New Zealand meets South Korea:
Strategies for film co-productions between two countries

A thesis
submitted in fulfilment
of the requirements for the degree
of
Doctor of Philosophy in Screen and Media Studies Department
at
The University of Waikato
by
JuHee Kim

Year of submission
2017
Abstract

This study investigates the state of international film co-productions between New Zealand and South Korea and whether such co-productions are possible, and if so, which modes or types of film co-productions are likely to succeed. The study is framed in the context of the two countries as well as the rapidly changing global marketplace. Increasingly, international film co-productions have gained importance in the film industry paralleling a growing tendency towards cross-border filmmaking. However, the phenomenon of international film co-productions, specifically between New Zealand and South Korea, has not been fully investigated to date.

A review of existing approaches to international film co-productions did not provide a sufficiently comprehensive theoretical framework for this study. It therefore draws on four different approaches: political economy, social exchange theory (the reciprocal exchange model), Cultural Studies (focusing on cultural proximity and discount), and transnational approaches. Post-positivism provides a theoretical research perspective and the research method employed was a mixed-methods. The secondary data was analysed and discussed for the two governments’ film policies and their impact on the co-productions of these two countries. Extensive in-depth interviews with key respondents point five influential factors (political, economic, personal, cultural and industrial) for New Zealand-South Korean film co-productions. A case study of The Warrior’s Way (2010) was undertaken in order to examine how these five factors have practically impacted on one example of international film co-production.

This study proposes a conceptual framework drawing upon four approaches to explore multi-layered and multifaceted international film co-productions, and each approach in the framework has made its own contributions to film studies in the academic literature. The findings of this thesis show that it has been difficult for official productions between these countries to happen despite the film agreement between them. Consequently, it is suggested that the option of undertaking unofficial film co-productions is a better one. Three modes for unofficial productions, particularly addressed to those South Korean filmmakers who desire to make New Zealand-South Korean co-productions are suggested.
Acknowledgements

My thesis could not have been completed without the infinite patience, and continued emotional, intellectual and spiritual support from those who have encouraged and helped me.

I do not know how to express my sincere gratitude to my supervisors, Associate Professor Geoff Lealand and Dr. Ann Hardy. They have guided and encouraged me throughout my PhD’s life with professional knowledge and warmhearted minds offering informative and valuable information on this thesis and comprehensive and detailed comments on my work. It is fortunate for me to have such supervisors who have enthusiasm for and interest in this research topic. Without their unfailing support and endless patience, my thesis would not have come into being.

The participants in this study deserve my appreciation. In the midst of their busy schedule, they made time for sharing their experiences and opinions with me and also helped me recruit other participants.

I am very grateful to my mother and younger brother for their enormous support, encouragement and consideration. They are my true guardian angels. Thanks a million to my friends in New Zealand and South Korea for making happy and memorable memories and helping me overcome many challenges I encountered during this period. My special thanks go to Nyamaamaa Avirmed, Heather Morrell and Angela Scarsbrook who have always given me a hand whenever I have needed it and made good suggestions for my any questions.

Lastly, I would like to deeply thank Venerable Tenzin who taught me how to keep inner peace in my life. Taking part in mediation hosted by him provided me with the source of power to go through this long journey.
# Table of Contents

**Abstract** ........................................................................................................................................................................... iii

**Acknowledgements** .......................................................................................................................................................... v

**Table of Contents** .......................................................................................................................................................... vii

**List of Figures** ............................................................................................................................................................... xi

**List of Tables** ................................................................................................................................................................... xiii

**Chapter 1 Introduction** ....................................................................................................................................................... 1

1.1 Definition of international film co-productions ............................................. 2

1.2 Significance of the research ......................................................................... 4

1.3 Research objectives ....................................................................................... 7

1.4 Structure of this thesis .................................................................................. 8

**Chapter 2 Comparison between New Zealand and South Korean cultures**........ 11

2.1 Introduction .................................................................................................. 11

2.2 General features of New Zealand and South Korea .................................. 11

2.3 New Zealand and South Korean film cultures ............................................. 16

2.4 Relationship between New Zealand and South Korea .............................. 24

2.5 Summary ..................................................................................................... 27

**Chapter 3 Literature Review** ............................................................................. 29

3.1 Overview ...................................................................................................... 29

3.2 Political economy approach ....................................................................... 29

3.2.1 Introduction ........................................................................................... 29

3.2.2 American cultural imperialism .............................................................. 33

3.2.3 Governments’ policies and their impact on the production of media ................. 34

3.2.4 Emergence of cultural regionalisation in East Asia ............................... 46

3.3 Social exchange theory .............................................................................. 54

3.3.1 Introduction ........................................................................................... 54

3.3.2 Reciprocal exchanges .......................................................................... 54

3.4 Cultural Studies approach ......................................................................... 57

3.4.1 Introduction ........................................................................................... 58

3.4.2 Cultural proximity ................................................................................. 59

3.4.3 Cultural discount ................................................................................... 63

3.4.4 Genres .................................................................................................. 65
Chapter 4 Methodology ...................................................................................... 81

4.1 Introduction ..................................................................................... 81

4.2 Research paradigm .......................................................................... 81
  4.2.1 Theoretical perspective: Post-Positivism .................................... 81
  4.2.2 Qualitative research .................................................................... 87
  4.2.3 A mixed methods approach ........................................................ 92

4.3 Data collection and analysis ............................................................ 93
  4.3.1 Collecting and analysing of secondary data................................. 93
  4.3.2 Interviews .................................................................................... 95
  4.3.3 Case study ............................................................................... 103

4.4 Method of data analysis ................................................................. 104
  4.4.1 Rationale for the application of Thematic Analysis ..................... 104
  4.4.2 Data analysis .......................................................................... 106

4.5 Summary ........................................................................................ 107

Chapter 5 Government policies on the film industry ..................................... 109
and their impacts on film co-productions ....................................................... 109

5.1 Government policies on the film industry ........................................ 109
  5.1.1 New Zealand Government policy (1998-2014) ......................... 109
  5.1.2 South Korean government policy (1998-2014) ......................... 120
  5.1.3 Summary ................................................................................. 135

5.2 Impact of government policies on film co-productions of New
Zealand and South Korea and between the two countries ......................... 136
  5.2.1 New Zealand ............................................................................. 137
  5.2.2 South Korea .............................................................................. 146
  5.2.3 Summary ................................................................................. 158

Chapter 6 Major influences for New Zealand and South Korea co-
productions ......................................................................................................... 161

6.1 Introduction ................................................................................... 161
Appendix A ..................................................................................................................... 355
Appendix B ..................................................................................................................... 357
Appendix C ..................................................................................................................... 358
Appendix D ..................................................................................................................... 359
List of Figures

Figure 3.1 Theoretical framework of this study .................................................... 80
Figure 5.1 Production and investment in South Korean films ............................ 126
Figure 5.2 The trend of return on investment (left) and gross box office revenue of
South Korean films (right) .................................................................................. 128
Figure 5.3 Support for plans and developments of screenplays for international co-
productions .......................................................................................................... 134
Figure 6.1 Poster of the New Zealand Film Festival ................................. 205
Figure 6.2 The poster of Black Sheep (2006) ...................................................... 213
Figure 6.3 Trend of export sales of Korean films by areas and years ........... 228
Figure 6.4 5 Types of movies watched most frequently at the cinema in South
Korea in 2013 (percent) ...................................................................................... 238
Figure 6.5 Types of movies most likely to be seen at the cinema ................. 239
List of Tables

Table 2.1 Comparisons between New Zealand and South Korea ......................... 12
Table 2.2 Major indexes in the two film industries .............................................. 22
Table 2.3 Feelings towards people in Asian countries in 2011 ............................. 26
Table 3.1 Typology of film co-productions .......................................................... 46
Table 4.1 Main sources of the secondary data ...................................................... 94
Table 4.2 Research method summary ................................................................. 96
Table 4.3 Sample composition ............................................................................ 98
Table 4.4 Interview questions for directors and producers in New Zealand ....... 101
Table 4.5 The research framework and interview questions .............................. 102
Table 4.6 Phases of thematic analysis ................................................................. 105
Table 5.1 Films that received LBSPG and the claimed amount of grant (unit: NZ$ million) ....................................................................................................... 111
Table 5.2 Major indices of the New Zealand film industry (1998-2014) .......... 113
Table 5.3 Financing and funding received for production by feature films (2008-2014 financial years) ................................................................. 114
Table 5.4 Gross revenue of production and post-production sector businesses of feature films (2008-2014 financial years) .................................................... 117
Table 5.5 2001-2005 South Korean film export trends by year (Unit: US$) ...... 123
Table 5.6 Investment performance of The Korean Film Investment Union by year .......................................................................................................................... 125
Table 5.7 Key statistics from the South Korean film industry, 2005-2014 ....... 129
Table 5.8 Economic figures of New Zealand Official film co-productions (2005-2013) ............................................................................................................ 138
Table 5.9 Participation by other nations from 2005 to 2013 ......................... 146
Table 5.10 South Korean film co-productions financed by other nations (2005-2013) ........................................................................................................... 148
Table 6.1 Comparative roles of the NZFC and KOFIC ...................................... 164
Table 6.2 Comparative roles of the NZFC and KOFIC in international film co-productions ........................................................................................................... 165
Table 6.3 Comparisons of film agreements ......................................................... 173
Table 6.4 Comparison of key possible motivations for film co-productions between New Zealand and Korea ................................................................. 180
Table 6.5 Major factors related to film professionals............................................. 195
Table 7.1 Production Overview............................................................................. 276
Chapter 1 Introduction

This thesis originated from my passion, as a South Korean who enjoyed watching a film in cinemas and was studying in New Zealand, to make a useful contribution to connecting New Zealand and South Korea in relation to films. In the course of exploring this likelihood, I discovered that these two countries had reached a film co-production agreement in 2008 when New Zealand’s Prime Minister, Helen Clark, visited South Korea, but no official film co-production ventures between the two nations were undertaken by 2010 when this thesis research began. This information excited my curiosity about why no projects had occurred by that time and also whether such a project would be viable.

As a result, this study investigates the state of international film co-productions between New Zealand and South Korea and whether official co-productions are possible, and if so, which modes or types of film co-productions are likely to succeed. The study is framed in the context of the two countries as well as the rapidly changing global environment. During the process of this study, the prominent change in the global film marketplace has been the sharp growth of the Chinese film industry threatening the U.S. which has occupied the first place in terms of box office revenue (Garrahan, 2015; Perkowski, 2014). In this respect, China will be addressed in relation to developments of collaborative film projects with New Zealand and South Korea, which reflect increasing Chinese leverage in the global film industry.

The investigation for the research objectives is approached using a post-positivist perspective and this theoretical orientation provides the basis for a viewpoint throughout the research process. The research period in relation to the two governments’ film policies in the study is between 1998 and 2014; however, the analysis period of the data of film co-productions of New Zealand and South Korea is between 2005 and 2013. In the following sections, I will introduce definitions of international film co-productions and describe the significance, the research objectives, and the structure of this thesis.
1.1 Definition of international film co-productions

It is crucial to clarify the meaning of the term *international film co-productions*, which is a core concept in this research. International film co-productions are a wide range of global collaborations between producers from two or more different countries where they use financial, technical, personnel and creative resources to produce films, based on their personal relationships and networks. Due to the significance of economic factors in the collaborations, many definitions of international co-productions were defined within an economic perspective. For example, Renaud and Litman (1985, p. 254) identify co-productions as “the most effective response strategy to the new economic pressures reshaping the television programming environment, in the USA and abroad.”

Economic geography scholars such as Grabher (2002) and Bathelt et al. (2004) define international co-productions as “extra-local linkages,” “global pipelines” or “temporary trans-local interim networks” between different production clusters. Baltruschat (2003) regards the term as referring to a production type for gaining new finance, having access to partners’ and/or third markets and competing to create global profits (p. 150). Morawetz (2008) states that international co-production is “a form of film production whereby at least two producers from different countries enter a co-production contract, in which they agree to collaborate and pool their (financial) resources in order to produce a joint film project” (p. 63).

Some explanations of the term have included other facets such as creative and legal facets with economic factors expanding the meaning of it. Yoon (1999) views co-productions as mutual co-operation in productions between partners (p. 5) who share not only production costs but also exchange ideas with one another. D.-H. Lee (2004, p. 363) describes international co-productions in television programs “as an activity involving more than two broadcasters where they use financial, technical and creative resources.” Baltruschat (2013b) notes that filmmakers can access diverse resources including funding, government incentives or subsidies, and personnel. Yoon et al. (2007) define that “international co-production, as a varied range of global collaborations, includes the resources, texts and technologies to produce audiovisual products” (p. 46).
This was an advanced concept in that it involves more inclusive activities of film co-productions such as location shootings than other concepts.

The definition of Enrich (2005) who lists the characteristics of co-productions in legalistic terms is both clear and comprehensive:

In a co-production contract, two or more persons agree to:

a) collaborate and pool goods, rights or services in order to produce an audiovisual work of some kind;

b) attribute ownership of the rights in respect of the audiovisual work resulting from such collaboration; and

c) make use of the work jointly, and share the ensuing profits (or losses) in agreed proportions. (n.p.)

Enrich (2005) also explains that international co-productions involve foreign producers from overseas countries, in which foreign producers are sometimes successful in securing the position of being co-producer. In addition, he acknowledges the possibility that there will be instances where “the audio-visual work of which he/she is a co-producer is not considered as having the nationality of his/her country” (n.p.).

In line with this explanation, there are two different types of international film co-productions: official and unofficial. Official film co-productions are projects undertaken under a formal film co-production agreement or treaty between two countries, but unofficial film co-productions take place between producers from two or more countries with which there is no bilateral film co-production agreement or treaty existing and include a range of collaborations including location shootings in a broader sense. These two notions correspond to the definitions, suggested by Hoskins and McFadyen (1993, n.p.), of “official co-productions” as being acknowledged as national products in participating countries, while “co-ventures” are projects that are carried out without a formal agreement or treaty between countries involved.
Miller et al. (2005) divide international co-productions into official co-productions (treaty co-productions) and non-treaty co-productions (equity co-productions) (p. 182). Even the meaning of official co-productions is similar to those definitions mentioned above; however, non-treaty co-productions differ from unofficial co-productions in that they assume that partners hold equity: “they take a percentage ownership in a project or production company, rather than buying territory rights for initial distribution. Equity partners have a voice in the projects, but the level of input into creative decisions can vary considerably” (Miller et al., 2005, p. 182).

This study encompasses both kinds of film co-productions, because South Korea has completed only two official co-productions (with France) by 2014, whereas it has been involved in many unofficial productions with a range of other nations since 2000 (Woo, 2011). In contrast, New Zealand has been engaged in more official co-productions than South Korea although the number of official film co-productions in New Zealand has shown little change (see NZFC, 2015e). Feasible ways of making both official and unofficial New Zealand-South Korean film co-productions will be therefore investigated. The notion of film co-productions in this thesis is confined to international film co-productions.

1.2 Significance of the research

This study is timely, given the greater economic, cultural and diplomatic relationships in the twenty-first century between New Zealand and South Korea. During the period of writing this thesis, the two countries formally signed a long-awaited free-trade agreement (Smellie, 2015), which could serve as a boost for New Zealand-South Korea film co-productions by promoting active exchanges of goods, services and cultural programmes. In 2016, Wellington, the capital of New Zealand, signed a Friendly City partnership with Seoul, in South Korea, which “seeks to develop and promote a wide range of economic, cultural, tourism, educational, creative industries and technology,” and the agreement is expected to increase film co-productions (“Wellington partners Seoul,” 2016, para. 3). The first potential official film co-production between New Zealand and South Korea (Pokarekare Ana: Yeon-Ga) was proposed to the NZFC to gain the acknowledgement of its status as an official co-production (NZFC, 2015/2016).
The growth of international film co-productions has become significant since its beginnings in the 1990s (Iordanova 2002), and they have been a crucial production mode in the film industry in the global market. Morawetz et al. (2007) indicate that the number of film co-productions is increasing across the world, especially in some European countries where co-productions account for around 30 percent of film productions. As two of the four big markets in Europe, in France, the number of film co-productions occupied 44.1% of total 272 films made in 2011, and co-productions made up 24.1% of films in Spain in the same year (Wutz & Pérez, 2014, p. 18).

Alvaray (2008) notes that film co-productions contributed to new waves of Latin America Cinema, with Spanish media conglomerate Telefónica Media’s large investment into Ibero-American co-productions and the establishment of Ibermedia in 1997. Ibermedia, financed by 14 nations including Spain and Portugal, aimed at helping filmmakers produce films in the region, promoting Ibero-American films and sponsoring film practitioners’ exchanges and training between member nations (p. 58). Filmmakers in the U.S. have also begun to pay attention to international film co-productions, actively collaborating with several countries (especially Canada and China) to produce films, despite the U.S. having no co-production treaties (Betz, 2007). In the East Asian domain, “70% of the ten highest-grossing films and 64% of the twenty-five highest-grossing films were China co-productions” (Staff reporter, 2014, para. 2). Baltruschat (2013b) argues that international film co-productions driven by economic imperatives and capital will continue to increase with the importance of the global market and the growth of multiple media outlets.

However, production studies have been neglected in academic research (Perumal, Hassan, Bolong, & Osman, 2012a; Philipsen, 2009), with not many scholarly studies exploring international film co-productions, although South Korea has witnessed the rise of research on film co-productions between China and South Korea since the film agreement between these countries in 2014. In this respect, this study itself can make a contribution to extending the research area of film co-productions in an academic sense. Previous research or industrial reports on film co-productions in the English speaking world have mainly concentrated on
Europe (see Baltruschat, 2013a; Jones & Higson, 2014; Morawetz, 2008; Naarajärvi, 2011; Wutz & Pérez, 2014) and the areas of North America (see Baltruschat, 2010, 2012, 2013b; Dhaliwal, 2012; Goldsmith & O’Regan, 2008), whereas the book, *Popular culture co-productions and collaborations in East and Southeast Asia* edited by Otmazgin and Ben-Ari (2013), focused on the East and Southeast Asian region. There were some articles regarding Australia-China film co-productions (Peng, 2016; Walsh, 2012).

South Korean scholars or film practitioners have examined film co-productions between South Korea and other Asian countries such as China (see Eo, 2013; Cheon, 2016; Kim & Kwak, 2013; Kim & Park, 2011; Park, 2014/2015; Shim, 2013). The present study, therefore, is able to contribute to filling the gap in knowledge in respect to film co-productions, and in a broad sense, could also contribute to attempts to create film co-productions between South Korea and English-speaking countries.

This thesis proposes the conceptual framework comprising four different approaches: political economy, social exchange theory, Cultural Studies and transnational, in order to analyse multilayered and multifaceted characteristics of film co-productions, whereas former studies in academic literature have depended on one or two theoretical approaches. For example, in his PhD thesis, Morawetz (2008) analyses the reasons for the rise of film co-productions in Europe from an economic point of view, while Baltruschat (2010) employs political economy in her book *Global media ecologies: Networked production in film and television*. To examine international film co-productions as international alliances coordinated and regulated by co-productions agreements in the Finnish film industry, Naarajärvi (2011), in her PhD thesis, utilises international business and legal perspectives. In her PhD thesis, Peng (2015) investigates China’s film co-production strategy focusing on the role of film co-productions from a soft power perspective. In fact, when international film co-productions are discussed in even the academic domain, there are many cases where researchers do not explain their theoretical framework used to analyse them because of the practical considerations.
This study identifies and discusses five influential factors (political, economic, personal, cultural and industrial) for producing film co-productions as a whole entity. It concentrates on the impact of the New Zealand and South Korean governments’ policies on film co-productions related to political, economic and cultural factors, and the contribution of film co-production projects to cultural regionalisation in East Asia (the political economy). It also focuses on film professionals’ interactive factors as personal factors focusing on their relationships and networks (the reciprocal exchange model of social exchange theory) as well as cultural proximity and discount as cultural factors, and differences of the production systems of the two countries as industrial factors (Cultural Studies approach). I argue that international film co-productions should be treated as one strand of the mainstreams of transnational cinema, based on the argument of S.-J. Lee (2011a).

The three research methods (secondary data analysis, in-depth interviews and case study) that this study uses, offer comprehensive and meaningful information about key influential factors for creating film co-productions. Notably, this study reflects the varied viewpoints of participants: film producers, directors, directors of photography, editors, and officials from New Zealand and South Korea. In summary, this study can make contribution in that it presents the conceptual framework to analyse international film co-productions and also suggests the five significant factors for facilitating New Zealand-South Korean film co-production ventures. In addition, three feasible options for the co-productions suggested can be another contribution for filmmakers who desire to create them.

1.3 Research objectives
The fundamental proposition of the research topic is that the phenomenon of film co-productions crossing borders has been increasingly significant (Alvaray, 2008; Morawetz et al., 2007), since filmmakers are not constrained by one specific production site in making films because of technology development and free flow of capital and personnel (Chung, 2012). In the eight years following the bilateral film co-production agreement, the two countries have not still witnessed the productions to date. This indicates the existence of some of the current obstacles for co-productions between these parties.
In this regard, this study was designed to investigate whether official New Zealand-South Korean film co-productions can be produced and, if so, what might be the most feasible and desirable ways of doing so. Four key questions explored in this research are:

1) How have the two governments' policies impacted on the two film industries and film co-productions of both New Zealand and South Korea?

2) How, and in what ways, have other international film co-productions involving New Zealand and South Korea affected the two film industries?

3) Are there different motivations, benefits and drawbacks between New Zealand and South Korean participants for film co-productions and reasons for them? What benefits or drawbacks relate to New Zealand? What benefits or drawbacks relate to South Korea?

4) What could the major motivations, advantages, disadvantages and possible typologies of film co-productions between New Zealand and South Korea be?

1.4 Structure of this thesis

This present study comprises eight chapters, including this introduction chapter. Chapter 2 provides background information and central knowledge regarding the two countries, which helps to understand situations surrounding film co-productions between New Zealand and South Korea and the consequences for these productions. This chapter explores a range of features of New Zealand and South Korea such as historical, geographical and cultural characteristics, and reviews the relationships between the two nations in respect to diplomacy, film co-productions, research, and between individuals.

In Chapter 3, the theoretical framework of the core discussions and arguments in the thesis is established. In order to achieve this aim, the chapter examines
relegible theories and important c oncepts focusing on four approaches: political
economy, social exchange theory, Cultural Studies and transnational approaches,
which are necessary for investigating the phenomenon and nature of international
film co-productions related to the development of scholarly knowledge in film
production studies.

Chapter 4 articulates the methodology of the present study. It presents a research
paradigm as the overall methodological approach of this study (post-positivism,
qualitative research, and mixed methods), the procedure of data collection based
on a mixed-methods approach (secondary data analysis, interviews and case
study) explains the concrete method of data analysis (thematic analysis) (Braun &
Clarke, 2006) and also addresses some relevant issues that emerged during the
fieldwork.

Chapter 5 investigates and discusses how the New Zealand and South Korean
governments’ policies have shaped and affected the two film industries,
particularly film co-productions, to demonstrate the two governments’ policies are
not an only decisive factor for facilitating film co-productions between the two
countries as Min et al. (2003) argues, and how New Zealand-foreign and South
Korean-foreign film co-productions have impacted on the two film industries. A
wide range of film collaborations, which have been carried out in South Korea,
are analysed to underpin the argument that there is a need for international film
collaborations to be discussed as one of the mainstreams of transnational cinema
based on the argument of S.-J. Lee (2010a), in that some of South Korean-foreign
co-productions are not explained by existing concepts of transnational cinema
(Higbee & Lim, 2010) or varied typologies.

Chapter 6 builds the central arguments of this study, with regard to which factors
may be influential or contribute to producing film co-productions between New
Zealand and South Korea, and what the most reasonable and appropriate ways of
developing film co-productions might be. This chapter investigates and discusses
five crucial factors – political factors (government agencies and film agreements);
ec onomic factors (financial and market factors); personal factors (film
professionals); cultural factors (cultural motivations, proximity and discount);
and *industrial factors (production systems)*, based on the theoretical framework. Also, this chapter presents evidence that film co-productions in the East Asian region contribute to decentralisation and diversification of its cultures.

Chapter 7 provides a film co-production case study, *The Warrior’s Way* (2010), to examine how the five factors identified in Chapter 6 have affected producing international film co-productions. The film the case study details was both an unofficial co-production and flop, but it illustrates the importance of personal factors, in particular, personal relationships and networks in the global film industry and offers a number of insights in relation to transnational cinema or cinema transnationalism. It also offers a useful and informative example for those who take an interest in making inroads into the U.S. market.

Chapter 8, the Conclusion, summarises the key arguments of this study, explains theoretical and practical contributions it has made, and proposes possible future direction for New Zealand-South Korean film co-productions. It also discusses the limitations and the implications of the study, and suggests areas of further research and study. In the reference section, Korean-language resources used in this study have Korean-language titles with English titles (see Chapter 4 for more information).
Chapter 2 Comparison between New Zealand and South Korean cultures

2.1 Introduction
This section will explore general and cultural features of New Zealand and South Korea to gain a better understanding of the contexts where New Zealand-South Korea film co-production ventures could be made, as well as addressing any cultural similarities and differences between the both countries which might influence such ventures. The major traits of New Zealand and South Korean films will be examined for background information for New Zealand-South Korean film co-productions.

2.2 General features of New Zealand and South Korea
According to the Encyclopaedia of New Zealand (2016, para. 1), “New Zealand is a parliamentary democracy and a constitutional monarchy” and Queen Elizabeth II, who is Queen of the United Kingdom, Canada and Australia, is the Queen of New Zealand. Queen Elizabeth II is represented by the governor-general, appointed by the Queen on the recommendation of the Prime Minister of New Zealand. However, legislative authority in the country is vested in a democratically-elected Parliament, and executive political power is administered by the Cabinet, under the leadership of the Prime Minister, who is head of the Government. This status of New Zealand (the relationship between the United Kingdom and New Zealand) has impacted on the film industry, in particular New Zealand-British film co-production ventures (see Chapter 5 and 6).

In terms of geography, New Zealand is an island nation in the southwestern Pacific Ocean, whilst South Korea is a peninsular country divided along the 38th parallel into the Democratic People’s Republic of Korea (North Korea) and the Republic of Korea (South Korea). A truce line between South and North Koreas was drawn as the result of the Korean War (1950-1953) and its Armistice Agreement; consequently, the two Koreas are still under tension from unresolved conflict. New Zealand and South Korea are part of the Pan-Asian region, although New Zealand is geographically distant from South Korea, as it takes around
eleven hours by a direct flight from New Zealand to South Korea and in terms of time-zones, New Zealand is three hours ahead of South Korea.

As Table 2.1 indicates, New Zealand’s land mass is more than 2.5 times that of South Korea. New Zealand has more natural assets (stunning scenery and ample arable areas to breed livestock such as cows and sheep) thus environmental conservation has been an important issue in the country since the 1972 election campaign (Carlyon & Morrow, 2013). By contrast, South Korea has few natural resources and arable land so the South Korean economy has been driven by an export-led industrialisation strategy since 1962, so as to overcome the shortage of natural resources and the relatively small domestic market (Cha, 2002). This tendency has influenced policies of the South Korean film industry in that the Korean Film Council (KOFIC) and Korean filmmakers have sought to export Korean films as well attempting to penetrate overseas markets.

New Zealand’s population is less than one tenth of the South Korean population. The high population density in South Korea leads to excessive competition in its society and the craze among Korean parents for higher education for the success of their children. New Zealand comprises various ethnic groups, but South Korea is composed largely of a single homogenous people. The 2013 data in the report of New Zealand in Profile: 2015 shows that almost one in nine people living in New Zealand is of Asian ethnicity and this ethnic group continues to grow (Statistics New Zealand, 2015c). However, among the different ethnic groups, the Korean community comprises less than 1 percent, numbering 30,171 (Statistics New Zealand, 2014a).

Table 2.1 Comparisons between New Zealand and South Korea

<table>
<thead>
<tr>
<th></th>
<th>New Zealand</th>
<th>Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>History</td>
<td>Treaty of Waitangi (1840)</td>
<td>2333 B.C.</td>
</tr>
<tr>
<td>National languages</td>
<td>English</td>
<td>Korean</td>
</tr>
<tr>
<td></td>
<td>Maori</td>
<td></td>
</tr>
<tr>
<td>Ecology</td>
<td>268,107 square kilometres*</td>
<td>99,720 square kilometres**</td>
</tr>
<tr>
<td>Population</td>
<td>Summer-Autumn-Winter-Spring</td>
<td>Winter-Spring-Summer-Autumn</td>
</tr>
<tr>
<td>Seasons</td>
<td>(estimates at 30 June 2013)</td>
<td>(opposite to New Zealand)</td>
</tr>
<tr>
<td>Biology</td>
<td>Ethnic groups European/</td>
<td>2014 Foreigner Resident Data***</td>
</tr>
<tr>
<td></td>
<td>South Korean 96.9%</td>
<td></td>
</tr>
<tr>
<td>Ethnic Group</td>
<td>Percentage</td>
<td>Other</td>
</tr>
<tr>
<td>---------------------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>New Zealander</td>
<td>74.0%</td>
<td></td>
</tr>
<tr>
<td>Maori</td>
<td>15.6%</td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>12.2%</td>
<td></td>
</tr>
<tr>
<td>Pacific peoples</td>
<td>7.8%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1.2%</td>
<td></td>
</tr>
</tbody>
</table>


(People were able to identify with more than one ethnic group and therefore percentages do not add up to 100).

**Central Intelligence Agency. (2016). The World Fact Book***

***Ha, C.-L. (2014, July, 2). Three persons are foreigners out of 100 people living in South Korea. Yonhapnews.*

In contrast, South Korea has a foreign population of only 3.1 percent (Ha, 2014), resulting in less direct exposure to other national cultures. When it comes to weather, both New Zealand in the southern hemisphere and South Korea in the northern hemisphere have four seasons. Seasons in New Zealand are at opposite times of the year to those in South Korea. This serves as an advantage for New Zealand for South Korean filmmakers who attempt to shoot a film in other seasons; for example, in *Silmido* (2003), a South Korean film, some scenes requiring snow were shot in New Zealand.

Whereas the history of South Korea goes back more than 4000 years, New Zealand’s history is much briefer. Māori are thought to have arrived in the islands that would later be known as New Zealand from islands further north in the Pacific around 1300 AD. Europeans arrived in increasing numbers from the early decades of the nineteenth century with the Treaty of Waitangi which is an agreement between the British Crown (the monarch) and various Māori (indigenous people of New Zealand) chiefs being signed in 1840 (King, 2003). Consequently, New Zealand has bicultural characteristics: European and Māori and also English and Maori languages are national languages, along with sign language. New Zealand is a multicultural society, but the European group still constitutes the majority with 74 percent of the population. This figure reflects that the European (Pākehā) culture is the mainstream culture in the country even though New Zealand is said to be bicultural, and increasingly multicultural.

The term *Pākehā* signifies “non-Māori New Zealanders of European heritage, particularly those from the United Kingdom” (Littrell, 2010, p. 95). Modern Pākehā culture is influenced by the UK, Australia and America through the consumption of radio programmes and films, in particular American films.
(Fairburn, 2008). He also claims that the identity of New Zealand, as a unique society, was heavily influenced by natural abundance: what the country was like in material and physical characteristics, rather than what the inhabitants were like as people, up until the twentieth century. Waller (1996, p. 256) defines the national identity of New Zealand as “so clearly a process, or, rather, several sometimes inter-related processes, involving the orchestration of bicultural voices, the (re)invention or reclamation of tradition, and the presentation of a face or a consumable narrative to the world.”

In New Zealand, the notion of the ‘Man Alone’ as a settler society is a significant feature, which is frequently found in Pākehā New Zealand cultural mythology and literature (Sinclair, 1988). The archetypal figure of the Man Alone appeared in Samuel Butler’s novel Erewhon in 1872 and the novel Man Alone, written by John Mulgan and published in 1939. The hero is a “working-class itinerant, lacking in artifice, a rebel against oppressive middle-class conventions and authority, resourceful, adaptable, practical, single, laconic, loyal to his mates, individualistic, a rural dweller, and a master of rural skills and of survival” (Fairburn, 2008, p. 30). It is believed that this legend is in connection with “self-direction, individualism, and egalitarianism” (Littrell, 2010, p. 99).

The enduring appeal of this type is seen in the recent success in New Zealand of Taika Waititi’s film comedy Hunt for the Wilderpeople (2016), based on a classic novel by Barry Crump, although the man alone figure here is expanded to a man and a boy on the run from authority. It is notable that the pair is a mixed-race duo in that the man is a Pākehā, while the delinquent boy he looks after is Māori: the creation of films which explore relationships in a bicultural society is also a notable feature of New Zealand’s relatively short cultural history.

In contrast, Korean history stemmed from the legend of Dangun's ancestry in 2333 B.C. Due to a long history, South Koreans have inherited the Korean language, traditional clothes (Hanbok), food, music, and houses which have an ondol (a unique underfloor heating system in the winter). This ondol system has contributed to the Korean lifestyle in that Korean people are used to doing many things, including eating and sleeping on the clean floor. Yang (2002, pp. 156-161)
explains that South Korean traditional culture has three characteristics: naturality with fuzzy traits which represent a spectrum with more than two or infinite choices, instead of two extreme figures. In other words, it is said that in olden days, measurement by eye of carpenters was more accurate than that by rulers. This ability to precisely gauge objects and spaces is possible when carpenters are accustomed to using fuzzy senses. The second characteristic is simplicity with fractal features which means that even though areas or sizes are small due to a myriad of folding and spreading, their length and energy increase to infinity. In turn, the South Korean landscape has a strong energy despite its mass being small. The last characteristic is elegance (appreciation for the arts).

