. If the network says yes, the network commissions a pilot script. Lesser known writers are paid ‘scale’ (Union minimum rates), the WGA writer’s minimum fee is around $1560,000 to write a one hour script and well known writers can get up to $15250,000, occasionally higher, the average being around $15100,000. If the network doesn’t pay what the writer’s agent negotiates, the studio covers the difference. The network will have input at the story, outline and script stage.

A producer on a series is either paid nothing or a token sum, such as $5,000, to work with the writer to develop the pilot script. This situation provides additional incentive for producers to become writer/producers. Several of the senior writers the Fellow spoke to will not write a pilot script unless it is paid for, as they calculate that it is unlikely that the series will ever be made if it doesn’t attract interest at this stage.

If the pitch is to a cable channel, the pitch is between 30 minutes and an hour. HBO typically pays $1590,000 to $1585,000 for a one hour script and $1565,000 for a half hour. For this, HBO expect the writer to develop an outline and write three or four drafts and a polish. Michael Lombardo, President of Programming, HBO, says that they made the decision five years ago to develop more scripts as this is less expensive than producing pilots, but that they have to manage relationships and expectations as many people expect that, if a show is developed, it will be made – and this isn’t always the case.

In contrast, less established writers write ‘spec’ (speculative) scripts to secure work. Until recently, emerging writers wrote a spec script for a similar series to the one to which they wanted to write for. That way, the person reading the script understood the show’s style but was not judging it as an actual script for their own show. In the past two years however, emerging writers are being asked to provide a pilot script for a new show to demonstrate their writing and story creation skills.

The number of verbal pitches each year is enormous. Buyers in the networks get 300 to 400 email pitches per day in development season. Overall there are approximately 4000 formal pitches per year each for the drama and comedy departments at the networks. That’s 8000 pitches for each of the five major networks or 40,000 pitches to the networks per year. The studios and agents get even more... and agents and executives also receive pitches via text.

To reduce the number of pitches that executives hear to a manageable level, by LA standards, the networks have lists of preferred writers, agents, managers and attorneys, and only people on those lists can pitch to the networks. For an Australian writer or producer to pitch to a network, this means finding an appropriate person to represent them, or they will not get in the door. Exceptions to this rule are playwrights, who can pitch if they have written a successful or well reviewed play. The networks have development deals with individuals and production companies and some have established their own production companies to develop series exclusively for the network. Some of the network’s slots are now being filled by these affiliated companies.

Established writers are reluctant to team with emerging writers as the legal complications if a show gets up with multiple writing partners are perceived as being too complicated.

A tip from Kim Tannenbaum (Two and a Half Men) is that it is a waste of time to ask the networks what they want and develop to that brief. She suggested that a series either needs to be a new idea or a good take on an old idea, e.g. Friends was a low concept idea but very well executed.

From the network’s side, Dana Walden from Fox, says Fox executives spend a lot of time in development working out what the audience and international buyers want, however, as soon as you devise a fixed rule, a show comes along that breaks it, e.g. My name is Earl, which was an unexpected hit internationally. She also pointed out that TV tastes are cyclical i.e. after 24 everyone wanted ‘event TV’ for a while. She recommends developing a show that is as exciting to you as to other people too.

Once pilot scripts are written, the networks select the shows they want to make into pilot episodes. From the pilot episodes, the networks select which pilots will go to season, i.e. be made into a series. If the series does not rate well enough, the network will write the losses of paying out contracts and terminate the series.

Pitching to a cable channel is very similar, except that the cable channels do not have the financial resources to support development of as many pilot scripts or episodes. They also have smaller development teams so cannot hear as many pitches, hence are even more selective about who can pitch.

Pitching Example 1 - Will and Grace

The writers came to NBC studio with the idea that you no longer marry your partner’s family, that these days you marry your friends. The writers were very experienced so they pitched directly to the President of the NBC Network. The President pointed out that the writers fit up when they talked about two of the friends of the main characters, Will and Grace, and he suggested that maybe the show could be about them instead? Having a gay lead in the late 1990s in a prime time series was groundbreaking and it was possible that advertisers would not want to be associated with a gay themed show. However, that heroic President pointed out that, as the Number One network, if they didn’t champion a show with a gay man, who could? The show was made and became a network hit.

Pitching Example 2 – Mad Men

Matt Wiener wrote the script without being paid to do so. He originally worked on half hour comedy series including Becker and then as writer on The Sopranos. His agent was getting a reliable commission from the comedy shows so there wasn’t a financial imperative to push for a new drama series. However, Matt’s agent wanted the drama series to happen. Matt had pitched the show several times to HBO when he was working on the HBO show The Sopranos but they had passed as it would
have been another New York series (Sex in the City and The Sopranos were both set in New York). Lionsgate loved the show but it was challenging - it was period so expensive and it wasn’t repeatable, i.e. it had to be played in sequence.

The show was successfully pitched to the smaller cable channel AMC who took it on and Matt got everyone to work for minimum rates and the pilot was made for $US3.5 million. Lionsgate then bought the pilot and committed to making another 12 episodes.

**Pitching Example 3 – Anger Management**

The studio, Lionsgate, and producers Eric and Kim Tannenbaum planned a ten part series. Charlie Sheen was right for the lead role and the success of the show would ride on him, but the networks were cautious after his public outbursts when he left Two and a Half Men. However, the team was confident, with the producers having worked with Charlie for many years. Charlie was appearing at a comedy roast where a lot of the industry would be present, so they arranged to pitch later that same week. They did 12 detailed pitches and got three bidders. They then chose their network and wrote the pilot script and the series was commissioned.

**The Pilot System**

These are the number of pilots being made each year by the major studios.

Annual production of pilot episodes:
- 2 - 4 network dramas ($US2.5 million to $US8 million per episode, average $US4 million)
- 3 - 6 cable dramas ($US1 million to $US3 million per episode, average $US2 million)
- 5 - 10 network comedies ($US1 million to $US4 million per episode, average $US2 million)
- 2 - 4 cable comedies ($US0.5 million to $US2 million per episode, average $US1 million).

Annual production of new series:
- 1 - 2 network dramas
- 2 - 3 cable dramas
- 1 - 2 network comedies (numbers vary each year)
- 1 - 2 cable comedies.

The independent studios develop approximately 40 drama and 50 comedy pilot scripts per year and make about ten pilot episodes, on average making one new show per year, with the priority being to keep existing shows on air.

### Table 2: Cost of the pilot system for the major studios ($US)

<table>
<thead>
<tr>
<th></th>
<th>DRAMA</th>
<th>COMEDY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scripts purchased in Development Season</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Average cost per script</td>
<td>$100,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>Total Script Cost</td>
<td>$8,000,000</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>First looks and other deals</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Average cost</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Total for securing talent</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Scripts sold to main 5 networks</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Average re-imbursement</td>
<td>($75,000)</td>
<td>($75,000)</td>
</tr>
<tr>
<td>Total script re-imbursement</td>
<td>($1,500,000)</td>
<td>($1,500,000)</td>
</tr>
<tr>
<td>Number of scripts picked to pilot</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Average studio deficit per pilot</td>
<td>$4,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Total pilot outlay</td>
<td>$32,000,000</td>
<td>$16,000,000</td>
</tr>
<tr>
<td>No. pilots to go to series</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Average deficit for season per show</td>
<td>$20,000,000</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Total season outlay</td>
<td>$40,000,000</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>No. shows that survive first season</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL DEVT COST PER SEASON PER STUDIO</td>
<td>$83,500,000</td>
<td>$47,500,000</td>
</tr>
</tbody>
</table>

The networks also have development costs. They pay licence fees for commissioned pilots, reimburse the script costs for commissioned pilots and pay salaries for development executives. They also incur the cost of cancelling a show they have commissioned if it doesn’t rate well, through loss of advertising revenue and buying out contracts.

Australia is obviously not a large enough territory to support a large scale pilot system to develop TV series. However, the cable channels fund a much more limited number of pilot scripts at the minimum WGA rates and a limited number of pilot episodes, so the cable channel level of pilot development is possible for Australia. Anecdotally, apparently a lot of the pilot episodes are not of a high quality, so it may be that too many scripts are being chosen to go to a pilot episode in the US or that making a pilot episode is an excellent way to sort out which scripts work in practice.
Fees and Profit splits in US TV series

Actor’s salaries are generally capped at $US150,000 per episode. The general rates for lead actors are $US20,000 to $US25,000 per episode. If the show is successful they raise this amount and for some shows, like ER, the cast costs were a significant part of the increase of episode cost from an initial $US4 million to $US11 million when the show finished. Generally the cast negotiate to get 30 to 35 per cent of the profit. Sometimes actor fee disputes, such as those on the Sopranos fourth season, threaten the viability of the series continuing.

In terms of fees as a percentage of budget, approximate figures are that new writers get five per cent, big-time writers get 15 per cent and directors get 5.5 per cent. Profit is split between the studio, creator, producers, writing team, directors and talent. The maximum percentage of profit a non-writing producer can claim is 15 per cent.

