

NZ ON AIR DISCUSSION PAPER: PLATFORM CONTRIBUTIONS REVIEW

CONTENTS

PURPOSE.....	1
BACKGROUND	1
CURRENT SITUATION.....	4
BROADCASTERS	4
DIGITAL PLATFORMS	4
PRODUCERS	5
NZ ON AIR	5
STATISTICS	6
ENVIRONMENTAL CONTEXT	7
SUMMARY	9
OPTIONS	9
CONCLUSION	13
QUESTIONS.....	13
ANNEX A - GLOSSARY OF TERMS.....	14

PURPOSE

NZ On Air is issuing this paper to discuss and evaluate matters involving co-investment in NZ On Air-funded content. The paper proposes several options to address industry concerns on which we are seeking feedback. There is a Glossary of Terms at [Annex A](#). The deadline for feedback is **13 December 2019**.

BACKGROUND

1. The Broadcasting Act includes matters NZ On Air must pay regard to when assessing proposals for funding. In particular, s39(a) requires us to assess
‘the extent to which the persons seeking the funding for the project to which the proposal relates have sought and secured funding or other resources for the project from sources other than the Commission’.
2. The purpose of this clause, in effect, is to encourage market investment into funded production to offset the cost to the taxpayer.

3. This statutory requirement has meant NZ On Air's starting point has been to expect investment into a production budget from supporting broadcasters and platforms. Generally speaking -
 - Broadcaster licence fees have traditionally been expressed as \$X,000 per hour
 - More recently, some contributions are expressed as a % of the production budget
 - Not all contributions are in cash
 - Contributions are markedly lower or occasionally dispensed with altogether for high cultural, low commercial value content¹ because the platform earns little or no direct revenue from that content.
4. When NZ On Air contributes 95% or more of the production budget, Extended Platform Rights apply; namely we require content to be made available to other local platforms two weeks after initial launch on the commissioning platform. This is good for increasing audience exposure but of course weakens the exclusivity of the content for the commissioning platform.
5. There is rarely vigorous competition between platforms for brand new, previously unproduced New Zealand content because unproven ideas require a high degree of faith from a commissioning platform. Even if a producer attracts interest in a new idea from more than one platform, the bargaining that ensues before an application is made to NZ On Air is less focused on platform contribution than scheduling, exploitation rights, key personnel, and other aspects unrelated to the cost of production.
6. Prior to NZ On Air establishing the NZ Media Fund (NZMF):
 - an informal schedule of minimum acceptable contributions from major broadcasters (called Licence Fees) was negotiated and agreed with NZ On Air
 - licence fees from smaller broadcasters (e.g. Prime, Māori Television, Choice) are generally lower than the major broadcasters because of the lower revenue received by these channels. Content funded on these smaller broadcasters has been primarily factual (i.e. lower production cost)
 - online-first or online-only content funded under NZ On Air's former Digital Media Fund was mostly fully funded. We regarded it as an innovation fund delivering higher-risk content with little commercial value, especially given the relative market immaturity at that time around effective monetisation of online content.
7. When the NZMF was established in 2017, NZ On Air reaffirmed its requirement for all platforms to contribute meaningfully to the production costs of funded content:

16. Contestable content applications must have a commissioning platform that offers to co-invest in the production budget.....

27. There is a greater expectation of co-investment at increased levels. Commissioning platforms will be expected to provide an adequate contribution to the production budget in almost all cases. Applicants are also encouraged to explore third party investment options.
8. The shift to the NZMF has increased the diversity of platforms and audiences for which we have funded content. See table below:

¹ NZ On Air supports such content because it serves priority targeted audiences underserved by the commercial media.