Gong and Lee (2015) indicate that if traits of South Korean history are encapsulated in some key words, one of them is han, which reflects the harsh history resulting from frequent exposure to intrusions of foreign nations for several thousand years. The Korean cultural characteristic of han, refers to “the idea that some injustice has been done to oneself. The injustice could be inflicted on the Korean people by a foreign power, on employees by their employer, on citizens by their government” (Huer, 2009, para. 4). Shin (1999) argues that the balance between han and heung is the South Korean fundamental structure of sentiment. The term heung is defined as an “intrinsic sense of joy” by the Korea Tourism Organization (2010, p. 3) and “the explosive energy to relieve old grudges and frustrations” by Li (2014). It is worth noting the sharp and insightful analysis of Li as a foreigner on han and heung. She describes how:

Han and heung coexist in Korean culture and psychology, as well as in their actions. From a foreigner’s perspective, Koreans seem to have two contradictory tendencies at the same time. Koreans are impulsive and short-tempered personally, but they display solid patience and obedience within the organization they belong to. When working, Koreans are serious and diligent, but when they go out for drinking, they like to sing and dance and enjoy the moment. The power of Koreans can be found when they turn han into heung. (para. 9)

Hyun (2004, pp. 187-188) elucidates the shift of focus on South Korean cultural identity including the concept of han. According to him, han had come to be a cultural identity in South Korean culture and arts, due to the hardship suffered
during the colonial period. Then, in the 1960s and 1970s, after liberation from Japanese occupation, commercial popular culture, comprising American and Japanese influences, became the mainstream for South Korean culture. However, South Korean traditional culture, which is represented as ‘communal character’ or ‘fun character’, was restored to resist this commercial culture. In the rapid flow of globalisation, the spirit of resistance to those who do injustice, residing in the traditional culture, disappeared and slogans such as ‘the domestic farm products are the best’ represented Korean cultural identity. Yang (2002) indicated that the expansion of consumption culture resulted in the need to create a new and unique South Korean culture as a combination of traditional culture and contemporary popular culture, in order to have a global competitive edge.

Min, Ju and Kwak (2013) argue that the class system in a South Korean society has its own cultural peculiarity amid traces of historical development in many Asian nations. In other words, even though South Korea achieved the transition from a hereditary dictatorship to modern democracy, the recognition of differences between classes, derived from the process of formation of modern national characters, clearly exists, and the idea of revering authority is deeply embedded in the country (as cited in Gong & Lee, 2015, p. 83).

2.3 New Zealand and South Korean film cultures

In the first place, it is necessary to establish definitions of a New Zealand and a South Korean film. According to the New Zealand Film Commission Act 1978 and subsequent amendments (1985), to qualify as a New Zealand film, a film has to have “significant New Zealand content,” which can be measured by meeting various criteria of local themes, locations, nationalities and residential addresses of personnel, origin of funding sources and domestic ownership of equipment and technical facilities. In addition, film co-production projects, which are produced by official film agreements or treaties between New Zealand and other nations, are considered as films containing a significant New Zealand content. Notwithstanding, Lealand (2010a) indicates that there is a difficulty in reaching consensus about the definition of a New Zealand film due to the advent of offshore film productions, since these films, such as The Lord of the Rings trilogy and King Kong (2005). This issue is closely connected with the New Zealand
government’s film policies, especially tax incentive schemes such as the New Zealand Screen Production Grant, which will be investigated in Chapter 5.

South Korea’s Promotion of the Motion Picture and Video Products Act (2010) simply defines a South Korean film as “motion picture produced by persons (including corporations) who have their main business place in Korea, and other motion pictures recognized as Korean motion pictures pursuant to Article 27” (Ministry of Government Legislation, 2010). The details of Article 27:

**Article 27 (Recognition of Jointly Produced Motion Pictures as Korean Motion Pictures)**

(1) A person who makes a jointly produced motion picture may be granted the recognition of the jointly produced motion picture as a Korean motion picture if human or material factors involved in the production of the motion picture or the artistic or technical features of the motion picture meet the standards for recognition as Korean motion picture.

(2) A person who intends to be granted the recognition as a Korean motion picture under paragraph (1) shall file an application therefor with the Korean Film Council.

(3) Matters necessary for the procedures and methods of recognition, the standards for recognition as Korean motion pictures, etc. under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

(4) Where a jointly produced motion picture recognized as Korean motion picture no more meets the standards for recognition as Korean motion pictures after completion of its production, the Korean Film Council may cancel the recognition of such motion picture as Korean motion picture.

Before establishing this generous concept for a South Korean film in 2012, a South Korean film was regarded as cinema made in South Korea involving South Korean directors and actors with South Korean funding (Lee, Y.-I., 2004). Based on this earlier definition, *Fight for Justice*, released in 1919 is generally accepted as the first Korean film, although this was not a complete form of film and was a stage play with moving picture scenes as a backdrop (kino-drama). However, J.-W. Kim (2006) argues that *The Panoramic View of the Whole City of Kyeongsung*, a short documentary produced in 1919, is actually the first Korean film. Despite this dispute, it is clear the Korean film has a history of almost 100 years. Similarly, in New Zealand, “*Hinemoa* (1913) is recognized as New Zealand’s first feature film” (Pivac, 2012, p. 60).
Unlike in New Zealand, in South Korea there are two ways of a film being acknowledged as being a co-production. According to South Korea’s Promotion of the Motion Picture and Video Products Act (2010), a co-production film is a film which is co-produced by South Korean and foreign filmmakers with a joint investment in accordance with ordinances of the Ministry of Culture, Sports and Tourism. The ordinances stipulate that if the nationalities of filmmakers participating in film co-productions are from two countries, the rate of investment by each country should be 20 percent or more; if the nationalities of filmmakers participating in film co-productions are from more than two countries, the rate of investment by each country should be 10 percent or more.

According to the third clause of Article 10 in the Promotion Act, if co-produced films meet the standards of each of the following, they are entitled to be seen as South Korean film by the KOFIC (Ministry of Government Legislation, 2010):

1. The extent of Korean manpower’s participation in the fields of major manufacturing manpower such as directors, scenario writers, performers and staffs;

2. The extent of utilization of Korean places, equipment, facilities, etc. in shooting the jointly produced motion picture;

3. The extent of utilization of Korean unique manufacturing techniques in producing the jointly produced motion picture or to which the themes or contents of motion picture represent Korean artistic values

The other case which can be recognised as a co-produced film is when the conditions required by film agreements or treaties between South Korea and foreign countries are met (Kim, H.-W., 2012).

**Features in relation to New Zealand and South Korean films**

According to Allen (2011), the concept of the Man Alone in the first half of twentieth century represents anguish at “cultural displacement, arising from belonging in one place [New Zealand] while having close ancestral and artistic ties to another [the UK]” (p. 88) and “it was revived in the new wave of New Zealand cinema of the 1970s and 1980s” (p. 89). In *Cinema of Unease: A
Personal Journey (1994), an outstanding documentary on New Zealand cinema as part of the British Film Institutes’ Century of Cinema Series (1994), New Zealand actor and filmmaker Sam Neill outlines the moody and depressing nature of many well-known New Zealand films which mirrored the struggle of New Zealand to find its identity and nature’s contribution to quality films.

In an article in New York Times, Maslin (1995, para. 6) argues that “‘Cinema of Unease’ underscores the strain of madness and savage rebellion that has poured out of New Zealand ever since that country stopped making upbeat travelogues and started developing a strong film industry in the mid-1970’s.” However, after 2005, films such as Sione’s Wedding (2006) and No. 2 (2006), which are the opposite of such dark images of New Zealand films, emerged from Pacific Island filmmakers (Conrich & Murray, 2008). Conrich and Murray evaluated these two films as having “brought to a post-Middle Earth New Zealand transnational films of Pacific culture which add refreshing stories of humour, warmth, life and community,” diversifying New Zealand films (2008, p. 5). Boy (2010), Taika Waititi’s 2010 hit, is a Maori comedy with a similar warm and optimistic tone.

Meanwhile, Fox, Grant and Radner (2011) indicate that since 2000, historical films such as The Feathers of Peace (2000), River Queen (2005), and The World’s Fastest Indian (2005), Boy (2010) and Home by Christmas (2010) in New Zealand may have served two objectives. Firstly, they have utilised historical events in an attempt to embody emerging national or personal identity. Secondly, they have delivered informative messages to “the forces in New Zealand society that threaten to impede progress towards a condition of personal or social being which is strongly desired as an alternative to frustrating realities in the contemporary present” (p. 34).

Joyce (2005), who is interested in the interaction between the requirement for qualifying as a New Zealand film and the need to appeal to international audiences, analysed four New Zealand films: Smash Palace (1981) directed by Roger Donaldson, Utu (1982) by Geoff Murphy, Heavenly Creatures (1994) by Peter Jackson, and Whale Rider (2003) by Niki Caro. Joyce concludes that these four films created unique and innovative structural narrative systems combining
New Zealand indigenous stories with a Hollywood framework, such as genres or a goal-directed hero’s journey, to meet the two factors.

With regard to the characteristics of South Korean films, Park (2003, p. 99) argues that South Korean films have been able to advance significantly since 1997 due to movies with new plots such as *The Marriage Life* (1992), *Two Cops* (1993) and *The Gingko Bed* (1996) which were created by young and emergent scriptwriters. These films, unlike foreign films, contained stories having appeal to South Korean moviegoers.

Yeom (2004, p. 177) argues in his thesis that South Korean films can be classified into blockbuster type films, films with medium-to-high budgets, auteur films, independent auteur films, and films on these borders since the late 1990s. Yeom (2004, p. 178) also asserts that since then, major traits which have gone through South Korean films include the idealisation of individualism, stopping challenges to patriarchy, the increase of national narratives, new combinations of time and space, and leaning towards spectacle films. He (2004, p. 178) specifically explains that in South Korean films, individualism was represented as competition in good faith based on individual ability, while the business partnership was depicted as the humane relationship, and the patriarchal system and its positioning of an ideal woman as a good wife and wise mother, were respected. In addition, a moral community was created to suppress the possibility of defiance of the public and, in the case of blockbuster type films, realistic social issues were combined with spaces beyond reality, or past history was mixed with real spaces. Then, there are films centred more on spectacle scenes than narratives to avoid language barriers.

H. Cho (2005, p. 36) argues that one of the most central rationales why South Korean films are recognised as outstanding films in a global stage is the drive to penetrate the niche market between entertainment films represented by Hollywood films and European movies symbolised by auteuristic films. Cho emphasises that films that address South Korea’s political and social specificities from fresh perspectives, which differ from existing approaches, have been well received in both domestic and foreign markets.
Similarly, Gong and Lee (2015, p. 83) argue that the environment itself surrounding South Korean people was the state of *han*, which is the collective and unconscious psychology of South Koreans, and that South Korean films have reflected such history, resistance and democratic imaginations of South Korean people. In this respect, Gong and Lee explain why a South Korean director, Joon-Ho Bong, has become an established filmmaker in his country.

He has sought to present more potentiality over disputes in social contradictions, and unsolved and unsettled historical problems which emerged from changes and developments for over 20 years. It can be said that director Bong encourages South Koreans to have an influence on forming social consciousness by leading them to react to social organisations which they belong to, by suggesting his opinions on new social topics, and attempting to show sharp contradictions and problems which should be solved, by enabling South Korean viewers to indirectly experience these problems in empathy with characters in his films, and by retrospectively presenting South Koreans’ circumstances from a new perspective (Gong & Lee, 2015, p. 84). Regarding the audiences in South Korea, S.-Y. Kim (2005), South Korean critic and filmmaker, argues that cinephilia and the emergence of South Korean youth with an appetite for cinema have led to the growth of film productions in both commercial and independent fields.

**Comparison of the New Zealand and South Korean film industries**

In a report on the economic contribution of the New Zealand film and television industry, New Zealand film industry is defined as “the group of businesses located in New Zealand whose chief aim is the creation, distribution, or sale to consumers of film content” (PricewaterhouseCoopers, 2012, p. 6). In this sense, in New Zealand, Hollywood runaway film productions have been included in the film industry. In South Korea, it is difficult to find the definition of the film industry, so the researcher replaces it with the classification suggested by Kim, Cheon, Tae and Ku (2016). The South Korean film industry comprises two categories: businesses of film production, support and distribution including exhibition and marketing, and businesses of digital online distribution including DVD/Blu-ray production, distribution and online-exhibition (Kim, Cheon, Tae, & Ku, 2016, p. 26).
Table 2.2 shows that there are some dissimilarities between the film industries and that the South Korean film market is considerably larger than the New Zealand industry in major indexes. In part, this can be explained by the differences in their population sizes. As of 2014, the total box office in South Korea is about 11 times larger than that in New Zealand and the number of admissions in New Zealand is around 15 times smaller than that in South Korea.

Table 2.2 Major indexes in the two film industries

<table>
<thead>
<tr>
<th>Year</th>
<th>NZ No. of NZ,</th>
<th>NZ Market share of NZ,</th>
<th>NZ The total Box office in NZ and Korea (thousand NZ$)</th>
<th>NZ No. of Admissions in NZ and Korea (10,000 persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>2,43</td>
<td>0.3</td>
<td>110,600</td>
<td>1,627</td>
</tr>
<tr>
<td>1999</td>
<td>7,49</td>
<td>3.9</td>
<td>119,800</td>
<td>1,676</td>
</tr>
<tr>
<td>2000</td>
<td>8,59</td>
<td>1.6</td>
<td>106,300</td>
<td>1,487</td>
</tr>
<tr>
<td>2001</td>
<td>7,65</td>
<td>1.6</td>
<td>124,600</td>
<td>1,661</td>
</tr>
<tr>
<td>2002</td>
<td>0,78</td>
<td>1.6</td>
<td>147,700</td>
<td>1,746</td>
</tr>
<tr>
<td>2003</td>
<td>5,80</td>
<td>4.3</td>
<td>156,112</td>
<td>1,837</td>
</tr>
<tr>
<td>2004</td>
<td>7,82</td>
<td>1.1</td>
<td>152,827</td>
<td>1,717</td>
</tr>
<tr>
<td>2005</td>
<td>3,87</td>
<td>4.8</td>
<td>146,787</td>
<td>1,545</td>
</tr>
<tr>
<td>2006</td>
<td>4,110</td>
<td>4.8</td>
<td>146,406</td>
<td>1,533</td>
</tr>
<tr>
<td>2007</td>
<td>6,124</td>
<td>1.9</td>
<td>151,741</td>
<td>1,536</td>
</tr>
<tr>
<td>2008</td>
<td>7,113</td>
<td>1.7</td>
<td>156,572</td>
<td>1,543</td>
</tr>
<tr>
<td>2009</td>
<td>8,136</td>
<td>2.1</td>
<td>169,970</td>
<td>1,532</td>
</tr>
<tr>
<td>2010</td>
<td>8,152</td>
<td>6.3</td>
<td>176,500</td>
<td>1,530</td>
</tr>
<tr>
<td>2011</td>
<td>14,216</td>
<td>2.3</td>
<td>161,817</td>
<td>1,416</td>
</tr>
<tr>
<td>2012</td>
<td>12,229</td>
<td>2.2</td>
<td>173,140</td>
<td>1,461</td>
</tr>
<tr>
<td>2013</td>
<td>11,207</td>
<td>2.6</td>
<td>174,900</td>
<td>1,476</td>
</tr>
<tr>
<td>2014</td>
<td>9,248</td>
<td>3.8</td>
<td>170,745</td>
<td>1,394</td>
</tr>
</tbody>
</table>

Notes: 1 Box office figures are GST inclusive (NZ)


Busan, South Korea: Korean Film Council.


The frequency of viewers' attendance at cinema is measured as per capita annual movie attendance (tickets sold per person). In 2014, this frequency was 3.3 (408 screens) in New Zealand (Spilt Screen for German Films, 2015, p. 1) and 4.2 (2281 screens) in South Korea (KOFIC, 2015c, p. 7) indicating that the audiences in both countries like going to the movies. Since 2011, while South Korea has
produced more than 200 local films, New Zealand has produced around 10 films per year. In line with this situation, South Korea has maintained high market share of domestic films at box office with around 50 percent, but the New Zealand film market has been dominated by Hollywood films with below 5 percent of domestic films. These significant differences are likely to impact on film co-productions between the two countries.

Meanwhile, two peculiar characteristics have been identified in the New Zealand film industry, compared to the South Korean film industry. On the one hand, with regard to screen production in New Zealand, Auckland and Wellington, two main cities which are responsible for the majority of New Zealand film and television, exhibit distinctive production characteristics. Leotta and O'Regan (2014) describe the characteristics of the two cities as being that:

Wellington is New Zealand’s main centre for postproduction and digital graphics, animation and international production. Auckland, by contrast, is the principal centre of broadcasting, TV programming and independent film and TV production, with the TV stations based there as well as much of the advertising and independent production industry. (p. 96)

Indeed, Wellington, which has mainly served and been well-known for international productions (Hollywood blockbusters) with Weta Workshop, Weta digital and Park Road Post Production companies located in it, is relatively disconnected from generating local films; however, Auckland has played a key role as the centre for producing New Zealand domestic films seeking to find audiences both at home and abroad. This difference is, therefore, likely to confuse foreign filmmakers, including South Koreans, who desire to produce film co-productions and have information on the companies in Wellington in that some of the filmmakers do not even know about the existence of Auckland. In 2013, in accordance with the relocation plan of the government agencies, the Korean Film Council of South Korea moved from Seoul, which is its capital, to Busan which is a place where the Busan International Film Festival has been held since 1996.

On the other hand, there seems to be a tendency for feature filmmakers in New Zealand to participate in producing television productions, such television movies
or series, which is a rare phenomenon in the South Korean film industry. The reason for this tendency, Zanker (2001) explains, is that “The intimacy of a small cultural community enabled relative freedom to cross between institutional boundaries and this was made easier still through long-existing work relationships with people at all levels of the media and advertising industries” (p. 5). For example, Taika Waititi, who directed *Hunt for the Wilderpeople* (2016) which set the box office record for a New Zealand film, had directed television series *The Inbetweeners* (2012) (5 episodes) and *Super City* (2011) (6 episodes).

### 2.4 Relationship between New Zealand and South Korea

There exist four different levels of relationships between New Zealand and South Korea: diplomatic, film co-production, research, and inter-personal. Formal diplomatic relations were established in May, 1971, following South Korean President Park's visit to New Zealand in 1962 (Wells, 2013). Wells also states that the ties between the two nations have been maintained since New Zealand troops (6000 personnel) were deployed in support of South Korea during the Korean War. The two nations commemorated the sixtieth anniversary of the start of the 1950 Korean conflict in 2010 and in particular the contribution made by New Zealand veterans was once again recognised by the two governments (New Zealand Defence Force, 2010).

The New Zealand Ministry of Foreign Affairs and Trade (2005) said that “We [New Zealand and South Korea] are both democracies, committed to free market economic policies, strong education and health systems, the development of business, science and technology and a commitment to cultural assets” (n.p.). In 2014, New Zealand and the Republic of Korea signed a free trade agreement (FTA), which may impact on bilateral co-productions. Indeed, the FTA between the two countries, which came into effect in 2015, has included the agreement between New Zealand and South Korea concerning audio-visual co-production, including television and animations, to enhance collaboration between the two countries, expanding on the 2008 film co-production agreement, which focused on only films (New Zealand Foreign Affairs & Trade, 2016).
In respect to international film co-production arrangements, the relationships between the two countries have not yielded many results since both countries signed a film co-production agreement in 2008. Nevertheless, the NZFC and Film Auckland have participated in the Busan International Film Festival (BIFF), which has been held every year since 1996. New Zealand Trade and Enterprise and Film New Zealand organised a New Zealand film reception to introduce New Zealand films at the Busan International Film Commission & Industry Showcase (BIFCOM) in the BIFF, notably in 2011 and 2012 (Park, personal communication, September 26, 2012).

In addition, New Zealand and Korean filmmakers have actively participated in the Asia-Pacific Producers’ Network (APN) since its inception, focusing on film collaboration in a broad sense. Film Auckland (2014b) introduces the APN this way:

The Asia-Pacific Producers’ Network (APN) is a group of more than eighty leading screen producers, primarily from China, Hong Kong, Japan, Korea, Taiwan, Singapore and New Zealand. Formed in 2005 with the aim of encouraging co-productions, collaboration and joint projects, it is an organisation made up of powerful producers, studios and distributors all interested in getting business done. (n.p.)

Three multi-institutional joint research projects on health, advanced technologies and environment/Antarctica with South Korea was announced by the Ministry of Business, Innovation and Employment (MBIE) (“MBIE supports,” 2015), each of which will receive NZ$450,000 over three financial years supported by a newly established bilateral fund. Among them, one particular collaboration attracts attention, which is to develop 4D technology for home entertainment. For this project:

Researchers at Victoria University in Wellington and the Human Interface Technology Laboratory (HIT Lab) at Canterbury University from New Zealand are working with academics in Korea [Ewha Womans University and Korea University] […] to bring that kind of ‘4D’ interactive movie experiences to people’s living room. (“Researchers develop,” 2015, para. 3).
This relationship may help contribute to the establishment of film co-productions between the two nations. On another level, Wells (2013) indicates that New Zealand and South Korea have made progress in educational exchanges since the 1970s, in that many South Korean students come to New Zealand to learn English or study in universities, whereas New Zealanders travel to South Korea to teach English as a foreign language. Despite Well’s (2013) argument, New Zealanders’ perceptions of South Koreans do not appear to be very positive. A report written by Gendall, Spoonley and Butcher (2013) reports that, “Asia, along with the Pacific, was still seen more negatively as an immigrant source (as a region) than countries such as South Africa and the U.K.” (n.p.). The report shows that the warmth of feeling among New Zealanders for South Koreans is 68 out of 100 points. This score is below the average 72 (see Table 2.3).

Table 2.3 Feelings towards people in Asian countries in 2011

<table>
<thead>
<tr>
<th>Asian Country</th>
<th>Warmth of Feeling (Scale from 0 to 100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>76</td>
</tr>
<tr>
<td>Singapore</td>
<td>74</td>
</tr>
<tr>
<td>Philippines</td>
<td>71</td>
</tr>
<tr>
<td>Malaysia</td>
<td>71</td>
</tr>
<tr>
<td>Thailand</td>
<td>71</td>
</tr>
<tr>
<td>China</td>
<td>70</td>
</tr>
<tr>
<td>India</td>
<td>70</td>
</tr>
<tr>
<td>Vietnam</td>
<td>69</td>
</tr>
<tr>
<td>South Korea</td>
<td>68</td>
</tr>
<tr>
<td>Burma (Myanmar)</td>
<td>67</td>
</tr>
<tr>
<td>Cambodia</td>
<td>67</td>
</tr>
<tr>
<td>Laos</td>
<td>66</td>
</tr>
<tr>
<td>Brunei</td>
<td>66</td>
</tr>
<tr>
<td>Indonesia</td>
<td>65</td>
</tr>
<tr>
<td>Average</td>
<td>72</td>
</tr>
</tbody>
</table>


New Zealanders seem to have not yet formed a uniformly good image of Korean nationals living in New Zealand compared to other Asians, perhaps because they do not have good knowledge of them since there are such low numbers of
Koreans living in New Zealand. There does not appear to be any parallel results of South Koreans’ perceptions of New Zealanders, in South Korea or in general, because of unavailability of data.

Nonetheless, cultural exchange efforts through films have continued in New Zealand. For example, the bi-annual Korean Film Festival has taken place in Wellington and Auckland since 2008. The festival is organised by the Korean Cinerama Trust in conjunction with the South Korean Embassy and other key sponsors. The Korean Cinerama was to set up “to promote Korean Film and Korea/NZ Film Links including arranging periodic Film Festivals and other Screenings of Korean Films in New Zealand” (Korean Cinerama Trust, 2015). Relationships between film practitioners in the two countries have also gradually increased via the BIFF and the APN. In South Korea, New Zealand Festival in Korea, which was hosted by the New Zealand Embassy in Korea, was arranged to celebrate the FTA between the two nations for one month in 2015 as well as to strengthen trade and consolidate cultural ties (Yoo, 2015).

2.5 Summary
The objective of this chapter was to provide information about the situation surrounding creation of film co-productions between the two nations. There are many differences between New Zealand and South Korea in terms of general features and film cultures, which can be drawbacks to the co-productions and which are not known to filmmakers in both countries. Some elements addressed in this chapter will be discussed in Chapter 6 where key influential factors will be investigated.
Chapter 3 Literature Review

3.1 Overview
Many institutions and players are involved in film co-productions, which is the focus of this research. With their engagement in activities relating to filmmaking, these agents are also influenced by the rapid change and flow of the global film market. Nonetheless, not many academic researchers have paid attention to practices of film co-production ventures, nor they have meticulously analysed complicated, multi-layered film co-productions from varied approaches. This present study will, therefore, recognise the need for diverse approaches and use four different approaches: political economy, social exchange theory, Cultural Studies and transnational, in order to investigate such phenomena as a whole in the New Zealand and South Korean contexts. It is vital to consider that there is considerable overlap and complementarity between these perspectives even when the research framework is separated into four approaches. The next section will investigate the political economy perspective, which comprises one part of the research framework.

3.2 Political economy approach
3.2.1 Introduction
The concept of the political economy was defined as “the study of social relations, particularly power relations that mutually constitute the production, distribution, and consumption of resources” (Mosco, 2009, p. 24). Studies on media production, including cultural productions, have been carried out using a political economy approach as a central perspective (Cottle, 2003). In the political economy of communication approach, three major categories related to international cultural productions including film co-productions (cultural imperialism, governments’ policies and their impact on the production of media, specifically film co-production ventures, and the emergence of cultural regionalisation in the East Asian region) will be explored in this thesis; however, emphasis has been given to the second and third categories.
With regard to the second category, *governments’ film policies and their impact on the film industries*, this research will argue that governments’ policies are not a solely pivotal factor for producing film co-productions between New Zealand and South Korea, even though they are still important for them, in line with the argument of Min, Joo and Han (2003). They argue that “the cultural policies of governments might be one of the most decisive factors affecting cultural production in a country. Yet it is not the sole or primary factor but is closely related to other factors” (p. 14).

This idea will be addressed in Chapter 5, *Government policies on the film industry and their impacts on film co-productions* and Section 6.2, *political factors* (government policies) and Section 6.3, *economic factors* and Chapter 7. The existing major motivations for film co-productions and the advantages and disadvantages will be investigated to compare them with the outcomes from the interviews, focusing on economic and cultural factors which are the central motivations from governments’ perspective as well as filmmakers’ view. This will be discussed in section 6.3 economic factors and section 6.5 cultural factors.

The third category of the political economy centres on power relations regarding the emergence and development of cultural regionalisation that international co-productions have contributed to especially on those undertaken in East Asia (Choi, J.-B., 2010; Iwabuchi, 2008, 2009; Jin & Lee, 2007; Otmazgin, 2013, Otmazgin & Ben-Ari, 2013). Although three different perspectives will be examined, the researcher agrees with the notion that cultural regionalisation contributes to decentralisation and diversification rather than homogenisation of East Asian cultures (Jin & Lee, 2007; Otmazgin, 2005, 2013; Yan, 2009). This study will investigate whether film co-productions and the Korean Wave can contribute to the development of cultural regionalisation in Asia, and indeed, whether the dynamic of cultural regionalisation can apply to the relationship between New Zealand and South Korea in section 6.5.3 cultural regionalisation in East Asia).

**Core qualities/characteristics of the political economy approach**

The political economy perspective is derived from the work of Adam Smith, David Ricardo and others who had an interest in studying economic issues such as
the various stages in the development of capitalism. Two important streams of thought emerged in response to the classical political economy of Adam Smith and David Ricardo. The first stream shifts the central point from societal concerns to “the individual as the primary unit of analysis and the market as the principal structure” (Mosco, 2009, p. 5), by focusing on the study of economic issues. This stream eventually became contemporary economics or neoclassical economics in a broad sense. Jevons (1971) contributed to this change. The second stream is opposed to the flow of economics or neoclassical economics and comprises diverse approaches of political economy. Amongst them, Mosco (1996) has applied political economy to media and communication studies.

There are four core qualities of the political economy approach, which are customarily shared by those who take an interest in political economy thought (Wasko, 1999, pp. 222-223): social change and history; social totality; moral philosophy; and social praxis.

1. Social change and history: Political economy continues to explain social change and transformation; for example, from an agricultural community to an industrial community.

2. Social totality: Political economy uses a holistic approach to explain “the relationships among all facets of social life including political, economic, social and cultural” (Mosco, 2009, p. 4).

3. Moral philosophy: Political economy is committed to moral philosophy, which is emphasised by the classical theorists such as Adam Smith when discussing and dealing with moral issues.

4. Social praxis: Political economists attempt to contribute to social change and transformation through their work.

Wasko (1999, p. 223) argues that Mosco’s (1996) initial explanations about political economy were strongly influenced by the work of Golding and Murdock (1991), in the sense that “the work is holistic, historical, centrally concerned with the balance between capitalist enterprise and public intervention, and focuses on basic moral questions of justice, equity and the public good.” Golding and Murdock’s (1991) works are influenced by a Marxist approach in that they have
paid attention to concentrations of media ownership and the efforts to maximise media owners’ interests.

The Marxist tradition focused on the relationship between superstructure (law, media, family, and culture) and economic base (infrastructure). Marx and Engels, in the nineteenth century, shifted the focus of the debate to historical materialism and class analysis by emphasising the unjust and inequitable characteristics of the capitalistic system. In their book, *The German Ideology*, Marx and Engels stressed that the ideology of the dominant class would be the ruling ideology, and that whoever owns the economic base (production) would control mental production.

Indeed, in relation to media productions, Cottle (2003, pp. 7-10) has identified that three different Marxist strands influenced the work of Marx and Engels. Scholars from the first group regard mass media as a key control instrument of the ruling class for legitimising capitalism (Milibrand, 1969) or propaganda (Herman & Chomsky, 1988). Herman and Chomsky (1998) argue that “the media serve, and propagandize on behalf of the powerful societal interests that control and finance them” (p. xi). The second group take more interest in a critique of mass culture, arguing that “The culture industry, according to Theodor Adorno and Max Horkheimer, standardises culture, debases artistic creativity and undermines humanity through the production and circulation of commodified culture” (Cottle, 2003, p. 9). Horkheimer and Adorno (2002) saw that commodified mass culture had functioned as a means of a mere reproduction of and support for existing power relationships, and in this respect, some leverage of a Marxist convention was identified. Adorno and Horkheimer were members of the Frankfurt School which launched critical studies of mass communication and culture by arguing that all mass-mediated cultural artifacts represented “the same features as other products of mass production: commodification, standardization, and massification” and supported existing power relationships (Kellner, 1999, pp. 202-203).

The third strand pays attention to the importance of economic factors, such as competitors in the market, to understand cultural production (Murdock & Golding, 1974). Cottle (2003, p. 9) indicates that “Competitive forces of the marketplace
determine the success and long-term viability of media industries. This tendency justifies the process of concentration and conglomerations in media corporations.” In this strand, economic factors occupy central positions in the film industries and maximise profits of producers and investors of films. This tendency is aligned with the emergence of international film productions because film producers strive to gain more revenue and to expand their markets.

Since Garnham (1979, p. 125) indicated that political economy involves analysis of “the modes of cultural production and consumption developed within capitalist societies,” political economy has been recognised as a valid and relevant perspective in analysing international cultural production (Min et al., 2003; O'Regan, 2008; Wasko, 1999). International film co-productions are connected with political economy of communication scholarship in that, as O'Regan (2008) notes, they are associated with promotional programmes and regulatory policies of other nations, and global market forces (Hollywood film industry).

3.2.2 American cultural imperialism
The first category of the political economy approach attends to the global flow of cultural products, in particular, American cultural imperialism (Crane, 2014; Lee & Kim, 2008; Schiller, 1969; Spark, 2012). In his early work, Schiller (1969) criticised the international extension of the U.S. communication system, and the U.S. government and military connections for this. Spark (2012) proposes a revised form of cultural imperialism theory, claiming that its concept is not based on the centre-periphery model but on the notion that there is competition between different states and “that it is this competition between the states of the developed world that is the central axis of imperialism” (p. 291). Crane (2014) argues that cultural policies in many countries focus on protecting their own cultural industries from the dominance of American films. As a result, the countries have succeeded in protecting and promoting their film industries but have failed to challenge Hollywood supremacy.

There is no likely comparable competitor to Hollywood with regard to distribution systems of films around the globe and strong support from the American government through Free Trade Agreements (FTA). Although film is
acknowledged as “the object of an explicit exception concerning quotas in Article IV of GATT 1994” to protect cultural diversity, there is room for negotiations between the U.S. and other nations (Bernier, 2003, p. 2). For example, as a precondition for negotiations for a US-Korea FTA, the U.S. pressured South Korea to reduce a screen quota system that had been in existence since 1967 with the aim of favouring South Korean films (Jin, 2008). FTAs are overtly intended to serve as an instrument for the U.S. to penetrate film marketplaces in other countries for export of American films. Despite an intensive backlash from the film industry, the Korean government reduced the quotas by half, expecting other industries to benefit from other negotiations of the FTA (Lee & Kim, 2008). This study pays little attention to this category.

3.2.3 Governments’ policies and their impact on the production of media

The central focus of the second category is governments’ policies and their impact on the production of media: how the political policies of governments have an influence on filmmaking and film industries in local markets under the leverage of the U.S. cultural products (Haworth, 2011; Kim, H.-S., 2010; Kim, E.-J., 2013; Kim, M.-H., 2009a, 2013; Newman, 2005, 2008). In this study, I will argue that governments’ policies on film industries in both New Zealand and South Korea are not an only essential factor for creating film co-productions between the two countries, although they still play a key role in them.

Film policies

Stokes (2003) indicates that the formation of the media and culture industries is heavily affected by the roles of the government, including legislation, financial support and regulation (p. 98). The impact of the two governments’ film policies is important in the sense that the New Zealand and South Korean governments have made a priority of developing and sustaining their film industries to create profit from them and to maintain and grow their cultures (Dunleavy & Joyce, 2011; Hong, 2014; Hwang & Kim, 2012; King, 2010).

The New Zealand government has endeavoured to attract offshore production projects from Hollywood since the success of The Lord of the Rings trilogy. Since
the mid-2000s, New Zealand has become a key place for film production and post-production for the U.S. financed blockbuster films such as *King Kong* (2005) and *Avatar* (2009) (Goldsmith, Ward, & O'Regan, 2010), because New Zealand is able to provide high-end technology with cheaper labour (non-unionised) as well as providing attractive tax incentives for U.S. filmmakers. Nonetheless, the most critical factor to draw Hollywood runaway productions into the country has been the film policies of the New Zealand government.

When the disputes between Peter Jackson and the crew who worked for *The Hobbit: An Unexpected Journey* (2012) erupted, the New Zealand government even changed labour laws to accept the requirement of Warner Bros and also offered considerable tax rebates to the company to keep the film in New Zealand. The requirement was that those who are hired as contractors cannot subsequently change their status into employees (Cho, C.-J., 2010). Thus, the key point of the new legislation was to clarify the distinction between contractors and employees so that contractors could not “sue their employer for wrongful dismissal” and argue, “they were an employee” (Garner, 2010, para. 17). Garner states that to keep filming *The Hobbit* (the $670 million movie) in New Zealand in the face of a threatened labour dispute, the government was prepared to change employment law as well as provide a total $93.4m cash package. In effect, “the government eventually agreed to rewrite labour laws and offer a $25m tax break to studio Warner Bros in order to retain the films” (Child, 2013, para. 9). This is a case to show “the particular dynamics of competing national versus global interests and related political interactions within the New Zealand filmmaking environment” (Michelle, Hardy, Davis, & Hight, 2014, p. 2).