A multicam shoot comedy with multiple sets on the same stage costs between $1.4 and $1.5 million per episode plus the above the line, which includes the executive producer, writers and actors.

The Role of the Showrunner

The showrunner is a writer who is the executive producer of a TV series; primarily responsible for managing the writer’s room team, liaising with the executives at the network and maintaining the creative quality of the TV series. When a show is commissioned from a pilot script, the creator of the initial episode usually becomes the showrunner for the series. If the creator of the show is inexperienced in making TV series, the studios require a more experienced person to become a joint showrunner. Examples are The Simpsons (Matt Groening) and Family Guy (Seth McFarlane), where the creators were young with little TV experience, so were matched with experienced showrunners to establish the series: Sam Simon for The Simpsons and David Zuckerman for Family Guy.

Showrunners look after maintaining the creative integrity of the writing and realisation of the show. They usually work with non-writing producers and line producers who look after the budget and production logistics. In TV, the show lives or dies on the script. Directors work to the script and producers report that even the most egotistical of actors won’t interfere too much with a good script as it makes them look good.

Producers suggest it is crucial to the success of a television series for a showrunner to run the creative team however, they believe there is an important role for non-writing producers of a show which is primarily to help manage the stars and deal with the networks, put out fires and champion the show.

A writer’s room is where a group of writers work together to write a TV series. A writer’s room is led by a showrunner. Cynthia Cidre (Dallas) read 50 spec scripts and chose 20 writers to interview. She wanted people who were good at structure and could create passion and emotions in an accessible way and four of her room are comedy writers who aren’t writing gags but understand human character. The joint showrunners on Person of Interest, Jonah Nolan and Greg Plageman, wanted writers who were all-rounders, could write a strong first draft and were willing to work, as showrunners, out of their comfort zone. All of the showrunners agreed that creating a successful show, above choosing the right idea and right team, was about making one thousand decisions right, in a row, and good luck.

The Writer’s Room

A writer’s room is where a group of writers work together to write a TV series. A writer’s room is led by a showrunner, who is the lead writer responsible for every creative decision that comes out of the room. A writer’s room is a structured hierarchy generally containing a mix of senior and less experienced writers who are progressively trained in writing and producing skills over a number of years.

Physically, writer’s rooms are usually large rooms with a board table in the middle and chairs around the perimeter where assistants or guests can sit. In addition, each writer usually has an office where they can write individually, either on-site or off.

The number of writers in a writer’s room varies depending on the showrunner’s preference and the type of show. The standard is around seven or eight writers but it can be as small as four writers for the series 24 or as large as twenty seven writers for The Simpsons.

The writer’s room writes 21-24 episodes per year if it is a network series and approximately 10 per year for a cable series. The general pattern is for the writers to block out the season together. They create an outline for each episode and the showrunner appoints a writer to write that episode, while the team develops outlines and works on rewrites of other episodes. When the writer completes the first draft of their episode, the writers in the room give feedback and edit it and, if necessary, the showrunner works out whatever is needed to complete a satisfactory rewrite. This process is repeated until the script is ready to the showrunner’s satisfaction. If there are major problems with a script, the showrunner may rewrite the episode and, if the changes are substantial, the writer may lose their writing credit for that episode.

A key element of the writer’s room structure is that writers produce the episode they write. They are involved with casting, meetings with Art Department, set in on rehearsals and are on set. They work with the Director to ensure that the script is working on all levels for the episode. If something isn’t working on set, the writer can discreetly talk to the director, away from the actors so respect is maintained, about interpretation of the episode. It appears that this is generally a harmonious relationship as the
writer's role is respected. The writer can rewrite the script on set but any changes have to be approved by the showrunner. When a less experienced writer joins a writer's room, they are mentored through the production process by a more experienced writer, and they do not get a producing credit or additional pay until several years in the room.

At any given time, there will be a writer or two working in their offices writing individual episodes and a writer on set or in pre-production meetings, so it’s not usual for all writers to be in the room all of the time. The showrunner controls the tasks writers work on and requests writers to come in to the room as required.

Shane Brennan (showrunner, NCIS and NCIS LA), having worked in both the Australian and US systems, is convinced that serialised shows need a writer’s room so that all episodes follow the story arc and the writers are on the same wavelength. He believes the writer’s room encourages more consistent writing for a series.

The usual working hours in LA are 10am – 7pm and writer’s rooms conform to these hours. However, Shane says there are diminishing returns after 3pm so he prefers to keep writers fresh and finish the day earlier.

The writer’s room pay structure is designed so that it takes an average of ten years for a writer to develop from an entry-level staff writer to a showrunner. It is rare for a TV series to continue for a full ten years, therefore writers usually go up several levels on one show and then join another writer’ room. When this happens, they enter the new writer’s room at the level they had previously reached. If times are tough, the writer can elect to enter at a lower level.

In addition to the writers, there are assistants or interns to the writer’s room and to the showrunner. The assistants research for the series, take notes in the room and distribute them to writers and other key creatives. These assistants are aspiring writers being exposed to the writing process from the ground up and may eventually be selected to join the writer’s room.

Costs of the Writer’s Room model

The rates below are the Writers Guild of America minimum rates.

**AWG Rates for Writers Fees (US)**

Note: employers pay an additional 16.25 per cent pension and health insurance

<table>
<thead>
<tr>
<th>POSITION/TASK</th>
<th>RATE</th>
<th>ONE HOUR</th>
<th>HALF HOUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Writer</td>
<td>$3,325 20 wks +</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Writer with additional capacity</td>
<td>$6,597 to 20 wks</td>
<td>$5,927 20 wks +</td>
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<td>Network &amp; Prime Cable</td>
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<td>Low-under $538k per hr</td>
<td>$10,312</td>
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</tr>
</tbody>
</table>

Writer’s Room example for a network hour drama

**YEAR** | **POSITION** | **CONTRACT** | **AS WRITER** | **AS PROD**
--- | --- | --- | --- | ---
1 | Staff Writer | Year | $30-50k yr | - |
2 | Story Editor | 20 weeks | $40-60k yr | - |
3 | Exec Story Editor or Exec Story Consultant | 20 weeks | $6,600pw WGA min. | - |
4 | *Co-Producer | Per episode | $6.6k plus $35 for ep. | $15k per ep |
5 | Producer | Per episode | As above | $15-18k per ep |
6 | Supervising Producer | Per episode | As above | $17-20k per ep |
7 | Co Exec Producer | Per episode | As above | $22-30k per ep |
8 | Consulting Producer | Per episode | As above | Negotiated fee |
9 | Exec Producer | Per episode | As above | Negotiated fee |
10 | Showrunner | Fee | Negotiated $1m+ | 35% sales after 1st year |

*Note that, as soon as a writer gets a producing credit, they are paid per episode.

Sometimes writer’s rooms hire two people as a deal, i.e. two people work for the price of one so the budget goes further. Each person in that team is paid 50 to 75 per cent of the usual writing fee. This works well for less experienced writers who get to be in the writer’s room gaining a credit and experience.

TV series development examples

24
24 was created by Joel Surnow, who trained on Miami Vice, and Bob Cochran, who trained on L.A. Law, Falcon Crest and La Femme Nikita. They presented a 20 minute pitch of the concept, a 24 part series with each episode representing an hour over 24 hours, to Fox. The studio was making 12 series pilots that year and 24 was the afterthought and the cheapest pilot that year at $US3.8million.

It was regarded as a gamble by the Fox network as it was a serialised show, so not able to be sold for syndication. In the first year, episodes cost between $US2.8million and $US3million and in later seasons grew to around $US4million per episode.

In the first season, the room comprised four writers including joint Showrunners, Joel, who was also responsible for macro production issues and Bob, who signed off on all writing matters. When the studio commissioned 24 to go to a series, Joel and Bob had not plotted out the season arc – they had worked out some cliffhangers but didn’t know where the cliffhangers would lead. This meant that they had to develop new stories every couple of weeks, a very demanding process requiring very experienced writers and producers to make it work. The development executives didn’t want cliffhangers at the end of each episode but, by the end of Season 1, they had accepted them.

24 was released on VHS to try to build the audience for Season 2 and so the trend started to release TV series as complete seasons. The sale of 24 as a full season became a large income stream for the series.
The Simpsons
The Simpsons was originally a series of short segments on The Tracey Ullman show commissioned for producer James L. Brooks from Matt Groening’s comic strips. Fox was a new network at the time and James L. Brooks was a very respected writer and producer (co-creator of The Mary Tyler Moore Show) so he pitched to Fox and negotiated that the network would let him look after the creative elements for the first series. This has continued and today Fox are involved in discussing where the show may go, but do not give creative notes.
The development process for the first season involved Sam Simon working with nine writers in different groupings as the writers were scattered across the US. One writer would write a detailed outline for the episode; 25 pages with all the scenes. Then a first draft would be written, with some jokes and snatches of dialogue and then it would go to a script. They would rewrite in a day with whomever was around, usually two to five writers.