Table 1: Trends Pre and Post Launch of NZ Media Fund

	# of Platforms	Total \$ Contributions	Platform Contribution as a % of NZOA \$	# of Projects
2016/17	7*	12,420,967	20%	79
2017/18	35	13,348,541	16%	188
2018/19	29	14,102,013	16%	193
2019/20 YTD**	21	6,255,855	10%	111

*only includes Television projects (not Radio or Digital)

** to end September 2019

9. This is a good outcome because part of our intention in developing the NZMF was to increase the diversity of the platforms, content and content makers we fund. This increase required us to be flexible in assessing the appropriate levels and types of platform contributions eligible under the NZMF.
10. However there is increasing debate among platforms about the fairness of NZ On Air's approach, specifically because -
 - the current media environment is negatively affecting platform profitability
 - larger platforms are requesting both that they pay lower licence fees and that their competitors make higher contributions, since they perceive an imbalance in value
 - online platforms, often backing the most innovative content, say they mostly cannot provide a cash contribution
 - the multichannel environment means that traditional approaches can seem to punish success , e.g. NZ On Air's expectation for a higher licence fee if an on-demand series successfully graduates to broadcast, because revenue will improve.
11. Cash contributions are preferred but NZ On Air accepts non-cash contributions when they form a necessary part of a production budget, e.g. studios, cameras, editing, post production facilities, crew. The point is that platform contributions should offset the production budget and thus the ask of NZ On Air. However -
 - there is increasing and ongoing challenging of what NZ On Air will approve as non-cash contributions
 - increasingly, independent companies have their own production facilities which means the resources platforms can offer are less crucial to production than in previous years
 - we have specifically excluded costs that we see as a normal platform business cost not related to the cost of actual production, e.g. commissioning and other platform personnel costs, own marketing and promotion.
12. Given these competing tensions, the sharp increase in applications submitted and funded in the last two years, and the emergence of new digital platforms seeking to stream and produce local video content, NZ On Air needs to clarify guidelines and expectations of platform contributions.

CURRENT SITUATION

BROADCASTERS

13. The majority of broadcasters offer cash licence fees within the scope of our expected minimums although in the past year there has been a marked increase in occasions where dispensations are being sought.
14. Both of the major broadcasters claim that over the past few years international licence fees have dropped, leaving a discrepancy between local versus international programme licence fees. One broadcaster argues that on average, their local licence fees are more than four times their licence fees for comparable international programming and that with declining revenues against the programming, high licence fees for local content are becoming less sustainable. But by contrast, there is still vigorous and obvious competition between platforms for premium international content.
15. No licence fee is offered by RNZ for contestable content such as the projects supported by the RNZ/ NZ On Air Innovation Fund.

DIGITAL PLATFORMS

16. The majority of digital platform contributions are in resources rather than cash. Some platforms are advertising-supported; some are sponsorship-based; some are on-demand platforms attached to a broadcaster; some have a paywall. NZ On Air does not fund content that exclusively stays behind a paywall because a core principle of public media has traditionally been free access.
17. Eligible resource contributions, usually between 5-10% of the production cost, were mostly achieved for internal productions for online platforms such as WatchMe/NZ Herald, Stuff, Newsroom, and The Spinoff.
18. However, as these platforms look to commission content from independent production companies (which NZ On Air believes is a good thing in terms of supporting the best idea irrespective of whether it is made externally or in-house), it appears consistently difficult for them to provide non-cash production resource at the minimum 5% contribution to avoid Extended Platform Rights.
19. This means platforms that can't easily provide cash are increasingly being more creative in proposing their contributions (e.g. looking to charge for editorial oversight roles, production of additional content, internal marketing and promotion costs). These are costs we have traditionally expected broadcasters and platforms to contribute over and above their licence fee as a standard business cost not directly related to the production budget.
20. One platform recently complained to an independent producer about NZ On Air's expectation of eligible contributions -

We also thought it might be useful to pass on ... their... feeling around not being able to include the marketing cost in our budget for the last application. As a non-broadcaster, they were frustrated not to have the recognition of the full platform costs - as far as they were concerned, the marketing figure was a genuine cost, with a market value because using the space for a podcast promotion meant not using it for paid advertising. As it was, it went under non-cash contribution in the application, but we thought NZ On Air might like the feedback.