Haworth (2011) has analysed *The Hobbit* dispute and expresses disapproval of the actions of the New Zealand government arguing:

> It is rare indeed to observe such a textbook case of national interest being so comprehensively subordinated to the interest of international capital and its domestic agent. It is even more remarkable that this happened in an economy, which purports to be advanced, developed and conscious of its international commitments. (p. 104)
The fear of losing competitive advantage may be one reason for the New Zealand government making such extraordinary concessions to foreign business interests. China had hoped to make a breakthrough with the local film industry to allow American films to be imported under strict quota systems, because its own film industry has declined. In 1994, ten Hollywood blockbusters a year were screened in the Chinese cinemas with a revenue-sharing system (Crane, 2014). Joining the WTO in 2001, the annual quota of imported films was raised from ten to twenty (Wyatt et al., 2012). The quota was raised to 34 in 2012, with the increase in revenue share ratio for foreign films (“Co-production 2013,” 2014). However, there are other restrictions including limits to investment and pre-screening censorship (Moon, 2011). It is thus worth considering that film co-productions between New Zealand and South Korea should be understood in terms of competitive relations between local and global forces. National policies for film co-productions in New Zealand and South Korea are to be discussed later in Chapter 5 to show that the policies have not directly contributed to creating New Zealand-South Korean co-productions.

There are several studies on the significance and effects of film policies on national film industries. Newman (2005) has compared the performance of the NZFC in New Zealand with that of the British Columbia Film in Canada between 1999 and 2005 and argues that the New Zealand schemes have yielded better results, through examples such as *Whale Rider* (2002) and production of *The Lord of the Rings* trilogy, than those of their counterparts by means of placing weight on script development, with emphasis on cultural content, and distribution of films. In his other work, he notes that with reference to the foreign service productions, the incentive system in New Zealand focusing on total expenditure within the country is more effective than refundable tax credits based on the employment of local labour in Canada (Newman, 2008).

**Governments’ policies on film co-productions**

Yan (2009) stresses that while Korean cultural policy provides support for international co-productions, the cultural protective policy presented by the Chinese government stimulates foreign filmmakers to co-produce films with
China as the core partner (See Chapter 6 for more information). In this regard, film co-productions fall into the second category of the political economy approach, which centres on the impact of policies (the impact of politics and policies) on cultural productions. In Europe, which is a pioneer in the field of film collaboration or film co-productions, the origin of such efforts was with civilian filmmakers and distributors, not European governments, so as to expand their local markets into the wider European market as well as to fight against the dominance of Hollywood in the 1920s.

Following World War II, contracts evolved into film agreements or treaties between European countries (Kim, H.-S., 2010, pp. 584-585); namely, film co-productions in Europe were encouraged by European nations. Several governments in Europe introduced a number of regimes – quota systems, subsidy programs and import taxes – to protect their local film industries from the dominance of Hollywood films (Morawetz, 2008). Lev (1983) identifies that these measures had two aims – economic and cultural – and argues that from an economic perspective, European nations tried to help sustain domestic industries and to offer jobs to film practitioners. From a cultural approach, they supported their own artistic and quality films with production funds (Lev, 1983).

In this context, co-productions were considered as a necessary and positive mode of film productions, because they increased the resources available for making films in Europe. Similarly, Jackel (2001) argues that “by the 1960s, co-productions had become a necessity for countries with a modest film industry and a small market potential” (p. 155). Therefore, in Europe, film co-productions were perceived as an opportunity to consolidate film production resources and talent in order to create culturally specific materials for local markets and to protect domestic film markets from American films (Baltruschat, 2002). The aim of several European countries is to now attract international film co-productions into their domains, not only to create job opportunities for local filmmakers, but also to help revive local film industries (Hwang, Mun, Gweon, & Lee, 2009). However, in the UK, the UK-European co-productions are mainly deemed as a way of obtaining funding for producing films. Namely, “the sort of investment in the local economy that occurs when production or post-production takes place in a
particular location is often seen as more important by policymakers and politicians than the cultural dimension” (Jones & Higson, 2014, p. 10). In summary, from the beginning, such international film co-productions had two clear objectives/motivations: economic and cultural.

**Major motivations for, and advantages and disadvantages of, international film co-productions**

In the following section, major motivations for film co-productions presented in the literature will be examined from the two perspectives to analyse and discuss with those motives which will appear from the interviews. In previous film industry studies (Goldsmith & O'Regan, 2008; Hoskins et al., 1995; Hoskins et al., 1997a, 1998, 1999; Hoskins & McFadyen, 1993; Peng, 2016; Yoon et al., 2007), there is no clear distinction between motives and advantages for the co-productions so the two characteristics are combined for analysis in this study. It is necessary to note that in the Western literature, the term *film co-productions* tends to mean official ventures; however, in the South Korean film academic discourse, it includes both official and unofficial co-productions. In contemporary film co-productions, while economic motivations receive more weight than cultural motives due to increasing production costs and consideration of global distribution (Hwang, K.-N., 2012), in the EU area, notably France, cultural motivators are still regarded as a central factor due to the persistence of the cultural exception.

**Economic factors**

According to existing literature, the most important motives/advantages for film co-productions are gaining funding, including government subsidies and tax incentives, and expanding into overseas markets (Hoskins & McFadyen, 1993; Hoskins et al., 1995; Hoskins et al., 1997a, 1998). K.-N. Hwang (2012) claims that in the South Korean context, international co-productions are enthusiastically driven by two purposes: expansion of profit sources with the penetration into overseas markets, and attraction of investment for production costs.
On the one hand, some researchers or producers stress access to funding rather than obtaining access to the partner’s markets as the major imperative. For example, Morawetz (2008) and Morawetz et al. (2007) argue that a core motive is to access funding from multiple countries to resolve the problem of insufficient financing for the film industry. Baltruschat (2012) notes that American producers wish to shoot their films in Canada because of the tax incentives provided by the Canadian Government. In the UK-Canadian co-productions, accessing foreign government subsidies is more central to the UK producers than Canadian partners (Hoskins et al., 1995, p. 241). In order to fully reflect the economic situations of film productions, the European Convention on Cinematographic Co-productions, established in 1992, specifically focuses on multilateral film productions, as well as existing bilateral agreements (Finney, 2010, p. 77). In New Zealand, even though access to larger (foreign) markets is one of the key motivations, attracting foreign investment into the local film industry is the most important motive (Gregson, 2012). Also in Australia, pooling funding proves to be a significant factor for international film co-productions in that it contributes to making a higher budget film (Peng, 2016).

Yan (2009) argues that South Korean filmmakers began to consider international co-productions as a way of gaining finance for Korean blockbuster films while at the same time protecting the local market from Hollywood dominance. Berry (2003) indicates that South Korean blockbusters differ from Hollywood blockbusters since South Korean filmmakers put a great deal of effort into producing local versions for Korean audiences. He assesses that Korean blockbusters have been successful thus far contributing to “a resurgence of the local industry, both in the domestic market and overseas” (p. 220). This thesis will investigate whether or not making a blockbuster film as a co-produced film between New Zealand and South Korea is a good option, or whether it is possible.

On the other hand, obtaining overseas markets is the most crucial motivation for South Korea, so the significance of such an objective needs to be understood in the South Korean context. Film co-productions in the country are perceived as one of the key resolutions for the crisis the film industry has encountered (Seo, 2011; Yan, 2009; Yeom, 2013a, 2013b). For example, the Producers Guild of Korea
(2008) has indicated that “recent global commercial projects have clear objectives to resolve some challenges which caused a crisis in South Korean films, with international film co-productions” (p. 63). The South Korean Government and film professionals have worked to reduce the deficits in the local film industry by creating more profit abroad. In particular, the government has encouraged filmmakers to export their films overseas and to collaborate in film activities with foreign countries (Yeom, 2013a). For example, Yan (2009, p. 70) notes that “to share the partner’s film market is the major reason of film co-productions between Korea and China.”

**Cultural factors**

Unlike economic factors, cultural motivations have not often been the focus in film scholarship. Nonetheless, in the European Union (EU), the cultural objectives of film co-productions—to re-invigorate the film industry in order to maintain a diverse cultural heritage in European nations—have been the priority in systematic backing programmes such as Eurimages, which offers support for co-productions of European films (Kim, Hwang, Cho, & Lee, 2001). D.-J. Park (2010) emphasises that the reason why Eurimages is able to be launched and be operated up to now, is that most of the European nations acknowledge that the film industry is cultural exclusion [films should be treated as cultural artefacts, not only commercial products]. Eurimages “is the cultural support fund of the Council of Europe. Established in 1989, it currently numbers 36 of the 47 member states of the Strasbourg-based Organisation” (Eurimages, 2015a, para.1). Since its inception, it has financially supported 1634 European co-productions for a total amount of approximately 496 million Euros (Eurimages, 2015b). Y.-K. Kim adds that as a result of this, co-production films have gained more support from European countries as they implicitly agreed to expand their film market overseas and enhance European cultural variety.

For example, *Melancholia* (2011), directed by Lars Von Trier (Denmark) and supported by the Eurimages programme was a Danish-Swedish-French-German co-production, which won the Best Actress award at the Cannes Film Festival. In addition, Bergfelder (2005) indicates that since the mid-to late 1980s, new varied
film support programmes, such as the MEDIA programme as a co-production fund backed by the European Commission and Eurimages, were launched by “the desire to establish or reaffirm a pan-European production” (p. 316). In line with the cultural motivations in the EU, it is important to note that “In certain parts of the world such as Canada and Europe, the international co-production was seen as a tool to fight what some people (pejoratively) refer to as the 'cultural imperialism' of Hollywood” to create and develop their content (Dhaliwal, 2012, p. 2). Similar opinions have been expressed in Hoskins and McFadyen (1993) and McFadyen et al. (2000); however, it is rare to find the analogous idea in the film studies in South Korea since the local film market has not been dominated by Hollywood films since 2000.

On the one hand, film co-productions in Canada and New Zealand were regarded as an instrument for building national identity (Blomkamp, 2012; Taylor, 1995). New Zealand-foreign film co-productions have been evaluated as contributors to creating and developing cultural/national content in terms of New Zealand storytelling and talent’s participation (Gregson, 2012). In this regard, it is worth noting that international film co-productions contain an inherent tension which is that “the cultural objectives require that the film or program reflect the cultural specificity of the originating country, while the industrial objectives necessitate that the finished product travel easily across borders” (Taylor, 1995, para. 5).

On the other hand, according to Yoon et al. (2007), invigoration of cultural exchange between nations and enhancement of the quality of local visual products to the level of regional and world products are cultural benefits of international co-productions. Based on the cultural benefits suggested by Yoon et al. (2007), Park (2015) has analysed whether Chinese-South Korean film co-productions have contributed to cultural exchange between the two countries, and argues that the co-productions have not been conducive to this in that that a few Chinese-South Korean film co-production projects were successful in China and no co-productions between the two countries were not a hit in South Korea. Rather, in the case of South Korea, it has focused on economic benefits, whilst China has placed relatively more emphasis on political advantages. In other words, when China co-produces with other nations, it seeks to control cultural specificity to
preserve and promote Chinese national culture and values (Park, 2014/2015, p. 213).

Rather than viewing international productions through the binary framework of creative or economic motivations, Goldsmith and O’Regan (2008, pp. 22-36) suggest ten diverse purposes placing film co-productions in a historical situation: “Commercial strategy, Piracy, International stories, Cultural exchange, Political motivation, Creative opportunity, Creative Autonomy, Situated Expertise (the pursuit of expertise which may only be found in a particular place), Unique Locations, and Political interest.” Given the reasons and rationales which drive co-productions in other regions, this study will discover and compare the crucial motivations of film co-productions between New Zealand and South Korea.

Advantages and disadvantages of film co-productions

While the previous discussion has shown that there is considerably more literature on the economic motivations for seeking a co-production arrangement than there is on cultural motivations for co-productions, some film studies show that there is, in practice, significant overlap between economic and cultural perspectives. Baltruschat (2002, p. 1) argues that “International TV and film co-productions reflect the continuing integration of cultural and economic activities on a global scale.” Therefore, even if this section places emphasis on an economic approach, in some parts, it will be connected to a cultural standpoint.

The research carried out by Hoskins et al. (1995, 1997a, 1998) and Hoskins and McFadyen (1993) has become an important foundation for analysing the advantages and disadvantages of international film co-productions. Both academic and industrial practitioners (Chung, 2011; KOFIC, 2004; Seo, 2011; Yoon, J.-S. et al., 2007; Yoon, 1999) have underpinned their investigations using these fundamentals and have added some other benefits and drawbacks. Therefore, the following material will more or less revolve around the work of Hoskins et al. (1997a) and the aligned endeavours of South Korean researchers. However, it was not easy to find similar investigations in the same domain in New Zealand.
Hoskins et al. (1997a) have been keen to investigate the pros and cons of film co-productions, and have explained nine potential advantages and six disadvantages. The advantages are:

1) pooling of financial resources; 2) access to a foreign government’s incentives and subsidies; 3) access to a partner’s market; 4) access to a third-country market; 5) access to a particular project initiated by a partner; 6) cultural goals; 7) desired foreign locations; 8) cheaper inputs in a partner’s country; [and] 9) learning from a partner. (p. 104)

According to Hoskins et al. (1998), cultural goals are benefits which mitigate the difficulties of film producers who attempt a project related to another country about which they do not have much knowledge. By choosing an international co-production mode, they can gain practical help from their partners regarding the circumstances of partners’ countries. Indeed, through the comparison of the perception of participants from three countries in international film co-productions, Hoskins et al. (1998) demonstrate that Japanese participants regarded cultural goals as more significant than Canadian and Australian participants.

Cultural exchanges are also acknowledged as an advantage by several South Korean academics in that film co-productions facilitate effective and efficient marketing, and deepening understanding of the local film industry. There is a possibility for film co-productions to enhance mutual understanding and intimacy between the two countries, which can lead to transformation of the production mode from importing and exporting films, to international film co-productions (Seo, 2011). In addition, film co-productions can serve to increase interest in the participant countries by allowing filmmakers involved in projects to co-operate closely for the promotion and marketing of co-production films (Chung, 2011, p. 7). Also, it is possible to secure a wide range of talent from all over the world and to build a network among such talent which invigorates film co-productions (Seo, 2011). European investment in British-European film co-productions “enables British films to travel further, so allowing other Europeans to encounter culturally British stories, characters and identities” (Jones & Higson, 2014, p. 10).

Michael Lake (as cited in Hwang, K.-N, 2012, p. 17) emphasises both a creative and a financial aspect. With regard to a creative aspect, producers can make films in numerous countries and create storylines which audiences in partners’ countries
are able to empathise with, and allow filmmakers to further communicate with
viewers around the world. In respect to the financial aspect, if film co-production
projects qualify as national cinema in countries participating in the productions,
the projects can gain a variety of benefits including incentives, rebates and
production funding which are given to local cinema.

Meanwhile, Hoskins et al. (1997a) also suggest six disadvantages of film co-
productions: “1) co-ordination costs; 2) increased shooting costs; 3) loss of
control and cultural specificity; 4) increased costs of dealing with government; 5)
opportunistic behaviour by the foreign partner; [and] 6) creating a more
formidable competitor” (p. 105-106). These six disadvantages are narrowed down
to the economic (cost), cultural and personal factors, specifically, drawbacks of
interpersonal relationships. The cost is increased because it is complicated to co-
ordinate the process of negotiations with partners and governments involved in
film co-productions and because some work such as filming or editing has to be
conducted in one country to meet regulations around film agreements (Hwang,
2009a). In terms of personal factors, N.-J. Lee (2009) who has worked with
producers in English-speaking identifies some challenges when developing a
South Korean story into a working script with them because, “Producers in the
English-speaking world tend to think they know far better than non-English
speaking producers as far as English contents are concerned” (p. 21).

With regard to the cultural factors, some scholars have evaluated film co-
productions as not being beneficial to national film industries in the sense that
national indigenous features are missing in co-production films (Liehm, 1984), or
that nationalistic identity may become blurred (Hayward, 1993). The cultural
identity of the films made through co-productions can be confused due to finance
capital being without nationality (Morawetz et al., 2007). According to Morawetz
(2008), “the 1980s witnessed a decrease in the popularity of co-productions,
which were increasingly criticized for blurring the cultural identity of films, and
denounced as so-called Euro-puddings” (p. 69). By contrast, Rivi (2007) argues,
based on a study of European cinema, that “they [co-productions] effectively
show how a cinema can attain and retain its specificity and integrity in spite of –
or rather, because of – the intervention of multiple financial sources and correlated restrictions [produced through such measures]” (p. 41).

**Typology of film co-productions**

There have been many ways to classify types of film co-productions in previous film studies. Lev (1993) indicates the progression of a level of film practitioners’ involvement in co-productions in Europe. Until the early 1980s, it was required of filmmakers that at least one actor from the participating minority country should take on one important role in co-produced films. Since the 1980s, the European Economic Community’s (EEC) open market policy has promoted filmmakers, cast and crew being involved in co-productions whenever possible.

Hoskins and McFadyen (1993) categorised the typology of international joint ventures into three groups: “official co-productions, co-ventures and twinning” (n. p.). They described official co-productions as being “recognised as national productions for both partners”; co-ventures being regarded as projects “which are not undertaken under the auspices of a co-production agreement”; “Twinning [as being] a special production package that pairs two distinct projects, one of which may, from a creative standpoint, be fully Canadian [national] and the other entirely foreign” (n.p.). Hoskins and McFadyen’s divisions were applied to the classification of typology of international co-productions suggested by Yoon (1999) and Yoon et al. (2007). With the progress of globalisation, M.-H Kim (2012) notes that international film co-productions have been carried out in overseas as well as in local markets, and have developed a range of the types including co-planning, co-financing, crew involvement and location shootings.

As Table 3.1 shows, Yoon et al. (2007) suggest that there exist four types of co-productions: pre-sale, co-financing, swapping (twinning) and full co-production. This grouping was used in conducting interviews with my participants for this research in order to ask them what kind of typologies they have deployed when producing film co-productions, and what kind of typologies could be suitable for the productions between New Zealand and South Korea since the arrangement included extensive and realistic modes of international co-productions. Moreover,
this is further investigated and analysed in an attempt to discover a feasible and desirable mode of New Zealand-South Korean film co-production ventures.

Table 3.1 Typology of film co-productions

<table>
<thead>
<tr>
<th>Type</th>
<th>Characteristics</th>
<th>Sharing Scope</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-sale</td>
<td>• Sale of the right to screen the visual product before its completion.</td>
<td>Sales</td>
</tr>
<tr>
<td></td>
<td>• Type of sales transaction rather than co-financing (but pre-sale combined with production funding)</td>
<td></td>
</tr>
<tr>
<td>Co-financing</td>
<td>• One co-filmmaker dominates the production; others participate in financing and reviewing the story but do not interfere in the process of production.</td>
<td>Financing &amp; reviewing of film content</td>
</tr>
<tr>
<td></td>
<td>• Generally, is the most popular method of co-production and the methods of finance have proliferated.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Goal:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• to distribute the burden of production budgets</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• to support the image of investing in a good quality product.</td>
<td></td>
</tr>
<tr>
<td>Swapping (twinning)</td>
<td>• Each co-production filmmaker produces one or more episodes for the same series, then exchange them.</td>
<td>Each producer makes their own product &amp; exchanges it.</td>
</tr>
<tr>
<td></td>
<td>• Filmmakers can exchange scripts or completed products so each can make their own program.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• A twinning package means filmmakers make their own product and then exchange it with each other.</td>
<td></td>
</tr>
<tr>
<td>Co-production or full co-production</td>
<td>• Co-producers have a financial relationship</td>
<td>Full co-operation for both production &amp; financing</td>
</tr>
<tr>
<td></td>
<td>• both parties participate in script, shooting and editing of one program or series.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Genuine co-operation:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• the method by which co-producers make one team including their crew produce a product.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• This gives rise to delicate problems because of cultural differences and different production systems.</td>
<td></td>
</tr>
</tbody>
</table>


3.2.4 Emergence of cultural regionalisation in East Asia

The third category of the political economy focuses on the phenomenon of cultural regionalisation in East Asia, specifically three different stances: contribution to diversification and decentralisation of East Asian cultures; recentralisation of media productions in the region and the emergence of a China-
centred cultural area. According to Schulz, Soderbaum and Ojendal (2001), cultural regionalisation “can be defined as a process of change from relative heterogeneity and lack of co-operation towards increased co-operation, integration, convergence, coherence and identity in culture within a given geographical space” (p. 304). This research takes the stance that there is no dominance of any countries in the flow of cultural productions, including films in the region, based on the arguments of Jin and Lee (2007) and Otmazgin (2005, 2013). This category contains not only political economy but also other perspectives such as Cultural Studies. Otmazgin and Ben-Ari strongly suggest that co-operation and collaboration with regard to popular culture necessitate an interdisciplinary approach that combines politico-economic and cultural perspectives (2013, p. 4).

Dal-Young Jin, as a South Korean, has written of the emergence of East-Asian culture since 2007 from a political economy perspective connected with cultural factors and worked with South Korean or Japanese scholars to scrutinise the advent of the cultural regionalisation of East Asia, in order to concentrate on the relationships between cultural industries and the cultural policies (Jin & Otmazgin, 2014). For instance, Jin and Lee (2007), who describe the birth of the cultural regionalisation of East Asia, investigate international co-productions in terms of the relationship among political, cultural and economic factors. They claim that the cultural industries of the region, China, Japan, Taiwan and Korea, have witnessed the rapid growth of co-productions in the field of films, soap operas, and music over the past several years and that co-production among East Asian countries has been centred on the growth of cultural regionalisation.

There is an example in television programmes between Hong Kong and Japan. According to Luo (2011, pp. 124-127), Airwave Boys, a type of outdoor adventure television programme, is an appropriate example of regional co-production in the East-Asia area, in that it was created by collaboration between Hong Kong TVB and Nippon Network Television Corporation (NTV). This television production was the third episode of the Japanese popular television comedy show, Don't Go For It! Airwave Boys (1998-2002), produced by NTV. In the programme, a young Hong Kong man and a young unknown Japanese actor undertake a hitchhiking challenge to travel in 1998 from South Africa to Norway, without knowing what.
they had to do. This episode had an influence on developing a Chinese reality programme (*The Great Challenge for Survival (2000-2005)*) in Guangdong Television in China.

Two Japanese academics, Iwabuchi (2008, 2009) and Otmazgin (2005, 2013), have also explored cultural regionalisation in East Asia through popular culture including films; however, they have both embraced and experienced contrary opinions. For example, indicating that the multilateral flow of media culture in the East Asia region is under the decentring-recentring process, Iwabuchi (2009, p. 29) asserts that “the mode of media production is being recentred through the alliance of major media corporations in East Asia,” including Hong Kong, Japan and Korea, by creating a novel international order in the cultural production domain. Iwabuchi (2008, p. 160) claims that transnational production, distribution and consumption of cultural products in the region are revealing asymmetry and imbalanced power relations, in that inter-Asian cultural flows emerge “amongst relatively affluent youth and among media and media industries in urban areas of developed countries,” resulting in marginalising many people and regions from this flow.

In line with Iwabuchi, Leung (2009) discusses the dominant flow of South Korean cultural products in Asia, arguing that the Korean protesters’ use of the theme-song of *Daejanggeum* (2003-2004), a successful and popular South Korean television drama in Asia, in the WTO conference held in Hong Kong in 2005, was useful to convey their messages to Hong Kong mass media and fans of the Korean cultural commodities. Siriyuvasak (2010) makes the argument that a strong unilateral flow of cultural products from Northeast Asia, such as Japan and South Korea, to Southeast Asia, including Thailand, was for the purpose of seeking national economic profit from them. However, Siriyuvasak also recognises that Thailand is achieving some success in Asia, following the steps of successful cases of Japan and South Korea. This situation demonstrates that there is room for mutual cultural exchanges in Asia.

Taking a different perspective, Otmazgin (2005) argues that active and vigorous cultural exchanges in the East Asia region have contributed to diversification and
decentring of culture, not cultural homogeneity, a proposition with which this researcher agrees. He argues that:

The regionalization described herein does not drive East Asia towards a culturally homogenous end, nor does it necessarily advance the adaptation of a unified and prevailing transnational identification. Rather, it decentralizes East Asia’s cultural structure, highlighting local productions and appropriations. (p. 517)

Y.-H. Cho (2011, p. 397) echoes Otmazgin’s argument (2005) above, asserting that, “a cultural geography of East Asia [...] is neither a unilateral nor fixed topography but rather is constantly re-imagined and experienced through pan-Asian cultural flows.” Otmazgin and Ben-Ari (2013), expanding the phenomenon of cultural regionalisation in East Asia even into Southeast Asia, claim that East Asia and Southeast Asia create common places in terms of on the consciousness level, not consensus, and that the regional identity is “the unintended consequence of the spread of popular culture” (p. 21). Refuting Iwabuchi’s (2008) assertion, Hau and Shiraishi (2013) stress that domination or asymmetry does not have the same meaning as hegemony, so asymmetrical and uneven flows of cultural products do not represent the kinds of structural imbalanced power relationships (unilateral flow) which the term hegemony might contain as cited in Otmazgin and Ben-Ari (2013, p. 10). Otmazgin (2013) also contends that the other characteristic of the regionalisation is inequality, because there are differences in the flow of cultural commodities depending on the size of demand and the ability of supply of local markets. These two arguments put forward by Otmazgin (2013) are applicable to international film co-production ventures in Asia.

Similarly, Shin (2009) argues that the blockbusters made by the East-Asian collaboration have become “a form of cultural and economic cooperation and have brought about the integration of the East-Asian market” (p. 114). In addition, she claims that they have created an opportunity to position East Asia outside of the Orientalist discourse – an obsession to free oneself from or resist Western hegemony – as creators of superior cultural content (Shin, 2009). Jin and Otmazgin (2014) contend that the cultural products of major East Asian countries,
China, Japan and South Korea, are not confined to Asian countries, but have become influential in Europe and North America.

Meanwhile, J.-J. Cho (2012) indicates that global culture has gradually converged with advanced networks that huge American-centred and European-centred cultural blocs have built. In addition, it is anticipated that a China-centred cultural area will emerge from Asia in the future (p. 24). There is the possibility that that will take place, but it does not seem likely in the near future. Peng (2015), in her thesis, concludes that in China film co-productions are regarded as a strategic means to enhance its soft power, but it has failed to succeed. This study will investigate whether film co-productions can contribute to the development of cultural regionalisation in Asia, or indeed, whether the dynamic of cultural regionalisation can apply to the relationship between New Zealand and South Korea. I will explore the Korean Wave in order to explore cultural regionalisation in East Asia in the following section.

**The Korean Wave (Hallyu)**

*The Korean Wave* is referred to as a good example of the phenomenon of East Asian cultural regionalisation (Choi, J.-B., 2010; Jin & Otmazgin, 2014). According to Yang (2012), “the mass media and concerned scholars have given the appellation of Korean Wave (*Hallyu*, 한류 in Korean) to such Korean cultural products as television dramas, popular music, and movies becoming so popular in these countries [in other Asian countries and beyond]” (p. 104). In effect, it was coined by Chinese reporters to express the popularity of South Korean television dramas in the country in 1999, but it was *Winter Sonata* (2002), a famous South Korean television drama, that initiated the Korean Wave throughout Asia (Lee, C., 2011). For example, in Japan, *Winter Sonata*, the famed love story, “has been broadcast in 13 different terrestrial and cable stations and viewed by over two-thirds of the nation’s television households” (Choi, J.-B., 2010, p. 126). When its lead actor, Youg-Joon Bae, who appeared as a businessman caring for, considerate of and dedicated to his first love, first visited Japan in 2004, about 3000 fans, most of whom were middle-aged women, gathered in Narita International Airport to see him. Nippon Hoso Kyokai (NHK), which broadcast
the drama, “made $3.5 million from selling Winter Sonata-related products, while selling 330,000 DVD sets and 1,220,000 “Winter Sonata” novels” (Lee, C., 2011, para, 11). Youg-Joon Bae’s enormous popularity led to the production of a film, April Snow (2005) starring him, and aimed at Japanese audiences. It grossed about US$24.8 million in Japan due to Youg-Joon Bae’s star power, but it proved to be a failure in South Korea because of its banal narrative and the lead actors’ poor performance (Kim, J.-H., 2008)

In searching for reasons for the rise of the Korean Wave across Asia, Park (2004) identifies the trend of deregulation and privatisation in Vietnam, Mongolia, China, Taiwan and the growth of the media industry in South Korea. Accordingly, Yang (2009) indicates that the widespread flow of Korean popular culture has been built on structural and institutional changes following neo-liberalism, heralding a shift away from the residual forces of the Cold War. J.-B. Choi (2010) regards the Korean Wave as the end product of the two different changes of situations surrounding the Asian region:

first, the relative decline in Japan’s economic, political, and cultural leadership in Asia [because of its economic recession] running contrary to the startling rise of China; second, the proliferation of (neo) liberal doctrines [deregulation, marketisation and liberalisation] that spawned a higher level of regional integration in economy and culture. (p. 126)

As a result, he views the driving force of the Korean Wave as stemming from desires of the public who wish to imitate South Korea as a comforting and attractive or familiar model. Ryoo (2008) argues that the Korean Wave, as supported by the South Korean government, is a good example of how new global and regional transformations happen in the Asian cultural domain. It represents how South Korea, which was once on the periphery, has come into existence in both the global and regional levels, and neighbouring Asian nations which “share similar economic and cultural backgrounds” are increasingly accepting cultural flow from the country (Ryoo, 2009, p. 147).

Hallyu can be classified into two stages. Yang (2012), in his classification, points to Korean dramas, possibly based on cultural proximity, as the primary players in the first phase. Many previous studies about the Korean Wave, including the work
of Han (2007), indicate that its popularity is attributed to Asian family values. In the second phase, Korean pop songs (so-called K-pop), have become a planned player that has intentionally catered to the palates of global audiences, and are playing a crucial role for the dissemination of *Hallyu* (Yang, 2012).

E.-Y. Jung (2009), however, calls the concept of *Hallyu* into question, claiming it does not encompass unique Korean aesthetic or cultural values such as Korean family values. She argues that “most of its [Korean Wave] characteristics are transnational and hybrid; and these characteristics involve combinations of local and foreign elements at multiple levels” (p. 78). For instance, she identifies BoA, the Korean Wave pop star, as a good example of this and emphasises that BoA’s success in Japan has little to do with her “Koreanness” (p. 76). Rather, BoA is good at speaking Japanese, because she was trained by her management company. She notes that, “This process of repackaging and de-Koreanizing (or Japanizing) was the key to her success in Japan and became the rule for becoming successful in Japan” (p. 76).

Hurt (2013) also argues that the Korean Wave does not exist. Instead, he regards it as a surge of cultural artefacts resulting from relaxation of censorship in Korea.

I see the increased presence of Korean cultural products on the international scene as a good and natural result of the loosening of structural restrictions on the artistic sectors of civil society. Generally speaking, there isn’t a recognition of Korean cultural products to the extent that Koreans hope or even believe that there is, but rather a natural increase in the number of high-quality Korean cultural products that make it onto the international scene by virtue of the fact that there are simply many more high-quality cultural products being produced in general. It’s only natural and inevitable that more of them will be recognized on an international level. But that doesn’t a ‘wave’ make. (para. 15)

However, the Korean Wave includes Korean dramas and K-pop as well as Korean films. It seems that Hurt’s (2013) argument is only confined for Korean films in a narrow sense and does not do full justice to the Korean Wave. E.-Y. Jung (2009) indicates that “Still, the Korean Wave has been in the spotlight of global pop culture for the past ten years, and it helped reveal new forms and patterns of cultural production and consumption” (p. 78). Furthermore, M.-H. Lee (2015)
states that 1,248 clubs with over 21 million members in 79 countries were interested in *Hallyu* as of December 2014, based on the report published by the Korean Foundation (para. 1). The number of the clubs increased in 23 Asian and Pacific countries, the U.S. and even Egypt and Tunisia (Lee, M.-H., 2015). Indeed, the Korean Wave has significantly influenced young New Zealanders in New Zealand, resulting in them signing up to an audition for trainees as a K-pop star, which was held by JPY Entertainment, one of the biggest entertainment companies in South Korea, and encouraging them to learn Korean language (Duff, 2015).

Nevertheless, Hurt’s (2013) argument that the relaxation of censorship by the South Korean democratic government explains the improvement in quality of Korean films is in line with the thoughts of Frater (2013a), the Asia Bureau Chief of *Variety* magazine. He writes: “Since then [relaxation of censorship in the mid- ‘90s], Korean directors have revelled in their freedom to shock, tantalize and blindside their audiences” (para. 2). Jin and Lee (2007) argue that “The Korean Wave has in particular contributed to change the degree of collaboration among East Asian producers” (p. 38). Japan, which was not interested in film co-productions, has changed its stance because of the Korean Wave, in particular, following the success of Korean films such as *Shiri* (1999) and *J.S.A.* (2000) in Japan (Jin & Lee, 2007).

Hitherto, the two main categories of the political economy approach were explored: government policies’ influences on cultural production; and the emergence and development of cultural regionalisation, based on international productions in East Asia. Nonetheless, Cottle (2003) argues that the political economy approach has paid little attention to producers of cultural production. Morawetz (2008) indicates that while the work of Miller et al. (2005) is “informative with respect to the international dimension of national industries and shedding light on the importance of institutions and regulation, it can also be criticized for a nearly total neglect of the role of the producer in the film industry” (pp. 26-27).
As if in response to this criticism, Baltruschat (2010) has analysed global media ecologies, including film co-productions, focusing on producers from the political economy approach. In her research, however, producers were only one of the mediating agencies in producing film co-production ventures, and were not addressed as main actors. However, Jin and Lee (2007) also emphasise the importance of producers on both sides who are dedicated to international film co-productions. In this regard, it is necessary to examine filmmakers, their roles and their relationships in relation to film co-productions under social exchange theory.

