

Starting a TV Production business

The Television Production Scene

The opportunities for TV production are almost endless. There was a time, when television programmes (what we now call content) was limited to what was needed by the TV channels, and the occasional corporate programme.

Now, television production covers everything from advertising to web-based material. Almost all companies now use video, and its educational applications are extensive.

Twenty years ago, there were hardly 50 production companies. Now there are about 1000. They can be divided up into:

Large. There are possibly 10 large companies that employ over 50 full-time staff. These companies have long-term contracts to produce soaps, series and lifestyle or reality programmes.

Medium. These companies employ between 20-40 staff. There are about thirty such companies.

Small. These companies employ 10 or less staff, and there are about 100 such production companies.

Micro. These are one-to-three person entities. There may be as many as 1000 of them.

But ...

The number or size of companies is not important. The only important aspect is, "how many companies are turning a profit? No company, no matter how much turnover (revenue) it achieves, is of value to the industry and to job creation, if it is running at a loss. It can only end in disaster. For this reason there are a number of questions you must ask yourself before you even consider going into a production business:

Why are you doing it?

What's your motive?

1. Are you trying to make a lot of money out of a skill you do well?
 - Can you do your skill well, or are you only kidding yourself, and have an unrealistic view of your own abilities? If you are not exceptional at what you do, then you need to work for other productions a little longer.
2. Are you in it for the glamour?
 - Then go and do it. You probably have a 1% chance of making it, as most people who chase glamour are not interested in boring tasks.
3. Have you simply a passion for doing your skills well?
 - If so, then you have to ask yourself again if going into your own production business is the best way to go. Maybe you should get a job, or work as a freelancer for other productions, and get better so that you can charge more and more for your services. Many expert editors, vision mixers, DOPs make much more money than the owners of production houses.

You can't consider going into business if you ...

Don't know the basics of business.

- Understand the statistics of risk

Document:	Starting a business	Version	3	Page	Page 1 of 6
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- Cannot do project management using project management software
- Cannot maintain accounts using accounting software.
- Cannot manage the business using HR management, inventory and planning software
- Don't know how to write a business plan.
- Do not know how to establish a network, and do cold marketing
- Cannot pitch a project
- Don't know what is going on in the industry from day to day.

If these are not in your list of skills, you must attend to them before you even consider going to the expense of starting a business. These skills are easy to acquire. There are self-help lessons online, and software is easy to teach yourself. You do not need to go on a training course. However, if you have the money to spend on courses, they are a little easier than trying to teach yourself.

But there is no negotiation to this. Unless you can master these skills, and sincerely want to, don't even consider starting your own business.

Basic principles

You can't go into business until you have:

1. Products
2. A market for your products.

Let's put it another way. The basics for business are

1. Look for a gap in the gap.
2. Check that there is a market in that gap
3. Tie up your distribution.

This means that you do NOT spend any money on opening a business, buying equipment, or starting a business plan until:

- You have products that you can prove are wanted in the market, and that you are very good at making those products.
- You know how you can get those products to the market. This means, have you tested that there is a broadcaster who wants to distribute your programme once you have made it.

So ... *once again*

Ask yourself:

- Do I want to start my own production business?
- Am I prepared to do all the boring work involved in it?
- Am I prepared to take risks?
- Do have a product?
- Do I have a market?
- Do I have distribution?

Don't spend money

By now you should have realised that there is a lot of work you have to do before you go into business. You should realise by now that you do not need cameras, editing equipment, or even a car to be able to start on all the things listed above. All the software listed above is available for download FREE.

Don't stop dreaming

Dreams, ambitions, aspirations – whatever you want to call them, are your driving force. Picture yourself doing the impossible, imagine yourself admired by your family and

Document:	Starting a business	Version	3	Page	Page 2 of 6
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community, and keep a vision of how you will feel when you have really achieved the seeming impossible.

But never lose sight of the fact that it will take a lot of mundane, boring and tedious work. The road to success is not paved with luxury. It's a long and rocky road with many, many potholes.

Your day-to-day living comes first

I'm assuming that you don't have a job, or have perhaps just come out of film school. Many people approach life thinking that starting a business is easy, and that there is untold wealth just around the corner.

There is one important factor that comes first, before you even consider what you intend to do next. You have to live.

You are probably no longer living with your parents, so you will have to feed yourself, and pay rent. You will have to travel. In South Africa that is the highest drain on your income. The second biggest is pre-paid airtime and data. You must have a laptop so that you can start the basics of running a business.

You do NOT need cameras, microphones, editing equipment and lights. These things will not get you concepts, planning and contracts.

Once you have a contract, you can go and buy your equipment.

But you need to live. Very few starting up a business can do it on less than R6 000 a month.

You must have this money, and you must get it from somewhere. The probability is that you will have to work, either

1. By getting a small job, or
2. Freelancing

Until you have your first contract, whether you get a job, or you freelance, remember that you are gaining skills and experience every day you work, and with every job you do. Nothing you do is ever wasted, except sitting at home and doing nothing.

You have to survive first and foremost. You cannot start a business starving and all stressed out because you have debts.

Opportunities

Earlier I pointed out that every month brings in new opportunities. Right now, there are more opportunities than ever before, and they grow in number monthly. This is why you must keep up to date, network and keep informed.