21. Online platforms tend to say the resourcing scale of networks vs. digital platforms is not comparable and that, for instance, editorial oversight contributed to monitoring commissioned content takes staff away from core work and is in their view a real and legitimate platform contribution to the production.

PRODUCERS

22. It is the job of producers to pull together a finance package. Experienced producers (mainly broadcast or film) are skilled at this; emerging producers and those working mostly in the online space have fewer levers they can pull. Both types of producer say the job of securing co-investment is getting harder.
23. Yet the skill of raising finance remains an intrinsic element of the screen industry, particularly for producers with international aspirations. A local system that devolved into a standard 100% subsidy model is unlikely to support the development of a realistic or healthy local production sector.

NZ ON AIR

24. From NZ On Air's perspective, acquiring any content for a platform is a business activity that generally carries a cost and it is hard to see why NZ On Air-funded content should not have a value.
25. The requirement for a platform contribution is
 - one indicator of likely success (the producer has found a buyer for their project)
 - one mechanism for dealing with the increasing problem of supply (static funds with reducing purchasing power) vs. demand (increasing number of applicants)
 - a cost offset meaning more projects can be funded.
26. In the last two financial years funded projects have secured up to \$14m each year in platform contributions to production budgets. The more NZ On Air investment required per project, the less that is available to support other applications.
27. Debates around eligible platform contribution are also slowing down project contracting and increasing tensions. NZ On Air has standard terms and conditions wherever possible to maximise process efficiency, keep overheads for both itself and producers low, and be transparent about our core expectations.
28. Individual negotiations of this type are not useful, especially given we do not require the business terms (licence period and the like) of applications to be completely finalised prior to funding decision-making.
 - To do so would, we believe, create an unreasonable burden on the producer at a point where they do not know if the project is to be green-lit or not
 - But one option is to require the complete business case and contributions to be confirmed at the time of application and not accept applications that do not comply with NZ On Air policy
 - However we acknowledge a rigid approach will likely reduce the range and diversity of funded content and could also tend to favour experienced producers at the expense of those earlier in their career.

STATISTICS

29. The following two tables show the aggregated data of all Factual and Scripted peak (broadcast between 6pm – 10pm) and off-peak projects funded from 2016/17 to Q1 2019.
30. The total platform contributions for production projects over this period are just under \$40m.
31. For the purposes of this comparison we have *combined online and off-peak content* given the smaller production budgets and lower platform contributions for both.
 - We have used **median** (mid-point) percentages as they better reflect trends and smooth out outlier examples in the data set
 - We have not included data prior to the launch of the NZ Media Fund because TV contributions were fairly consistent at this time and digital projects were mostly not required to contribute, given the innovation required by the Digital Media Fund and lack of a commissioning platform
 - Tables exclude Development funding (this is generally 50/50 NZ On Air and platform).

Table 2: Aggregated Data 2016/17 to Q1 2019/20 - PEAK						
	NZ On Air Funding			Platform Contributions (see notes below)		
Peak (broadcast only)	\$ Total	% of Total	% Median	\$ Total	% of Total	% Median
FACTUAL (Total)	\$41,168,506	69%	79%	\$13,374,763	22%	17%
SCRIPTED (Total)	\$81,007,222	66%	72%	\$16,977,058	14%	10%
By Genre:						
CHILDREN	\$2,220,591	59%	68%	\$55,000	1%	2%
COMEDY	\$14,698,117	54%	59%	\$11,877,058	44%	36%
CURRENT AFFAIRS	\$1,722,340	88%	89%	\$232,250	13%	11%
DOCUMENTARY	\$37,008,376	68%	79%	\$12,395,123	33%	17%
DRAMA	\$42,764,578	89%	94%	\$3,040,000	7%	5%
EVENT	\$393,387	60%	50%	\$255,798	39%	50%
FEATURE FILM	\$1,163,999	6%	7%	\$160,000	1%	1%
INFORMATION	\$1,642,087	74%	75%	\$488,700	22%	17%