Today, The Simpsons has one of the largest writer’s rooms with 27 writers – of whom half work part time. The minimum salary for a writer in the room is $350,000. Episodes cost about $US6.5 million to produce and the writing budget is around $1 million per episode. The writers work across three different rooms, working on episodes at different stages of development. Writers work on average 50 hours per week while the showrunner typically works a 100 hour week.
The tasks carried out by the showrunner includes:
- Supervising the writers and allocating tasks
- Going through individual lines
- Directing voices and supervising the edit of the voice track
- Going over the designs
- Working with the composer
- Working with the budgets for existing music.

The development process for each episode starts with all the writers going to a hotel twice a year and pitching show ideas to James L. Brooks and the rest of the writing team. They have five minutes each to pitch and notes are taken on everyone’s feedback. At the end of the day, they choose the best and pitching show ideas to James L. Brooks and the rest of the writing team. They have five minutes each to pitch and notes are taken on everyone’s feedback. At the end of the day, they choose the best and then have the brushstrokes for the next half year’s worth of episodes. Another Simpson’s tradition is to bring in an outsider to write one show per year.
The process from there is:
- The writer who pitched the successful idea turns the pitch into a story
- The writer has a week to write an outline
- Four writers look at the outline and give feedback
- The writer writes a script for the episode
- The script goes to the writer’s room with eight other writers and is re-written by the group (it’s a democratic process and, if everyone laughs, the line gets into the episode)
- Table read by cast
- Rewrite
- Record voices
- Two months later the black and white animatic arrives and is played to the writers and producers

Family Guy
Seth MacFarlane was only 24 years old when he created Family Guy and didn’t have prime time network experience, so the network attached David Zuckerman (writer and producer on King of the Hill) to be the showrunner. Later on, the two developed American Dad together.

As an animated show, Family Guy is labour intensive and takes a long time to make, one year from start to finish. They have three writing rooms and the process is:
- A small group break down the story
- A group work out the outline which is approved by the showrunner
- The showrunner’s notes come back and they re-write
- Table read with actors
- Record voices
- Storyboards developed with the director
- Do the animatics
- Look at the animatics and re-write
- Animations sent away and return in colour
- Minimal rewrites (mainly replacing dialogue) as it’s expensive at this stage.

This process is very similar to that of The Simpsons which is not a coincidence. David was trained by Greg Daniels in the King of the Hill writer’s room and Greg had been a writer for The Simpsons. The creators of American Dad were trained on Family Guy, so they also use a similar system. David believes this is the best process to produce long-playing comedy animation.

David says that the Family Guy writer’s room is really fun and that everyone learnt so much - that it is an extraordinary process. He believes that, as a young writer, you have to observe how more experienced writers do their job and then learn by doing it yourself, with the experienced writers mentoring.

David believes that you need at least four or five people to write a comedy show and that some of them need to have distinctive voices. Leaders are important, but you can’t have too many leaders in the room or it can lead to paralysis.

Family Guy has a lot of content where the writers need to work in with the lawyers in the standards department of the network. However, in terms of creative feedback from the network, Family Guy is on auto-pilot these days and there’s not much feedback needed. The network gives notes at the pitching of potential stories, at script stage, rough cut, initial animations, colour animations and audio mix.
6. The International Experience

How does the writing stay fresh? The Fellow was told that it was through a turnover of writers and getting fresh blood into the writer’s room.

Breaking Bad

Vince Gilligan, the series creator, had the idea in 2004 after he saw a newspaper article about a methamphetamine lab found in an RV (mobile home) and he was intrigued by the thought that there might be ‘normal’ people doing something like ‘cooking meth’. He pitched the idea to a friend. Vince feels that some ideas need some time to germinate properly and that you have to be careful about pitching ideas to the industry too early or they can get stomped on before they have the chance to develop properly.

Vince had made a pilot episode for another show with Sony studios, which hadn’t gone to season but they said to come back and pitch anytime. He worked out a good 15 minute pitch for the main premise, which is that the protagonist becomes the antagonist. He also pitched some highlights for Season One. Sony liked it and FX said yes and paid for Vince to write the pilot script. FX then sat on the script for ten months and Vince’s agent finally got a decision from them, which was no. One of the agents knew that AMC had just started to make scripted series, with Mad Men in the pipeline. Breaking Bad was given to AMC, who loved it and the rights were amicably moved over from FX. The pilot episode was made for $US4 million.

The writer’s room has seven writers including Vince Gilligan. According to Vince, they sit around the table all day long asking “Where’s Walt’s head at?”, “What are his goals?”, “What is he risking?” and then ask these questions of the characters Jesse and Skyler.

Like 24, the pilot script was written without a Season One arc being in place, so the series arc was created as they went along. From Season Two, they had time to plot the structure for each season before writing individual episodes, a process Vince and the writers much prefer.

All of the writers get a set number of episode credits so there’s no competition or concern about who writes each episode as they get the same number of credits. Vince believes this creates a more unified writer’s room where the focus is purely on the script. The writers spend nine to ten months of each year writing.

Each episode takes two weeks to work out in the room, then one writer has up to five weeks to write a draft. They put plot points on index cards. The draft then goes back to the writer’s room for rewrites from the group. Generally, there is one draft and two rewrites per episode. The room works on several episodes at a time and there are one or two people out writing the episodes at any one time. Vince’s PA and a writer’s room PA/script co-ordinator help taking notes, distributing script drafts and other tasks to help the writers.

Once an episode is shot, the editor does a first cut, then the director does a cut and finally the Showrunner does a cut with the episode writer sitting in on the edit. Each cut takes a week to edit.

AMC and Sony are very involved with the program. They are not push-overs but are relatively hands-off usually instrumental, that are tonally right for the writers to write the episode. Thomas plays with potential music for the episode as it develops and has a constant interaction with the writer’s room. Thomas also followed this process when he worked on Six Feet Under.

Most key creatives on TV series interact with the writer’s room at some level, even if through talking with the writer/producer of their episode. This is another advantage of having a space where there are writers present who know the show intimately. It allows other creative areas to integrate more seamlessly with the writing and creative realisation of each episode.

The West Wing

Aaron Sorkin pitched the idea using material from the research he had done for the Film American President. Aaron’s plays and previous screenplays and work on his comedy series Sports Night gave him the studio comfort that he could write this challenging series. They were also re-assured by John Wells being attached as producer as John’s work on ER had revolutionised the half hour format through making it faster paced. (Writer’s note: The traditional half hour series used to have a main A story with a minor B story. Friends introduced a C story, which made the episodes more complex and more challenging to write and then ER introduced multiple storylines– up to 20 per episode.)

The West Wing had an unusual structure in that there were three executive producers. Aaron Sorkins was in charge of the writer’s room and was set to 20 to 30 per cent of the time and made notes to directors and editors. Thomas Schlamme was in charge of production and casting and making sure that the direction was uniform. John Wells was in charge of negotiating with the stars and their agents and the networks and studio and keeping them all happy and he was ‘a genius’ in the editing room.

When you have a very strong writer, like Aaron Sorkin, they are the key writer on every episode and every word is approved by them. There were eight to thirteen writers in the room and they provided the research, plots and stories for the episodes and Aaron pulled the elements together. The senior writers wrote back up scripts in case Aaron ever got stuck, which he didn’t. When the series started, there were around three to four rewrites for each episode and less as the series progressed and everyone knew the characters and the style.

The stories were based on extensive research with the actual White House staffers. For example, senior writer Paul Redford might call the Chair of the Security Council to ask what the President and the President of Russia would really talk about when they met. The writers would work promising ideas and storylines past Aaron and, if he liked it, plot out how that idea might work in a storyline. Then they would run the storyline by the White House staffers again, who would verify it if it felt accurate, and often provided additional or alternative stories to enhance the original idea.

The initial season cost around $3 to $3.5 million per episode and the network paid around $1.4 million

The episodes are shot at a ratio of 4:1 or 5:1 and take eight days per episode to shoot. They make 13 episodes per year except in the first season, which was shorter due to the writer’s strike and the final last season which is being split over two years. Vince attributes the show keeps staying strong to having the right mix of personalities working together.

Breaking Bad has brilliant sourced and composed music. One of the AMC executives said the pilot, which had wall to wall music, like The X Files where Vince had trained, had too much music and Vince realised she was right. They have a smaller budget than average for music but Thomas Golubic, the music supervisor, is skilled at sourcing music they can afford.

As well as Thomas Golubic’s knowledge of a broad range of music and great taste to help with music selection, he has regular interaction with the writer’s room. Thomas is often in the room when the writers are brainstorming and when episodes are being plotted so he gets an idea of the broad brushstrokes for each episode well in advance of the episode actually being written. He then can supply mix tapes, usually instrumental, that are tonally right for the writers to write the episode to. Thomas plays with the music as it develops and has a constant interaction with the writer’s room.

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so the studio had a large deficit (one of the reasons the network needed to be reassured that the team could make the series work). This got re-negotiated in Season 4 to a licence fee of $3 to $4 million, which covered the full production costs.

The shoot and edit were each eight days. The team delivered episodes approximately one month before transmission, so the feedback from the audiences and reviews could influence future episodes. The writers worked very closely with the legal department and generally any potential libellous material was taken out as it was too much fuss to have legal hassles.