3.3 Social exchange theory

3.3.1 Introduction
This section will explore social exchange theory, which has been used to investigate the effects of interpersonal dynamics (Moss, 2016) to argue that film practitioners’ interactive factors are influential factors in creating film co-productions between New Zealand and South Korea. This theory will be a framework for an analysis for personal factors, particularly interactive factors between practitioners, in Section 6.4 and will be discussed in the case study in Chapter 7. Scholars who research social exchange theory state that “We engage in many exchanges on a daily basis with a wide range of actors often embedded in the groups, networks, organisations and institutions we inhabit” acknowledging and extrapolating from this characteristic constitutes an important theoretical approach in the field of social interaction (Cook, Cheshire, Rice, & Nakagawa, 2013, p. 61).

The theory is one of the most influential conceptual models for understanding workplace behaviour and dealing with interactive activities with co-workers (Cropanzano & Mitchell, 2005). Indeed, in their study on the Malaysian independent filmmakers, Perumal et al. (2012a) adopted social exchange theory as the framework of their research placing an emphasis on reciprocal exchanges.

3.3.2 Reciprocal exchanges
Reciprocal exchanges which are focus in this study are one of the two significant notions with negotiated exchanges in exchange relations in social exchange theory. Molm, Peterson and Takahashi (1999) define them in this way:
In reciprocal exchange, actors' contributions to the exchange are separately performed and nonnegotiated. Actors initiate exchanges by performing a beneficial act for another without knowing whether, when, or to what degree the other will reciprocate. […] In negotiated exchange, actors engage in a joint decision-making process, such as explicit bargaining, in which they reach an agreement on the terms of exchange. (p. 877)

Concluding that interactive factors among film crew members are significant for the success for group success, Perumal et al. (2012a) indicate that “the interactive factors of this research [trust, cohesiveness, communication and collaboration, relationship and friendship, sharing ideas and experience, and commitment] are reciprocal exchange in nature due to informal and implicit form of exchange rather than negotiated change” (p. 2925). Their argument invariably applies to international film co-production, as the process of filmmaking is the same no matter where it is made and no matter who produces it. The reciprocal exchange model in social exchange theory is therefore suitable for analysis of interactive factors between New Zealand and South Korean filmmakers when conducting the film co-productions. In the following part, examining several of the most significant factors derived from social exchange theory will also help to discover influential elements in attempted and actual projects between the two countries.

**Trust and distrust**

Trust is a central component in social exchange, and distrust is also at the centre of social relationships (Guo, Lumineau, & Lewicki, 2014). Lewicki, McAllister and Bies (1998) defined “trust in terms of confident positive expectations regarding another’s conduct, and distrust in terms of confident negative expectations regarding another’s conduct.” (p. 439). Trust has been linked to organisational issues and also been regarded as is a critical element in successful social exchange (Yamagishi, 2011). For instance, Jin-Kyu Cho, a South Korean director who directed a Chinese-South Korean film co-production project, *Sweet Sixteen* (2016), has emphasised the importance of trust between the Chinese company and himself, in that when he lost about NZ$273,000 of money invested due to the change of Chinese Yuan exchange rate, the company invested in the film solved the problem even though it did not have any reason to do this on the contract (as cited in Cheon, 2016, p. 17). Trust in the group working environment
plays a key role in effective group decision-making “in terms of decision quality, satisfaction and utility” (Pinjani & Palvia, 2013, p. 147).

International film co-productions inherently share characteristics with other international joint ventures. In many studies of international joint ventures, Walsh, Wang and Xin (1999) carried out research on how Chinese and foreign managers in China view each other and work together in Chinese-American joint ventures. Trust was one of the seven key themes they identified through the project and the others include expertise and effectiveness, effort, management style, allegiance, time horizons, and standards. Walsh et al. (1999) concluded that Chinese and American managers have worked in a climate of suspicion rather than trust.

**Relationship and friendship**

Personal relationships in the film industry are a significant factor to encourage filmmakers to work together and/or repeatedly. Naarajärvi (2011) emphasises the significance of personal relationships in international film cooperation, arguing that “if a producer has known someone for a long period of time, this often leads to cooperation with that person” (p. 126). Brass, Galaskiewicz, Greve and Tsai (2004) suggest that in interdependent tasks like filmmaking, relationships with other co-workers impact on the outcomes. South Korean producer Lee (2009), who attempted to produce a film co-production project with New Zealand (its working title was SoulMates), claims that good relationships between people is central to conducting successful and effective film co-productions. Film crews regard having a good working relationship as the second most critical component when working together repeatedly (Blair, Gary, & Randle, 2001). Consequently, relationship conflict among co-workers has a detrimental effect on job performance through its impacts on trust (relationship-based trust turns to calculus-based trust) and exchange (relying more on negotiated exchange than reciprocal exchange) (Lau & Cobb, 2010). Perumal et al. (2012a) indicate that friendship among film crewmembers during a project will lead to better results by creating a suitable environment. Cropanzano and Mitchell (2005) consider the development of relationships into commitments over time as one of the fundamental principles of social exchange theory.
Commitment
The concept of workplace relationships has been paid attention by scholars who have studied social exchange theory (Shore et al., 2004). Commitment is defined as a force that binds individuals to relevant actions and to an objective (Meyer & Herscovitch, 2001, p. 299). Lau and Cobb (2010) argue that “reciprocal exchange, because of its potential to increase exchange flexibility, resource range, and interpersonal citizenship behaviour,” can result in interpersonal commitment (p. 910). Campbell-Hunt et al. (2001) view the number 8 wire mentality (can do spirit), the ability to improvise and be innovative, as a significant trait of people who work in the New Zealand film industry. The mentality is “a phenomenon named for a type of fencing wire that farmers often used to hack fixes for other things – hooks, ties, aerials, and anything else for which a bendable piece of metal thread might come in handy” (McKenzie, 2013, para. 6). These major characteristics in social exchange theory will be discussed later in Section 6.4.2.

Meanwhile, one key characteristic of studies on social exchange is they take an interest in the connections between social exchange theory and other social theories, including social status and social networks (Cook & Rice, 2003, pp. 53-54). For example, Flynn (2005), who studied the link between identity orientation and social exchange forms in organisations, proposes that employees considering “the self as a member of an interpersonal relationship” (p. 738) will prefer reciprocal exchange. Kong (2005), who draws attention to the cross-border relationships of filmmakers, argues that personal relationships and networks are a crucial factor in making international film co-productions enable. Namely, Hong Kong producers and directors are dependent on their social relationships and network to gain capital, to choose their partners, and or to survive in a tight global competition. It will be important to investigate within a social exchange theory framework what personal factors might be the critical elements for facilitating New Zealand-South Korean film co-productions. In the next section, this study will explore the two central concepts from a Cultural Studies perspective.

3.4 Cultural Studies approach
3.4.1 Introduction

Alongside political economy, Cultural Studies is one of the two overarching frameworks in media and cultural production (Cottle, 2003), so there is a need to apply it in the present study, especially given the many references to cultural factors in preceding pages. In the following section, emphasis will be placed on the two important concepts—cultural proximity and cultural discount—to examine how the two concepts have impacted on producing and circulating international cultural products around the globe. As a result, focus is on what ways cultural proximity or cultural affinity could affect film co-productions between New Zealand and South Korea. This approach will be used to analyse and discuss cultural factors in Section 6.5, 6.6 and Chapter 7.

According to Fenton (2007), “Cultural studies is cross-disciplinary and embraces social theory, cultural analysis and critique in an academic project that draws on the humanities, sociology, social policy, social psychology, politics, anthropology, women’s studies and social geography among others” (p. 16). It does not claim ownership of a singular discipline but always borrows whatever it needs from any discipline or methodology (Barker, 2012; Pickering, 2008). The central role of Cultural Studies is to attempt “to examine and rethink culture by considering its relationship to social power” (Hesmondhalgh, 2013, pp. 51-52).

S.-K. Kim (2008) indicates that Marxist scholars, who have had a dichotomous logic in which a society is comprised of a ruling class and a subjugated class, paid attention to ruling class culture, whereas Cultural Studies researchers concentrated on the culture of the subordinate class. The establishment of the Centre for Contemporary Cultural Studies (CCCS) at Birmingham University in the UK is recognised as a decisive point in the extension of the intellectual knowledge of Cultural Studies (Barker, 2012). Richard Hoggart, Raymond Williams, and E. P. Thompson, important scholars in Cultural Studies, who worked at the CCCS, more clearly gave value to “traditions of working class culture and resistance” (Kellner, 2001, p. 395).

Bennett (1998, pp. 535-538) proposes six components for definition of Cultural Studies. In the first place, Cultural Studies is concerned with both high and low
cultures, and common ways of cultural expression which various media outlets share in specific historical circumstances. Secondly, in analysing its topics, Cultural Studies has an interdisciplinary characteristic, which can draw upon methods and results of neighbouring scholarship if it needs. Next, over time Cultural Studies expanded its focus from the relationship between culture and social class into the relation between culture, and gender and race. Moreover, “Within Cultural Studies, the textual and institutional dimensions of cultural forms and activities are more typically viewed as interdependent components of a complex set of interactive processes” (Bennett, 1998, p. 537).

In this sense, H. Cho, (2009) notes that Cultural Studies has shifted focus from a political economy paradigm to investigating how messages and meanings are created in texts and signifying practices; however, the realm of culture is not confined to the domain of texts and meanings. Furthermore, culture connects the realm of subjectivity in Cultural Studies. Lastly, Cultural Studies is required to be connected with social and political movements. In his research on a change in world media relations, based on the study of television programmes in Brazil, Straubhaar (1991, p. 56) emphasises the significance of interdependence of cultural industries at national and regional levels and audiences’ cultural proximity. Suh, Cho and Kwon (2010) regard cultural proximity as the notion that is mainly employed to explain the international flow of cultural products.

3.4.2 Cultural proximity

The concept of cultural proximity (Straubhaar, 1991) was used to explain the reasons Hispanic television programmes in Latin America were more popular than American products: cultural proximity is defined as “the tendency to prefer media products from one’s own culture or the most similar possible culture” (Straubhaar, 2003, p. 85). Iwabuchi (2001) also used the same term, cultural proximity, to explain why Japanese TV drama is popular in Taiwan, indicating that while language is the most crucial element in cultural proximity, there are other important cultural components such as religious values, fashion and music (Iwabuchi, 2001, p. 56). The work of Ksiazek and Webster (2008) demonstrates that cultural proximate language features plays an important role in media choices of audiences by examining Spanish-speaking Hispanics, English-speaking
Hispanics and English-speaking non-Hispanics in Texas, in the USA. Spanish-speaking Hispanics and English-speaking non-Hispanics have a narrower range of media choices than English-speaking Hispanics.

The concept of cultural proximity has been widely deployed in diverse academic fields. Trepte (2008) notes that “Throughout the literature, cultural proximity is used to describe the audience’s viewing habits and motives as well as characteristics of the media” (p. 4). For instance, Adams (1986) argues that the news coverage of a disaster is likely to be influenced by geographical and cultural proximity between the affected and the reporting nations. Also, Zaharopoulos (2001) discovered that during the U.S. presidential campaign in 1988, Democrat Michael Dukakis, a Greek-American, was more frequently and favourably covered by Greek newspapers than was Republican George Bush.

The concept has been used mainly in explaining an international flow and consumption of cultural products. Based on the research work of other scholars, as explained by South Korean researchers, Park (2004) identifies two reasons why South Korean television dramas have been popular in China. The first is that China’s limited open policy towards the importing of foreign culture has enabled the entry of South Korean TV shows into the Chinese market. The other is that the cultural proximity between China and Korea – Confucian values including Chinese orthographical characters and symbols – has been one of the shared fundamentals of both their cultures (Suh et al., 2010), which has allowed Chinese audiences to readily appreciate Korean programmes. The outcome of her own survey underpins the second rationale - that Chinese consumers, who think that they have extensive commonality with both South Korea and its culture, use many South Korean cultural products.

Likewise, in recent years, South Korea has co-produced numerous films with Asian countries such as Japan and China, rather than with the U or European countries (Woo, 2011). China is considered as a crucial partner for international collaboration with South Korea, due to its cultural proximity to Korea, and a great number of collaboration projects between the two countries have been completed.
(Yecies, Shim, & Goldsmith, 2011). This process has accelerated during the period in which this research has been undertaken.

Smith (2012) argues that cultural affinity is one of the motivations for making international co-produced films:

> It is noticeable that Chinese-speaking transnational directors rarely choose to work in Hollywood, but rather, taking advantage of cultural affinities and local creative nuclei, they rely on neighbouring territories with whom they share a language, if not a history, or much less, a political system. (p. 68)

Smith adds that, nevertheless, in relation to film co-operations between Chinese-speaking domains, only one kind of film, – martial arts – which is usually set in Imperial China such as Zhang Yimou’s *Hero* (2002) and *The Curse of the Golden Flower* (2006), has been reliably successful around the world.

Pastina and Straubhaar (2005) have also employed the concept of cultural proximity (Straubhaar, 1991) when they examined why some Mexican television dramas are more popular in Brazil than the national products, and why some Brazilian programmes are popular in Italy. Significantly, audience preferences of what to watch on television are impacted both by cultural proximity working at national and cultural-linguistic levels (Sinclair, 1996) and other factors such as “shared local values and historical alliances between the original culture of the text and the local culture” at the subnational and regional levels (Pastina & Straubhaar, 2005, p. 286). The results of this research demonstrate that the notion of cultural proximity remains as an important factor in the flow of international cultural products.

Similarly, there is some research which shows that there are other elements influencing the flow of cultural products along with cultural proximity. In her report for the Ministry of Culture and Heritage in New Zealand, Gregson (2012) notes that the number of official film co-productions between New Zealand and Australia is lower than would be expected from the geographic proximity and close economic and trade relationship between the two countries. Since 1988, based on the data from the New Zealand Film Commission, there have been only six film co-productions between the two countries (one of these was a three-way...
co-production with France). Gregson (2012) proposes several reasons for this, including cultural differences between Australia and New Zealand, a lack of shared stories and curiosity between the two countries. There, however, have been many unofficial projects involving personnel exchanges as documented by Leotta and O'Regan (2014).

Through a comparative study on the acceptance and popularity of the Korean Wave in Vietnam, Thailand, Malaysia and Indonesia, Suh et al. (2010) reveal that international interactions – political, economic and social-cultural – between South Korea and these four countries play more central roles than cultural proximity. Even though Thailand shows the closest cultural proximity to South Korea among the four nations, the Korean Wave entered Vietnam earlier and is more popular there than in Thailand. On average, Vietnam has the highest degree of political, economic and social-cultural interactions with South Korea than any other country.

Cha (2013) indicates that consumption of cultural goods takes place on a personal level and is subject to cultural discount (this term will be explained in the next section) or individual background knowledge and preference. Building on a survey on Chinese people’s consumption of Korean television programs, Park (2004) argues that “individual differences in perception of Korea, the Korean people, and Korean culture largely determine the consumption of Korean cultural products,... [and] ... preference for another country’s culture and people was more important than perceptions about cultural proximity” (pp. 287-288).

In recent television studies, based on the analysis of two Catalan soap operas related to cultural proximity, Castelló (2010) argues that cultural proximity integrates the audience’s educational background, cultural features and media consumption habits, and not just geographic and language traits. In an analysis of the audience watching Japanese dramas in Malaysia, Yamato (2014) placed more emphasis on individual proximity than cultural proximity, referring to individual proximity as a tendency, where the audience feels empathy with characters in different life stages.
While cultural proximity can be considered as one of the major reasons for cultural products crossing borders, it also seems to be one of the features that promotes successful or ongoing co-operating relationships between pairs and groups of countries. For example, New Zealand has co-produced films mainly with England and Australia to date, which are co-members of the Commonwealth. Canada appeals to European producers since the country has cultural proximity to the U.S. due to geographical proximity (Baltruschat, 2003) and also has a French-using industry in Quebec province. As stated before, South Korea has mainly conducted international film collaborations with Asian countries including China and Japan. Even so, it is difficult to identify a successful case at the box office of international film co-productions in South Korea (Seo, 2011, p. 59). Park (2004) indicates that cultural proximity also pertains to “cultural discount which occurs when the cultural goods are consumed, with culturally proximate goods experiencing less cultural discount” (Park, 2004, p. 267). Therefore, in the following section, the emphasis will be placed on cultural discount.

### 3.4.3 Cultural discount

Hoskins and Mirus (1988) coined the concept of ‘cultural discount’, which they defined as a reduction in value or appeal as cultural products travel across national boundaries. The concept suggests that foreign media have limited appeal because audiences in other countries lack the background knowledge, linguistic competence, and other forms of cultural capital to appreciate them (Lee, F.L.F., 2008, p. 119). Cultural discount is used to explain barriers that the audience in other countries will experience when watching imported films (McFadyen, Hoskins, & Finn, 2000).

McFadyen et al. (2000) state that:

A cultural discount for traded programs or films arises because viewers in importing markets generally find it difficult to identify with the way of life, values, history, institutions, myths and physical environment depicted. Language differences are also an important reason for a cultural discount as the appeal of viewing is reduced by the need to dub or subtitle and by the difficulty in understanding unfamiliar accents. (n. p.)

Hollywood hegemony in films is attributed to its larger local market and lower cultural discount which can allow the products to be more easily accepted in
English speaking domains than other border crossing products (Hoskins & Mirus, 1988). Meanwhile, cultural discount serves as a mechanism which mitigates the unilateral flow of cultural goods from a larger market to a smaller marketplace and provides impetus to steadily produce local cultural artefacts (Cha, 2012). In this respect, language is considered a critical factor in cultural discount, as it is for cultural proximity. From the audiences' points of view, films produced with a domestic language are able to gain a relative advantage (Wildman, 1995). “Intuitively, audiences are more receptive to content presented in their own tongue and more resistant to content in an unfamiliar language” (Fu & Sim, 2010, p. 122).

Consequently, differences in culture and language between countries participating in film co-productions function as not only bulwarks for protecting national cultures but also stumbling blocks for their distribution. As a result, filmmakers with small-sized local markets confront double barriers caused by cultural obstacles and differences in market sizes, which exacerbate the imbalance of trade (Cha, 2012, p. 16). These two factors (culture and language) are also considered as drawbacks for film co-productions (Hoskins et al., 1997a, 1998).

In addition, it is important to note the argument of Oh (2001) that “Countries with a small domestic market may have more incentive to co-produce than do those with a large domestic market” (p. 35). These factors are likely to apply to film co-production projects between New Zealand and South Korea, which have different languages and cultures as well as small local markets, even though South Korea has a considerably larger market than New Zealand. It is important to investigate how these arguments are related to the relationships of co-productions between New Zealand and South Korea.

Empirical studies of the cultural discount effect have mostly focused on Hollywood films. McFadyen, Hoskins and Finn (2003) discovered that the greater the cultural distance between the U.S. and countries which import American cultural products, the lower the price of American television programmes. By comparing the performance of Hollywood movies of different genres between Hong Kong and America box office receipts, F.L.F. Lee (2006) found that
“comedies are highly particularistic and that science fiction is apparently the most universal...The loss of value and performance predictability constitutes a problem for media producers, whereas universalizing the media product is a possibly useful strategy to handle such problems” (p. 259). In this sense, universalizing the media product is also likely to be applicable to film co-productions between New Zealand and South Korea.

3.4.4 Genres

The popularity of trade in some genres – action, science fiction films – with lower degrees of cultural resistance can be explained by cultural discount (Hoskins & Mirus, 1988). With the growth of overseas markets as a source of revenue, Hollywood’s strategy has changed. For Hollywood, attracting global audiences has resulted in a movement toward less specific and more universal content (Crane, 2014; Noam, 1993). “The greater the dependence on overseas box office revenues, the greater is the incentive to focus on less culturally resistant genres and more internationally appealing content in order to diminish the cultural discount effect” (Oh, 2001, p. 42).

There is an increasing amount of academic literature focusing on the category of films as global blockbusters, which use generic themes, characters and spectacles to address viewers worldwide. Asian producers have also searched for universal themes for cultural products including films to appeal to both local and global audiences (Jin & Lee, 2007). Similarly, Baltruschat (2002) argues that film co-productions concentrate on popular and familiar, rather than local and specific genres:

Today co-productions are less about culturally relevant materials, but focus exclusively on popular genres, often simulating Hollywood productions, such as adventure series, science-fiction programs and shows that contain hybrid elements drawn from a variety of genre. Consequently, co-productions represent a dominant trend in international television and film production which is increasingly global in orientation to the demise of locally relevant issues and their representation. (p. 1)

Hennig-Thurau, Walsh, and Bode (2004, p. 636) argue that film success is impacted by interactive dynamics between films and cultures and that family,
thriller and comedy genres and typical Hollywood style films were more successful in the U.S. than in Germany. E.-M. Kim (2003) notes that in South Korea horror/thriller genres have a positive influence on success of Korean films whereas these genres have a negative impact at the box office for Hollywood movies. She explains that there are differences in preference of genres in films depending on cultural distinction, because when horror/thriller genres were released under different cultural backgrounds, meaning-prompts in these genres did not work well for audiences there. In this respect, horror/thrillers are unlikely to be relevant genres for New Zealand-South Korean film co-production ventures. Park, Song and Jung (2011) claim that only action films with a big budget have a positive impact on box-office revenues of Korean films, based on analysis of Korean movies released in 2009-2010.

In their comparative work, Lee, Chang and Park (2007) investigated whether there were differences in contributing factors in the success of the same American films in the U.S. and South Korea. Their examination reveals that comedy and science fiction genres had different performance results in the two countries. In South Korea, the comedy genre was less successful than other genres because comedic content is deeply embedded in the culture of specific countries. In comparison, the box-office revenue of science fiction films in South Korea was higher than that in America. These studies indicate that the audiences in different cultures are likely to decipher the same content in diverse ways, which is one of the core premises of reception theory in Cultural Studies.

Cha (2013) asserts that there are significant differences in preferences in genres when films cross borders, and the factor of genre has a substantial influence on the success of each film in foreign countries. In particular, American comedy has been negatively received in South Korea, since humour is often culturally specific. However, action, adventure and science fiction genres are shown as having cultural universality. In the Hong Kong market, Hollywood comedy genre shows a higher level of cultural discount, whereas science fiction shows a lower level (Lee, F.L.F., 2006). In conclusion, it may be better to avoid comedy genres for co-produced films between New Zealand and South Korea as in the black comedy of
Black Sheep (2006) and it is worth considering which might be desirable genres for film co-production between the two nations.

Previous studies using concepts of cultural proximity and cultural discount have focused on analysis of the audiences and texts of cultural products, suggesting there is little research on them from the filmmaker’s point-of-view. In particular, there are few studies on film co-productions employing the two concepts from the film professionals’ approach. This study will provide a basic foundation for explaining this aspect of film co-production.

There was little application of cultural studies to cultural production until the 2000s; however, recently a number of new approaches have appeared and one central development of the approaches is production studies (Hesmondhalgh, 2013, p. 54). Research on production studies has been carried out by Caldwell (2008, 2009), Mayer (2009), Mayer, Banks and Caldwell (2009), and Sullivan (2009). As Caldwell (2008) argues, in his book focusing on Hollywood, production studies concentrate on the practitioners' storytelling (trade stories) about themselves in the work-world, which is important for understanding practitioners' worlds and tasks, and which film studies have neglected because of paying greater attention to narrative analysis of films.

Mayer (2009) conducted a case study on those who have casting roles, working for reality programmes in Hollywood, in order to examine the mechanisms of alienation. However, the focus of these who research production studies is a representation which is defined as “how the world is socially constructed and represented to and by us in meaningful ways” and which is one of the major concepts in Cultural Studies (Barker, 2011, p. 8), of the lived realities of production workers. This objective is different from that this thesis seeks through production studies; thus, this research draws on their studies very little.

3.5 Transnational approach
3.5.1 Introduction
The following section will examine the notion of national cinema, why the concept of transnational has emerged in contemporary film studies, and what
kinds of strands exist in transnational cinema studies in order to understand how international film co-productions (official and unofficial) have been treated in this domain. It will also argue that international film co-productions (official and unofficial) need to be addressed as one of the transnational strands based on S.-J. Lee’s (2011a) argument. Diverse typologies of transnational cinema and cinema transnationalism will be explored so as to discover a categorisation to properly explain and classify international film co-productions as transnational cinema. This approach will be utilised in Section 5.2 Impact of government policies on film co-productions of New Zealand and South Korea and between the two countries, specifically cultural hybridity and transnational cinema, and Chapter 7.

In her article, Deconstructing and Reconstructing Transnational Cinema, Shaw (2013) describes the development of the concept of transnational, in the following way:

The notion of the transnational in Film Studies has developed in response to an increasing awareness of the limitations of conceptualising films in terms of national cinemas, and an acknowledgement of the changing nature of film production and distribution as a part of wider patterns of globalization. (p. 47)

In this sense, it is necessary to explain the term ‘national cinema’.

National cinema

According to Chapman (2003, p. 39), national cinema as a traditional concept was defined as merely the films geographically produced “within a particular country.” Higson (1995, p. 6) expanded the concept of a national cinema to include where the films were shot “in their own country as well as the distribution and the exhibition of films and critical discourses around cinema.” However, Higson (2002, p. 52) claims that there is no concept of national cinema universally agreed upon and it can be differently defined according to various approaches such as economic and text-based characteristics.

Chapman (2003) indicates that the first genuine national cinema appeared around the First World War. In Germany and Russia, a national cinema was mainly developed as a consequence of the banning of all imported films at that time. Countries such as Russia and Sweden created a national cinema with distinctive
and indigenous styles, with Swedish cinema as an alternative to Hollywood, emerging during the period of U.S. hegemony around 1916 to 1920. The “Film Europe” movement, one of a wide range of attempts during the 1920s to counter American hegemony, failed due to lack of a proper organization and the outset of the Great Depression (Chapman, 2003).

Thompson and Bordwell (2003) indicate that “while distinctive national styles emerged in certain European cinemas, however, the dominant international style was American” from the mid-1910s (p. 79). They offer two reasons for this situation: one being the film quality of Hollywood was higher than that of other countries due to average higher budgets, and the other that to make local films in some countries was usually more expensive than importing American films.

Especially, in the West, national cinema production is usually defined against Hollywood. This extends to such a point that in Western discussions, Hollywood is hardly ever spoken of as a national cinema, perhaps indicating its transnational reach. (Crofts, 2006, p. 44)

Crofts (2006, pp. 44-49) asserts that national cinema is classified into seven categories due to the political, economic and cultural situations in each country: European-model art cinemas; Third Cinema; Third World and European commercial cinemas; Ignoring Hollywood; Imitating Hollywood; Totalitarian cinemas; and Regional/ethnic cinemas. Based on Crofts’ typology (2006), New Zealand cinema does not seem to belong to any of these groups, whilst South Korean cinema seems to fit the ignoring Hollywood category. The countries in this group have succeeded in protecting local film markets from the dominance of Hollywood products.

However, film culture is not confined to the boundaries of the nation-state, as the international film industry has become increasingly complicated, and film funding, crews and films have connected transnationally (Higson, 2000; Iwabuchi, 2002). Higson (2002) asserts that national cinema is not the sole tool to enable the pursuit of cultural diversity and cultural specificity, which shows the necessity of transnational cinema or a transnational approach. Indicating the limitations of national cinema, Bergfelder (2005) notes the importance of transnational and
supranational dimensions in European film studies, and Ezra and Rowden (2006) define the transnational as “the global forces that link people or institutions across nations” and stress that, “Key to transnationalism is the recognition of the decline of national sovereignty as a regulatory force in global coexistence” (p. 1). Lu (1997) asserts that the transition from national cinema to transnational cinema is being promoted by new technologies which have blurred national borders. Nevertheless, Christie (2013) argues the need for:

national cinema histories that are grounded in the study of diverse audiences and reception within the nations that are still our primary frames of reference; and these should also give due weight to indigenous production where and when this is significant, as well as factoring in the prevailing economic and political framework. (p. 28)

Taking all these factors into account, I think that S.-A. Kim (2010) provides a useful view on the contemporary status of national cinemas such as those of New Zealand and South Korea by distinguishing between national cinema and nation-state cinema. While the concept of national cinema, in which the national occupies a central point but which allows diverse cinematic rhetoric and forms, in the notion of nation-state cinema, a homogenous national identity, its own national narratives and common cinematic representations are assumed (Kim, S.-A., 2010, pp. 131-137). The author indicates that the Third Cinema theories of the 1980s enabled the distinction between the two cinemas in the sense that Third Cinema theorists condemned nation-state cinema’ proposition that “unified homogenous national identity should show itself off film, to resist the dominant films” (2010, p. 129). The classification of S.-A. Kim (2010) will be used to discuss the impact of the two governments’ film policies on film co-productions in Section 5.2.

### 3.5.2 Transnational Cinema

In film studies, the notion of the transnational appeared in the mid- to late 1990s out of postcolonial discourse (Etherington-Wright & Doughty, 2011). “Although from the earliest years film production, marketing, and reception involved extensive national border crossing, the rubric “transnational cinema” has emerged only comparatively recently. Transnational film studies are viewed as “a valid and vital field of inquiry” (Chung, 2012, p. 10). However, there is an inherent difficulty when transnational cinema is being defined, because film itself has
transnational features in production and consumption (O’Regan, 2008), so there has been a tendency for the term to be generally and uncritically used without a clear definition. This phenomenon led to Higbee and Lim (2010) developing their notion of critical transnationalism (Chung, 2012).

In the first issue of *Transnational Cinemas*, a journal dedicated to this topic, Higbee and Lim (2010, p. 9) indicate that three major perspectives can be applied to the analysis of transnational cinema as a theoretical framework, even though they contain some major challenges. The first perspective is “a national/transnational binary” approach which focuses on the relationship between film cultures and the nation state, which cannot be understood solely by the national but also requires the transnational cinema, but regards the national cinema model as limiting (see Higson, 2000).

The second considers transnational cinema as a regional phenomenon, “by examining film cultures/national cinemas which invest in a shared cultural heritage and/or geo-political boundary” (p. 9) (see Bergfelder, 2005; Lu, 1997). The third approach concentrates on “diasporic, exilic and postcolonial” cinemas. Those who are interested in this type of transnational cinema focus on “exilic, diasporic or postcolonial filmmakers working within the West and are keenly aware of power relations between center/margin, insider/outsider, as well as the continual negotiation between global and local” (see Naficy, 2001, 2006) (Higbee & Lim, 2010, pp. 9-10). However, they also identify one of the main problems in the three major approaches:

> The term “transnational” is, on occasion, used simply to indicate international co-production or collaboration between technical and artistic personnel from across the world without any real consideration of what the aesthetic, political or economic implications of such transnational collaboration might mean. (p. 10)

In fact, in transnational cinema studies, little attention has been paid to international film co-productions. Even Berry (2010) asserts that film co-productions do not fall into the category of transnational cinema because he distinguishes the concept of the international from the transnational when investigating Chinese transnational cinema. As a result, co-productions are
ventures “between two or more nationally separated companies in two or more nation states” under the international order of nation states, while transnational production are projects “where a production company operates across borders” (Berry, 2010, p. 121). While Berry’s argument is effective for elucidating the current situation of Chinese cinema, it does not explain New Zealand-foreign and South Korea-foreign film co-production projects. I argue, therefore, that film co-productions need to be addressed as a strand of transnational cinema.

In addition, Cinematic co-productions have been neglected by nation-based film historians in Europe because “popular cinema has been a synonym for Hollywood, and to protect and distinguish Europe’s ‘highbrow’ culture from Hollywood’s ‘lowbrow’ mass entertainment, European art films, for them [most Euro-American film scholars], had to be studied in terms of aesthetics and national-cultural elements” (Lee, S.-J., 2011a, p. 48). For instance, Jackel (2003) makes an argument that little research has been carried out on international film co-productions in the post-war era in Europe since co-productions were not considered as intellectual but popular cultural products, even though many European art-house films were also produced in a mode of co-production. Similarly, Bergfelder (2005) commented that:

> European co-productions have often been viewed by the critical establishment with distinct condescension, and dismissed for their low-brow appeal (for example, the spy thrillers and horror films of the 1960s and 1970s) and for their perceived blandness (the so-called Europuddings of the 1980s and 1990s). (p. 323)

The parallel phenomenon in the East-Asian region has been identified by Otmazgin and Ben-Ari (2013). They argue that the research on co-production and collaboration in popular cultural products including films has been silenced and marginalised until recently, because the popular culture, which was regarded as low culture, “was relegated to the margins of the institutionalized disciplines” (p. 3). In this sense, there is a need for discussion of international film co-production in the main discourse on the transnational cinema in the academic literature.

International film co-productions have intrinsically transnational elements in that co-productions take place across national boundaries, as in the definition of film
co-productions earlier. Given contemporary film environments, it is necessary to introduce new factors to account for the phenomenon of transnational cinema projects because economic or geopolitical elements are not sufficient any more (Berry, 2010). This study concentrates on the notion of transnational filmmaking activities suggested by Chung (2012), which increasingly involve “the global dispersion of production sites: the global dispersion of labouring agents, […] cross-border partnerships, collaborations, and coproductions in terms of financial investment and creative talent” (p. 28).

Yecies, Shim and Goldsmith (2011) state the importance of transnational partnership, in that:

transnational partnership is growing around the world as filmmakers seek new ways to tell stories, and governments and other interested parties seek to facilitate production in particular locations. For many individuals and firms, transnationalism not only helps to upgrade technological capabilities, build skills and expertise, grow professional networks and develop careers, it also subsidises or finances their work on domestic productions. (p. 143)

Yecies et al. (2011) also describe individual projects involving South Korean and overseas filmmakers in a partnership as transnational rather than national or international projects (p. 137) in the sense that these projects take place outside official channels. That is, they are undertaken regardless of bilateral film agreements or treaties. Given that this study includes official and unofficial film co-productions, this notion is also significant for this research.

3.5.3 Categories of transnational cinema and cinematic transnationalism

As Hjort (2010a) and Shaw (2013) note, it is feasible and desirable to classify transnational cinema instead of defining it, because it is hard to do so with clear consensus. This study also attempts to categorise film co-productions between New Zealand and South Korea as transnational cinema, and to achieve this aim, diverse classifications of transnational cinema, including film co-productions, have been examined. For European cinema, Wayne (2002, pp. 40-45) suggests four categories: “embedded films; disembedded films; cross-border films; and anti-national, national films,” centring national cinema in the categorisation including international collaboration or co-productions. The categories are divided
by economic and cultural factors by focusing on the relationship between national identity and international markets, yet they are not mutually exclusive and films can fit more than one category. Film serves a central role in constructing national identity (Higson, 2003; Waller, 1996) and illuminates the relationships of the national to the dominant force of globalisation (Wayne, 2002).