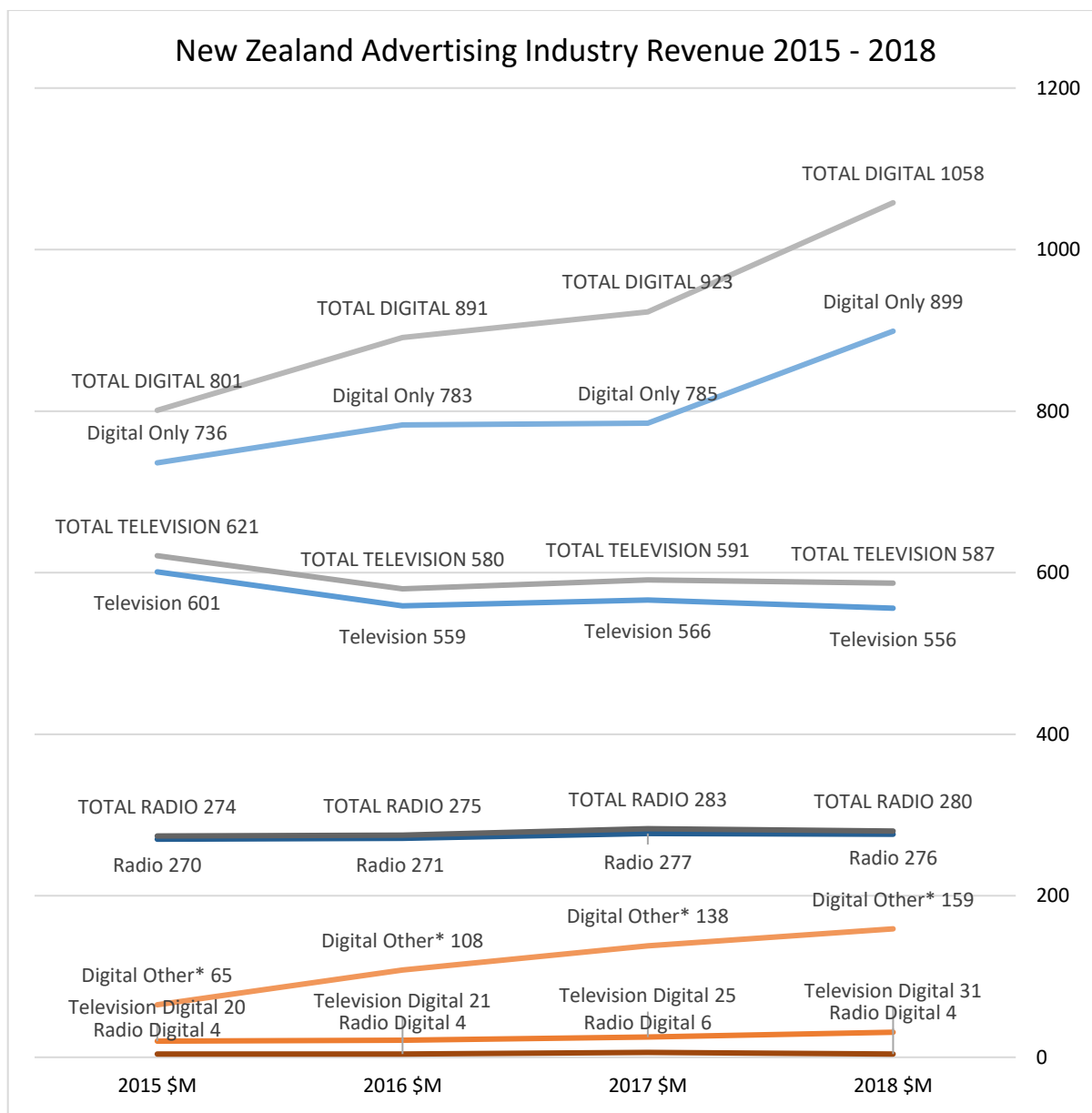
32. As expected peak programmes attract a higher level of platform contribution due to their ability to attract higher revenue. Higher production budgets are mostly the norm for this content. Notes:
 - Children's data for peak includes NZ Screen Production Grant (NZSPG) and/or international co-production funded projects that lowers NZ On Air's median contribution in this genre. For wholly domestic Children's content we often invest close to 100% of the production cost
 - Drama, which has very high production costs, requires a higher funding subsidy
 - Comedy does not require such a high level of subsidy because the average production costs are lower, and NZ On Air requires a high level of platform contribution for panel shows
 - Feature Films have significant NZFC, NZSPG or other third party investment, which explains the low NZ On Air investment percentage.