When The West Wing was made, there were four advertisement breaks per television hour, which meant that they could write longer scenes, which allowed for development of the drama. The current standard for network series is six advertisement breaks per hour, which means that the length of program between advertisements is shorter, so there is less time for complex story development and the drama can feel segmented.

Having to create six ‘cliffhanger’ moments, so the audience comes back after an advertisement, is difficult in a drama, though it can work for soaps or action/crime shows. In The West Wing, they could leave the audience on an unresolved cadence rather than a full cliffhanger, much like the ending of a play before interval.

Cable channels now have an advantage over the networks as they assume the viewer will stay, so don’t force the cliffhangers and can have less ad breaks.

NCIS and NCIS LA
Victorian Shane Brennan was showrunner for NCIS, created NCIS LA and, for some time, was showrunner for both shows. He is an advocate for the writer’s room model and believes that, “The showrunner is there for a reason. It’s the writer who creates the vision and they need to deliver it. The process needs a benign dictatorship to work”. In line with this belief, Shane has been mentoring potential showrunners in Australia through the Playmaker’s Scribe Initiative http://playmakermedia.com.au/scribe.

The NCIS and NCIS LA writer’s rooms have approximately six writers with a senior writer leading the room. The writers are grouped as needed, i.e. two or three writers might get together to nut out a particular issue. In addition, there are multiple assistants who are very involved in all aspects of the writer’s room and supporting the writing team. Each assistant has completed a writing degree and is a potential candidates for a staff writer position in the writer’s room.

As showrunner, Shane is looking at five scripts in progress, five outlines and five edits at different stages each week.

Notes for a new network series are intense in the first year with the network being involved in every aspect of the series. If the series is popular, notes become less intense once the series style is established. Shane believes that the US television executives have a lot of experience and so nine out of ten notes are useful.

Two and a Half Men
Non-writing producers Eric and Kim Tannenbaum were approached by two writers with the concept for Two and a Half Men. They pitched it to the CBS network as a hit prime time series. CBS said yes but the two writers did not have enough television experience to be showrunners.

Chuck Lorre was a possibility to write the pilot episode but he was at the tail end of a multi-million dollar development deal with Warner Brothers studio and, at that stage, hadn’t come up with a hit show. There was a feeling that Chuck only had one shot left and therefore both Warner Brothers and CBS were wary of him writing the Two and a Half Men pilot. However, the Tannenbaums kept talking to Chuck. Chuck knew divorce and understood the concept of a crazy mother and how this would affect the men in the show. Chuck wanted to write the show with Lee Aronson and CBS said no to Lee because there had been some contractual issues with Lee on another show.

Given the reservations, Eric Tannenbaum offered to pay for Chuck to write the pilot script but then CBS offered to pay Chuck scale minimum. Chuck wanted Charlie Sheen in the lead role. Charlie was a huge star at that time and was one day away from signing to another CBS show. Charlie said he would wait for the script for Two and a Half Men to decide which project he would do. Warner Brothers were making five pilots and said they would make a sixth if the Tannenbaums could get Charlie Sheen and CBS said they would only do it if Charlie was attached.

At that stage CBS, when they commissioned series, could take half ownership of the show. They decided which series they took ownership of and they chose five of the six shows but not Two and a Half Men. The producers recast the mother role after the pilot episode.

The show is written in a writer’s room of Chuck and Lee plus seven others. The room has grown slightly as the show has continued and the writing budget per episode is $120,000. Chuck wanted to use writers that were initially not the network’s preferred writers but, due to Chuck’s power in the industry, he got his way. The original writers have mainly moved on to new shows like Big Bang Theory (also created by Chuck Lorre) and Mike and Molly.

A note that Charlie’s addiction issues only surfaced after seven years of the show, during which time, he was polite, on time and prepared for his lines, hence the Tannenbaums’ willingness to work with Charlie again on Anger Management. The person whom they first wanted to replace Charlie with was Hugh Grant and he almost said yes, but pulled out at the last minute.

Curb Your Enthusiasm
Curb Your Enthusiasm is a television series that is largely improvised, and much of the script is developed on the set. The networks accepted this premise for the series as Larry David was a co-creator of the hugely successful Seinfeld series.

Initially Larry worked with a consultant producer who was a bouncing board for Larry’s ideas. Larry was the sole writer until Season 4 and then brought on three writers he knew from Seinfeld. They would bounce ideas around and help Larry to flesh out the storylines. In Seasons 5 and 6 the writers got EP credits and sometimes would direct as well. The Director’s Guild won’t recognise a team of three directors so, when all three direct, they split the credits. Larry also has friends who come in to direct episodes.

Ten episodes are produced each year with six months of writing to prepare for each shooting period. The series is produced in a linear fashion, shooting two episodes at a time, i.e. pre, shoot and post for two episodes and then start again. The producer, Tim Gibbons, also directs and writes and interfaces with HBO freeing Larry to focus on creating the show. There is an EP who gives notes, a non-writing EP who focuses on production and a writer who focuses purely on writing.

Larry and the writers work out a seven page outline in paragraph style about what will happen in each episode. There are about twenty scenes per show and three to four acts in the half hour. There are no advertisements when Curb Your Enthusiasm is screened on HBO, so the writers do not have to write around ad breaks.

They shoot two episodes in three weeks, giving around seven shooting days per episode. Larry auditions the non-guest roles and that is the only ‘rehearsal’ for the show. They light the set with
stand-ins for the actors and then the actors have a step through and learn what the situation will be.

Generally Larry won’t have told them what is going to happen. They do a block take, nicknamed ‘the mumble take’ and then Larry and several others give notes. There is a collection of people, ‘the village’ around the monitor, including the director, DP, script producer, producer, sound recordist and various assistants, about twenty people in total.

Each scene is shot eight to fifteen times until they get the right take. They shoot around 40 hours worth of material to reduce to a half-hour episode. The edit takes a long time and the first cut is usually 40 to 50 minutes with about six to seven subplots. Occasionally they need to reshoot to get a subplot right. Overall, it takes just over a year from starting to put an episode together to delivering a final show.

The budget was around $400,000 per episode for the first season and is now around $650,000 per episode. One of the reasons for the higher budget is that Curb Your Enthusiasm is now a Union show. In the early days, people would change in the bathroom of a restaurant location whereas now they have trailers for the actors, assistants and proper offices.

The show hasn’t done so well in syndication but their ratings increase each year so they have respect from HBO, who do not give creative notes but do get involved in aspects of the production. HBO expect that the series will come in on budget.

Larry thinks about whom he’d like to be a guest star on Curb Your Enthusiasm and then Tim or Larry contacts them. Larry presumes people will want to be on the show and had written the entire season where the premise is that he gets to be in The Producers stage show in NYC before asking The Producers team whether they were interested. They pay scale (Union minimum salary rates) to all guests as otherwise it would be too hard to negotiate the value of the ‘fame’ of the stars. They do have some regulars from the Seinfeld who have negotiated fees but they are small compared to what the actors would usually make.

Pocket Dragon Adventures

Craig Miller, creator of this children’s animation series which played on the BBC seven days a week for six years, trained as a child psychologist. He was a sci-fi geek and became an assistant working to promote a low budget studio sci-fi film to the comic book and adventure crowd. That film with a small publicity budget was Star Wars. Craig worked for Lucasfilm for three years and later became an independent consultant working for Jim Henson and the studios. After ten years, Craig felt that publicity in Hollywood, because its value for money is hard to measure, was being reduced to less innovative press releases, junkets and magazine articles, so he decided to become a writer/producer.

Craig worked on an animation series called The Real Ghostbusters (65 x half hour episodes) before acquiring a children’s animation property called Pocket Dragon Adventures. He and his writing partner wrote a spec bible, working with an illustrator. They pitched to several companies. Disney made an offer which didn’t go to a deal and BKN (Bohbot Kids Network: a children’s TV distributor: a children’s TV distributor) picked it up, they made a pilot and BKN ordered 26 x 15 minute episodes.

He and his partner wrote the second episode together and then they wrote separate episodes. After the series went to MIPCOM, BKN ordered 78 more episodes. He and his partner were writing, producing, casting and doing storyboards. After writing another dozen episodes each, they hired more writers. The writers would pitch show ideas to Craig and his partner and then write the episodes; mostly writing solo, although some were in pairs. The first drafts would be pitched to the studio and, once they were accepted, the writer would do re-writes on the episode.

Homeland

The Head of Showtime, David Nevins, knew writer/producer Howard Gordon from when David had been at Fox and worked with Howard on 24. Howard showed him the script for Homeland which had been developed for Fox from an Israeli series titled Hatufim.

Fox were initially not interested in selling to Showtime as David had left them to work elsewhere, but Showtime continued working on the script as if it could be a Showtime production. Howard wanted Alex Gansa, a writer on 24, to be the showrunner.