The first, the *Embedded films* category, contains films produced mainly for local markets with specifically referential cultural material without much expectation of overseas success. *Disembedded films* in this category are films which have sufficient budget and cultural potential resources to make inroads into the U.S. film market. Wayne argues that the UK and France are likely to have advantages because they have cultural material, such as a “repertoire of national imagery” (Wayne, 2002, p. 42), likely to appeal to the American audiences. *Cross-border films* include art films and films which feature the national identities of participating countries in the mode of official film co-productions or the European identities to be explored. *Anti-national, national films* “are defined by their critique of the myth of community which underpins national identity; the myth that is of that deep horizontal comradeship which overlays the actual relations of a divided and fractured society” (Wayne, 2002, p. 45). *Riff Raff* (1991) and *Raining Stones* (1993) directed by Ken Loach are suggested as examples of this category. *Utu* (1984) directed by New Zealand director, Geoff Murphy, and *Children of Darkness Part 1, Young-Ae the Songstress* (1981) by a South Korean director could belong to this category.

Pardo (2007, pp. 99-106) presents a new typology of international film co-productions, with five types, predicated on an analysis of the data from the Spanish film industry between 2000 and 2005. Like Wayne (2002), Pardo also concentrates on economic and cultural factors of the co-productions. However, whereas national cinema is at the centre of Wayne’s (2002) typology, Pardo (2007) places emphasis on official film co-productions. In film studies, the term ‘international co-productions’ tend to signify official ones. The new typology, which is mutually exclusive, includes “(inter)national co-productions, foreign financial co-productions, multicultural co-productions and internationally-oriented co-productions” (Pardo, 2007, p. 99). *(Inter)national co-productions* would be
those films, mainly shot in the local territory, “with a genuine national or local flavour in their storylines, characters and points of view, directed by a Spanish talent and with a significant Spanish participation (50% or higher)” (Pardo, 2007, p. 100). Within this group, for example, Spanish producers prefer working with European partners to working with Latin American counterparts, due to European partners having more capital available.

*Foreign financial co-productions* differ from *(inter)national co-productions* in that they are non-Spanish films with minimal participation of Spanish producers. From a Spanish point of view, these films do not contain enough contents in relation to the national identity. This category coincides with the co-financing category proposed by Yoon et al. (2007). *Multicultural co-productions* would be a desirable type because they arise due to a natural need in the story, plot and characters resulting in their hybrid nature.

*Internationally-oriented co-productions* would include those films which are designed to primarily target international film markets and are shot in English with international casts and crews. “Despite its international appeal, their ‘Spanish presence’ is ensured by a significant contribution: either the director is a Spaniard in most of the cases, or the financial stake Spain keeps represents usually more than 50% of the share” (p. 106). Pardo’s category is useful for categorising international official co-productions, and thus it does not include a national cinema category.

As to Latin American cinema, Smith (2012) demonstrates three different types of transnational films: *KM 31* (2006), directed by Mexican Rigobetto Castaneda; *The Headless Woman* (2008), by Argentine Lucrecia Martel; and *Blindness* (2008) by Brazilian Fernando Meirelles (p. 63). According to Smith (2012), *KM 31*, which was a commercial horror film, employed two Mexican advantages from a Mexican-Spanish co-production. The first was to get theatrical distribution in Spain; the second was to use the popularity of the male lead actor (Adria Collado) in Spain. Adria Collado was famous “for his role as a sympathetic gay man in farcical flatshare sitcom *No-one Could Live Here*” (Smith, 2012, p. 12). The film
was quite successful in Spain thanks to the actor, and the story related to the Spanish colonialism.

_The Headless Woman_ (2008), directed by Argentine and Spanish producers, is a second example of transnational film type, which has appeared in the festival films. Smith (2012) argues that:

Genre movies (apparently international) may exploit transnational subtexts that remain more or less hidden to foreign audiences: ‘festival films’ on the other hand (normally known as art, auteur or specialist features), which are held to be personal and local, may well be yet more transnational than genre movies in both production and aesthetics. (p. 72)

Smith (2012) emphasises that collaborations between Argentina and Spain could happen because of cultural affinities, as well as the desire of El Deseo, a film production company, to support filmmakers such as Lucrecia Martel. El Deseo was established by Spanish film producers, the Almodóvar brothers. The last film type presented by Smith (2012) is _Blindness_ (2008), which he regards as a “prestige picture,” including two crucial features. The first feature was that it was mainly produced in English, although being directed by a Brazilian and the second was that the film was produced outside of the Spanish-Portuguese domains, with film crew from around the world, as it was a co-production project between Brazil, Canada and Japan.

Some film co-production projects between New Zealand and other countries, and between South Korea and other countries, could belong to all three types of transnational cinema, as described by Smith (2012). For example, a New Zealand-British co-produced film, _In My Father’s Den_ (2004), fits the first group in that it was directed by a New Zealand director, Brad McGann and featured a British actor, Matthew McFadyen, to appeal to wider audiences, and was successful in the domestic and global markets. In relation to the second type, _Spring, Summer, Fall, Winter and Spring_ (2003), directed by a South Korean director, Ki-Duk Kim, belongs to this group because this film was produced in part with funding from Germany and was relatively more transnational than South Korean genre films in the U.S. film market place. Thus, New Zealand-foreign and South Korean-foreign film co-production ventures need to be explored using this classification.
Cinematic transnationalism

Grounded on the different types of cinematic production, which is a central characteristic to this study, Hjort (2010a) categorises cinematic transnationalisms into nine groups by the typology of “epiphanic, affinitive, milieu-building, opportunistic, cosmopolitan, globalizing, auteurist, modernizing and experimental transnationalisms” (p. 16). Although Hjort does not assume the importance of value in these categories, she puts more weight on two traits than others in cinematic transnationalisms.

My own view is that the more valuable forms of cinematic transnationalism feature at least two qualities: a resistance to globalization as cultural homogenization; and a commitment to ensuring that certain economic realities associated with filmmaking do not eclipse the pursuit of aesthetic, artistic, social and political values (p. 15).

In this study, there is a need to examine whether these two values are considered as imperatives for New Zealand and South Korean filmmakers who seek co-productions with other nations. Hjort explains “epiphanic and affinitive transnationalism” in this way:

In epiphanic transnationalism, the emphasis is on the cinematic articulations of those elements of deep national belonging that overlap with aspects of other national identities to produce something resembling deep transnational belonging. (p. 16)

According to Hjort (2010a, pp. 16-17), the epiphanic transnationalism of Nordic co-production policies in the early 1990s, for example, was the result of trying to find effective strategies to counter the globalisation of Hollywood dominance. Pelle the Conqueror (1987), a good example of this category, was directed by a Dane, Bille August (1987) from an adaptation of the book by Danish writer Martin Anderson. The story of this film is about Swedish immigrants to Denmark in the nineteenth century. Nordic policymakers expected that Nordic literary classics with commonalities of Swedish and Danish cultures contributed to the success of Swedish-Danish co-production projects.

Affinitive transnationalism, which centres on cultural proximity, is defined below:
Affinitive transnationalism centers on “the tendency to communicate with those similar to us” with similarity typically being understood in terms of ethnicity, partially overlapping or mutually intelligible languages, and a history of interaction giving rise to shared common values, common practices and comparable institutions. (p. 17)

Hjort also describes how “milieu-building transnationalism” focuses on fostering the sort of networks to “develop an artistically innovative and economically viable small-nation response to Hollywood-style globalization” (p. 18). This concept was evidence for example, in the behind the Dogmae 95 initiative which was considered as a central focus, with particular relevance for all small–nation film practitioners (p. 18).

“Opportunistic transnationalism” is only interested in employing viable “economic opportunities” in a limited time. “Cosmopolitan transnationalism” is a model which is defined by the cosmopolitanism of the particular individuals who exercise executive control over the filmmaking process. A good example of this is the films of Evans Chan, who was born in mainland China, educated in Hong Kong and the U.S. and worked in New York. “Globalizing transnationalism” concentrates on getting funding so as to make the blockbuster film which tries to appeal to global audiences from the beginning filmmaking stage. The focus of “Auteurist transnationalism,” is on an individual director, seems to be similar to the concept of “festival film” suggested earlier by Smith (2012).

“Modernizing transnationalism designates the confluence of a conception of cutting edge cinematic practice as essentially transnational with a concept of culture as a resource for modernization and recognition” (Hjort, 2010a, p. 25). She regards the South Korean film industry as a good example of this category in the sense that the industry experienced unprecedented modernisation in the 1990s under the auspices of the government, and the Jeonju Film Festival, held by one of the provincial governments, affords a transnational platform for exile filmmakers who cannot produce their films in their countries. Hjort accords a priority to “experimental transnationalism” over other transnationalism, as it prompts crucial features such as artistic, social and aesthetic values.
Hjort’s typology was used to illustrate the range of an example of international film co-productions, for its value in setting on diverse and clear concepts, when I conducted interviews with participants. One of my goals was to identify whether such categories could identify both previous film co-productions of New Zealand and South Korea, and the potential for New Zealand-South Korean film co-productions. Hjort’s classification of cinematic transnationalism can provide another component for feasible forms of film co-production between New Zealand and Korea.

Shaw (2013, p. 52) proposes 15 groupings for transnational cinema in detail, agreeing with Hjort’s (2010a) approach to cinema transnationalism. Despite Shaw’s effort to include possible films with transnational features, and even national cinema, her typology seems to be overly complicated and some categories have considerable overlap between groups. Thus, her classification will not be used in this research.

3.6 A conceptual framework for this study

As Figure 3.1 shows, this present study draws on four different approaches: political economy, social exchange theory, Cultural Studies and transnational, to achieve the research objectives. In the political economy approach, I will examine the New Zealand and South Korean governments’ policies on their film industries, in particular, film co-productions and their influences on them, arguing that the policies are not a sole determinant in creating film co-production projects between the two countries, as Min et al. (2003) assert, and have not much contributed to creating the projects (see Chapter 5 and Section 6.2, 6.3 and Chapter 7). In line with this argument, emphasis within the social exchange theory will be placed on interactive (personal) factors, based on reciprocal exchanges of film practitioners, to discover the influential factors in producing New Zealand-South Korean film co-production projects. In particular, a focus is on the phenomenon whereby personal relationships and networks are more significant than other interactive factors, based on Kong’s (2005) assertion (see Section 6.4 and Chapter 7).

The two central concepts (cultural proximity and cultural discount) in Cultural Studies will be employed to examine that they are contributing factors in creating
New Zealand-South Korean film co-productions, and other factors (differences in the production systems between the two nations) will be investigated in the Cultural Studies approach (see Section 6.5, 6.6 and Chapter 7). Lastly, in the transnational approach, I will argue that international film co-productions need to be addressed as one of the major streams of transnational cinema (see cultural hybridity and transnational cinema in Chapter 5 and Chapter 7) and propose new classification for the cinema in Chapter 5. As stated earlier, there will undoubtedly be overlap among these four approaches.

Figure 3.1 Theoretical framework of this study
Chapter 4 Methodology

4.1 Introduction
This chapter incorporates three key components utilised in this study: research paradigm, a mixed methods approach, and a description of data collection and analysis. Initially, the research paradigm section will explore an interpretative framework, the choice of methodology, and consequent research methods. Then it will focus on why a mixed methodology was deployed to gather data and what benefits result. Lastly, data collection and analysis will concentrate on the characteristics of participants, the process and issues of data collection, and how the data was analysed.

4.2 Research paradigm
Noting that “we often fail to realise that the assumptions we carry about research are related to a particular world view or mental model” (Ryan, 2006, p. 14), I will present the world view I employ and why the paradigm used in my study was selected. Based on Crotty’s (1998) four elements of undertaking research, objectivism, which refers to how to understand the world, was chosen as the epistemology; and post-positivism was selected as the theoretical perspective. In accordance with that choice, qualitative research was the methodology employed to collect data. Although interviews were a primary research tool, a single case study was also carried out in conjunction with analysis of plentiful secondary sources. “A research project and its findings become more comprehensive and reliable when methodological triangulation or multi-method research is adopted in a study where more than one theoretical paradigm and/or data collection method is used” (Weerakkody, 2010, p. 41). Lastly, thematic analysis was used to analyse the interview data as it fitted with the research paradigm and was a good tool to draw out major themes from the data.

4.2.1 Theoretical perspective: Post-Positivism
As stated above, the epistemology for this research is objectivism. According to Weerakkody (2010), there are three major epistemologies for research related to media: “objectivism, constructionism, and subjectivism,” and the author states that “objectivism assumes that there is an ‘objective reality’ or ‘truth’ out there”
Based on Crotty’s (1998) argument, Weerakkody (2010, p. 10) identified that objectivists believe that each research subject (such as individuals, groups, organisations or cultures) has their own value system and outlook on the world. Crotty (1998) indicates that objectivism provides the foundation of positivism and post-positivism which is the theoretical approach for this study.

The concept of objectivism arises out of my research background. I worked for Hankook Research Co. Ltd, one of the biggest marketing research companies in South Korea, for over six years from 1988 to 1994 conducting many research projects for main companies in the country, and then established my own company in 1995 and operated this until February 2009. Even though Hankook Research Co. Ltd. and my own company are marketing research firms that concentrated on ad hoc quantitative and qualitative research, while carrying out many projects, there was no opportunity to think about research paradigms, since research tasks were certain missions to be executed within a scheduled time and a limited budget.

Nevertheless, looking back, post-positivism was the basic foundation for most research projects that I undertook. Based on this realisation, many aspects of this study, the paradigm, topic, methodology, method and analysis, have been considered. That is, feasible and achievable ways of film co-productions between New Zealand and South Korea seem to be found in reality. As a result, a post-positivism framework was selected as the theoretical perspective based on objectivism. Before explaining post-positivism, positivism will be investigated in the following sections.

**Positivism**

The concept of positivism, introduced by Comte, is defined as “a position or approach that holds that the scientific method is the only way to establish truth and objective reality” (Chilisa, 2012, p. 26) and was a prominent scientific philosophy from the beginning of the nineteenth century. However, its impact sharply diminished from the end of the 1960s, because of criticism from the Marxist left and the growing leverage of structuralism, hermeneutics and phenomenology (Alvesson & Skoldberg, 2009). Positivists insist that there is a
single reality which can be investigated by a singular and universal set of models. The research based on positivism has been mostly conducted through observation and experience; as a consequence, the research outcomes can be predicted or foreseen (Ryan, 2006).

The aim of positivists is to discover perceived universal laws or knowledge in natural and social sciences. It is necessary to exclude the values and biases of the researcher who is carrying out research so as not to affect research results. Zahra (2006) indicates that “any interaction between researchers and what is researched is deemed to threaten the validity of the research and therefore research strategies must be followed to reduce eliminate these threats” (p. 23).

However, these assumptions are not applicable to this study, because in the undertaking this research the researcher is not utterly independent, as there is interaction between participants and the researcher. In addition, the researcher’s values and biases, and the practical constraints of time, expense and access to information sources affected data collection. Additionally, forty-two interviews have been conducted in both New Zealand and South Korea. These facts do not meet the assumption of the positivists as to replicability; therefore, a positivist approach cannot be the framework for this study. That is where this study needs another framework, namely post-positivism.

**Post-Positivism**
There are two important authors who have had great influence in the post-positivist tradition: Popper and Kuln (Lee, J.-K., 2006). Popper criticised the concept of verification, which was at the centre of the positivist approach, and replaced it with falsification. This is where observation and experiment are conducted not to verify theories but to in effect falsify them so they verify or confirm the researchers’ preconceived notions of reality, the result of their own preexisting values and ideals (Welch, 2015). Cohen, Manion and Morrison (2011) argue that post-positivists disagree with the positivist belief that there is only one objective reality out there.

Cohen et al. (2011) explain post-positivism as:
Rather, following Popper (1968), our knowledge of the world is conjectural, falsifiable, challengeable, changing. [...] the world is multilayered, able to tolerate multiple interpretations, and in which – depending on the particular view of post-positivism that is being embraced – there exist multiple external realities or knowledge is regarded as subjective rather than objective. (p. 27)

However, the notion of falsification presented by Popper was then criticised by Kuhn (1962) using the concept of paradigm in his book, The Structure of Scientific Revolutions, which was regarded as a challenge to positivism. Nonetheless, Kuhn did not write the book as a critique of logical positivism (Nekrasas, 2005). His argument is that scientific revolution, providing the opportunity for its progress, is achieved by a change in paradigms, namely, the renunciation of one existing theory and the adoption of a theory incompatible with it (Lee, J.-K., 2006, p. 86). A paradigm is “a universally recognised scientific achievement that for a time provided a model of problems and solutions to a community of practitioners” (Zahra, 2006, p. 20).

On the one hand, based on Baronov’s (2004) arguments, four significant differences can be summarised between positivism and post-positivism. The first difference concerns absolute certainty. Positivists have emphasised that absolute certainty exists whereas post-positivists have argued that “absolute certainty is unobtainable” (Baronov, p. 79). In other words, from a positivist’s approach, absolute certainty could be verified by observation, but this was criticised by post-positivist Popper (Hughes & Upton, 2012).

The second distinction relates to knowledge being revisable. Positivists argue that there is timeless knowledge, to be discovered by experiences and experimentation (Hughes & Upton, 2012), because the positivist approach was initially developed in natural sciences and continues to underpin them. However, the notion of knowledge being true was refuted by post-positivists, who have considered truth to be provisional and subject to change (Baronov, 2004). The variation of knowledge takes place not “because of any change in the conditions making the statement true but because of a change in the framework within which we judge one statement against another” (Baronov, 2004, p. 79).
The third difference lies in the social and cultural influences on knowledge (Baronov, 2004). From a positivist approach, scientific research has to be conducted without the biases and interpretations of researchers, as all research should be able to be replicated and reliably obtain the similar research outcomes (Zahra, 2006). Meanwhile, Baronov (2004) describes the third premise of post-positivism, in which social and cultural values affect the shape of research, but should not influence the research process. Alvesson and Skoldberg (2009) indicate that logical positivists such as Kuhn, Feyerabend, Hanson and Toulmin, assert that “scientific knowledge is historically and socially conditioned and so is not absolutely true but relative in character” (p. 18).

There are some different ideas among post-positivist scholars with regard to the social and cultural influence on knowledge production. For example, according to Ryan (2006), social and cultural values affect the shape of the research design as well as the process and discussions of the research. Ryan asserts, based on Ritchie and Rigano (2001), that:

in post-positivist research, [...] valid knowledge claims emerge as conflicting interpretations and action possibilities are discussed and negotiated among the members of a community. Researchers don’t ask themselves ‘is this the truth?’ Rather, we talk about the issues raised during the interviews, the participants’ reactions, and our interpretations of these interwoven ideas. In this context, it seems right to open up the interpretive discussions [to our respondents], not for them to confirm or disconfirm them, but to share our thinking and how the ideas might be used. (p. 752)

This study adopts Ryan’s position rather than Baronov’s (2004), as I did not attempt to merely confirm facts with participants throughout the interviews, but sought to share some ideas and gain new ideas from them to support the aims of this study.

The last distinction places emphasis on the feature of the progression of knowledge. Kuhn (1962) held that the advances of knowledge have not developed in a linear progression; however, the progressive evolution in knowledge became the mainstream of the post-positivists’ approach (Baronov, 2004). Kuhn (1962) argues that “advances in scientific inquiry develop by means of disjointed and
discontinuous leaps rather than through a process of orderly, evolutionary progress” (as cited in Baronov, 2004, p. 77). The position of my research takes the stance of the progressive evolution of knowledge.

Another difference between positivism and post-positivism has been further identified. “Research in positivism is usually characterised by a problem oriented approach, seeking to provide ‘practical’ solution to ‘practical problems’” (Zahra, 2006, pp. 23-24), whereas research in post-positivism can be defined by a ‘problem-setting’ oriented approach, where "Many of the problems that we wish to investigate do not lend themselves to ready answers, but are more appropriately addressed by research outcomes that offer thoughtful guidelines, principles and acknowledgements" (p. 19).

In this respect, I first attempt to identify influential and expected contributing factors for creating film co-productions between New Zealand and South Korea in this study to uncover their feasibility or possible modes and conditions. The aim of this study is to discover the best ways to make a co-production film project between these two countries; however, an important part of the inquiry is also to address a core question: Are co-productions possible? It may seem as if this is a very practical question and an answer that would be situated within a positivist framework. However, there are many ways of producing such co-productions influenced by participants’ positions and situations in any given interrelationship between New Zealand and South Korea.

This is because film co-production is affected by many factors, including the developing and changing practices of some of the institutions (the NZFC and the KOFIC), ways of funding, digital technology in relation to the film industry, and the motivations of actual filmmakers. Each case of film co-production between the two countries is likely to experience its own realities depending on the circumstances. “[I]n practice, postpositivist researchers […], believe in multiple perspectives from participants rather than a single reality” (Creswell, 2013, p. 24). As a result, this research posits that there are multiple realities allowing filmmakers to interpret them subjectively in the context. From that point of view, post-positivism provides an appropriate paradigm for this research.
4.2.2 Qualitative research

Qualitative research has been increasingly utilised since the 1990s across the social sciences (Attride-Stirling, 2001). Bryman explains that “Qualitative research is a research strategy that usually emphasises words rather than quantification in the collection and analysis of data” (2008, p. 366). In contrast to quantitative research which focuses on statistical assessment and generalisation of its outcome, qualitative researchers are interested in participants’ detailed and comprehensive responses to questions about how they have grasped their experience (Jackson II, Drummond, & Camara, 2007, p. 23). This is central to this study.

This research takes a predominantly qualitative interviewing approach in examining the influential factors in producing international film co-productions of New Zealand and South Korea and between the two countries. A qualitative approach is a valid means for obtaining data within the post-positivist paradigm, and post-positivist researchers “espouse rigorous methods of qualitative data collection and analysis” (Creswell, 2013, p. 24). Similarly, Lincoln and Guba (2000) indicate that post-positivism is one of the five theoretical perspectives for qualitative research: positivism, critical theory, constructivism, and participatory action. Therefore, qualitative research is a valid and appropriate approach for this present study.

Interviews

Interviewing is a set of procedures to gain data from individuals and groups who participate in qualitative research (Jackson II, Drummond, & Camara, 2007, p. 25). Interviewing has established itself as a data collection method in a wide range of cultural areas (Alvesson & Ashcraft, 2012). They argue that “interviewing tends to be more convenient, accessible and economical than other qualitative methods such as participant observation” (p. 240). In this research, for instance, it was difficult to conduct focus groups in a designated place and time because film directors and producers as important respondents were often travelling locally or overseas. Given the limited time and research budget as a PhD student, as well as considering the aim of this study, one-on-one interviews were chosen as the most appropriate method.
In-depth interviews are commonly employed by researchers who endeavour to gain deep information and knowledge (Johnson & Rowlands, 2012, p. 100). In this regard, this research specifically deployed forty face-to-face in-depth interviews, although one interview had to be conducted by Skype and another was carried out by phone, with a semi-structured question format. The formats were appropriate in that this research topic was limited to film co-productions, notably between New Zealand and South Korea. Semi-structured questioning formats contain “a list of open-ended questions prepared by a researcher that are posed to all respondents” (Weerakkody, 2010, p. 167).

Based on his analysis, Opdenakker (2006) suggests the advantages of interviewing are that “face-to-face interviews are characterised by synchronous communication in time and place” (para. 7). For example, this synchronous communication can bring some advantages such as gaining interviewees’ social clues – voice and body language – which can provide additional information for interviewers; the obtaining of interviewees’ spontaneous answers without too much thought; using a tape-recorder or electronic recorder; possibilities for interviewers to create a good rapport for interviews; and easy termination of interviews.

However, Opdenakker also identifies some disadvantages of synchronous communication. These include the possibility that social clues can interfere with the interviewer’s original plan and that it is not always easy to gain material of sufficient depth and detail in the given time while also listening to and responding to answers of interviewees. Also, transcription is time consuming; and it requires much effort, time and expense to meet and interview interviewees living at a distance and to rearrange the schedule for interviews due to interviewees’ unique circumstances (Opdenakker, 2006). In fact, the researcher experienced some of these disadvantages, which were described in detail in Section 4.3.2; however, the benefits of interviewing outweighed these disadvantages.

There are varying ways to undertake interviews, and Lindlof and Taylor (2011, pp. 176-183) divided available approaches to interviewing into five approaches: a) the ethnographic approach is the informal and impromptu form occurring in the field;
b) the informant approach is repeated conversations with those who provide observations and opinions about the scene including the scene’s history, customs, and rituals; c) the respondent approach, which is the most common interview type for gaining open-ended answers from participants sharing their views and experiences; d) the narrative approach focuses on entire stories (storytelling) and meaning making through storytelling of narrators; e) focus group, which is the most popular group interview method, to gain diverse opinions by interviewing several people at once.

In respect of the classification above, this research relied on a respondent approach, because all participants who took part in the interviews were asked to share their opinions and experiences about film co-productions. Many (29) of the participants were film directors and producers, chosen because they play very crucial roles when producing films. According to Princeton Review (2013), “directors turn a script into a movie; they are responsible for the quality of the final product and its success” (para. 1) whereas “producers are highly self-motivated individuals, who have the final responsibility for all aspects of a film’s production” (Hiive, 2013, para. 1). In addition, this researcher wanted to know not only what had happened in the process and outcomes of previous film co-productions in and between the two countries, but also to discover useful methods and models of film co-production between New Zealand and South Korea.

**Ethical issues related to interviews**

There are some ethical issues with respect to doing interviews and Kvale (1999) points to three major issues of this type when a researcher conducts an interview: “informed consent form, confidentiality, and the consequences of the interviews” (as cited in Cohen et al., 2011, p. 443). For these issues, all respondents who participated in this research have been provided with an informed consent form in which I guaranteed beforehand to keep their information confidential. Consequently, outcomes of the interviews are unlikely to harm them because they remained confidential. With regard to commercial sensitivity, the participants were not affected by it, as they talked about the films that were already released at cinemas during the interviews. As Creswell (2005) suggests, the respondents
participating in this study were assigned numbers with the letter N (New Zealand) or K (Korea) to protect their anonymity.

**Previous studies which have used interviews**

There are a few previous studies on film co-productions which partially used interviews to gain data, along with other methods. Hoskins et al. (1997b) conducted a survey and interview research to explore the Japanese partners in film co-productions with Canada in 1997. Hoskins et al. (1997a) conducted interviews with seven Canadian industry participants in 1991 to supplement their survey on motivations of co-productions. Also, Baltruschat (2002) chose an interview method to solicit evidence from producers as to “how production modes impact on the development of narratives and genre” (p. 9). Morawetz (2008) partly employed in-depth interviews for data collection. However, those studies used interviews to complement other forms of data collection in their research; that is, interviews were not the primary research tool.

On the one hand, South Korean scholars, especially those who have been working at the KOFIC, have conducted interviews with Korean film professionals who have experience in international film co-production. The KOFIC is progressively updating many case studies of international film co-production on Kobiz (Korean Film Biz Zone, www.kobiz.or.kr) in Korean and English, but concentrates on the interviews with South Korean filmmakers rather than the foreign partners. It is particularly hard to find interview results of South Korean interviewers with New Zealand filmmakers, because the KOFIC accords greater importance to China, Japan, the U.S. and France in terms of film co-productions.

As mentioned earlier, these previous studies did not provide abundant information regarding what filmmakers think of film co-productions, their motivations, what their advantages or disadvantages are, and how and in what ways they can influence films or film industries. So, this study selected in-depth interviews as the research method and conducted forty-two interviews, obtaining a great deal of data and significant information from these participants by using this method. It is a foundational piece of research, collecting base data on processes of and attitudes to co-production of various relevant industries.
Case study
In this study, a case study approach, as one way of collecting data in qualitative research is used as a supplementary method to interviewing. A case study is frequently employed in conjunction with interviewing for data collection (Jackson II, Drummond, & Camara, 2007, p. 25). A case study is the preferred research method when how or why questions are at the centre of the study, and when a researcher does not have control over those who engage with the study, and when the researcher attempts to examine a contemporary phenomenon and the context surrounding it (Yin, 2003).

The questions of this study stem from seeking understanding as to why New Zealand and South Korea have not actually conducted any official film co-productions since 2008 when the two countries signed the film agreement. The unit of analysis of the case study is important and may be a person, a program, a process, an organisation (Baxter & Jack, 2008). According to Pandey (2014, p. 72), “Case studies can analyse complex events and take into account numerous variables precisely because they do not require numerous cases or a limited number of variables.” In this regard, the unit analysed in this study was the production process of The Warrior’s Way (2010). Even though the use of multiple data sources is a typical characteristic of case study research and contributes to an increase in the credibility of data (Yin, 2003), this study placed emphasis on production process of one specific film so that interview data provided essential parts of the case study.

Arguing against the claim that one single case cannot be generalised, Flyvbjerg (2006, p. 228) stresses that “A purely descriptive, phenomenological case study without any attempt to generalise can certainly be of value in this process and has often helped cut a path toward scientific innovation”. Therefore, the case study conducted in this study can be one of the ways by which knowledge of film co-productions is gained and accumulated. Stake (1994) categorises case studies as intrinsic, instrumental, or collective. The instrumental category was employed for this study where:
a particular case is examined to accomplish something other than understanding a particular situation. It provides insight into an issue or helps to refine a theory. The case is of secondary interest; it plays a supportive role, facilitating our understanding of something else. (p. 237)

What the researcher sought through this case study was to gain insight and understanding of the conditions facilitating or hindering film co-productions between New Zealand and South Korea.

4.2.3 A mixed methods approach
As indicated by Cameron (2011, p. 96), the mixed methods approach has become increasingly popular in a variety of academic fields and among researchers from across many disciplines; however, mixed methods research has been defined differently by scholars. In this research, a mixed methods was chosen due to the need of mixed methods in research designs and in quantitative and qualitative data types which are two categories of the four classifications provided by Creswell and Tashakkori (2007).

This study contains three different research methods: collecting and analysing secondary sources, in-depth interviews, and a case study. The secondary data includes two types of data: quantitative and qualitative. The reasons for choosing the mixed method here are that “Recognizing that all methods have limitations, researchers felt that biases inherent in any single method could neutralize or cancel the biases of other methods” (Creswell, 2003, p. 15) and “a mix of methods will generate a better understanding than will a single method alone” (Greene, 2007, p. 98).

In the first instance, for the secondary data, the historical or chronological data pertinent to four key research questions were gathered and analysed from 1998 to 2014 both in New Zealand and South Korea. While the secondary data provided historical and trend analysis as well as statistical information, the material did not offer a contemporary and in-depth analysis of the research questions. In addition, the data did not supply the detailed and comprehensive explanations provided in interviews as to what constituted the similarities and differences in responses of participants in the two countries. In this sense, in-depth interviews and a case
study were added to obtain further practical and detailed information and to gain further insights. One of strengths of mixed research is to use an additional method “to overcome the weaknesses in another method by using both in a research study” (Johnson & Onwuegbuzie, 2004, p. 21).

According to Tashakkori and Teddlie (2003), mixed method research is particularly useful in doing data evaluation because of triangulation - comparing the findings of one method with the outcomes from other methods. Hence, the mixed method research reinforced the validity and reliability of the research findings, and, as Johnson and Onwuegbuzie (2004) note, can provide more reliable evidence for coming to a useful conclusion for this study.

In addition, in this study, triangulation is the criterion for the validity within a post-positivist approach. Trochim, Donnelly and Arora (2016) indicate that validity within a post-positivist framework can be justified by using triangulation, which is able to overcome different types of error that can result from multiple measures accentuated by the post-positivist framework itself. In this regard, the mixed methods utilised in this research meets this requirement. Also, Bisman argues (2010) that in the post-positivist paradigm, combination of qualitative and quantitative methods including secondary data “establishes the validity of findings” (p. 10). The mixed methods used in this study focused on research designs and data types, so this research paradigm remains consistent with a post-positivist framework.

4.3 Data collection and analysis

4.3.1 Collecting and analysing of secondary data

To conduct exploratory research, various and diverse sources of secondary data were collected and analysed: related theses, professional magazines, journals, books, electronic sources and published research projects from New Zealand and South Korea (see Table 4.1). The emphasis on a comparative study of film co-productions of New Zealand and South Korea led the researcher to gather most of the secondary data from the two countries involved. This work required considerable time and effort since most of the data from South Korea had to be translated into English by the researcher.
Most information written in English about New Zealand and other countries in relation to this research was collected from the New Zealand Film Commission website, and via the library of the University of Waikato in Hamilton, which provides online journal articles from around the world. The NZFC website was the most useful source, from which the researcher obtained informative and detailed data about international film co-productions of New Zealand. It offered substantial detail about the film co-productions of New Zealand, such as the list of official co-productions including film titles, co-production countries and production companies.

In addition, the Internet Movie Database (IMDB) played an important role for this study, providing crucial information which allowed the making of a list of potential interviewees from New Zealand. On the basis of this list, an initial sampling composition was made for New Zealand respondents. Additionally, the Big Screen Symposium I attended in September, 2012, in Auckland, offered useful information about the New Zealand screen industry. The “personal communication” used from p. 112, is one of data published by the New Zealand government’s Ministry of Economic Development, even though the data was given to me by the personal email.

Table 4.1 Main sources of the secondary data

<table>
<thead>
<tr>
<th>Types</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New Zealand/International</td>
</tr>
<tr>
<td>Theses</td>
<td>The University of Waikato</td>
</tr>
<tr>
<td></td>
<td>Google website (google search and scholar)</td>
</tr>
<tr>
<td>Professional magazines</td>
<td>Onfilm</td>
</tr>
<tr>
<td></td>
<td>Variety</td>
</tr>
<tr>
<td></td>
<td>Screen International</td>
</tr>
<tr>
<td>Journals</td>
<td>New Zealand Journal of Media Studies</td>
</tr>
<tr>
<td></td>
<td>New Zealand International Review</td>
</tr>
<tr>
<td></td>
<td>International Journal of Cultural Policy</td>
</tr>
<tr>
<td></td>
<td>Media, Culture and Society</td>
</tr>
</tbody>
</table>
Meanwhile, one primary source of secondary data in South Korea was the KOFIC which has set up a number of reliable and important databases which offer constantly updated industry news, statistics and a wide range of research materials including articles, books, magazines and VHS or DVDs. The Korean Film Biz Zone (Kobiz), launched by the KOFIC in 2011 in order to encourage Korean filmmakers to make inroads into overseas markets, has delivered not only information about foreign film industries and international film festivals but also features regarding international film co-production and consulting services for those wanting to enter the foreign market. It was also one of the crucial sources for selecting Korean participants for the interviews. In the beginning stage, some parts of the Kobiz have been translated into English for foreign filmmakers who might be interested in having access to information particularly as to film co-production; however, the KOFIC has provided the English version of the Kobiz. The website contains many case studies and two film co-production agreements, including one agreement between New Zealand and South Korea.