Table 3: Aggregated Data 2016/17 to Q1 2019/20 (YTD) – OFF-PEAK AND ONLINE						
	NZ On Air Funding			Platform Contributions		
Offpeak (includes online content)	\$Total	% of Total	%Median	\$Total	% of Total	%Median
FACTUAL (Total)	\$92,059,308	87%	95%	\$6,628,676	6%	0%
SCRIPTED (Total)	\$34,843,540	60%	95%	\$2,789,698	5%	0%
<i>By Genre:</i>						
CHILDREN	\$50,537,153	81%	100%	\$1,512,743	2%	0%
COMEDY	\$6,592,085	79%	88%	\$1,330,945	16%	10%
CURRENT AFFAIRS	\$10,865,875	78%	97%	\$1,281,018	9%	3%
DOCUMENTARY	\$31,573,321	84%	92%	\$2,936,414	8%	0%
DRAMA	\$7,609,951	39%	46%	\$1,030,120	5%	14%
EVENT	\$2,571,866	86%	95%	\$163,100	5%	0%
INFORMATION	\$12,919,909	93%	93%	\$596,937	4%	0%
REGIONAL MEDIA	\$4,192,688	74%	90%	\$557,097	10%	2%

33. For off peak and online content the subsidy is higher, reflecting the lower levels of revenue.
- It is unsurprising that children’s content (a priority target audience for NZ On Air) attracts the lowest level of platform contribution given that most projects are distributed in either non-commercial or restricted commercial environments
 - Content for wider Targeted Audiences (i.e. less commercial content) is spread across genres.

ENVIRONMENTAL CONTEXT

34. All of this is happening in an environment where advertising revenue continues to flatline or deteriorate for most local platforms as audiences continue to fragment and a greater share of advertising is spent with international platforms such as Facebook, Google and YouTube.
35. Data from the Advertising Standards Authority in the following chart shows advertising revenue trends over time. We note it is highly unlikely the majority of digital revenue is going to NZ companies.



36. The average All People 5+ percentage of the potential audience watching prime-time television (1800-2230) YTD for 2019 is 25.7%, compared with 29.9% for 2016.
37. TVNZ has advised the government that it will not be able to provide a dividend in the current financial year. MediaWorks is also experiencing considerable pressure and has recently announced it intends to sell its television business.
38. On a more positive note, there is an increasing shift towards online platforms (and sometime broadcast) being prepared to share reasonable windows with other platforms, thus increasing discoverability and allowing content to reach different, wider audiences. Of course this concession by platforms generally comes with the expectation they will make a discounted or no contribution to the cost of the content.