They got the revised script to Fox and, with the help of a skilled agent, Fox came on board. They took a risk and screened the show on the 10th anniversary of 9/11 launch, launching it after Dexter and it rated well. Given the strong female demographic for Showtime, the team made Nicholas Brody the secondary character and Carrie Mathison the lead character. They also made Carrie less nasty to allow the two leads the possibility to become closer over time. Initially Carrie was to be played by Halle Berry but Alex wanted someone younger so her mental illness had more scope to be played in a way that gives hope that she can work it out, rather than it being established. David believes that the lead actors on a US series have enormous power and can rule the set, so you want to cast actors who are good leaders, like Claire Danes on Homeland. One of the roles of the studio is to select and manage the stars of a TV series.

Agents, Managers and Attorneys

To an outsider, LA seems managed to within an inch of its life. Everybody works with at least one management person and these roles are very involved in TV series development. Only the emerging players might not have an agent or manager yet, and that’s because they either don’t have the experience to get one or are waiting for some success so they can get one of the higher profile agents or managers.

Agents in LA are regulated by the State. They have to file papers with the State of California and they have to be approved by SAG (although this deal has been in a negotiation process for over five years so is not fully functional). Agents procure work for their client and the maximum fee they can charge is 10 per cent of income. Recently a number of agents have left their agencies to become manager/ producers, taking their clients with them and co-producing so they can negotiate the best deal for their client(s), be involved in the financial deals for TV series and potentially earn producing as well as management fees. In LA, the agents control the cast deals.

Managers look after the careers of their clients and are not regulated, so they can charge as much as they want to. If a manager signs on a young artist, they can charge up to 20 to 25 per cent of all income. They are not allowed, legally, to procure work for their client. If they do procure employment and this is proven, the artist can terminate their contract and sue for triple damages, i.e. triple what the manager’s fee would have been for the job. This happens occasionally. Managers can be producers, so they can take an EP credit if their client stars in a show and can be involved in the financial deal to negotiate the best fee for their client and take an EP fee as well.

Attorneys look after the legal interests of their clients and their fees vary from an hourly rate to set fees to look after a client’s interests. Sometimes the attorney can take on some of the role of an agent or manager.

Eric and Kim Tannenbaum (Two and a Half Men) are successful LA players and have an agent who looks after business affairs, a manager who looks after creative decisions and a lawyer who looks after legal issues. Note: IMDb Pro lists everyone’s agents, managers and attorneys.
Agents and managers are always looking at the market and where it’s going in the next few years. Their livelihood depends on knowing what is happening in the industry, where companies are moving and what people really want. Says agent Jerry Kalajian, “We’re like Switzerland, we can talk to anyone”. This is why they often know where the real opportunities are and know what can be negotiated for their clients.

In the LA industry it’s said that, “If you don’t work with the agents, then you are against them”. Agents and managers are now effectively becoming Co-producers and taking over some of the studio role through packaging the elements for a TV series, i.e. putting together the writers and actors. When agents and managers are involved in putting TV deals together, it is in their interest to use multiple clients represented by their company to maximise the company’s fees. For example, a producer with an agent at a particular company will be “given access to” and encouraged to cast actors and appoint key creatives also represented by that company.

In the current tough economic environment, many of the smaller agents, who used to make a living from feature film deals, are getting their clients to turn their feature film ideas into TV series and trying to get their writers into writer’s rooms to secure an income stream.

Even literary agents, who traditionally looked after screenwriters as well as book rights now have to work with managers to help with putting deals together. “You have to do TV to survive as a literary agent in LA” Jerry Kalajian, the literary agent for the books behind Boardwalk Empire, True Blood and The Pacific. Literary agents also earn fees from licensing shows from other territories for the US. The current rates for book rights for a major film are between $350,000 and $400,000. For a book that is made into a series, it can be $80,000.

The Studio and Network Executives
As in Australia, the executives are very involved for most shows, in all aspects of the development process, and opinions about their involvement ranged from very positive to very negative.

In the US TV industry, the studios and networks have a development path for executives that parallel that of the writers. Potential executives usually have studied a degree then enter the networks or studios as assistants or interns. They work their way up under mentor figures, becoming entry level executives in the ‘current’ department working with more experienced executives on shows which are already established and then, as they learn more, they become more senior ‘current’ executives or move to the ‘development’ team, which acquires and develops new series.

The studios often allocate two to three executives to work on a show although the number can be higher if the show is high profile. One showrunner talked of the nightmare of developing and producing a show with 11 executives micro-managing it and subsequently finding it impossible to make a good show. Several people mentioned that the reason for the critical success earned by HBO, Showtime, FX and AMC is due to their approach to working with creative teams, “if they like you and your ideas, they trust the writers to write the show”.

Craig Miller, working in children’s animation, usually has three or four people giving feedback notes on scripts, however he worked on one show where there were 43 people who had script approval and were giving notes back to him.

John Solomon, who ran the Disney animation incubator Shorty McShorts, summarises the goal of the relationship well. “In television, you need leadership, not only from the showrunner, but from the networks as well. The role of leadership in development is to create a space for the writers to feel that anything is possible, with unlimited potential and then to know when the job is done so the team can move on.”

The International Experience

The follow quotes are from different people the Fellow spoke to, which demonstrate the variety of opinions about notes from the development executives.

“The network system can be top heavy as people justify their jobs and the studio system can be the same. You can face death by a thousand notes.”

“If you take all of the notes that you are given, it will water the show down too much.”

“The networks have huge research departments who get the numbers when they test the pilots. Sometimes producers work with the analysts to get inside the numbers, i.e. when do the numbers spike in particular demographics and if things change does the audience change- and that’s really useful.”

“It takes two hours to read the notes and it’s exhausting. By the time you make it, you want to do something else. It takes a certain personality type to be attracted to these roles.”

“The notes come from fear - they are worried about failure. A little mirror back is good and I think they want some push back - not for you to be either a puppet or a brick wall.”

“People want someone with a point of view and good opinions and feedback - not a wet noodle.”

“A TV executive is someone who goes running after where lightning struck.”

“When you see a successful show, it’s often because they’ve circumnavigated the network process.”

“Testing can be useful. With The Office, the feedback came back that it was too gloomy and depressing. Well you can choose to stay true to the roots or figure out a solution - which was to make it ten to 25 per cent happier and you can end on a slightly happier note, and that worked for that show.”

“It is best if the network executives are not frustrated writers as they try to rewrite rather than letting the writer solve the problem.”

“The best way to make a great series is to get good people with good ideas and leave them alone.”

Ways to develop strong writers
Every writer the Fellow spoke to answered my question, “What was the most important training you received to make you able to do the job you do now?” with the answer that it was learning from more experienced writers in the writer’s room.

When the Fellow researched the major players in the US television industry, she noticed how certain shows had trained the current crop of showrunners. For example Marc Cherry (Desperate Housewives) trained on Golden Girls, David Chase trained in the writer’s rooms for The Rockford Files and Northern Exposure before creating Almost Grown and The Sopranos, and then The Sopranos writer’s room trained Terence Winter, who created Boardwalk Empire and also Matt Weiner who went on to create Mad Men.

“To become a good writer, you need to spend time in a good system… the best class is the writer’s room… It’s important to have mentorship while you are learning. I learned a lot listening to how the experienced writers were talking about the stories. This process trains the brain.” (Joel Surnow, co-creator 24 and trained on Miami Vice and Falcon Crest amongst others.)

Vince Gilligan describes how it works, “It’s a Catch 22, you have to show talent to begin with, but I got a staff job and learnt how little I really know. Chris Carter (X-Files showrunner) taught me to tell stories visually and that there is no point telling a story unless it is as fresh as possible. There are so many human stories and a finite number of plots, but there are an infinite number of characters… Star Trek
used writers writing individual episodes with a script editor so this method can work, however you need to have highest quality writers to start with.”

Paul Redford (The West Wing) started as a staff writer and learned through working with more experienced writers. He says it takes about ten years to learn the craft enough to be a senior writer.

“How do you get to be a better writer? By writing and getting comments from people who have more experience and talent than you.” (Craig Miller, Pocket Dragon Adventures.)

Several people identified the fact that writers can become rich in the US attracts talented people to the industry and makes them push the envelope when developing shows.

In terms of entering the system, the Fellow spoke to several showrunner assistants and writer’s room assistants as well as emerging writers with new concept shows in development. Nearly everyone the Fellow met had studied a media/writing/business or law degree at university and then started in a lower rung positions in the industry and worked their way up. There is an established system of internships and assistant roles.

Vince Gilligan on Breaking Bad has an Assistant, Gordon Smith and a Script Co-ordinator/Writer’s Room Assistant, Jenn Carroll. Gordon and Jenn’s pathways are typical. They both have degrees in film and television and Gordon completed a Masters of Fine Art and Jenn took additional night classes in film law and different aspects of the film industry. Gordon worked on a web series as a writer post university and then a friend recommended him to Vince and he became Vince’s assistant. Jenn was an assistant/intern on various shows including a children’s series Parrot Kings, a cable show Men of A Certain Age and the legendary General Hospital. In her spare time, she shadowed professionals in the post-production departments. Jenn came onto Breaking Bad via working in the post-production team learning about writing from the editor’s perspective and then moving across to become a writer’s assistant.