4.3.2 Interviews

Sample size: 42 interviews in total

In total, forty-two interviews were completed using semi-structured interviews with around 19 questions and follow-up questions (see Table 4.4) between 2011 and 2012 (see Table 4.2). Half of them (21) were conducted in New Zealand and the others (21) in Korea. The interviews include nine women, five of whom were from New Zealand and four from South Korea.
Table 4.2 Research method summary

<table>
<thead>
<tr>
<th>Items</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research area</td>
<td>- New Zealand (Auckland and Wellington)</td>
</tr>
<tr>
<td></td>
<td>- South Korea (Seoul and Busan)</td>
</tr>
<tr>
<td>Characteristics of</td>
<td>i. Feature film directors</td>
</tr>
<tr>
<td>research participants (Four</td>
<td>ii. Feature film producers</td>
</tr>
<tr>
<td>categories)</td>
<td>iii. Other main crew (editors, cinematographers)</td>
</tr>
<tr>
<td></td>
<td>iv. Officials who are working/worked at the organizations related to the</td>
</tr>
<tr>
<td></td>
<td>film industry</td>
</tr>
<tr>
<td>Sample size</td>
<td>42 interviews</td>
</tr>
<tr>
<td></td>
<td>- 21 from NZ</td>
</tr>
<tr>
<td></td>
<td>- 21 from South Korea</td>
</tr>
<tr>
<td>Research method</td>
<td>- In depth interviews (40)</td>
</tr>
<tr>
<td></td>
<td>- Phone interview (1)</td>
</tr>
<tr>
<td></td>
<td>- Skype interview (1)</td>
</tr>
<tr>
<td>Sampling method</td>
<td>Purposive sampling (Snowball)</td>
</tr>
<tr>
<td>Length of interviews</td>
<td>Between 40 minutes and 5 hours</td>
</tr>
<tr>
<td>Research period</td>
<td>Over one year (March 2011 – October, 2012)</td>
</tr>
</tbody>
</table>

Data collection was completed in October 2012. According to the initial plan, the number of interviews in both countries was exactly the same, i.e. 20:20 interviews. However, there was some confusion about the classification of a Korean participant who has been working at New Zealand Trade and Enterprise in Seoul, because he is Korean. Although he was counted as a Korean participant after discussion with my supervisors, another Korean interview was added.

**Characteristics of respondents**

The interviews were conducted with key members who have experienced or been engaged in feature film co-productions in a broad sense, including location shooting between New Zealand and other countries such as the U.K. and Canada, and between South Korea and other countries (China and Japan) in New Zealand and Korea. Among them, two New Zealand participants had experience of working with a Korean-born New Zealand director who made a feature film about Koreans living in New Zealand. I thought they could offer some significant information as to working experiences with South Korean directors and crew members, even though the film was not an international film production. In effect, they supplied crucial material for this study.
**Interviewing methods and sampling method**

Forty interviews were carried out by using face-to-face in-depth interviews, one was done by phone and another one by Skype. In the case of the phone interview, I had been trying to do the face-to-face interview with a New Zealand producer for over a year, but she was too busy to attend this research. In the end, at her suggestion, her interview was conducted by phone.

There was also no other option than a Skype interview with an important producer in the New Zealand film industry, because he was living in Australia at that time. The Skype interview was an appropriate and cost-effective method of obtaining information from him. Borer and Fontana (2012) suggest that “electronic media are increasingly accepted as a resource in interviews as e-mail, Internet chat rooms, and other electronic modes of communication have become almost ubiquitous” (p. 47).

Most of the participants were recruited by purposive sampling, given that they have retained and accumulated expert knowledge and skills in the field. In addition, it was entirely their decision whether or not they would engage in this study. Most participants were very cooperative, friendly and readily supplied informative and abundant material as they were quite interested in this research topic. It seemed that the information sheet and consent form encouraged them feel comfortable to be able to offer their opinions as they realised that their identity would remain confidential.

**Sampling composition and collecting data**

There were four different types of participants in this study: officials from government or other organisations related to films, filmmakers/directors of a feature film, producers of a feature film and other crew: editors and cinematographers (see Table 4.3). Here are the reasons why these groups were chosen as respondents for this research. The first; film directors and producers are integral players when a film is produced so many of them were sought for an interview. Thirteen film directors and 15 film producers participated in the research in both countries.
Table 4.3 Sample composition

<table>
<thead>
<tr>
<th>Category</th>
<th>Nationality of respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New Zealander</td>
<td>South Korean</td>
</tr>
<tr>
<td>Officials from governments or other organisations related to films</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Feature film directors</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Feature film producers</td>
<td>5</td>
<td>9</td>
</tr>
<tr>
<td>Other crew:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Editors</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Cinematographers</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>18</td>
<td>21</td>
</tr>
</tbody>
</table>

Secondly, seven officials contributed to this research in the two countries. Government/other organisations included the New Zealand Film Commission (NZFC), Film Auckland (FA), Script to Screen (industry support organisation), the Ministry for Culture and Heritage in New Zealand, and the Korean Film Council (KOFIC) and New Zealand Trade and Enterprise in Seoul in South Korea.

During the development of the research proposal, there was an opportunity to contact some prospective participants in Auckland in 2010. By attending events, specifically the “Creating with Asia” seminar in Auckland in November 2010, useful contacts were found. The objective of this event was “a focus on the potential of creating films in partnership with Asia,” which was highly relevant to the study topic. Five out of six prospective participants gave consent to participate in the interviews.

At the NZFC, two working staff members participated in the interview at the same time and provided a useful list of detailed information about official international film co-production, including film titles, their producers, directors, writers and other crews. In particular, one staff member sent an email to those on the list to confirm whether they agreed to provide their email addresses to the researcher,
and then sent me eight email addresses. The researcher is deeply indebted to this help, as five out of the eight filmmakers became my respondents.

By April 2011, five interviews were accomplished and then all interviews were transcribed to identify whether the questions from the interviews provided enough information and pertinent answers to meet the research questions. The five transcriptions demonstrated that the questions used in the interviews were appropriate for obtaining valid and reliable details to answer to the research questions. The interviews resumed in July 2011 and three interviews were added using the email list given by the NZFC, before the researcher left for South Korea for data collection. In New Zealand, the interviews took place in interviewees’ offices or homes, or cafés in Auckland and Wellington. The interviews for New Zealand filmmakers restarted in November 2011 and were almost completed in February 2012. Watching more than thirty New Zealand films such as *Boy* (2010), *River Queen* (2005) and *Goodbye Pork Pie* (1981), backgrounded such interviews.

Meanwhile a thoughtful and considered strategy was needed to conduct interviews in South Korea because the researcher did not have connections with any local filmmaker. As such, before starting an interview, several meetings were held only to obtain contact details for prospective participants using all my networks of alumni, friends and friends of friends. However, after completing some interviews, snowball sampling was chosen for participant selection and it was successful and effective. According to Bertrand and Hughes (2005, p. 68), snowball sampling is a different type of convenience sampling: “you find one person, who directs you to another, who in turn directs you to still others.” It was very hard to make a connection with several famous film producers and directors without the introduction from their acquaintances.

In South Korea, on average two interviews were conducted each week. Before meeting a participant, sufficient preparation had been made to allow me to acquire valuable and worthwhile outcomes from the interview. For example, I studied the films directed/produced by the interviewee, the filmmaker’s autobiography and also tried to watch one co-production film in which each participant had been
involved. This kind of information proved to be a good catalyst during the interviews.

The interviews in South Korea were carried out in Seoul and Busan. In particular, the 16th Busan International Film Festival (BIFF) was a good place to conduct interviews, as most major film professionals attended it for specific purposes, such as taking part in a couple of events or meeting other filmmakers, or their audience. During the BIFF, one of the most famous and influential film festivals in Asia, four interviews were accomplished in a relatively short time.

One Korean director has been interviewed twice so as to compare his opinions about a form of film co-productions with New Zealanders, before and after the experience. Another Korean participant was also invited to participate in the interviews twice because of his comprehensive knowledge and expertise about the Korean film industry and international film co-productions.

**Some issues in relation to interviewing**

Several issues arose when the interviews were conducted in New Zealand and South Korea. The most difficult thing while I was conducting interviews was to meet filmmakers, especially important directors or producers. It took over one year to complete data collection because most of the interviewees were still active in their work so sometimes it was not easy to even get an appointment with them. Some of them suddenly also changed the time and place for an interview because of changes in their schedule. Others delayed their response to my emails. In some cases, it took me six months to a year just to access the interviewees.

Another issue that I faced was frequent short trips to other cities, involving significant expense and time. For example, in New Zealand, I visited Auckland more than 10 times and Wellington three times for the interviews, because many filmmakers lived or worked in these two cities, and two important institutions I visited were located in Wellington. Most participants asked me to visit their offices or specified other places; however, it was not always easy to find the places specified for interviews because I was not familiar with those areas. In some cases, it took a whole day to complete only one interview because of the
transport issues. In spite of this challenge, the interviews were worth the effort and all the expense, as substantial and significant information was obtained.

In South Korea, I needed to journey two and a half hours by Korean bullet train, from Seoul to Busan, to conduct four interviews with film directors and producers. Nonetheless, this offered me with opportunities to attend several important events in the 16th Busan International Film Festival and it was a great honour and pleasure to meet and talk to New Zealand and Korean filmmakers in spite of the challenges.

**Semi-Structured Interview Guideline**

In-depth interviews were conducted with around 19 questions, and follow-up questions were asked. Table 4.4 shows the guideline for directors and producers in New Zealand. There were some variations between interview guidelines because of the characteristics of respondents who participated in this study (film directors, producers, other main crew members, and officials who are working/worked in organisations related to the film industry). For example, the officials in New Zealand were asked to explain their roles and their stances on film co-production projects between New Zealand and South Korea. However, detailed questions about New Zealand-South Korean film co-production such as “If international film co-production of New Zealand and Korea were to be produced, what would its major characteristics be?” were not asked of them.

Table 4.4 Interview questions for directors and producers in New Zealand

| Introduction                        | 1. Would you please introduce yourself related to films, briefly?  
<table>
<thead>
<tr>
<th></th>
<th>2. Would you please explain how you became a director/producer?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The film which was directed or</td>
<td>3. How many international film co-productions have you been</td>
</tr>
<tr>
<td>produced by a participant</td>
<td>involved?</td>
</tr>
<tr>
<td></td>
<td>4. How have you been involved with the film co-production at first?</td>
</tr>
<tr>
<td></td>
<td>5. What were its major motivations?</td>
</tr>
<tr>
<td></td>
<td>6. What were its advantages and disadvantages?</td>
</tr>
<tr>
<td></td>
<td>(from an economic, cultural, industrial/practical perspective)</td>
</tr>
<tr>
<td></td>
<td>7. What is your overall evaluation of the film co-production?</td>
</tr>
<tr>
<td>Existing international</td>
<td>8. What is your overall evaluation of international film co-</td>
</tr>
<tr>
<td></td>
<td>productions between New Zealand and other countries?</td>
</tr>
</tbody>
</table>
Table 4.5 displays how four approaches (political economy (PE), social exchange theory (SET), Cultural Studies (CS) and transnational (TN)) in the research framework connect to interview questions.
4. How have you been involved with the film co-production at first?

5. What were its major motivations?

6. What were its advantages and disadvantages?
   (from an economic, cultural, industrial/practical perspective)

7. What is your overall evaluation of the film co-production?

8. What is your overall evaluation of international film co-productions between New Zealand and other countries?

9. What could their major motivations be?

10. What could their advantages and disadvantages be?

11. What could the characteristics of those international co-production films of New Zealand and other countries be?

12. How, and in what ways, has international film co-production affected New Zealand films and the New Zealand film industry?
   - Were national indigenous features missed out in co-production films or did national identity become blurred?

13. Are you interested in international film co-production between New Zealand and Korea?

14. What could your major motivations for this co-production be?

15. If international film co-production of New Zealand and Korea were to be produced, what would its major characteristics be?

16. What could a viable type of the co-production be?
   (Pre-sale, co-financing, swapping and co-production or full co-production)

17. Michael Stephen (Interview with Parnham, 2010) points out that the case of District 9 (2010) could be a desirable model for the film industry with Asian countries including Korea. What do you think about this?

18. No official co-productions have yet happened following the 2008 film co-production agreement between New Zealand and Korea. What could the main reasons be?

19. What would you suggest to get better results from film co-production between New Zealand and Korea in the future?

### 4.3.3 Case study

For a case study of The Warrior’s Way (2010), various secondary data as seen in Table 4.1 and data from five interviews were used to create the case study. Five
respondents who had engaged in making the film participated in the interviews. By interviewing them, various insights into the project were gained from both the New Zealand and South Korean perspective.

4.4 Method of data analysis

A systematic and transparent data analysis method is central to post-positivist research (Guest, Namey, & Mitchell, 2013, p. 6). This section presents an overview of Thematic Analysis as an analytical method for the data collected from the interviews, and then outlines the directions and decisions that were taken and made in the course of applying the method to this research. In addition, the analytical method for the case study is addressed. In the realm of qualitative data analysis, well-founded analytical frameworks and strategies are crucial (Phelps, Fisher, & Ellis, 2007) because of diverse and abundant ways in which data may be interpreted (Holloway & Todres, 2003; Guest, MacQueen, & Namey, 2012). Thematic Analysis (TA) is defined as "a method for identifying, analysing and reporting patterns (themes) within data" (Braun & Clarke, 2006, p. 79).

TA is a widely-used qualitative analytic method (Braun & Clarke, 2006; Guest, MacQueen, & Namey, 2012) in such fields as psychology, the social sciences and the humanities due to its practical applications when contextualising and gaining insight from qualitative research (Mills, Durepos, & Wiebe, 2010). This characteristic is one of the advantages in using TA and facilitates achieving the research objectives of this study.

4.4.1 Rationale for the application of Thematic Analysis

The rationale for selecting TA as the analytical method for the study stems from two of its key features. The first is that the TA-style data analysis can be said to contribute to an objectivist perspective (Roulston, 2001), the epistemology that has been chose for this study. According to Braun and Clarke (2006, p. 78), qualitative analytical methods are divided into two categories based on epistemological and theoretical positions. On the one hand are those methods aligned with only one specifically theoretical or epistemological position, such as grounded theory and interpretative phenomenological analysis. For example, a phenomenological analysis is typically supported by phenomenological
epistemology. On the other hand, there are analytical methods that have greater flexibility in terms of the theoretical or epistemological framework with which they are linked. TA falls into this second category, because it has been used in work from both "essentialist and constructionist paradigms" (Braun & Clarke, 2006, p. 78).

TA’s second attractive quality is that it associated with the position of post-positivism - namely, the notion that there are multiple realities waiting to be uncovered. For example, Briggs (1986) suggests that data in TA is viewed "as a reflection of what is ‘out there’ rather than an interpretation which is jointly produced by interviewer and respondent" (p. 3). Therefore, in this study, TA was employed as a means of analysing and coding the data, and identifying relevant themes.

This researcher chose Braun and Clarke's (2006) guide for TA which is based on six theoretically and methodologically robust phases (see Table 4.6).

### Table 4.6 Phases of thematic analysis

<table>
<thead>
<tr>
<th>Phases</th>
<th>Description of the process</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Familiarizing yourself with your data</td>
<td>Transcribing data (if necessary), reading and re-reading the data, noting down initial ideas.</td>
</tr>
<tr>
<td>2. Generating initial codes</td>
<td>Coding interesting features of the data in a systematic fashion across the entire data set, collating data relevant to each code</td>
</tr>
<tr>
<td>3. Searching for themes</td>
<td>Collating codes into potential themes, gathering all data relevant to each potential theme</td>
</tr>
<tr>
<td>4. Reviewing themes</td>
<td>Checking if the themes work in relation to the coded extracts (Level 1) and the entire data set (Level 2), generating a thematic ‘map’ of the analysis.</td>
</tr>
<tr>
<td>5. Defining and naming themes</td>
<td>Ongoing analysis to refine the specifics of each theme, and the overall story the analysis tells, generating clear definitions and names for each theme.</td>
</tr>
<tr>
<td>6. Producing the report:</td>
<td>The final opportunity for analysis. Selection of vivid, compelling extract examples, final analysis of selected extracts, relating back of the analysis to the research question and literature, producing a scholarly report of the analysis.</td>
</tr>
</tbody>
</table>
This clear and explicit guide provided by Braun and Clarke (2006) was found to be both appropriate and effective to the identification of important themes for this study. In TA, "A theme captures something important about the data in relation to the research question, and represents some level of patterned response or meaning within the data set" (Braun & Clarke, 2006, p. 82).

4.4.2 Data analysis

This section illustrates the data analysis procedures that were adopted in the present study. As stated in Section 4.4.1, TA encourages the researcher to employ inductive reasoning during the course of analysis while TA resists the principle of the social constructivist approach in which data are “accounts of truths, facts, attitudes, beliefs, interior, mental state, etc., constructed between [the] interviewer and interviewee” (Talmy, 2010, p. 132). This inductive reasoning was centrally exercised throughout the entire process of data analysis, with the researcher going to great lengths to adhere to the six steps of data analysis suggested by Braun and Clarke (2006).

In the first stage, all interview data were transcribed as means of becoming familiar with the data by reviewing it many times. For the coding work in the second stage, meaningful and relevant comments were flagged for future analysis, accompanied by the researcher's own thoughts. The marked comments were then coded according to the research questions in each transcript. Next, as Braun and Clarke (2006) indicated, the same work was carried out throughout the entire data set by gathering data applicable to each code.

The third and fourth stages involved identifying and reviewing initial themes. Prior to this process, each code was incorporated into superordinate codes by re-reading the code and the notes made from the previous steps. That is, horizontal analysis was still carried out in relation to the important interview questions. Following this coding phase, potential themes were developed by gathering the codes and the coded extracts pertinent to anticipated themes across the entire data set. The themes were then checked and reviewed to ensure they represented the
code extracts and on occasion grouped into different superordinate themes, and creating new categories. The result of this process was the generation of the study’s first thematic map.

In the fifth stage, a greater emphasis was placed on determining the study’s final themes. The selected extracts and names for each theme continued to be refined by revisiting original data sources and performing continuous analysis. In the final stage, new connections were sought across all theme categories, relating the outcomes of the analysis to the original research objective and literature review. Through this process, the themes became clear and explicit.

The secondary data analysis in Chapter 5 has been conducted in chronological order in each country focusing on material about the New Zealand and the South Korean film policies, including film co-productions, and statistical information and websites such as Kobiz related to the policies between 1998 and 2014. In addition, there were empirical analyses of cases of New Zealand-foreign and South Korean-foreign film co-productions between 2005 and 2013.

The analysis of the case study in this research was also carried out in chronological order by using one of Yin (2003)’s analytical techniques, explanation building, which is relevant to explanatory case studies. Under explanation building, rather than the researcher beginning with a theory to be examined, the researcher attempts to induce theory from case examples studied. Indeed, the case study was completed by being twice revised. When the first version of the case study had been written, it contained two separate parts: the overview of the film, The Warrior’s Way (2010) and the discussion about the impact of five influential factors identified from the interviews on the film. However, when its second version was made, the two parts were combined to make it of better quality concentrating on the transnational approach.

4.5 Summary
This chapter focused on the methodology of the present study including the research paradigm, the mixed method approach, and data collection and analysis. There were detailed accounts as to why post-positivism, qualitative research, and
the mixed methods (secondary data, in-depth interviews and case study) were used for this study, what the actual research procedures were, and how the thematic analysis was applied to analyse the interview data. From a post-positivist point of view, this research postulates that there are multiple realities, conditioned socially and culturally, which can be differently interpreted by the participants (Creswell, 2013), and based on Ryan’s (2006) position, the researcher can share ideas with the participants. However, it does not mean that the research findings are constructed as products of discussion or discourse between the participants and the researcher.

The post-positivist perspective utilised in this study was valid and relevant in the sense that it helped the participants reveal their realities as perceived in relation to film co-productions. The next chapter will analyse and discuss responses from those participants according to the research questions.
Chapter 5 Government policies on the film industry and their impacts on film co-productions

This chapter comprises two sections. One section will examine what policies New Zealand and South Korean governments have executed to sustain and develop their film industries, and the other section will investigate how these policies have influenced New Zealand-foreign and South Korean-foreign co-productions and New Zealand-South Korean film co-production ventures, from the political economic approach. In the other section, it will be discussed that international film co-productions need to be addressed as a strand of transnational cinema, based on the argument of S.-J. Lee (2010a).

5.1 Government policies on the film industry

5.1.1 New Zealand Government policy (1998-2014)

Before the beginning of the new millennium, the New Zealand film industry reached a turning point with the inauguration of the Labour government in 1999 led by Prime Minister Helen Clark, who was a key contributor to developments in the industry in the 2000s (Dunleavy & Joyce, 2011, p. 211). The Growth and Innovation Framework announced in 2002, the most comprehensive statement of economic strategy and policy-making for Helen Clark’s government (1999-2008), identified creative industries alongside biotechnology and information and communications technologies as those government planned to target (Hayes, 2012, p. 52).

Screen production, including films and television programmes, were placed at the centre of New Zealand’s creative industries, which was viewed as a growth sector (Flew, 2012). Indeed, substantial support from the administration was initiated with a cultural recovery package in 2000, with new funding of NZ$146 million (Dunleavy & Joyce, 2011) and the provisioning of the Film Production Fund (FF1) with $22 million to encourage the production of New Zealand films with larger scale budgets and to attract more investment in filmmaking (Clark, 2001).

During the same period, Peter Jackson started to shoot The Lord of the Rings (LOTR) trilogy, New Zealand’s biggest film project, in New Zealand in 1999,
which was brought about by his international reputation, links with American film production corporations, and the world-class infrastructure he had created in Miramar, New Zealand (New Zealand Screen Council, 2005, p. 12) and by his determination that they should be made in the country. Clark, as Prime Minister and Minister for Arts, Culture and Heritage, realised the significance of the role of LOTR in promoting New Zealand film production and creating a New Zealand brand, such as Middle Earth, and she provided progressive support for it (Dunleavy & Joyce, 2011). “The three films had combined production costs of more than $600 million, aided by a package of tax breaks estimated to have been worth around $200 million. The tax breaks were abolished by the government immediately afterward” (NZSC, 2005, p. 12).

In December 2002, a government strategy was initiated to brand New Zealand as a film location to “ensure the long-term viability of New Zealand as a film destination” and to “aid regional economic development” (“New protocols will attract big budget films,” 2002) by positioning films as commercial products (as cited in Conor, 2004, p. 85). This stance resonated with the position of Ruth Harley, chief executive of the NZFC (1997-2008), who brought the idea to the local film industry that the films funded by the government should be evaluated by their performance at the box office, eventually creating the situation where creative industries in New Zealand placed more priority on economic policy than on cultural motivation (Prince, 2010).

The Large Budget Screen Production Grant (LBSPG) scheme came into effect in 2003 for New Zealand and international feature film productions with big budgets; however, its primary aim seemed to be to attract offshore Hollywood film productions to the country. Although the LBSPG provided a tax rebate of 12.5 percent, to be eligible for funding from the scheme, productions must have had budgets of over NZ$15 million. The expenditure threshold of the scheme proved to be too high for most local films in New Zealand (Conor, 2004).

As shown in Table 5.1, since its inception, 13 film productions have received benefits from the LBSPG, representing a total of $172 million being paid out in grants to 30 June 2010, with most of the films Hollywood runaway productions

Table 5.1 Films that received LBSPG and the claimed amount of grant (unit: NZ$ million)

<table>
<thead>
<tr>
<th>Screen Production</th>
<th>Date</th>
<th>Title</th>
<th>QNZPE Claim</th>
<th>Grant Claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 July 2004 -</td>
<td>Boogeyman</td>
<td>Subtotal</td>
<td>17.24</td>
<td>2.155</td>
</tr>
<tr>
<td>30 June 2005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 July 2005 -</td>
<td>*The Lion, The Witch, and</td>
<td>(Interim 1)</td>
<td>126.101</td>
<td>15.763</td>
</tr>
<tr>
<td>30 June 2006</td>
<td>the Wardrobe*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><em>King Kong</em></td>
<td>(Interim 1)</td>
<td>201.694</td>
<td>25.212</td>
</tr>
<tr>
<td></td>
<td><em>Without a Paddle</em></td>
<td></td>
<td>30.198</td>
<td>3.775</td>
</tr>
<tr>
<td></td>
<td><em>King Kong</em></td>
<td>(Final)</td>
<td>187.509</td>
<td>23.439</td>
</tr>
<tr>
<td></td>
<td>*The Lion, the Witch, and</td>
<td>(Final)</td>
<td>7.727</td>
<td>0.966</td>
</tr>
<tr>
<td></td>
<td>the Wardrobe*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td></td>
<td>553.229</td>
<td>69.155</td>
</tr>
<tr>
<td>1 July 2007 -</td>
<td><em>Prince Caspian</em></td>
<td>(Interim 1)</td>
<td>52.347</td>
<td>6.684</td>
</tr>
<tr>
<td>30 June 2008</td>
<td><em>The Water Horse</em></td>
<td>(Interim 1)</td>
<td>21.697</td>
<td>2.734</td>
</tr>
<tr>
<td></td>
<td><em>Avatar</em></td>
<td>(Interim 1)</td>
<td>81.433</td>
<td>10.724</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td></td>
<td>155.477</td>
<td>20.142</td>
</tr>
<tr>
<td>1 July 2008 -</td>
<td><em>Underworld 3</em></td>
<td>(Interim 2)</td>
<td>30.365</td>
<td>4.555</td>
</tr>
<tr>
<td>30 June 2009</td>
<td><em>Avatar</em></td>
<td>(Final)</td>
<td>102.467</td>
<td>15.369</td>
</tr>
<tr>
<td></td>
<td><em>Prince Caspian</em></td>
<td>(Final)</td>
<td>18.9</td>
<td>2.828</td>
</tr>
<tr>
<td></td>
<td><em>They Came from Upstairs</em></td>
<td></td>
<td>34.711</td>
<td>5.207</td>
</tr>
<tr>
<td></td>
<td><em>Wolverine</em></td>
<td></td>
<td>30.255</td>
<td>4.531</td>
</tr>
<tr>
<td></td>
<td><em>Avatar</em></td>
<td>(Interim 3)</td>
<td>51.797</td>
<td>7.770</td>
</tr>
<tr>
<td></td>
<td>Subtotal</td>
<td></td>
<td>268.495</td>
<td>40.260</td>
</tr>
<tr>
<td>1 July 2009 -</td>
<td><em>Avatar</em></td>
<td>(Interim 4)</td>
<td>72.181</td>
<td>10.827</td>
</tr>
<tr>
<td>30 June 2010</td>
<td><em>The Warrior's Way</em> (Laundry</td>
<td></td>
<td>42.993</td>
<td>6.372</td>
</tr>
<tr>
<td></td>
<td>Warrior)</td>
<td>(Interim 1)</td>
<td>61.282</td>
<td>8.987</td>
</tr>
</tbody>
</table>

111
According to Conrich and Murray (2008, p. 5), the New Zealand film industry has witnessed a third new wave since 2005, citing as evidence “first and second time features of directors such as Glenn Standring (Perfect Creature, 2006), Chris Graham (Sione’s Wedding, 2006), Toa Fraser (No 2, 2006), Jonathan King (Black Sheep, 2006) and Peter Burger (The Tattooist, 2007)”. They also emphasised the emergence of New Zealand transnational films based on Pacific culture such as Sione’s Wedding (2006) and No 2 (2006), in that they refreshed a cinema of unsettlement which is one of characteristics of New Zealand cinema, with “stories of humour, warmth, life and community” of Pacific culture (Conrich & Murray 2008, p. 5).

Nonetheless, the local film market was not successful in major indices as is shown in Table 5.2. Representing 4.8 percent in 2005 and 2006, the market share of New Zealand films was relatively higher than before; however, the number of New Zealand films produced and the number of admissions in New Zealand in both years were not as good as those in 2003. During the period 1998-2014, the number of New Zealand films produced was less than 10 per year before 2011 and the market share was below 5 percent except for 2010 in which Boy (2010) was a hit at the box office and the number of moviegoers has been on the downturn since 2011 although the total box office in the country has trended towards a continued increase.
### Table 5.2 Major indices of the New Zealand film industry (1998-2014)

<table>
<thead>
<tr>
<th>Year</th>
<th>All films</th>
<th>NZ films</th>
<th>All films box office</th>
<th>NZ Films box office</th>
<th>NZ films as %</th>
<th>All films number admissions</th>
<th>NZ films number admissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>153</td>
<td>2</td>
<td>110,600,000</td>
<td>347,000</td>
<td>0.3%</td>
<td>16,265,000</td>
<td>51,030</td>
</tr>
<tr>
<td>1999</td>
<td>164</td>
<td>7</td>
<td>119,800,000</td>
<td>4,639,000</td>
<td>3.9%</td>
<td>16,755,000</td>
<td>648,802</td>
</tr>
<tr>
<td>2000</td>
<td>187</td>
<td>8</td>
<td>106,300,000</td>
<td>1,115,000</td>
<td>1.0%</td>
<td>14,867,000</td>
<td>155,943</td>
</tr>
<tr>
<td>2001</td>
<td>175</td>
<td>7</td>
<td>124,600,000</td>
<td>1,954,000</td>
<td>1.6%</td>
<td>16,613,000</td>
<td>260,528</td>
</tr>
<tr>
<td>2002</td>
<td>131</td>
<td>0</td>
<td>142,700,000</td>
<td>0</td>
<td>0.0%</td>
<td>17,837,000</td>
<td>0</td>
</tr>
<tr>
<td>2003</td>
<td>203</td>
<td>5</td>
<td>156,112,000</td>
<td>6,782,000</td>
<td>4.3%</td>
<td>18,366,000</td>
<td>797,877</td>
</tr>
<tr>
<td>2004</td>
<td>210</td>
<td>7</td>
<td>152,827,000</td>
<td>1,742,000</td>
<td>1.1%</td>
<td>17,172,000</td>
<td>195,735</td>
</tr>
<tr>
<td>2005</td>
<td>206</td>
<td>3</td>
<td>146,787,000</td>
<td>7,106,000</td>
<td>4.8%</td>
<td>15,451,000</td>
<td>747,987</td>
</tr>
<tr>
<td>2006</td>
<td>138</td>
<td>4</td>
<td>146,406,000</td>
<td>7,000,000</td>
<td>4.8%</td>
<td>15,330,000</td>
<td>732,962</td>
</tr>
<tr>
<td>2007</td>
<td>6</td>
<td>141,741,000</td>
<td>2,907,000</td>
<td>1.9%</td>
<td>15,358,000</td>
<td>294,223</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>7</td>
<td>156,572,000</td>
<td>2,638,000</td>
<td>1.7%</td>
<td>15,426,000</td>
<td>259,905</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>299</td>
<td>8</td>
<td>169,970,000</td>
<td>3,583,000</td>
<td>2.1%</td>
<td>15,317,000</td>
<td>322,885</td>
</tr>
<tr>
<td>2010</td>
<td>8</td>
<td>176,500,000</td>
<td>11,051,000</td>
<td>6.3%</td>
<td>15,297,000</td>
<td>957,774</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>306</td>
<td>14</td>
<td>161,817,000</td>
<td>3,700,000</td>
<td>2.3%</td>
<td>14,158,000</td>
<td>323,727</td>
</tr>
<tr>
<td>2012</td>
<td>12</td>
<td>173,140,000</td>
<td>3,625,000</td>
<td>2.1%</td>
<td>14,610,000</td>
<td>305,887</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>11</td>
<td>174,900,000</td>
<td>4,600,000</td>
<td>2.6%</td>
<td>14,760,000</td>
<td>388,000</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>320</td>
<td>9</td>
<td>170,744,577</td>
<td>6,510,201</td>
<td>3.8%</td>
<td>13,938,333</td>
<td>531,445</td>
</tr>
</tbody>
</table>

Average 2.7%

Notes:
- Box office figures are GST inclusive
- "NZ films" defined as NZFC financed or independent - excludes studio financed films shot or post-produced in NZ (e.g. The Hobbit)
- Last updated October 2015


For the local industry, “the government provided additional funding through the one-off Film Production Fund (NZ$22 million) in 2000 and Film Fund II (NZ$20 million) in 2006 which became the Screen Production Incentive Fund (SPIF) in 2008” (Ministry of Economic Development, 2012b, p. 12). The Film Production Fund aimed at helping to establish a talent pool with diverse experience for the New Zealand film industry and to create jobs for New Zealanders (de Bruin, 2005).

The SPIF was established for financing medium to large New Zealand film productions, including official co-production projects, with New Zealand cultural content. This scheme was designed for New Zealand producers who were not able to use the LBSPG because of its high threshold and was replaced by the NZSPG – New Zealand Screen Production Grant. Thus, this incentive is one that filmmakers
who are interested in pursuing New Zealand-South Korean film co-productions and other co-productions would consider applying for. New Zealand film productions and official co-productions are eligible for cash grants of 40 percent up to a maximum NZ$4 million if the criterion is met in terms of the New Zealand production expenditure (NZFC, 2015b).


As Table 5.3 shows, while the budget for feature films is restricted and has been reduced in the wake of the 2008 global financial crisis, the reliance on government funding has increased. Churchouse (2010) indicates that New Zealand feature films received around 75 percent of their budgets from a variety of funding and seed capital programmes. In addition, Churchouse explained that “the Commission’s production funding last year dropped 40 percent to $12.4 million, and total development funding dropped 16 percent from the previous year” (para. 12). Robert Sarkies, as cited in Philip (2009), explains that it is becoming increasingly difficult for filmmakers to make domestic profits, so their reliance on the Commission has grown.

Table 5.3 Financing and funding received for production by feature films (2008-2014 financial years)

<table>
<thead>
<tr>
<th>Production</th>
<th>Financing and funding (NZ$ million)</th>
</tr>
</thead>
</table>

114
<table>
<thead>
<tr>
<th>format</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feature films</td>
<td>353</td>
<td>C*</td>
<td>181</td>
<td>245</td>
<td>399</td>
<td>315</td>
<td>C*</td>
</tr>
</tbody>
</table>

  

* Confidential
  
It is hard to find out the equivalent data before 2008.