SUMMARY

39. The current contributions system is under pressure as it has not kept pace with the rapidly changing media environment, is becoming uneven, and lacks clarity and transparency around NZ On Air's expectations across different media companies, media formats, distribution approaches and content genres. It puts added pressure on producers and there is little incentive for platforms to offer higher or increased contributions.
40. In short, platforms generally want to reduce their contributions and acquire content for the lowest price. But all local platforms acknowledge the value of local content in differentiating their service offering from international platforms. Therefore this content should attract a premium. Strong local production is not only vital to our sense of nationhood, it is one of the few advantages a local broadcaster or platform has in the competition for viewers. Therefore the *value* per hour of local content to a platform/broadcaster is significantly higher than the value per hour of international content.
41. The more co-investment in a production budget that is offered, the more NZ On Air can fund additional projects.
42. If NZ On Air takes a hard line approach around platform contributions there is the risk of declining goodwill from the industry as well as the likelihood of producers being less successful in securing platform support, with a potential loss of diversity in funded content and platforms.
43. There is a trade-off between a standardised approach/certainty which is less time consuming and less costly to administer, and flexibility/less certainty which may see a wider range of projects funded but which is more costly, is time consuming to administer case by case, and is less transparent.

OPTIONS

44. NZ On Air should frame this issue around key principles. We believe these are -
 - **Equity:** a system that is fair for platforms, producers, and taxpayers
 - **Proportionality:** the bigger the funding request, the higher our expectation for co-investment.
 - **Simplicity:** a simple, generally-accepted approach that streamlines negotiation to assist both producers, platforms and NZ On Air staff
 - **Incentivisation:** the system needs to encourage both platforms and producers to support and create great content and secure co-investment where possible
45. Considering these principles, we have identified six options -
 - A. Do nothing/status quo
 - B. Adopt a lower flat-rate system and limit platform exclusivity unless more is offered
 - C. Require the producer to be responsible for offsetting the ask of NZ On Air
 - D. Delineate between prime time broadcast and offpeak/online and reduce co-investment expectations for all non-prime time and online content
 - E. Create a funding threshold under which contributions are desirable but not essential
 - F. Not require platform contributions

46. All options are predicated on -

- NZ On Air prioritising applications with funding attached, whether platform contributions or third party funding, because they have a stronger business case than applications seeking all or most funding from NZ On Air
- NZ On Air agreeing a standard approach for the platform production resource that we will accept for independent productions. As a bottom line, the cost of editorial and business oversight (e.g. commissioning, in-house executive producing and internal legal services) and the cost of in-house promotion will not be funded. These are usual business costs of content acquisition that should be borne by any commissioning platform
- NZ On Air prioritising applications that offer multiple distribution platforms to extend audience reach
- the producer ensuring free access is part of the offered package
- supporting Platforms being Qualifying Platforms in terms of NZ On Air [policy](#)
- Extended Platform Rights applying where platform and third party contributions are 5% or less
- the [Development roadmap](#) remaining the guideline document for platform contributions for content development funding.

47. The following table sets out the pros and cons for each option. Some options could be combined with others.

Table 4: Options

Options	Pros	Cons
A: Status quo Retention of current minimum broadcast licence fees Expectation of minimum 5-10% of total budget for online-first content.	Should not result in any decline in the level of current contributions, so no negative impact on our funding output	Existing levels may not be sustainable for some Does not address online platforms' issues regarding non-cash contributions. Does not address broadcasters' issue of perceived inequity around expected contributions
B: Flat rate system Platforms must pay more than 5% of the total production budget Limited exclusivity of 3 months Incentivise platforms to pay more by enabling exclusivity options, for example:- <ul style="list-style-type: none"> • >10% for 1 year exclusive • >15% for 2 years • >20% for 2 years+ 	Simple, transparent system that treats all platforms the same	Platforms may offer less than status quo for some content Will threaten some Targeted Audience content (i.e. currently 100% funded) NZ On Air's overall percentage of funding for projects would increase, so fewer productions would get funded