Both Gordon and Jenn are intimately involved in the show, often sitting in the writer’s room, taking notes and being involved in decisions about what is happening with the creative process. In a larger writer’s room, they would hope to enter as a staff writer when one of the writers moves to another show but it’s harder to secure a staff writer position in a smaller writer’s room. They can also get a break by being recommended to another show looking for a staff writer.

Shane Brennan has five assistants for NCIS LA and they are all writers. Through working as assistants and interns, these aspiring writers are meeting the people they might work with and learning the writing process through observing the writing process and being exposed to the production process.

It is extremely hard to get the first critical writing job. Apparently it can be a little bit easier if you are in one of the main four minority groups - that’s black, hispanic, over 40 or a woman! There are a certain number of minority places made available for writers in the writing courses run by the studios.

A note here about the Union system in the US: LA shows are either Union or Non-Union. It takes a number of minority places made available for writers in the writing courses run by the studios.

Can Australia afford the writer’s room system?

To protect the long term sustainability of the Australian television and possibly the feature film industry, the Australian industry needs to adopt the writer’s room model for some TV series. Sustaining a strong writing cohort is required for a strong television industry and the US has developed a system which is particularly successful in selecting and training talented emerging writers to the highest standard.

As well as the training advantage of the writer’s room model and the fact that it systematically moves writers into and through a process where the best writers become the creative bosses, there is also a strong argument that generally, a group writing process produces the highest standard of scripts and a more cohesive series, as all of the writers know the full series arc.

A note that there are already writer’s rooms in Australia. Matchbox has started using a partial showrunner/writer’s room model for developing television series, December Films is running a writer’s room for the current series of The Blake Murder Mysteries and a version of a writer’s room was used for Sea Patrol. Undoubtedly also uses multiple writers who can write together. Of course, in the past, many of the great comedy shows such as Comedy Company, Fast Forward and The Late Show were written by a group of writers in a room.

The big difference between the current Australian models and the US model is the element where the showrunner or lead producer is a writer/producer and each writer is involved in producing their own episode. This is a critical part of the success of the US writer’s room model. It reduces the distance between the writing and the production. Writers cannot hand a script over and walk away to let someone else solve any script problems in production. Writer/producers understand the limitations of the series, needs of the networks etc so they write realistically and know the program well enough to stretch the series to the very edges of the creative boundaries.

In Australia, the producer deals with the networks and stars, handles production logistics as well as publicity etc and has ultimate responsibility for the quality of scripts. The Australian producer’s workload is enormous. The US model allows for the showrunner to be responsible for the script area and for managing the writing team, giving the non-writing producer time to handle the workload of running the production.

Australian union awards are not designed for a US style writer’s room model, there are not tiered salaries linked to experience levels and that allow for writer/producers. While the Australian system obviously needs to continue to support talented individual writers who are comfortable writing episodes solo, an alternative award system needs to be developed to allow teams to employ a writer’s room model, with or without writers also acting as producers.

Here is an approximation of costs of the Australian and the US writer’s room model using minimum Australian Writer’s Guild and Writer’s Guild of America figures. Both sets of minimum rates have employment add-on costs, around 16 per cent for health insurance in the US and around 17 per cent for combined superannuation, workcover and pay roll tax in Australia. For simplicity, this table works with fees less add-ons. Given that the US and Australian dollar are very close at this time, exchange rates are not factored in.

Cost Comparison 13 x 1 hour drama series

<table>
<thead>
<tr>
<th>Australian costs for a prime time drama, 13 x one hour episodes (A$)</th>
<th>Position</th>
<th>Fee per episode</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Script Editor</td>
<td>$10,000</td>
<td>$130,000</td>
<td></td>
</tr>
<tr>
<td>Writers</td>
<td>$32,921</td>
<td>$427,973</td>
<td></td>
</tr>
<tr>
<td>Researchers</td>
<td></td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td></td>
<td><strong>$577,973</strong></td>
<td></td>
</tr>
</tbody>
</table>
US writer’s room model (showrunner plus six writers for 40 weeks) ($US)

Network rate to produce approximately 24 x one hour episodes

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee per week</th>
<th>Fee for writing episode</th>
<th>Number of ep’s written</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Writer</td>
<td>$3,325</td>
<td></td>
<td>2</td>
<td>$133,000</td>
</tr>
<tr>
<td>Story Editor</td>
<td>$5,932</td>
<td></td>
<td>3</td>
<td>$237,280</td>
</tr>
<tr>
<td>Co-producer</td>
<td>$5,932</td>
<td>$34,956</td>
<td>3</td>
<td>$307,192</td>
</tr>
<tr>
<td>Co-executive Producer</td>
<td>$5,932</td>
<td>$34,956</td>
<td>4</td>
<td>$307,192</td>
</tr>
<tr>
<td>Consulting Producer</td>
<td>$5,932</td>
<td>$34,956</td>
<td>4</td>
<td>$307,192</td>
</tr>
<tr>
<td>Showrunner*</td>
<td>$5,932</td>
<td>$34,956</td>
<td>4</td>
<td>$342,148</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td></td>
<td></td>
<td></td>
<td>$1,703,928</td>
</tr>
</tbody>
</table>

* The showrunner also shares in sales and profit

In these models, the Australian cost per episode is $44,459 and the US cost per episode is $70,997.

Even allowing for the fact that the US example includes an amount of research and producing work that would reduce the overall producer load, the cost is high by Australian standards. However, could the model work on a more salary based system?

Australian writer’s room 13 x one hour drama episodes 95A

Weekly salary model

Assuming a cable structure of working for about 9 months to produce 13 episodes

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee per episode</th>
<th>No. Weeks</th>
<th>Number of ep’s written</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Writer</td>
<td>$1,200</td>
<td>40</td>
<td>1</td>
<td>$48,000</td>
</tr>
<tr>
<td>Story Editor</td>
<td>$1,400</td>
<td>40</td>
<td>1</td>
<td>$56,000</td>
</tr>
<tr>
<td>Co-producer</td>
<td>$2,000</td>
<td>40</td>
<td>2</td>
<td>$80,000</td>
</tr>
<tr>
<td>Producer</td>
<td>$2,200</td>
<td>40</td>
<td>2</td>
<td>$88,000</td>
</tr>
<tr>
<td>Co-executive Producer</td>
<td>$2,500</td>
<td>40</td>
<td>2</td>
<td>$100,000</td>
</tr>
<tr>
<td>Consulting Producer</td>
<td>$3,000</td>
<td>40</td>
<td>2</td>
<td>$120,000</td>
</tr>
<tr>
<td>Showrunner*</td>
<td>$4,000</td>
<td>40</td>
<td>3</td>
<td>$160,000</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td></td>
<td></td>
<td></td>
<td>$652,000</td>
</tr>
</tbody>
</table>

In this model, the writing cost per episode is $50,154, not a lot more than the traditional rate. In effect every writer is being paid more than the usual episode rate, however there is more time than usual for writing individual episodes and there is collective brain power in the editing process. It also means that this group of writers are focused solely on one show for a long period, so they get to know it intimately and presumably are therefore able to write episodes that are more cohesive within the whole.

The $74,027 difference could be offset by the fact that the traditional producer’s role is being shared with the Showrunner and some of the producing fee can be allocated to the writer’s fees. This is also the case if the writer/producers take on the producing role and are in rehearsals and on set when the episodes are being shot.

Using fully operational writer’s rooms would require producers and network executives to accept that writer’s rooms will contain emerging writers (i.e. without existing television credits) for the system to work in terms of training talent.

Another possibility is that the government agencies sponsor one of the entry level positions to train talented and emerging writers, who can then write television as the major way writers earn money or who can use their writing skills to write other screen forms like feature films, documentaries and web series. Sponsoring several entry level salaries each year in different writer’s rooms would be a very cost effective way for the agencies to support the sector and maintain high level writing skills in the industry. Sponsored entry level writers could compete for the positions and the successful applicants, if any, be chosen by the Showrunner.

A final option is for entry level positions, especially internships, to be counted as part of a post-graduate degree in screenwriting. There are several strong courses in screenwriting, at RMIT, VCA and Open Channel in Victoria. Taking the cream of the students in these courses and putting them in a writer’s room for a six months would train the best talent and introduce them to future employers or collaborators.