The NZFC, since its inception in 1978, has played an important role in the development of the New Zealand film industry as a major funding source and supporting agency. It has supported production, promotion, distribution and exhibition of New Zealand films by New Zealanders about New Zealand (Jones et al., 2003; Newman, 2005) and concentrated on discovery and nurture of talent, including that of Peter Jackson (NZFC, 2005). However, since 2005 there have been consistent criticisms of the NZFC’s governance and management (Dunleavy & Joyce, 2011). For example, in an interview in 2005, Geoff Murphy, renowned New Zealand director, criticised the NZFC’s script development process as a “mechanism of control” (Grant, 2005). In addition, it is meaningful to pay attention to the argument of Joyce (2015) that it was effective for the NZFC to apply the models of scriptwriting of Robert McKee and Linda Seger, renowned Hollywood script consultants, to the New Zealand film industry, while the Commission sought to attract foreign audiences for New Zealand domiciled films between 1988 and 1995. In this regard, the NZFC may still adhere to the models or ways which were suggested by these Hollywood scriptwriters and even apply them to the process of film co-productions.

The NZFC was required to return the cost from its investment in feature films and this disappointing performance led to a review of the NZFC by the new National government administration (Lealand, 2010b). The objective of the review was to evaluate the role the NZFC plays in producing local films in New Zealand. There were two reviewers for the assessment: Peter Jackson and David Court (Australian Film & Television & Radio School). In general, the report written by the reviewers recognised the significance of the NZFC in the film industry in terms of its role and contribution. However, there was criticism voiced about how well the NZFC communicated with filmmakers throughout projects. The report also presented a very critical view of the relationships between the New Zealand
film industry and the NZFC so the argument was not accepted by the NZFC (NZPA & NBR staff, 2011).

Instead of focusing on individual projects, Jackson and Court (2010, p. 50) recommend “The 3-level model” to the NZFC to achieve the aim: “The creation of a successful New Zealand film industry, producing a wide range of films, driven creatively by resident Kiwi film makers.” The first level is aimed at uncovering emerging talent and giving them opportunities to deliver the first feature film by helping them to develop their stories. The purpose of the next level is to support the successful filmmakers to produce their local films staying in New Zealand rather than going abroad. The objective of the last level is that successful New Zealand filmmakers residing in the New Zealand will be able to attract big financial support from overseas.

Indeed, the New Zealand government puts significant effort into drawing Hollywood film productions to the country, assisted by New Zealand director Peter Jackson, because U.S. blockbuster films have brought a number of jobs into the country and have helped the film industry and related industries to remain healthy (Michelle et al., 2014). In addition, The Lord of the Rings trilogy led many overseas tourists to discover and experience film locations. Because of this, a change of labour law for filmmakers (Harris, 2010) was made by the government in New Zealand as noted earlier. However, the change in labour law caused a strong backlash from some local filmmakers and related academics, intensifying tension between Peter Jackson and other New Zealand film practitioners (Haworth, 2011; Jones, 2014).

Lealand (2011) describes the dynamics of this complex contemporary situation:

Jackson’s position as a global film maker working out of a small South Pacific nation highlights the continuing tension between the vital role that offshore-funded film production plays in New Zealand (in building and sustaining an industry infrastructure) and the continuing desire of other film makers to create films that are more clearly grounded in New Zealand history and culture. At the risk of oversimplification, this division can be seen as a continuation of the struggle between the two imperatives of internationally oriented commerce and local culture. (p. 263)
The commercial tendencies in this complex situation and the limited funding in New Zealand for film production support seem to lead the government to seek co-production deals as an attractive strategy for New Zealand-based filmmakers. The government launched a new screen production incentive program, the New Zealand Screen Production Grant (NZSPG), by combining the SPIF with the LBSPG in April 2014, to enhance the competitiveness of the film industry and to ensure that the Avatar trilogies could be made in the country (NZFC, 2015b).

As Table 5.4 shows, the gross revenue of production and post-production sector businesses of feature films, which is an important index in New Zealand, declined by NZ$180 million from 2012 to 2013 following the record highs in 2012 (Statistics New Zealand, 2015b) due to the completion of international film productions financed by major foreign studios and an increase in the foreign exchange rate. “These changes illustrate the lumpy, project-based nature of the film industry. Funding might be secured for a large project or projects in one year, leading to a spike in revenue that declines sharply when the project is completed” (Statistics New Zealand, 2014b, p. 3).

Table 5.4 Gross revenue of production and post-production sector businesses of feature films (2008–2014 financial years)

<table>
<thead>
<tr>
<th>Production format</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feature films</td>
<td>637</td>
<td>654</td>
<td>617</td>
<td>707</td>
<td>1,040</td>
<td>860</td>
<td>816</td>
</tr>
</tbody>
</table>


When the production location for Avatar sequels (two, three, and four) was negotiated between James Cameron (Avatar’s director) and related stakeholders and the New Zealand government in 2013, the tax incentive the government offered was less competitive than what the UK and Australia was offering. Child (2013) indicates that the UK and Australia offer a 25 percent tax rebate for major Hollywood studios, whereas New Zealand at that time only provided a 15 percent tax rebate to foreign productions. “The disparity has reportedly fuelled a downturn for the country's film industry, with thousands out of work, and the loss of Avatar could prove crippling” (Child, 2013, para. 3). Accordingly, the NZSPG increased
the base rate of the LBSPG from 15 percent to 20 percent, and productions that meet the economic benefit tests are eligible under the new scheme for a further 5 percent grant (Hunt, 2013). This scheme seems to be instrumental in bringing more Hollywood blockbusters to the nation (Barclay, 2014). It demonstrates that the New Zealand film industry is susceptible to competition in the global context surrounding it.

**Policies on international film co-productions**

In contrast, the government has paid less attention to film co-productions, favouring producing New Zealand domiciled films and attracting major productions financed by predominantly Hollywood studios. During the period 1998-2014, it has given first priority to bringing offshore Hollywood productions to the country. The reasons New Zealand governments endeavour to sign many treaties and agreements are that the film industry is still struggling with finding funds for domestic films as well as creating more jobs. For example, the average number of local films produced per year has been 6.9 between 1998 and 2014 (see Table 5.2); even such a small number could not be made without this support from the NZFC. Consequently, the average market share of local films in New Zealand in the same period is 2.7 percent (see Table 5.2) and Hollywood films have long dominated the screens of the nation (Newman, 2005). Also, a small market size of 4.4 million people (Statistics New Zealand, 2012) makes it hard to expect huge profits even if a local film is successful.

Therefore, making inroads into overseas markets is another major motivation for the New Zealand film industry, because it has a small local market, earning only NZ$162.8 million of box office revenue in 2010 (NZFC, 2015c). Roger Horrocks (2011, p. 26) underlines two primary disadvantages that the film industry has experienced from the beginning: its small market size and “marginality”. Dunleavy and Joyce (2011) argue that some New Zealand local films, which aim at international film marketplaces, bear in mind foreign as well as local audiences. According to Petrie and Stuart (2008), the New Zealand film industry considers attracting audiences at home and abroad as being important elements in continuing indigenous film production for cultural and commercial purposes.
As of February 2015, the NZFC divides funding into two groups: production and post-production (NZFC, 2015b). In production funding, there are three types: NZFC Production Financing, Lower Budget Feature Films and the NZSPG, and Post Production Funding which contains two grants – Feature Film Finishing Grant and Post, Digital and Visual Effects Grant. The NZSPG comprises three grants: local productions; international productions; and the Post, Digital and Visual Effects Grant. For local productions, the grant is aimed at encouraging New Zealand filmmakers to develop mid-sized New Zealand-based productions with the expectation of the improvement of their competition in the global film marketplace (NZFC, 2015f). With regard to film co-productions, there is a need to pay attention especially to local productions, since officially co-produced films are acknowledged as New Zealand films.
5.1.2 South Korean government policy (1998-2014)

Film Policies between 1998 and 2006

Film policies of South Korea designed to sustain and to improve the film industry are divided into two priorities: local films (South Korean cinema) and international film co-productions. The first priority has been placed on South Korean cinema so that film policies for international co-productions emerged from 2004 (Kim, H.-W., 2012). In South Korea, there was a turning point of recognition of the film industry as a promising and profitable industry in 1994, when the report of the Presidential Advisory Board on Science and Technology submitted to the President suggested that the South Korean government should foster the industry as a national growth engine, because it indicated that the global takings from Jurassic Park (1993), a Hollywood blockbuster film, yielded the same amount of dollars that the Hyundai Motor company earned by exporting hundreds of thousands of its cars (Kang, M.-K., 2000; Ryoo, 2005; Shim, 2002). “The central government has in the past decade invested tens of millions of dollars in the film, contents, and software industries” (Kim, M.-K., 2004, p. 256). In 2000, the budget for the Ministry of Culture and Tourism (MCT) occupied more than 1 percent of the government’s budget for the first time. The budget for the Culture Industry Bureau reached 2.2 percent of MCT’s budget in 1998, this increased to 15.3 percent in 2000 (Jung, 2004, pp. 14-15).

The Kim Dae-Jung government (1998-2003) adopted policies to promote films from the start of its administration (Kim, H.-J., 2006). The South Korean film industry has been directly supported by the government in many ways since 1999, because the government has realised the importance of a local industry amid the Hollywood films that have dominated the national media industry since the late 1980s (Ryoo, 2008, p. 884). The film industry faced a crisis caused by large companies, such as the Samsung, and the Daewoo groups, retreating from film production due to the accumulation of deficits and the Asian Financial Crisis (1997-1998) (Hyun, 2012).

In the first place, the government has endeavoured to foster South Korean cinema since the launch of the Korean Film Council (KOFIC) in 1999, a non-
governmental organisation. The KOFIC, formerly the Korean Motion Picture Corporation, has supported various films from art films, independent films and short films (Kim, K.-W., 2006) and created a key investor for South Korean films, The Korean Film Investment Union, with venture capital investment companies (Ban, 2008) to pursue a stable supply of finance to the film industry (Joo, 2010).

It is widely acknowledged that a screen quota system was important as a protective measure for the South Korean film industry (Jin, 2003; Ryoo, 2005). As the industry felt the pressure from Hollywood imports in the late 1980s and early 1990s, the screen quota system was perceived as the only bulwark (Park, 1991), applying not to the importation, but to exhibition of films. Since 1996, 106 days per year must be reserved on each screen for local productions, down from a high of 165 (the law specifies 146 days), but includes circumstances in which 40 days more can be opened up for foreign films.

During the preparation for South Korea’s entry into the World Trade Organisation, the U.S. demanded the elimination of the screen quota system in bilateral talks in 1998 and 1999. Initially, the administration responded sympathetically to the request; however, the threatened removal of the quota system provoked a backlash with mass demonstrations and hunger strikes by local filmmakers. The Kim administration refused the U.S. demand to eliminate the screen quota. “The campaign was successful, although Washington continues to push for abolition” (Berry, 2003, p. 219).

The South Korean democratic government has enacted overall market deregulation and liberalisation of the film industry to attract foreign capital and to respond to the trend of neoliberalism. For example, the government allowed Japan’s pop culture such as films and music, prohibited because of memories of Japanese occupation of South Korea, to enter the country following the Korea-Japan Joint Partnership Declaration of October 7, 1998 (Kim, H.-J., 2006, p. 351). The administration, realising the significance of creativity in the competitiveness of films abolished censorship in January 2001 under the slogan “support without intervention” (Joo, 2010, p. 162). However, instead of leaving the film industry entirely to market forces (Kim & Hong, 2001), the government has more actively
intervened in it reflecting “the broader logic of negotiated globalization” (Ryoo, 2008, p. 883).

Meanwhile, in the recovery from the Asian Financial Crisis, a venture boom based on the Internet industry emerged, so that financial companies that had nothing to do with the film industry began to invest in the industry (Hyun, 2012). In addition, venture capital companies, which accumulated significant capital due to the KOSDAQ’s (Korean Securities Dealers Automated Quotations) market boom and had to find new investment areas, began to invest in the film industry when the administration put promotional policies for the cultural industry into practice (Kim, Y.-J., 2014).

Participation of financial capital led to production of the first South Korean blockbuster, Swiri (1999) (Hyun, 2012), and the heyday of South Korean cinema began with its success (Kim, K.-W., 2006). South Korean films lived up to audience expectations so that return on investment of the films reached as high as 41.5 percent in 2001 (Kim, Yoon, & Park, 2011, p. 198). The number of movie admissions sharply increased from 54.7 million in 1999 to 87.9 in 2001 (Korean Film Council, 2004). Other blockbuster films, such as Simildo (2003) and Tae-guk-ge (2004) attracted audiences of more than ten million (Kim, K.-W., 2006). The market share for South Korean cinema at the box office was 35.8 percent in 1998, and it increased beyond 50 percent of the market in 2003 and 2004 (Kim & Do, 2005). The total number of screens dramatically increased, from 511 in 1996 to 1,648 in 2005 because of the appearance of multiplex theatre chains such as CJ-CGV, Megabox and Lotte Cinema (Kim, K.-W., 2006).

Furthermore, as seen in Table 5.5, some South Korean films have begun to perform well in foreign markets, representing a total of US$11.2 million in 2001, and their export value reached US$76 million in 2005 (Kim & Do, 2007, p. 10). Such good performance was attributed to the Korean Wave (Kim, K.-W., 2006), “quality improvement in Korean films, themselves, and the KOFIC provided foundations for it via its support” (Kang, 2005, p. 441).
Table 5.5 2001-2005 South Korean film export trends by year (Unit: US$)

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings from Korean film exports</td>
<td>11,249,573</td>
<td>14,952,089</td>
<td>30,979,000</td>
<td>58,284,600</td>
<td>75,994,580</td>
</tr>
<tr>
<td>% change</td>
<td>59%</td>
<td>33%</td>
<td>107%</td>
<td>88%</td>
<td>30%</td>
</tr>
<tr>
<td>No. of exported films</td>
<td>102</td>
<td>133</td>
<td>164</td>
<td>194</td>
<td>202</td>
</tr>
<tr>
<td>Export price per a film</td>
<td>110,289</td>
<td>112,422</td>
<td>188,896</td>
<td>300,436</td>
<td>376,211</td>
</tr>
</tbody>
</table>


The South Korean film industry entered a golden age in the late 1990s, reaching its height in 2006, with 110 films produced and 359 movies screened in that year. During the period 1950-1970 the number of the films produced was more than 200 a year; less than 100 films were made per year before 2006. The South Korean films’ market share in the Seoul metropolitan area reached 60.3 percent, and was an unprecedented 64.2 percent estimated share nationwide (Kim & Do, 2007). Gross sales for theatres nationwide are estimated to have reached approximately NZ$1.14 billion in 2006 (Kim & Do, 2007).

Factors which explain the success of South Korean cinema between 1999 and 2006 are suggested by scholars such as Ryoo (2008) who notes that the core driving force of the national film industrial renaissance during the period is “the industrialization, liberalization and deregulation of the film industry by the state” (p. 885). In the same vein, in her book The Birth of Korean Cool, Hong (2014) views the South Korean government’s role as one of the most important factors of the popularity of the Korean Wave including K-pop (Korean pop-songs) and Korean films. According to her, “Korea looked to pop culture as a way to create new sources of revenue, unite people, and generate an exportable product that would help spread Korean culture globally” (p. 98). She also argues that the late President Kim Dae-Jung commenced this movement as one of the measures to get out of the Asian Financial Crisis (1996-1997).
On the one hand, several successful international film festivals such as the Busan International Film Festival (BIFF) established in 1996, Jeonju International Film Festival (JIFF) launched in 2000, and Bucheon International Fantastic Film Festival (BiFan) founded in 1997, together with the emergence of new and noteworthy directors such as Ki-Duck Kim, Chan-Wook Park, Joon-Ho Bong and Sang-Soo Hong were viewed as two of the key contributing factors in the expansion of the South Korean film industry (Kim & An, 2006; Kim, K.-W., 2006). M.-H. Kim (2006) indicates that the BIFF has become one of the most popular film festivals in Asia, playing an important role in film co-productions in Asia.

In addition, K.-W. Kim (2006) points to South Korean film professionals’ achievement in major international film festivals. For example, in 2002, Kwoen-Taek Lim received the Best Director Award at the Cannes Film Festival for Chihwaseon (2002). In 2004, Chan-Wook Park won the Grand Jury Prize at Cannes for Oldboy and Ki-Duck Kim, was awarded the Best Director Award for Samarian Girl at Berlin and for 3-Iron at Venice. The success of the South Korean film industry has been attributed to several factors. One of the primary factors is the government’s policies of maintaining and enhancing the industry through the KOFIC, and via funds protecting the industry from the dominance of Hollywood films with a screen quota system. Other factors are the emergence of new and notable directors and their achievement at the prestigious international film festivals, and with successful international film festivals, notably, the BIFF. Even though the government has played important roles in these, there have been other primary factors. Also, it is an industry into which broad-based financial investment has been attracted, unlike in New Zealand.

Film Policies since 2007

Since 2007, the key indexes of the South Korean film industry have started to decrease, displayed in the decline of the growth rate, reduction in the return on investment, collapse of the ancillary market (VHS and DVD markets) and reduction in exportation of films (Kim, H.-W., 2012; Yoon, 2009). Following the Asian Financial Analysis, large companies such as the CJ group, Orion group, and
Lotte group, rooted in multiplex cinema chains, became the main source of funding for the production of South Korean films (Ban, 2008). There were also other key investors such as The Korean Film Investment Union created by the KOFIC and venture capital investment companies (Ban 2008).

The 2010 Korean Film Yearbook indicates that the rate of funding for local films by The Korean Film Investment Union accounted for 20.5 percent of the amount of total investment, with NZ$73.2 million (KOFIC, 2011). In other words, recent funding for local film productions has relied on the KOFIC, with fluctuations, but the rate by the Korean Film Investment Union in 2000 when the fund was launched was only 10.5 percent. The Korean Film Investment Union has functioned as one of the investors in the film industry investing NZ$ 387.3 million for 453 films (including overlap between years) (KOFIC, 2010b, p. 54).

Table 5.6 Investment performance of The Korean Film Investment Union by year

<table>
<thead>
<tr>
<th>Year</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of investment unions</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Investment money* (unit: NZ$ million)</td>
<td>15.2</td>
<td>28.1</td>
<td>20.5</td>
<td>30.1</td>
<td>53.1</td>
<td>74.3</td>
<td>45.0</td>
<td>39.4</td>
<td>36.8</td>
<td>44.8</td>
<td>387.3</td>
</tr>
<tr>
<td>Percentage (%) (Investment money)</td>
<td>10.5</td>
<td>14.9</td>
<td>6.2</td>
<td>8</td>
<td>13.7</td>
<td>18.8</td>
<td>8.9</td>
<td>7.5</td>
<td>9.5</td>
<td>12.4</td>
<td>10.8</td>
</tr>
<tr>
<td>Total production cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No of films invested*</td>
<td>10</td>
<td>34</td>
<td>34</td>
<td>40</td>
<td>67</td>
<td>66</td>
<td>45</td>
<td>57</td>
<td>47</td>
<td>53</td>
<td>453</td>
</tr>
</tbody>
</table>

* Investment money and No. of films produced is classified by the investment deliberative body.


In the mid-2000s, along with the appearance of these large companies, the need for South Korean films as content for their customers brought SK Telecom and KT (telecommunications business operators), who operate DMB and IP-TV businesses, into the film market. A boom of film production companies listing on the KOSDAQ (backdoor listing) caused an oversupply of capital in the film
industry (Hyun, 2012). As Figure 5.1 shows, diversification of investors led to an increase in production costs and the appearance of many low-quality films resulting in losses of 24.5 percent on return on investment in 2006 (Kim & Do, 2007).

The Fund of Funds, which has been gained finance from the cultural industry promotion fund, was initiated by the South Korean government in 2006 and has played a crucial role in offering finance to the film industry by participating as an investor of venture investment cooperatives, with the Fund of Funds providing NZ$243 million by the end of 2010 (Hyun, 2012, p. 2). In addition, there has been a sharp increase of production and marketing budgets because of the audiences’ preference for South Korean blockbusters, with increased costs associated with their wide distribution and soaring fees for stars. The average budget of a South Korean film was around US$1,190,480 in 1996; however, in 2004 it reached around US$4,057,971 (Kim & An, 2006).

* Total estimated cost of production per year = \( \text{No. of Korean films produced per year} \times \text{the average of production cost} \)


Figure 5.1 Production and investment in South Korean films

As Figure 5.1 indicates, the number of South Korean films produced since 1998 has steadily increased, except for a fall between 2007 and 2008. In contrast, the total cost of production had gradually grown up until 2007, but it sharply decreased by 26 percent in 2008, compared to that of 2007 and remained at a plateau. According to H.-W. Kim (2012, p. 10), “this phenomenon reflects that production of Korean films is divided into two groups: a few Korean blockbusters and many low-budget artistic and independent films. Namely, fewer small and
medium budget films have been produced in this period.” Accordingly, financiers for South Korean films began to decline because investors gradually left the market and several large companies retreated from films or reduced their funding (Choi, 2011, p. 67).

Investment/distribution companies have been centred on capital funding for South Korean films, since the mid-2000s when large production companies collapsed and their bargaining power diminished (Kim, M.-H., 2012, p. 47). This phenomenon has increased the dependence of the film industry on two typical investment/distribution companies, namely CJ E&M and Lotte Entertainment. M.-H. Kim (2012, pp. 47-48) explains that to deal with this problem, from 2008 several additional funding sources for Korean films were created.

In the same vein, D.-G. Yoo (2013) states that the film industry needs to concentrate on foreign markets, since there clearly exist limits to the growth of the South Korean market. The effort of making inroads into foreign markets is not new to South Korea. The Minister of Culture, Sports and Tourism (2008) has also stressed that it is important both to cultivate additional markets such as the DVD market and to enter overseas markets. This is because the box office takings failed to increase between 2006 and 2010 and the box-office revenue has accounted for over 80 percent in the total sales volumes of the industry.

The video and DVD market in South Korea is also in decline because of illegal downloading from the Internet (KOFIC, 2012). D.-M. Hwang (2012, p. 2) states that “the Video and DVD (Home video) market has decreased since 1996 though it accounted for the biggest part in the Korean film industry before 2000, apart from a box office gross.” Accordingly, it only occupied 15 percent of the total revenue in the industry in 2011, whereas those of the U.S., the UK and Japan accounted for 69 percent, 56 percent and 64 percent respectively (Hwang, D.-M., 2012, p. 8). H.-W. Kim (2012) emphasises that in this phase it is essential to invigorate international film co-productions in order to boost the export of Korean films. Consequently, the South Korean film industry is required to break into overseas markets through film co-productions.
The South Korean film industry has improved in many ways since 2010, when this thesis-study began. As per Figure 5.2, return on investment in Korean films has gradually increased since 2008 when it recorded its worst figure of -48 percent and greatly improved to -8 percent in 2010 and was positive in 2012 and 2013 due to the growth of box office revenue of South Korean films. It seems that the South Korean film industry pulled out of a slump to be stronger than before.

Figure 5.2 The trend of return on investment (left) and gross box office revenue of South Korean films (right)

Note: based on the local box office sales

In the middle of this situation, the KOFIC and South Korean film practitioners are in unison regarding film co-productions, viewing their successful productions as vital to the future of the film industry. Se-Hoon Kim, new President of the KOFIC, says about the importance of film co-productions:

The current domestic market has already saturated. For the film industry, globalisation of Korean film is imperative to its continuous growth. There is therefore a need of the strategy for a global market. This is to build a co-production system with foreign companies or to correspond to demand for films, animation and computer graphics in overseas marketplaces by establishing local companies or sourcing personnel there. (Noh & Gang, 2015, para. 6)
As shown in Table 5.7, since 2011, the film industry has been profitable and continues to flourish due to the growth in the box office sales and the number of admissions. The industry has sold over 100 million tickets at the box office for the third consecutive year since 2011 (Noh & Gang, 2015). Strikingly, the gross box office revenue has reached NZ $1.76 billion, and the number of admissions in the local market hit 213 million, setting up the highest record of all time in each field in 2013 (Kim, B.-Y., 2014). In addition, the average viewing frequency was 4.19 admissions per capita in 2014 which is one of highest levels in the world (KOFIC, 2015c).

Table 5.7 Key statistics from the South Korean film industry, 2005-2014

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total admissions</td>
<td>14,952</td>
<td>15,341</td>
<td>15,878</td>
<td>15,683</td>
<td>15,918</td>
<td>14,910</td>
<td>15,872</td>
<td>10,869</td>
<td>21,335</td>
<td>21,500</td>
</tr>
<tr>
<td>% change</td>
<td>7.7%</td>
<td>5.6%</td>
<td>5.5%</td>
<td>-5.0%</td>
<td>4.1%</td>
<td>-5.0%</td>
<td>7.1%</td>
<td>22.0%</td>
<td>9.5%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Korean Films</td>
<td>8,644</td>
<td>9,791</td>
<td>7,910</td>
<td>6,356</td>
<td>7,041</td>
<td>6,940</td>
<td>6,207</td>
<td>11,461</td>
<td>12,723</td>
<td>10,776</td>
</tr>
<tr>
<td>% change</td>
<td>6.5%</td>
<td>14.6%</td>
<td>-13.9%</td>
<td>-26.0%</td>
<td>21.2%</td>
<td>-9.2%</td>
<td>19.4%</td>
<td>38.3%</td>
<td>11.1%</td>
<td>-15.4%</td>
</tr>
<tr>
<td>Market Share</td>
<td>88.7%</td>
<td>83.9%</td>
<td>80.9%</td>
<td>82.1%</td>
<td>89.7%</td>
<td>84.9%</td>
<td>81.9%</td>
<td>89.8%</td>
<td>80.7%</td>
<td>80.1%</td>
</tr>
<tr>
<td>Foreign Films</td>
<td>6,068</td>
<td>5,550</td>
<td>7,339</td>
<td>6,726</td>
<td>8,085</td>
<td>7,378</td>
<td>7,085</td>
<td>6,025</td>
<td>8,808</td>
<td>10,738</td>
</tr>
<tr>
<td>% change</td>
<td>9.3%</td>
<td>-7.0%</td>
<td>43.9%</td>
<td>9.9%</td>
<td>-7.7%</td>
<td>-1.0%</td>
<td>-3.7%</td>
<td>4.5%</td>
<td>7.2%</td>
<td>24.5%</td>
</tr>
<tr>
<td>Market Share</td>
<td>41.3%</td>
<td>36.2%</td>
<td>58.3%</td>
<td>57.9%</td>
<td>51.5%</td>
<td>53.5%</td>
<td>40.1%</td>
<td>41.2%</td>
<td>40.2%</td>
<td>49.9%</td>
</tr>
<tr>
<td>no. of Films</td>
<td>63</td>
<td>108</td>
<td>112</td>
<td>160</td>
<td>119</td>
<td>140</td>
<td>150</td>
<td>175</td>
<td>183</td>
<td>217</td>
</tr>
<tr>
<td>no. of Screens nationwide</td>
<td>1,948</td>
<td>1,860</td>
<td>1,975</td>
<td>2,004</td>
<td>2,055</td>
<td>2,003</td>
<td>1,974</td>
<td>2,081</td>
<td>2,184</td>
<td>2,281</td>
</tr>
<tr>
<td>admissions per capita</td>
<td>2.68</td>
<td>3.13</td>
<td>3.22</td>
<td>3.04</td>
<td>3.15</td>
<td>3.22</td>
<td>3.15</td>
<td>3.83</td>
<td>4.17</td>
<td>4.16</td>
</tr>
<tr>
<td>Return of investment on Korean Films</td>
<td>7.9%</td>
<td>-24.5%</td>
<td>-49.5%</td>
<td>-43.5%</td>
<td>-19.1%</td>
<td>-11.0%</td>
<td>-14.7%</td>
<td>13.5%</td>
<td>14.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Film Industry Revenues (100 mil)</td>
<td>8,981</td>
<td>8,557</td>
<td>9,819</td>
<td>9,284</td>
<td>10,541</td>
<td>11,604</td>
<td>12,356</td>
<td>14,551</td>
<td>15,514</td>
<td>16,641</td>
</tr>
<tr>
<td>Ticket Sales</td>
<td>5,433</td>
<td>3,919</td>
<td>2,790</td>
<td>2,229</td>
<td>2,912</td>
<td>1,109</td>
<td>1,294</td>
<td>2,185</td>
<td>2,376</td>
<td>2,973</td>
</tr>
<tr>
<td>% change</td>
<td>30.2%</td>
<td>26.9%</td>
<td>20.1%</td>
<td>15.8%</td>
<td>29.7%</td>
<td>20.3%</td>
<td>18.6%</td>
<td>34.2%</td>
<td>30.0%</td>
<td>32.4%</td>
</tr>
<tr>
<td>Overseas exports (100 mil KRW)</td>
<td>832</td>
<td>288</td>
<td>267</td>
<td>230</td>
<td>155</td>
<td>462</td>
<td>382</td>
<td>414</td>
<td>684</td>
<td>664</td>
</tr>
<tr>
<td>(10 KRW USD)*</td>
<td>7,969</td>
<td>2,451</td>
<td>2,440</td>
<td>2,104</td>
<td>1,612</td>
<td>4,222</td>
<td>3,497</td>
<td>3,762</td>
<td>5,948</td>
<td>6,308</td>
</tr>
<tr>
<td>Total</td>
<td>15,246</td>
<td>13,425</td>
<td>12,835</td>
<td>12,248</td>
<td>11,954</td>
<td>13,256</td>
<td>14,148</td>
<td>17,223</td>
<td>18,543</td>
<td>20,236</td>
</tr>
</tbody>
</table>

*Conversion rate of KRW for overseas export is set at USD 1 = KRW 1,053.2 (Average Market Rate of 2014)


Despite this exceptional performance, there is growing concern from Korean film practitioners about the future of the South Korean film industry. J.-H. Lee (2015) argues that even if the progress made by the film industry appears impressive, the base which has underpinned the current film renaissance is weakening. For instance, South Korean film has not received any acclaim in international film festivals since *Pieta* (2012), directed by Ki-Duck Kim, which won the Golden Lion award in the 69th Venice Film Festival in 2012. Moreover, a vertical
integration system in distribution by South Korean conglomerates, such as CJ E&M and Lotte Entertainment, has brought an unbalanced and asymmetrical structure into the local market encouraging more blockbuster films.

Since 2008, approximately 10 percent (blockbuster films) of South Korean made films have been viewed by between 60 and 70 percent of the South Korean cinema audience (Choi, 2011, p. 41). The diversity of South Korean film has narrowed, and films designed to be a big hit have multiplied. Thus, it is difficult to claim that South Korean cinema has remained diverse or varied despite the increase in the numbers of films made.

**Policies for international film co-productions**

There is a need to examine what policies the South Korean government began and developed for film co-productions in the same period (from 1998 to 2014). In comparison to support for South Korean cinema, it was not until 2004 that the KOFIC commenced policies for international film co-productions. Nonetheless, many film collaborations at informal level have been carried out in various modes without any support or help. As the Producers Guild of Korea (2008) and Y.-D. Kim (2008) state, until the beginning of the 2000s, many collaborative projects focused on location shooting or employment of well-known South Korean actors/actresses in China or Japan due to the popularity of The Korean Wave there.

However, as an evolving mode of film co-productions, several films, including *The Legend of Evil Lake* (2003) and *Three Extremes, Three, Monster* (2004), a cross-cultural trilogy of horror films from Hong Kong, Japan and South Korea, utilised the employment of overseas creative personnel and gained additional funding. The Producers Guild of Korea (2008) claims that "even if these films failed in terms of box office revenue, however, they provided invaluable experiences for South Korean filmmakers in producing a range of film co-productions" (2008, p. 68).

Policies to invigorate international film co-productions began with the discussion for a film agreement between France and South Korea (Kim, H.-W., 2012). As
stated before, in 2002, the CNC of France contacted the KOFIC to discuss co-production prospects, which led to a *South Korean-France co-production conference* in 2003 to introduce bilateral promotion policies for the film industries to South Korean film practitioners and to examine the possible and potential effect of the film agreement (KOFIC, 2003). Even though the film agreement was signed in 2006, the series of events provided the opportunity for South Korean filmmakers and government to consider the necessity of film co-productions.

According to H.-W. Kim (2012, p. 40), in 2004, the KOFIC launched the supporting projects for production of international film co-productions and commenced to offer cash aid up to about US$200,000 to a feature theatrical film to be shot with a budget of about US$30 million. Then the project offered up to 50 percent of net production costs invested from localities. However, this project lasted for three years up to 2006, and it was incorporated into the supporting business for art-house films’ production in 2007, resulting in supporting only two films. Few projects applied for this scheme and few applicants met the terms it required. Consequently, the scheme changed into a system in which only co-produced films acknowledged as South Korean films could be eligible for the benefits.

Meanwhile, the KOFIC introduced the KOFIC Filmmakers Development Lab (FDL) and Business R&D Campus, which aimed to contribute to expanding the base and development of film co-productions in 2006 (Moon, 2006). That is, the aim of FDL was to discover projects planned by emerging overseas South Korean filmmakers and to enhance the quality of the projects by providing the five Lab Fellows with one-on-one mentoring during one intensive week and finally to send them to the Independent Filmmaker Project in New York and Pusan Promotion Plan in the Busan International Film Festival in South Korea, where they were to be presented to financiers and production companies (Park, 2007).

The mentors involved in FDL were experienced and knowledgeable, people such as “Warner Bros. executive Lauren Craniotes who helped develop projects such as *The Departed* (2006) […] and]; Brant Rose whose agency in Hollywood represents writers and directors” (HANCINMEA, 2008, para 6). Even though FDL
encompassed 15 projects and emerging filmmakers, and contributed to the formation of networks through face-to-face mentoring, it came to an end because most of the projects failed to come into being and were not conducive to expanding the local film industry, in that FDL focused on films solely in English produced by filmmakers who lived in the U.S. (Hwang, 2009a). This case demonstrates the failure of the KOFIC to produce films to make inroads into the U.S. market despite developing screenplays written by overseas South Korean filmmakers with help from experts in the American markets.

On the one hand, the Business R&D Campus, operated by the KOFIC, was a programme to offer education about the characteristics and culture of foreign markets for South Korean filmmakers, opening doors to the markets, and to create a network with key stakeholders from the film markets (Moon, 2006). The Business Campus was mainly held in US, Japan, China and France and supported South Korean filmmakers with a co-production plan. Since 2008, the KOFIC shifted the focus of the Campus programme from education for filmmakers to connecting investment with production for film co-productions since the number of film co-productions in the film industry had increased and it was required to prove the effectiveness of the programme (Kim, H.-W., 2012, p. 41).