<p>C: Producer responsible for offsetting ask of NZ On Air</p> <p>Producer must offer more than 5% of the total production budget, which can be made up of platform contribution, crowdfunding, and/or third party investment.</p>	<p>Simple, transparent system that treats all platforms the same and puts onus on the deal-maker</p>	<p>Does not incentivise platforms to maximise their contribution or commitment</p> <p>Will threaten some Targeted Audience content</p> <p>May be difficult for producers</p> <p>NZ On Air's overall percentage of funding for projects would likely increase; fewer productions would get funded</p>
<p>D: Delineate between prime time broadcast and offpeak/online-only platforms; reduce co-investment expectations for all non-prime time and online content</p> <p>Confirm new standard minimum broadcast licence fee schedule with all broadcasters for <i>prime time content</i> (starting 6pm – 10pm).</p> <p><i>Offpeak and online-only content</i> would be considered without a platform contribution; but Extended Platform Rights apply where platform contributions are 5% or less.</p> <p>Incentivise platforms to make an eligible contribution by enabling exclusivity options, for example:</p> <ul style="list-style-type: none"> • >10% for 1 year exclusive • >15% for 2 years • >20% for 2 years+ 	<p>More transparent and simplified system than current situation</p> <p>Puts a higher investment requirement on higher-cost content that is arguably the most commercially feasible</p> <p>Supports content diversity</p>	<p>Could lead to perverse outcomes where content with primetime potential is pitched as off-peak / online-only screening to avoid platform contribution (subsequent "promotion" to peak is difficult to renegotiate)</p> <p>NZ On Air's overall percentage of funding for projects would increase; fewer productions would get funded</p>
<p>E: Create a funding threshold under which contributions are desirable but not essential</p> <p>Projects seeking \$500,000 or more would be required to have at least 5% on the table at the time of application, preferably from platforms.</p> <p>Projects seeking under \$500,000 that offer no platform or third party funding will be required to have secured <u>at least two</u>, qualifying, non-exclusive platforms at the time of application.</p>	<p>Simple, transparent system that treats all platforms the same</p>	<p>Less incentive for producers to raise finance for lower-cost content; but added work in securing at least two confirmed platforms prior to application</p> <p>Platforms may not contribute</p> <p>Will threaten some Targeted Audience content over \$500,000</p>

Extended Platform Rights apply where platform contributions are 5% or less.		NZ On Air's overall percentage of funding for projects would increase; fewer Productions would get funded
F: Not require platform contributions Remove the requirement for minimum platform contributions. Where no platform or third party funding is offered applicants will need to have secured at the time of application at least two, and preferably three, qualifying platforms to demonstrate market attachment and maximise audiences. Extended Platform Rights apply where platform contributions are 5% or less.	Simple, transparent system that treats all platforms the same NZ On Air will still prioritise strong projects with non-NZOA co-investment	Fewer projects would be funded Not consistent with Broadcasting Act requirements Not encouraging content to be valued High subsidy model less supportive of the development of a professional, business-focused screen production sector Not fair on taxpayers

48. Table 5 below shows the projected increased base cost to NZ On Air (namely not including incentives for increased exclusivity) of options two to six using data from the 2018/19 funding year. The last column shows the funding shortfall NZ On Air might have to cover under each option. The magnitude of those figures demonstrates why securing adequate third party contributions is important.

Table 5: Costing the options

Option:	Platform Contribution	# of Projects meet requirements	# of Projects that don't	Current Platform Contribution	Difference
Flat Rate system: 5% (option 2 or 3)	\$ 6,257,153	194	0	\$ 14,102,013	-\$ 7,844,860
5% of total budget on Peak only (option 4)	\$ 3,463,678	60	134	\$ 14,102,013	-\$ 10,638,335
5% on projects over \$500k (option 5)	\$ 5,080,076	53	141	\$ 14,102,013	-\$ 9,021,937
No platform requirements (option 6)				\$ 14,102,013	-\$ 14,102,013

*includes all funding including development

CONCLUSION

49. The complex, contemporary media landscape means there are no obvious or easy answers to the issues posed in this paper. The requirements of the Broadcasting Act are clear, along with our desire to run an equitable and transparent funding system that provides mutual benefit (where possible) for audiences, taxpayers, producers, and platforms.
50. But to be clear -
 - our role is to ensure there is a diversity of local content that serves diverse audiences
 - we wish to conduct business efficiently with clear expectations, and industry understanding of those expectations, to lower transaction time and cost
 - any roll back on our current expectations will reduce content outcomes.
51. We seek your insights and feedback to the issues raised and the potential solutions proposed and have posed some base questions below. We will consider feedback received, publish a summary, and publish how we plan to proceed in early 2020. Please note your feedback is subject to the Official Information Act.
52. The NZ On Air Board will consider feedback and options in March 2020. Any change to our policy is likely to take effect from 1 July 2020.