Cost Comparison 13 x half hour comedy series

Australian costs for a 13 x half hour comedy series for a commercial network ($A)

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee per episode</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Script Editor (approx. $2,500 for 26 weeks)</td>
<td>$5,000</td>
<td>$65,000</td>
</tr>
<tr>
<td>Writers (minimum AWG rates of $4,294.90 plus 122.5%) plus 5% orig. writer’s concept loading</td>
<td>$10,034</td>
<td>$130,422</td>
</tr>
<tr>
<td>Brainstorming session, 6 writers x 5 days @ $848.75</td>
<td>$1,882</td>
<td>$24,642</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td>$16,016</td>
<td>$219,884</td>
</tr>
</tbody>
</table>

6. The International Experience
### US writer’s room, 24 x half hour comedy episodes ($US)

**Network and Prime cable rate**

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee per week</th>
<th>Fee for writing episode</th>
<th>Number of ep’s written</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Writer</td>
<td>$3,325</td>
<td></td>
<td>2</td>
<td>$86,450</td>
</tr>
<tr>
<td>Story Editor</td>
<td>$5,032</td>
<td></td>
<td>3</td>
<td>$154,232</td>
</tr>
<tr>
<td>Co-producer</td>
<td>$5,932</td>
<td>$24,254</td>
<td>3</td>
<td>$202,740</td>
</tr>
<tr>
<td>Producer</td>
<td>$5,932</td>
<td>$24,254</td>
<td>3</td>
<td>$202,740</td>
</tr>
<tr>
<td>Co-exec Producer</td>
<td>$5,932</td>
<td>$24,254</td>
<td>4</td>
<td>$202,740</td>
</tr>
<tr>
<td>Consulting Producer</td>
<td>$5,932</td>
<td>$24,254</td>
<td>4</td>
<td>$202,740</td>
</tr>
<tr>
<td>Showrunner*</td>
<td>$5,932</td>
<td>$24,254</td>
<td>5</td>
<td>$266,994</td>
</tr>
</tbody>
</table>

**TOTAL COST** $1,318,636

* The showrunner also shares in sales and profit

Australian writing costs are $16,914 per episode compared to $54,943 per episode. Using a US writing fee model would take up a huge proportion of the usual Australian production budget for a TV comedy series, so here’s a model using more standard weekly salary levels.

### Australian writer’s room 13 x half hour comedy episodes ($A)

**Weekly salary model**

Assuming working approximately 6 months to produce 13 episodes

<table>
<thead>
<tr>
<th>Position</th>
<th>Fee per week</th>
<th>No. Weeks</th>
<th>Number of ep’s written</th>
<th>Cost per series</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Writer</td>
<td>$1,200</td>
<td>26</td>
<td>1</td>
<td>$31,200</td>
</tr>
<tr>
<td>Story Editor</td>
<td>$1,400</td>
<td>26</td>
<td>1</td>
<td>$36,400</td>
</tr>
<tr>
<td>Co-producer</td>
<td>$2,000</td>
<td>26</td>
<td>2</td>
<td>$52,000</td>
</tr>
<tr>
<td>Producer</td>
<td>$2,200</td>
<td>26</td>
<td>2</td>
<td>$57,200</td>
</tr>
<tr>
<td>Co-exec Producer</td>
<td>$2,500</td>
<td>26</td>
<td>2</td>
<td>$65,000</td>
</tr>
<tr>
<td>Consulting Producer</td>
<td>$3,000</td>
<td>26</td>
<td>2</td>
<td>$78,000</td>
</tr>
<tr>
<td>Showrunner*</td>
<td>$4,000</td>
<td>26</td>
<td>3</td>
<td>$104,000</td>
</tr>
</tbody>
</table>

**TOTAL COST** $423,800

Here, the writing cost per episode is $32,600, almost double the traditional. However this gives a lot of writing time per episode so it is possible that the quality of the series would be higher, production costs would be more contained as the scripts could be written well ahead of time and some of the producing fees could be included in the additional $200,000. With the tight nature of Australian budgets, this model would have to be modified but it could be played with. For example, if there were six in the room instead of seven and an agency sponsored one of the entry level positions, the $200,000 extra could become $100,000 extra and maybe that could be wearable in a 13 episode series.

Overall, the writer’s room model is likely to be slightly more expensive, and is more expensive as the budget levels decrease. However, if writers are on a good solid salary and have job security for longer periods at a time, key creatives get access to writer’s knowledge at all stages of production and emerging writers and producers are being trained and so the quality of Australian series writing improves, then the benefits outweigh the additional cost.

**Conclusion**

That Australia adopt these aspects of the US TV series development process:

- The cable channel model of development i.e. limited pilot episodes and generally commissioning full series
- Establishing writer’s rooms for most TV series
- Bringing in former US showrunners to train Australian teams in particular genres and training writers to be producers and producers to be writers
The Fellow will develop and deliver a three hour lecture about the US market and the features of the writer’s room.

This lecture will be delivered to a range of audiences:
- Open Channel Seminar - Industry players, emerging and established
- Open Channel - Adv. Dip. in TV Series and Feature Film Development students
- SPAA - industry seminar
- AWG - industry conference
- VCA – all film school student seminar 2013.

The Fellow will write a report which will be available from the ISS Institute website and will be published on ScreenHub, the primary email newsletter for the screen industry.

The report will be distributed to interested people and organisations and available as a soft copy resource for teachers.
8. Recommendations

Recommendations to Industry, that:

- Producers and networks consider moving to a writer’s room model for writing TV series
- AWG and SPAA work on an Award suitable for a writer’s room model
- MEAA to support ‘importing’ experienced US showrunners to train the Australian industry in the writer’s room model.

Recommendations to Government - Federal and State, that:

- US showrunners be brought in over the next five years to train up writers in the writer’s room model and in writing specific genres for television
- Some of the funds currently given to emerging writers initiatives are diverted to fund several entry level positions into a writer’s room each year
- Research be conducted to see how to best encourage more attachments and internships in the screen industry.

Recommendations to Educational Institutions, that:

- Film schools select talented writers and train them as writer/producers
- Current producing courses continue to develop producer’s writing skills.
9. References

List of people interviewed:
- Max Aronson, Executive, Sony Pictures Television
- Leroy Bobbitt, Attorney/Partner, Bobbitt and Roberts LA
- Shane Brennan, Executive Producer, NCIS LA
- Jenn Carroll, Writer's room Co-ordinator, Breaking Bad
- Lucy Cavallo, Sr VP, Casting, CBS
- Tim Gibbons, Executive Producer, Curb Your Enthusiasm and Betty White's off their rockers
- Vince Gilligan, Executive Producer, Breaking Bad
- Thomas Golubic, Music Supervisor, The Walking Dead and Breaking Bad
- Ben Harris, Assistant Director, UCLA Producers Course
- Rob Henning, Director of Financial Planning and Analysis, Universal Cable Productions
- Mark Horowitz, Sales Agent, H2O Pictures
- Jerry Kalajian, Agent, Intellectual Property Group
- Craig Miller, Executive Producer, Dragon Pocket Adventures
- Denise Mann, Associate Professor and Head of UCLA Producers Course
- Tom Nunan, Executive Producer Crash (film and TV series), ex President of the United Paramount Network and ex President NBC Studios
- Francesca Orsi, Head of Development, HBO
- Leslie Rabb, Agent, RPM Management
- Paul Redford, Producer, The West Wing and Co-Executive Producer, The Newsroom
- Mike Reiss, writer and former Executive Producer, The Simpsons
- Gordon Smith, Executive Assistant to Vince Gilligan, Breaking Bad
- John Soloman, ex Head Disney Television Animation and Short's Lab
- Joel Sumow, Showrunner 24 and Executive Producer, The Kennedys
- Tracey Viera, Exec VP, International Production, Austfilm
- David Zuckerman, former Showrunner Family Guy, Developer Wilfred (US version)

Speakers at UCLA Producer’s Course seminars:
- Kevin Beggs, President, Lionsgate Television Group
- David Nevins, Showtime and Co-developer of Friends
- Eric and Kim Tannenbaum, Producers Two and a Half Men and Anger Management

Speakers at Variety TV Summit (in order of speaking):
- Dana Walden and Gary Newman, Chairmen of Twentieth Century Fox Television
- Marc Graboff, President, CKX
- Michael Wright, Exec VP, Head of Programming, TBS, TNT and Turner Classic Movies
- Chris Grant, CEO, Electus
- Michael Lombardo, President of Programming, HBO
• Jeff Watchel, Co-President, USA Network and Co-Head, Original Content, Universal Cable Productions
• Ted Cherny, Head of Worldwide Television, ICM
• Alex Gansa, Executive Producer, Homeland
• Cynthia Cidre, Executive Producer, Dallas
• Emily Kapnek, Executive Producer, Suburgatory
• Mike Schur, Executive Producer, Parks and Recreation
• Jonah Nolan, Executive Producer, Person of Interest
• Greg Plageman, Executive Producer, Person of Interest

Websites referred to:
• http://www.tylerpaper.com/article/20121130/NEWS08/121129791

10. Attachments

Appendix 1. Top Ten Broadcast Networks (based on average viewing audience)