In broadcast

- Imaging and promos
- Producing and making programmes of all genres
- News and current affairs production
- News stringing
- Advertising slots
- Infomercials
- Sponsorship imaging
- Previews

In the web

- Streaming video and channels
- Imaging and corporate animation
- YouTube channels

Document:	Starting a business	Version	3	Page	Page 3 of 6
Developed by:	Busvannah Communications cc	Review Panel	Howard Thomas		

- Programme associated websites and Facebook pages
- Twitter and Facebook integration
- Commercials for YouTube and hundreds of other advertising applications

In education

- In-school video learning programmes
- Classroom supplementary education on broadcast and the web.
- Further education and training in training schools and on the Web.
- Formal distance education
- Alternatives to university
- Social and rural development

In corporate

- Corporate skills training
- Corporate education
- Corporate information and company news
- Annual reports
- Corporate Social Investment (CSI)
- Sales and marketing aids
- Video in web marketing
- Internet product catalogues
- Online advertising

In Retail

- DVD retail for a wide range of genres
- Information, education and entertainment products
- Church videos
- Exercise and lifestyle
- Language teaching

In Cinema

- Films
- Trailers
- Advertisements
- Promotions
- Foyer video productions

In personal services

- Weddings
- Funerals
- Birthdays
- Special occasions

Industrial production

- Education and training
- Corporate communication and social investment
- Sales and marketing
- Industry research
- Transport
- Medicine
- Engineering
- Security

Document:	Starting a business	Version	3	Page	Page 4 of 6
Developed by:	Busvannah Communications cc	Review Panel	Howard Thomas		

Advertising

- Television
- Cinema
- Out of Home
- Moving (Taxis, trains, buses, air flight)
- Web
- Streaming
- Social media
- YouTube

Government

- Municipal, provincial and central
- Education
- Agriculture
- Arts and Culture
- Communications
- Police
- Hospitals
- Schools

Summary – 10 things you must do to start up

DO

1. Immediately go and earn at least R6 000 a month so that you can keep going. It doesn't matter what you do, just make sure you are financially independent. Don't enter into any type of mentorship, incubator or other business development plan until you are self-sufficient with just the basics
2. Keep accounts right from the beginning
3. Start developing product. A business has to have products to sell. You cannot open a spasa without goods on the shelves. Make sure you develop more than one product in more than one industry sector at the same time.
4. Get up to date with what is happening
5. Start researching potential markets
6. Establish a personal network of people actually working in the business
7. Study all the skills you need to start and run a business
8. Write a business
9. Spend time on the Internet learning skills. Design and produce your own website. Free tools and software available on the Internet FREE.
10. Learn how to produce video for the Internet (the information and software is all available online at no cost at all)

5 things NOT to do

Do NOT:

1. Buy equipment. When you need it, hire it until it becomes cheaper to own it.
2. Form a company. Why form a company that has no products?
3. Open an office. Work from home first.

Document:	Starting a business	Version	3	Page	Page 5 of 6
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4. Make programmes. Write treatments and sell them first. Have the broadcaster or client pay for the production.
5. Wait for jobs to come on offer. Opportunities don't happen; you make them happen.

Where to find information

Get to know the industry

Visit the following websites:

http://www.southafrica.info/business/economy/sectors/film.htm#.VUSODLAcTcs
http://en.wikipedia.org/wiki/Media_of_South_Africa
http://www.pwc.co.za/en/publications/entertainment-and-media-outlook.jhtml
http://www.mbendi.com/indy/mdia/af/sa/p0002.htm#15
http://www.nab.org.za/content/page/nab-state-of-the-broadcasting-report1

In order to keep up to date with the industry.

www.themediaonline.co.za	Go to SUBSCRIBE	Fresh news twice a week
www.bizcommunity.com	Choice of many different newsletters	Choose daily or weekly
www.eighty20.co.za	Subscribe to Fact-a-day	Fascinating facts about SA audiences every day
www.techcentral.co.za	Subscribe	Up to date on all things radio and TV
www.itweb.co.za	Subscribe	What Techcentral misses
www.mediamonitoringafrica.org	Subscribe	Real serious stuff
www.screenafrica.com	Choice of many different newsletters	When you want it
www.filmcontact.com	Choice of many different newsletters	When you want it
www.balancingact-africa.com	Select the all Africa newsletter for broadcast	Invaluable for the business side
Looking for employers		Enrol with an agency
http://www.filmcontact.com/directory		http://www.callacrew.co.za/
http://www.screenafrica.com/		http://www.generalpost.co.za/
http://www.cpsa.tv/members		http://www.hotshots.co.za/
http://filmmakerafrica.co.za/company-profiles/		http://www.nautilus.co.za/index.aspx
http://www.bizcommunity.com/Companies/196/66.html		http://www.pulsecrew.co.za/
Getting an idea of payscales		Useful sites
http://www.hotshots.co.za/vision.php?chapter=22		http://www.gautengonline.gov.za/Publications%20and%20Reports/GFC_Guide_to_Getting_Started_in_Film_and_TV.pdf
http://www.thepma.co.za/Home/Docs/		http://www.busvannah.co.za/
http://www.payscale.com/research/ZA/Industry=Television_Broadcasting/Salary		http://www.nfvf.co.za
http://www.kevinlikes.com/screenwriting-fees-south-africa/		http://www.sasfed.org/
http://www.capefilmcommission.co.za/conditions.asp		http://docfilmsa.com/
http://www.editorsguildsa.org/wages-and-conditions		

Document:	Starting a business	Version	3	Page	Page 6 of 6
Developed by:	Busvannah Communications cc	Review Panel	Howard Thomas		