QUESTIONS

- Q1. Have we set out the issues correctly and fairly? Is there anything you would add or amend?
- Q2. Is there another option, either new or reworked, that we should consider?
- Q3. How would you rank the options, where #1 is the best and #6 is the worst?
- Q4. Would incentivising for a longer exclusivity period work in practice?
- Q5. Are there extra points you think need to be made in support of an option or in rejecting an option?

Please send your response to this paper and the answers to these questions to hilaire@nzonair.govt.nz by **13 December 2019**.

NZ On Air
October 2019

ANNEX A – GLOSSARY OF TERMS

Cash/Non-cash – refer to the resources contributed to produce a piece of content. A non-cash contribution can be facilities or services provided to cover a production element within the budget.

Exclusive/Non-exclusive – this refers to the period of time a primary commissioning platform has access to a piece of content on an exclusive basis. This is usually be proportionate to the size of platform contribution or licence fee i.e. the higher the platform contribution the longer they could expect to secure exclusive rights to distribute the content.

Extended Platform Rights – to extend the audience for funded content where NZ On Air provides 95% or more of a production budget we require Extended Platform Rights apply in our Standard Funding Agreement. The rights are;

- six transmissions in New Zealand, by a free-to-air broadcaster other than the Primary Platform Owner
- unlimited streaming on:
 - the nzonscreen.com website; and
 - any other free access, New Zealand website

These rights are for a period of 12 months after the first two weeks of release on the Primary Distribution Platform. Where there are multiple episodes of Content, the Extended Platform Rights will apply to each episode following that episode's first two weeks of release on the Primary Distribution Platform.

Licence Fees/Platform Contributions – this is the contribution platforms make to a production to secure the rights to distribute the content over their platforms. This contribution is usually cash but can be non-cash.

Peak/Offpeak – apply to the timeslots linear programming, generally broadcast television, is transmitted. NZ On Air defines primetime as content that begins screening between 6-10pm.

Qualifying Platforms – a qualifying platform, generally speaking, is a broadcast or online platform which:

- can already attract a significant NZ audience
- will offer free access to funded content
- will generally offer an adequate financial investment in a content proposal
- can show a track record of, or plan for, a sustained commitment to New Zealand content

Targeted Audiences – a goal of the NZMF is; *New Zealand audiences value local content made for a range of communities*. To achieve this goal NZ On Air has identified specific audiences for whom specific content applications will be considered. These audiences are:

- **Children and youth** – we will help grow great New Zealanders by providing enriching local content for children that encourages imagination and curiosity
- **Pacific audiences** – we will ensure diverse content made for Pacific peoples in New Zealand is accessible, enjoyed and valued.
- **Other ethnic populations** – we will support valued content serving other ethnic populations in New Zealand that exceed 100,000. At this time these are Indian and Chinese New Zealanders. NB: funded access radio also provides options for both these and smaller populations.

- **Regional audiences** – we will support valued regional news and information, for communities of reasonable size, as content that national media can rarely provide.
- **Other community minorities of reasonable size** – we will support valued projects as opportunities permit including content that reflects diverse religious and ethical beliefs.
- **People with disabilities** – we will support valued stories about disability both to be inclusive and to provide insight for a general audience. We will make funding available for content to be made accessible for those with sight and hearing impairments.

In addition to the above targeted audiences NZ On Air's [Rautaki Māori policy](#) supports the production of quality Māori content for a general audience.