<table>
<thead>
<tr>
<th>RANK</th>
<th>NETWORK</th>
<th>AV. VIEWERS Wk 15/7/12</th>
<th>EXAMPLES OF SHOWS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CBS</td>
<td>5.45m</td>
<td>Big Brother, CSI, Criminal Minds</td>
</tr>
<tr>
<td>2</td>
<td>FOX</td>
<td>4.94m</td>
<td>House, Simpsons, Family Guy</td>
</tr>
<tr>
<td>3</td>
<td>ABC</td>
<td>4.49m</td>
<td>Modern Family, Revenge, Lost</td>
</tr>
<tr>
<td>4</td>
<td>NBC</td>
<td>4.41m</td>
<td>The Voice, Law&amp;Order, Jay Leno</td>
</tr>
<tr>
<td>5</td>
<td>UNIVISION (S)</td>
<td>3.67m</td>
<td>Al Punto, Aquí y Ahora</td>
</tr>
<tr>
<td>6</td>
<td>TELEMUNDO (S)</td>
<td>1.43m</td>
<td>Los Trabajos mas extranos</td>
</tr>
<tr>
<td>7</td>
<td>ION</td>
<td>1.07m</td>
<td>Criminal Minds, Leverage, Monk</td>
</tr>
<tr>
<td>8</td>
<td>CW (WB/CBS)</td>
<td>0.69m</td>
<td>Vampire Diaries, Supernatural</td>
</tr>
<tr>
<td>9</td>
<td>TELEFURA (S)</td>
<td>0.62m</td>
<td>Contacto Deportivo, Delicioso</td>
</tr>
<tr>
<td>10</td>
<td>ESTRELLA (S)</td>
<td>0.1m</td>
<td>A Que No Puedas</td>
</tr>
</tbody>
</table>

(S) is Spanish language. Price Waterhouse Coopers has predicted that, by 2030, at least one in three Americans will be Latino.
### Appendix 2: Top US Basic Cable Suppliers

(Source: National Cable and Communications Association [http://www.ncta.com/Stats/TopMSOs.aspx])

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Comcast Corporation</td>
<td>22,002,000</td>
</tr>
<tr>
<td>2</td>
<td>DirecTV</td>
<td>19,981,000</td>
</tr>
<tr>
<td>3</td>
<td>Dish Network Corporation</td>
<td>14,042,000</td>
</tr>
<tr>
<td>4</td>
<td>Time Warner Cable, Inc.</td>
<td>13,344,000</td>
</tr>
<tr>
<td>5</td>
<td>Cox Communications, Inc.</td>
<td>4,595,000</td>
</tr>
<tr>
<td>6</td>
<td>Verizon Communications, Inc.</td>
<td>4,582,000</td>
</tr>
<tr>
<td>7</td>
<td>AT&amp;T, Inc.</td>
<td>4,344,000</td>
</tr>
<tr>
<td>8</td>
<td>Charter Communications, Inc.</td>
<td>4,197,000</td>
</tr>
<tr>
<td>9</td>
<td>Cablevision Systems Corporation</td>
<td>3,247,000</td>
</tr>
<tr>
<td>10</td>
<td>Bright House Networks LLC</td>
<td>2,038,000</td>
</tr>
<tr>
<td>11</td>
<td>Southlink Communications</td>
<td>1,230,000</td>
</tr>
<tr>
<td>12</td>
<td>MediaCom Communications Corporation</td>
<td>1,019,000</td>
</tr>
<tr>
<td>13</td>
<td>WideOpenWest Networks, LLC</td>
<td>710,000</td>
</tr>
<tr>
<td>14</td>
<td>CableOne, Inc.</td>
<td>605,000</td>
</tr>
<tr>
<td>15</td>
<td>RCN Corp.¹</td>
<td>331,000</td>
</tr>
<tr>
<td>16</td>
<td>Atlantic Broadband Group, LLC</td>
<td>261,000</td>
</tr>
<tr>
<td>17</td>
<td>Armstrong Cable Services</td>
<td>237,000</td>
</tr>
<tr>
<td>18</td>
<td>Midcontinent Communications</td>
<td>234,000</td>
</tr>
<tr>
<td>19</td>
<td>Service Electric Cable TV Incorporates ²</td>
<td>215,000</td>
</tr>
<tr>
<td>20</td>
<td>MetroCast Cablevision</td>
<td>174,000</td>
</tr>
<tr>
<td>21</td>
<td>Blue Ridge Communications</td>
<td>167,000</td>
</tr>
<tr>
<td>22</td>
<td>WaveDivision Holdings, LLC</td>
<td>153,000</td>
</tr>
<tr>
<td>23</td>
<td>General Communications</td>
<td>143,000</td>
</tr>
<tr>
<td>24</td>
<td>Buckeye CableSystem</td>
<td>132,000</td>
</tr>
</tbody>
</table>

¹ contains estimates from SNL Kagan

### Appendix 3: The Top Ten Basic Cable Channels in 2012

<table>
<thead>
<tr>
<th>Rank</th>
<th>TOP CABLE PRIMETIME</th>
<th>VIEWER millions</th>
<th>FROM 2011</th>
<th>EXAMPLES OF SHOWS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>USA (NBC)</td>
<td>3,165</td>
<td>+ 0.3%</td>
<td>NCIS, CSI, House Original: Burn Notice, White Collar</td>
</tr>
<tr>
<td>2</td>
<td>DISNEY</td>
<td>2,647</td>
<td>+ 3%</td>
<td>Classic children’s and family</td>
</tr>
<tr>
<td>3</td>
<td>ESPN (Disney)</td>
<td>2,342</td>
<td>- 2%</td>
<td>Sport</td>
</tr>
<tr>
<td>4</td>
<td>TNT (Turner)</td>
<td>2,232</td>
<td>- 0.8%</td>
<td>CSI NY, The Mentalist Original: Dallas, Falling Skies</td>
</tr>
<tr>
<td>5</td>
<td>HISTORY (A&amp;E)</td>
<td>1,987</td>
<td>+ 21%</td>
<td>Original: Pawn Stars, American Pickers</td>
</tr>
<tr>
<td>6</td>
<td>FOX NEWS</td>
<td>1,883</td>
<td>- 7%</td>
<td>News</td>
</tr>
<tr>
<td>7</td>
<td>TBS (Turner)</td>
<td>1,614</td>
<td>- 10%</td>
<td>Big Bang, Family Guy, Cougar Town</td>
</tr>
<tr>
<td>8</td>
<td>A&amp;E</td>
<td>1,561</td>
<td>+ 7%</td>
<td>Storage Wars, Hoarders, The Glades</td>
</tr>
<tr>
<td>9</td>
<td>FX (News)</td>
<td>1,532</td>
<td>+ 21%</td>
<td>Original: The Walking Dead, Anarchy, Wilfred</td>
</tr>
<tr>
<td>10</td>
<td>ABC FAMILY</td>
<td>1,462</td>
<td>+ 1%</td>
<td>Gilmore Girls, That 70’s Show</td>
</tr>
</tbody>
</table>

² contains estimates from SNL Kagan
### Appendix 4: The Top Premium Cable Networks

<table>
<thead>
<tr>
<th>RANK</th>
<th>CHANNEL</th>
<th>OWNER</th>
<th>SUBSCRIPTIONS</th>
<th>ORIGINAL PROGRAMMING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HBO +6 channels</td>
<td>Time Warner</td>
<td>29.0m</td>
<td>The Sopranos, The Wire, True Blood, Sex and the City, Game of Thrones</td>
</tr>
<tr>
<td>2</td>
<td>SHOWTIME +8 channels</td>
<td>CBS</td>
<td>21.3m</td>
<td>Dexter, Weeds, Homeland, The Borgias, Nurse Jackie</td>
</tr>
<tr>
<td>3</td>
<td>CINEMAX +5 channels</td>
<td>HBO/Time Warner</td>
<td>20.1m</td>
<td>Movies</td>
</tr>
<tr>
<td>4</td>
<td>STARZ +5 channels</td>
<td>Liberty Media</td>
<td>21.3m</td>
<td>The Bronx Bunny Show, Head Case</td>
</tr>
<tr>
<td>5</td>
<td>THE MOVIE CHANNEL +2 channels</td>
<td>Showtime/CBS</td>
<td>18.1m</td>
<td>Movies</td>
</tr>
<tr>
<td>6</td>
<td>EPIX +3 channels</td>
<td>Viacom/ MGM/ Lionsgate</td>
<td>20.1m</td>
<td>Tough Trade- from creator of Weeds, Commissioning more (channel is new)</td>
</tr>
</tbody>
</table>

### Appendix 5: The Major Studios

<table>
<thead>
<tr>
<th>STUDIO</th>
<th>MAKE BROADCAST SHOWS</th>
<th>MAKE CABLE SHOWS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warner Bros.</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Warner Bros. Horizon</td>
<td></td>
<td>Y</td>
</tr>
<tr>
<td>Universal Television</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Universal Cable Prods</td>
<td></td>
<td>Y</td>
</tr>
<tr>
<td>Fox Television</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Fox 21</td>
<td></td>
<td>Y</td>
</tr>
<tr>
<td>Sony Television</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Paramount Television</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>CBS Studios</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>ABC Studios</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Telemundo Studios (Spanish language)</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Lionsgate</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>MGM</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Tyler Perry Studios</td>
<td>Y</td>
<td></td>
</tr>
<tr>
<td>Fremantle</td>
<td>Maybe</td>
<td>Y</td>
</tr>
<tr>
<td>Endemol</td>
<td>Maybe</td>
<td>Y</td>
</tr>
<tr>
<td>Mark Burnett Productions</td>
<td>Maybe</td>
<td>Y</td>
</tr>
</tbody>
</table>