In 2010, the existing Business Campus was transformed into the Ko-production (international co-productions with Korea), adding the process of mentoring and pitching. At this point, it is central to note that Ko-production is still continuing to this year (2016), but has delivered no successful films to date. In this regard, two projects made to support film co-productions seem to have failed to yield direct performance, although they have contributed to expansion and consolidation of foundations for the productions.

On the other hand, South Korea did not provide any incentive scheme, including tax incentives, to attract overseas projects until 2011 while many other countries such as New Zealand and Canada already offered such incentives (Kim, M.-H., 2009a, 2010). A programme which offers incentives for foreign audio-visual products to shoot films in South Korea was launched in 2011. Han (2011) emphasises that in order to support foreign projects looking for tax credit on their
expenditure, the KOFIC recently released the “Foreign Audio-Visual Works Production Grant, the program offers a 25% cash rebate for a foreign company producing film or drama series in the country, with a cap of US$2.8 million” (Han, 2011, para. 5.). She adds that the most important feature of this grant is that the programme is more or less for overseas production companies, not for co-production ventures with Korean companies. “Foreign capital’s participation in the production must exceed 80%, and eligible applicants must spend no less than $934,000 on production in South Korea” (Han, 2011, para. 7). The threshold of this grant is much lower than that of the LBSPG of New Zealand since this grant is not geared to attract offshore Hollywood film productions.

Some programmes aim to support the planning and development of film scripts for international film co-productions and to provide filmmakers with return flight tickets and a translation service to help overseas projects. The KOFIC also sought changes to actively support film co-productions, with the aim of creating an international film co-production department in 2011. The Ministry of Culture, Sports and Tourism announced in November 2011 that a Global Contents Fund with NZ$140 million was to be set up. This fund was to be employed to invest in overseas projects including films, dramas, performances and animation that local production companies participate in; namely, the fund is concentrating on collaboration with overseas partners (Kim, H-W., 2012, p. 42).

In 2012, the KOFIC launched six types of projects specialising in supporting film co-productions to diversify funding sources and to expand the film business overseas. One of them, the international film co-production incentive, provides any South Korean film production company that has signed a film co-production contract or is about to do so, with a 25 percent cash aid (up to US$470,000) of net production cost of the feature theatrical film (of more than 70 minutes) to be filmed or filming in South Korea, with a cap of US$1.9 million (KOFIC, 2013a). Foreign capital’s participation in the production has to be more than 20 percent, and more than US$934,000 of net cost of the production must be spent in the country.
The six projects were designed to provide support for plans and developments of screenplays for international co-productions, operating Chinese film business centres in China, holding a KOFIC industry Forum at BIFF, operating foreign offices, and promotion for location incentive programmes. In addition to international film co-production incentive, support for plans and developments of screenplays for international co-productions includes translation of scenarios for film co-productions, consulting experts in related areas about the scenarios and support for attendance for Ko-production events in Japan, the U.S. and France (see Figure 5.3).

The six types of projects have been carried out up to 2015, with some modifications in the content of the projects each year, corresponding to demands from filmmakers and to changes of the context surrounding the film industry. For instance, in 2015, the international film co-production incentive launched support for low-budget films which can be applicable to New Zealand-South Korean film co-productions, so the incentives are divided into two groups (KOFIC, 2015b).
One group concentrates on co-produced films, whose production costs and expenditure to be spent in South Korea are more than US$934,000. The other group focuses on co-produced films whose production costs and expenditure are less than US$934,000. In addition, eligible films should be screened as South Korean cinema, or if necessary, they should be recognised as South Korean films in case of co-produced films with other nations. The budget for the six types of projects changed from around US$3.7 million to US$2.5 million between 2012 and 2015, showing a downward tendency in general. A location incentive was increased with a cash grant, up to 30 percent from the previous 25 percent (KOFIC, 2013a).

5.1.3 Summary
Since 2010, there have been some significant changes in government policies for the film industries in both New Zealand and South Korea in the rapidly changing global context where China has become the second largest film market after the U.S. since 2012 (Hong, 2013). In New Zealand, there is an increasing tendency to rely on the U.S. runaway film productions. For instance, the government not only changed its labour laws which were perceived as preventing the production of The Hobbit trilogy from going to other competitive nations but also introduced the NZSPG in 2014 with a higher rebate rate than before to attract more Hollywood financed films. Given that the New Zealand film industry has struggled due to lack of funding, this propensity serves as a drawback for film co-productions in that substantial government funding has been provided for offshore film productions not for New Zealand-foreign co-productions.

Conversely, with the improvement of major indexes in the South Korean film industry since 2010, the KOFIC has resumed investing considerable effort into film co-productions since 2012 to resolve the saturation of its film market by expanding into overseas markets, specifically the Chinese market. Even though the KOFIC has continued to offer support for film co-production projects, mainly with China, the U.S., Japan and France by Ko-projects since 2004, the types and amount of support for the projects were not diverse and sufficient, and did not deliver good results. That the KOFIC still concentrates on four countries for South Korean-foreign co-production ventures can stand in the way of New Zealand-
South Korean co-productions. Therefore, government policies on the two film industries do not work favourably for the productions.

5.2 Impact of government policies on film co-productions of New Zealand and South Korea and between the two countries

This section will examine how the film policies of the New Zealand and South Korean governments have affected film co-productions between New Zealand and other nations, and between South Korea and other countries between 2005 and 2013. Considering that the two countries have quite different stances on both national cinema and film co-productions, this analysis will be significant and useful for considering the possibility for New Zealand-South Korean co-productions and to uncover feasible and desirable modes of the productions. It will also investigate how and in what ways New Zealand and South Korean film co-productions have influenced their film industries and films (national cinema), drawing on the transnational approach as set out in Chapter 3 and the concept of hybridity.

Hybridity provides filmmakers with the opportunity to create a new genre or type of cinema, which can be applied to international film co-production. Pieterse (1995) contends that hybridity is a useful theory when applied to the analysis of the new characteristics of film as a global cultural product. Also, Kraidy (2005, p. 5) argues that “since hybridity involves the fusion of two hitherto relatively distinct forms, styles, or identities, cross-cultural contact, which often occurs across national borders as well as across cultural boundaries, is a requisite for hybridity.” Jameson (2010) explains the concept of hybridisation: “hybridization is not some synthesis between races or traditions, not some middle or mediatory term in which traits from both sides of the border are selected and combined” (p. 316).

The period this study covers is determined by available information; the KOFIC has only provided detailed information on film co-productions between South Korea and other nations since 2005, on the Kobiz website. It is also important to
note that New Zealand data are on all official film co-productions, while the
database South Korea offers includes information about both official and non-
onofficial co-productions.

5.2.1 New Zealand

Film agreements with other nations

New Zealand was able to produce 73 local feature films during 2005-2013, of
which 12 were co-produced films (NZFC, 2015a), made under film agreements or
treaties with other nations. In 2002, the Screen Production Industry Taskforce,
which was commissioned by the New Zealand government to review the
economic value produced by the screen production industries, regarded co-
productions as “a major growth area and a significant means of supplementing
cultural funding” (Screen Production Industry Taskforce, 2003, p. 23). This
statement demonstrates that the government views film co-productions as one of
the means for gaining funding for its domestic films.

By 2014, New Zealand had signed film agreements or treaties with 14 nations;
however, as Table 5.8 shows, between 2005 and 2013 it had co-produced 12 films
with only four countries: the UK, Singapore, Germany, and France. It is crucial to
note that, as long as basic conditions are met, funding for film co-productions is
automatically provided with no cultural requirement in France and Canada which
have continued to conduct many film co-productions under film agreements or
treaties (see Chapter 6 for more information); however, in the New Zealand
context, funding is not automatic but selective (PN12, personal communication,
December 7, 2011).

As Table 5.8 shows, New Zealand has produced an average of 1.3 film co-
productions per year and its major partner has been the UK, with 9 out of 12 such
films being New Zealand-British co-productions. This suggests that New Zealand
has not actively co-produced films with other countries and signing film
agreements or treaties with many countries does not necessarily lead to a direct
impact on producing film co-production projects. In addition, New Zealand film
practitioners indicated that there was insufficient consultation between the
government and them regarding new film co-production agreements (Gregson, 2012). According to Min et al. (2003, p. 18), “State policy itself is not the primary and sole determining factor in the film industry.” Accordingly, there is a need to consider concentrating on a few countries which already have film agreements or treaties with New Zealand and are active in co-producing films, rather than increasing the number of new film agreements or treaties.

Table 5.8 Economic figures of New Zealand Official film co-productions (2005-2013)

<table>
<thead>
<tr>
<th>Title</th>
<th>Year (NZFC)</th>
<th>Co-production country</th>
<th>New Zealand Government (NZ$)</th>
<th>New Zealand Spend (NZ$)</th>
<th>NZ (% of total budget*)</th>
<th>NZ Story</th>
</tr>
</thead>
<tbody>
<tr>
<td>In My Father’s Den</td>
<td>2005</td>
<td>NZ/UK</td>
<td>3,024,412</td>
<td>4,957,995</td>
<td>43%</td>
<td>Yes</td>
</tr>
<tr>
<td>Perfect Creature</td>
<td>2005</td>
<td>NZ/UK</td>
<td>4,900,000</td>
<td>9,746,505</td>
<td>28%</td>
<td>No</td>
</tr>
<tr>
<td>River Queen</td>
<td>2005</td>
<td>NZ/UK</td>
<td>5,750,000</td>
<td>17,094,585</td>
<td>24%</td>
<td>Yes</td>
</tr>
<tr>
<td>The Ferryman</td>
<td>2007</td>
<td>NZ/UK</td>
<td>4,250,000</td>
<td>4,094,244</td>
<td>66%</td>
<td>No</td>
</tr>
<tr>
<td>The Tattooist</td>
<td>2008</td>
<td>NZ/SG/SG</td>
<td>3,995,000</td>
<td>5,366,981</td>
<td>72%</td>
<td>No</td>
</tr>
<tr>
<td>The Strength of Water</td>
<td>2008</td>
<td>NZ/GN/GN</td>
<td>4,973,214</td>
<td>4,685,556</td>
<td>83%</td>
<td>Yes</td>
</tr>
<tr>
<td>The Vintner’s Luck</td>
<td>2009</td>
<td>NZ/FR/FR</td>
<td>7,326,775</td>
<td>6,091,272</td>
<td>44%</td>
<td>No</td>
</tr>
<tr>
<td>Dean Spanley</td>
<td>2009</td>
<td>NZ/UK</td>
<td>3,000,000</td>
<td>3,056,801</td>
<td>29%</td>
<td>No</td>
</tr>
<tr>
<td>Tracker</td>
<td>2010</td>
<td>NZ/UK</td>
<td>4,031,575</td>
<td>5,492,728</td>
<td>39%</td>
<td>Yes</td>
</tr>
<tr>
<td>Ice</td>
<td>2011</td>
<td>NZ/UK</td>
<td></td>
<td>6,785,015</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Slow West (provisional)</td>
<td>2013</td>
<td>NZ/UK</td>
<td></td>
<td>7,944,756</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>The Dead Lands (provisional)</td>
<td>2013</td>
<td>NZ/UK</td>
<td></td>
<td>6,785,912</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>41,250,976</td>
<td>82,102,350</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Total spend/investment of New Zealand Government

**Film policies**

The impact of film co-productions on the New Zealand and the South Korean film industries, and New Zealand cinema and South Korean cinema reflect the advantages or disadvantages of film co-productions between New Zealand and other countries, and between South Korea and other countries, from the interviews. As stated before, the New Zealand government has emphasised the economic and cultural objectives in providing support for the screen production sector including...
film co-productions (Dunleavy & Joyce, 2011; Minister of Business Innovation & Employment & Minister for Culture and Heritage, 2013).

Also, the report on Film Co-production Agreements Review by Gregson, (2012, p. 10) identified that the average budgets and total revenue earned by film co-productions are larger than those of domestic productions which were the last 10 feature films produced in New Zealand between 2002 and 2010 (see section 6.2.2 for more information). Moreover, film co-productions attract higher amounts of foreign funding (over four times as much) than local films.

A comparison of the sum the New Zealand government has offered for the LBSPG and the funding for film co-productions reflects the results of the government policies on the film industry, although the comparative period was not exactly the same. The LBSPG (NZ$172.1 million) the government provided from June 2004 to June 2010 (Payne, personal communication, July 8, 2011) is much bigger (more than four times) than the expenditure (NZ$41.3 million) for film co-productions between 2005 and 2010 (Gregson, 2012). This suggests that the government has placed priority on attracting offshore productions financed by Hollywood studios through branding New Zealand as a studio for production of films around the world (Conor, 2004) rather than facilitating co-productions.

Those films shown at Table 5.8 gained government investment since they were acknowledged as New Zealand cinema containing significant New Zealand content. According to Section 18 (2A) New Zealand Act 1978, a New Zealand film has to include significant New Zealand content in it. In this regard, the New Zealand government regards New Zealand-foreign co-productions as example of National Cinema, put forward by S.-A. Kim (2010), as stated in section 3.5.1.

While the criteria for a significant New Zealand content include requirements ranging from the subject of the film to anything that is relevant (Newman, 2005), Gregson (2012) used two standards: New Zealand cultural content (shared stories) and New Zealand content (New Zealand producers, writers, directors, cast and crews). With reference to the criteria, according to Philp (2009), the decision that the NZFC made to finance Dean Spanley (2009) was criticised by New Zealand
writer and filmmaker, Peter Wells, in that the film was not a New Zealand story but an English storyline which was shot in the UK with many of the cast being English, so that the NZFC breached the obligation to place a priority on supporting New Zealand domestic films (as cited in Dunleavy & Joyce, 2011, p. 239). This case poses the need for consensus about what qualifies as New Zealand national cinema amongst filmmakers and the government, and also demonstrates that New Zealand-foreign film co-productions are regarded as New Zealand cinema. This reveals a significant difference in recognition towards film co-productions between New Zealand and South Korean filmmakers (see section 5.2.2 for more information).

Interestingly, as with other nations, official co-productions between New Zealand and other nations automatically meet the requirement of local content in accordance with article Section 18 (2A) below.

(2A) A film shall be deemed to have a significant New Zealand content if it is made pursuant to an agreement or arrangement entered into in respect of the film between—

(a) the Government of New Zealand or the Commission; and
(b) the Government of another country or relevant public authority authority of another country.

However, the NZFC tends to implicitly apply the criteria of including significant New Zealand content to New Zealand co-productions with other countries, as Table 5.8 shows. New Zealand participants in this study, who did not have much information about films co-produced by New Zealand, generally stated that film co-productions have not negatively influenced New Zealand identity because a number of them had New Zealand stories. In practice, as Table 5.8 demonstrates, nine out of 12 films co-produced have New Zealand stories (5), or narratives written by New Zealanders (4). Specifically, Perfect Creature, The Ferryman, The Tattooist and The Vintner’s Luck were all written by New Zealanders as well as being directed by New Zealand directors, even though they did not contain New Zealand narratives.
This indicates that the condition of containing significant New Zealand content seems to have had a substantial impact on New Zealand co-production projects in the sense that the films written and/or directed by New Zealand filmmakers can be said to have a local grounding, even if not set in New Zealand, because directors’ views and attitudes permeate films they produce. Comparably, South Korean director Jae-Young Kwak stresses that “if South Korean directors take part in a Japanese film, their thoughts and sentiments are included into the film. That means that his spirit is conveyed through it” (Choi, 2009, p. 30).

That only three films were made without significant New Zealand content, all of which were works by English writers, casts a shadow over the prospect for collaboration with South Korean filmmakers in that the two countries do not have much in the way of shared stories or shared histories and that New Zealand does not have the experience to develop a screenplay with partners from Asia. This situation could have contributed to the failure of *Soulmates* which was a project intended as a New Zealand-South Korean co-production, which only got as far as the screenplay development stage (PK19, personal communication, October 13, 2011). This trait shows that New Zealand film co-productions, which are official film co-productions, do not have the propensity to seek universal stories to gain international audiences through film co-productions (Baltruschat, 2002, 2003; Taylor, 1995). This is because the film developers are constrained by the requirement to have distinct New Zealand content to attract government funding.

One interesting thing identified by analysis of the data between 2005 and 2013 is that *Perfect Creature, The Ferryman* and *The Tattooist* were all in the horror genre. Considering that horror was a genre which was not favoured by New Zealand audiences in both 2013 and 2014 (Nielsen, 2015), it seems that New Zealand filmmakers regard film co-productions as an opportunity to attempt horror films, even though *What We do in the Shadows* (2014) was a hit, with horror mixed with comedy and fantasy. In addition, *Soulmates* was also supposed to be a horror film (Lee, N.-J, 2008), since the producer of the film thought that New Zealand film practitioners were good at producing a horror genre on a low budget (Huh, 2007).
Four films (River Queen, The Strength of Water, Tracker and The Dead Lands) based on New Zealand material centred on Maori stories, specifically set in the past (from late in the 1900s to the beginning of the 2000s). It is interesting to note that 74 percent of the population of New Zealand is occupied by Pākehā (European New Zealanders) (Statistics New Zealand, 2013); however, their experiences are only found in one film (In My Father’s Den) among twelve New Zealand-foreign official film co-productions. These results reflect that New Zealand is a bi-cultural (Pākehā and Māori) country that has a complicated national identity (Waller, 1996), although now it is increasingly multicultural. That all film co-production projects are selected by the NZFC indicates that the NZFC prefers indigenous motifs to other themes, even in case of film co-productions.

Lastly, of twelve co-produced films, New Zealander Richard Fletcher took part in five ventures as producer, co-producer, executive producer or business consultant; Matthew Metcalfe participated in three projects as producer or writer; Toa Fraser directed two films and wrote a screenplay; and Glenn Standring engaged in two films as producer, director or writer. Not a great range of New Zealand film professionals have participated in film co-productions, which is likely to be a drawback when South Korean filmmakers want to carry out New Zealand-South Korean film co-productions, in the sense that there are not many producers to work together with for South Korean filmmakers. It is worth noting that four out of five co-production projects Richard Fletcher was engaged in were New Zealand-British co-productions, that he studied in the UK and has a British spouse. His experience in England seems to have contributed to forming personal relationships and networks with locals and to mitigating cultural differences, which led to these projects. The importance of social relations, of individual willingness to collaborate with people from other cultures, is hinted at by these facts.

**Effects of New Zealand film co-productions on the film industry**

The diverse effects of New Zealand film co-productions on the film industry were identified from the interviews. Two New Zealand editors indicated that film co-
productions have offered learning opportunities (Hoskins et al., 1997a, 1998) to New Zealand practitioners when such opportunities for them have been otherwise insufficient. One director and one official mentioned the benefit of distribution of their films into the partners’ countries.

The provision of shooting locations for film co-productions means that there is a ripple effect on the local economy including generating employment and tourist appeal to potential audiences by exposure to locations for co-produced films (Kim, M.-H., 2010). From 2005 to 2011, 10 film co-production projects spent NZS67.4 million in New Zealand leading to providing New Zealand film practitioners with more jobs and to generating profits for related business (Gregson, 2012). Five New Zealand participants (one editor, one producer, two officials and one director) indicated that film co-production projects created employment including the chance to work overseas which could be a foothold for finding a job in America and Europe.

**Cultural hybridity and transnational cinema**

The phenomenon of hybridity, the mixing of elements, which is inevitable in the process of exchange of popular culture, inflects the discourse on cultural identity (Shin, H.-J., 2005). “It is assumed that film co-productions increase more hybridity than a film produced by resources in only one country since collaboration of personnel and material needed in the productions takes place across borders” (Kim, M.-H, 2010, p. 102). The research findings in this study have identified that New Zealand participants basically described films co-produced with foreign countries as *opportunistic transnationalism*, which is focused on economic motivations, of Hjort’s (2010a) nine categories although some of the films have other elements such as *affinitive, milieu-building* and *auteurist* transnationalisms. In contrast, among the South Korean participants there were relatively varied responses for motivations for South Korean-foreign co-productions that emerged, including *affinitive, auteurist, opportunistic, cosmopolitan and globalizing*. This difference can stem from the reality of lack of funding in New Zealand.
Seven New Zealand film co-productions during the period firstly belong to opportunistic transnationalism (Hjort, 2010a), which underpins the gaining finance from the partner’s country as being the most important motivation of the productions, as New Zealand participants suggested. Based on analysis of the data from the New Zealand interviewees, seven films (In My Father’s Den, Perfect Creature, River Queen, The Ferryman, The Tattooist, Strength of Water, and Tracker) fall into the opportunistic transnationalism category, because they were principally co-produced with economic foundations of pooling finance. Notably, the first four films were made with the U.K. so as to access the British tax based funding “that was available at the time which was not government funding but it had to be a British film to access it” (PN12, personal communication, December 7, 2011).

In two films (Strength of Water and Tracker), the German partner and the English partner joined in these films to attain funding from their governments and to provide film practitioners in each country with more work. As a result, the production team of Strength of Water had to do post-production in Germany (PN7, personal communication, July 21, 2011) and the team for Tracker had to go to the U.K. to use the specific facility stipulated by the English partner (PN16, personal communication, January 22, 2012). These two cases show that these productions had an interest in obtaining finance from their own countries, not from their counterparts (New Zealand), although gaining funding or subsidies from partners’ countries is the most essential motivation for film co-productions (Bultruschat, 2003; Morawetz, 2008; Morawetz et al., 2007; Smith, 2012).

These films mentioned above proved to have other characteristics of cinema transnationalism as proposed by Hjort (2010a). A New Zealand producer points out that The Ferryman is concerned with opportunistic transnationalism as well as three other typologies: epiphanic, affinitive and milieu building transnationalism, in the sense that “it [the film] was very much about the South Pacific and the South Pacific lifestyle so from that point of view, the story telling was very much heading into epiphanic transnationalism” (PN9, personal communication, November 23, 2011). In addition, it belonged to milieu building transnationalism since it sought to make a particular style of Hollywood thriller film with limited
resources in New Zealand and lastly it had British characters which were similar to New Zealanders in language and history that is a feature of affinitive transnationalism (PN9, personal communication, November 23, 2011). However, this film was not released in New Zealand and went directly to the DVD market (Gregson, 2012).

Tracker was also regarded as having the characteristics of affinitive transnationalism due to similarities of language and culture. Cultural proximity plays a key role in these films. Meanwhile, there is a historical connection related to the Land Wars of the eighteenth century in New Zealand, when Britain deployed its troops to New Zealand to fight with Maoris, in the decades after New Zealand became a colony of England in 1840 (Smith, 2011).

Kraidy (2005) argues that those co-productions between nations or regions or subjects of cultural industries are primarily used as a means to create profit and multiply hybridity in many cultures. In New Zealand, The Tattooist (2008), directed and written by New Zealanders, is a good exemplar showing a detrimental result of hybridity. The story is mainly related to the Samoan culture; that is, a tattooist, who stole a Samoan tattoo tool possessed by a devil from a trade showcase in Singapore, comes back to New Zealand. He meets a Samoan woman and comes to know the secret of the tool; the evil spirit imperils all customers including the woman to whom he has given a tattoo, and he attempts to save both her and himself.

When the writers of the film first completed the plot, it had nothing to do with Singapore, because it was not an official co-production. However, its producer decided to make it with Singapore, a country that has a film agreement with New Zealand, so then the scriptwriters had to put some elements of Singapore into the film, which did not improve its quality. An American lead actor was hired because of a request from the Singaporean producer (PN10, personal communication, December 5, 2011); Hoskins et al. (1996) identify the inevitable problems of film co-productions, such as these. Singaporean filmmakers seemed to attempt to take advantage of the popularity of the American lead actor in the global market. Film co-productions between New Zealand and other nations
between 2005 and 2013 are likely to be considered as cross-border films, as suggested by Wayne (2002).

5.2.2 South Korea

Film agreements with other nations

By 2014, South Korea had signed film agreements with four nations: France, New Zealand, EU and Australia (KOFIC, 2015a), but South Korean film professionals had co-produced films with diverse nations regardless of the film agreements during the period (between 2005 and 2013). Even though there have been various modes of film co-productions in South Korea (Kim, M.-H., 2009a; Woo, 2011), this study chose films which were financed by partners involved in film co-productions for comparing the data of New Zealand official film co-productions, all of which gained funding from its partners’ countries.

As Table 5.9 demonstrates, New Zealand carried out film co-productions with four nations, whereas South Korea did so with seven countries, mainly collaborating with Asian countries such as Japan, China, and the U.S. The reasons why South Korean filmmakers have attempted to work with Japan are that Japan has a big film market including its ancillary market (DVD) (Hwang, 2009a) and China has been targeted because of the potential of its huge film market (Lee, 2013a). One South Korean director describes this situation in this way:

PK5: While the population of Japan is over 100 million, that of South Korea is about 50 million. Therefore, when we [South Koreans] screen films at theatres with the same expenses, returns on investment in South Korea are less than those in Japan. As a result, South Korea wants to co-produce films with Japan or China.

<table>
<thead>
<tr>
<th>Participating country</th>
<th>Total</th>
<th>Participating country</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Zealand*</td>
<td></td>
<td>South Korea**</td>
<td></td>
</tr>
<tr>
<td>(12 projects)</td>
<td></td>
<td>(33 projects)</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>9</td>
<td>Japan</td>
<td>14</td>
</tr>
<tr>
<td>Singapore</td>
<td>1</td>
<td>China</td>
<td>10</td>
</tr>
<tr>
<td>Germany</td>
<td>1</td>
<td>US</td>
<td>6</td>
</tr>
</tbody>
</table>

Table 5.9 Participation by other nations from 2005 to 2013
As shown in Table 5.10, 16 out of 33 films co-produced with other nations contained South Korean stories, including two films which had half Korean/half Japanese narratives. Japanese narratives (6) and Chinese tales (5) followed, which implies that South Korean filmmakers as well as Japanese and Chinese film practitioners assumed that their audiences have shared cultural proximity, shaped by Confucian values and geographical proximity. When co-producing films, producers from the three countries tend to avoid complicated and controversial issues among the countries, instead by using novels (The Three Kingdoms) famous in the three countries as familiar source material. What these results demonstrate is that South Korea has worked with diverse foreign countries with those countries’ narratives in undertaking film co-productions.

The objective to expand into foreign markets by film co-productions set up by the KOFIC has not been achieved so far, since a few films including A Wedding Invitation (2013) were successful in partners’ markets, let alone in the South Korean film market. Additionally, Ko-productions with China, the U.S., France and Japan backed by the KOFIC have not yielded substantial box office performance to date. The South Korean government’s film policies focusing on economic motivations (industrial approach) also have an influence on this outcome. “Despite their positive contributions, the government’s policies are fundamentally limited, as they have narrowly focused on the economic aspect of film” (Joo, 2010, p. 164).

<table>
<thead>
<tr>
<th>Country</th>
<th>Count</th>
<th>Country</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>1</td>
<td>Hong Kong</td>
<td>4</td>
</tr>
<tr>
<td>France</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thailand</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12</strong></td>
<td><strong>40</strong>*</td>
<td></td>
</tr>
</tbody>
</table>


**Korean Film Biz Zone. (2015). Case Study.**

*** One project is counted twice if a film co-production venture involves more than two countries.
Table 5.10 South Korean film co-productions financed by other nations (2005-2013)

<table>
<thead>
<tr>
<th>Title</th>
<th>Year</th>
<th>South Korean Investment (%)</th>
<th>South Korean content</th>
<th>Title</th>
<th>Year</th>
<th>South Korean Investment (%)</th>
<th>South Korean content</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seven Swords***</td>
<td>2005</td>
<td>33.3</td>
<td></td>
<td>A New Brand life</td>
<td>2009</td>
<td>80</td>
<td>Yes</td>
</tr>
<tr>
<td>Loft</td>
<td>2005</td>
<td>40</td>
<td></td>
<td>Golden Slumber</td>
<td>2009</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sam's Lake**</td>
<td>2006</td>
<td>80</td>
<td></td>
<td>Dooman River</td>
<td>2009</td>
<td>37</td>
<td>Yes</td>
</tr>
<tr>
<td>One Missed Call Final</td>
<td>2006</td>
<td>20</td>
<td></td>
<td>Higanjima</td>
<td>2009</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Don't look back</td>
<td>2006</td>
<td>60</td>
<td>Yes</td>
<td>My Ex-wife's Wedding</td>
<td>2009</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Battle of Wits*</td>
<td>2006</td>
<td>25</td>
<td></td>
<td>Hearty Paws 2</td>
<td>2010</td>
<td>90</td>
<td>Yes</td>
</tr>
<tr>
<td>Ryu Ga Gotoku</td>
<td>2007</td>
<td>10</td>
<td></td>
<td>A Better Tomorrow</td>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Virgin Snow</td>
<td>2007</td>
<td>50</td>
<td>Korea / Japan</td>
<td>Ghost</td>
<td>2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Desert Dream</td>
<td>2007</td>
<td>91</td>
<td></td>
<td>The Warrior's Way</td>
<td>2010</td>
<td>27.6</td>
<td>Yes</td>
</tr>
<tr>
<td>August Rush</td>
<td>2007</td>
<td>4.3</td>
<td></td>
<td>The Yellow Sea</td>
<td>2010</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Three Kingdoms: Resurrection of The Dragon</td>
<td>2008</td>
<td>80</td>
<td></td>
<td>Hello Stranger</td>
<td>2010</td>
<td>70</td>
<td></td>
</tr>
<tr>
<td>Dream</td>
<td>2008</td>
<td>83.3</td>
<td>Yes</td>
<td>The Kick</td>
<td>2011</td>
<td>75</td>
<td>Yes</td>
</tr>
<tr>
<td>Thirst</td>
<td>2008</td>
<td>50</td>
<td>Yes</td>
<td>Running Man</td>
<td>2012</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Cyborg girl</td>
<td>2008</td>
<td>30</td>
<td>Korea / Japan</td>
<td>A Wedding Invitation</td>
<td>2013</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Boat</td>
<td>2009</td>
<td>50</td>
<td>Korea / Japan</td>
<td>Mr. Go</td>
<td>2013</td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Sophie's Revenge</td>
<td>2009</td>
<td>25</td>
<td>Yes</td>
<td>Genome Hazard</td>
<td>2013</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>A Good Rain Knows</td>
<td>2009</td>
<td>64</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Korea Film Biz Zone. (2015). Case study

There also exist differences in modes of conducting film co-productions between New Zealand and South Korea. The ways New Zealand has undertaken film co-productions have not changed much during the period on which this study focuses; however, South Korean filmmakers have brought substantial changes to production modes in co-producing films through a series of trial and error activities to gain partners’ or global markets and audiences. It seems that these
differences are caused by the attitude to relationships between co-production films and New Zealand/South Korean national cinema.

The New Zealand government views international film co-productions as one tool for producing a New Zealand film which privilege its content (notably stories), thus being National cinema as defined by S.-A. Kim (2010); however, the South Korean government does not regard film co-productions as a means of providing funding for creating a South Korean film as National cinema. Rather, the concept of South Korean cinema more readily falls into the grouping of transnational cinema centring on transnational connections in producing films as defined by S.-A. Kim (2010). According to Promotion of the Motion Picture and Video Products Act (2012), *West 32nd* (2007), which was directed and written by a Korean/American director and which shot in a Korean town in the U.S. in English language, with the production service of an American company, was recognised as a South Korean film by the KOFIC (Kim, J.-S., 2008).

In addition, those South Korean producers who have made global commercial films such as *Three Kingdoms: Resurrection of the Dragon* (2008) are not interested in producing official film co-productions or in gaining acknowledgement as local cinema while conducting film co-productions, since the subsidy the local country and the film co-production partners’ countries provide is not substantially conducive to gaining other funding for their films (Kim, Y.-D., 2008). Furthermore, those filmmakers do not claim status as South Korean films since foreign films take a higher rate than South Korean cinema when revenues from the box office are shared with theatres (Ministry of Strategy and Finance, 2006).

**Cultural hybridity modes and transnational cinema**

Ezra and Rowden (2006) claim that “This [the transnational] is not in itself a new phenomenon, what is new are the conditions of financing, production, distribution and reception of cinema today” (p. 1). Film co-productions in South Korea began to enter a vigorous stage in 2005 (Seo, 2011; Yeom, 2013a); however, the government has not contributed much to the invigoration of film co-productions
in South Korea. The KOFIC offered direct funding for only five co-produced films from 2004 to 2009 through the programmes for international film co-productions and the agency did not select any films to support in 2008 (Kim, M.-H., 2010). Of 33 co-produced films analysed in Table 5.10, *Boat* and *Don’t Look Back* received funding from the KOFIC.

In this light, the development of film co-productions in South Korea has been attributed to several individual producers who own their own companies such as Joo-Ick Lee, and a large company CJ E&M, even though the KOFIC has been conducive to building infrastructure for film co-productions. This fact demonstrates the significance of filmmakers as personal factors. Iwabuchi’s (2009) argument, that the phenomenon of cultural regionalisation in East Asia results from collaboration between major transnational media companies in countries in the region, is not applicable to South Korean cases.

Kim and Yang (2006) indicate that cultural hybridity emerging from film co-productions causes fear or wariness whereas it brings expansion of cultural identity by absorbing elements of other cultures into native cultural domains. The phenomenon of hybridity in narratives and personnel in co-produced films between South Korea and other nations has become varied in parallel with developments of film co-productions in quantity and quality. There have been a range of developments and variations in production modes for South Korean-foreign co-productions (see Chapter 6).

In this respect, as argued by S.-J. Lee (2011a) in Chapter 3, I will argue that it is essential for international film co-productions to be discussed as a strand of transnational cinema, in the sense that some of the South Korean-foreign co-productions are not classified and explained by the existing categories of transnational cinema or cinematic transnationalism suggested by Hjort (2010a). By examining diverse South Korean-foreign co-productions in the following section, I will also demonstrate the significance of filmmakers’ relationships and networks in producing film co-productions between South Korea and other nations.
In this sense, this researcher attempts to classify the South Korean film co-productions with other nations between 2005 and 2013 into two stages. The first stage is labelled as the experimental stage, in which various hybridities in stories and talent in film co-productions, including both official and unofficial, were tried between 2005 and 2012. The experimental stage includes diverse categories: inter-Asian financing based on cultural proximity; expanded co-financing; Hollywood’s investment to Asian films; purchase of the publication or remake rights; the Global One Pot System (this will be explained later); location shootings and local personnel’s involvement; and support for art-house films. The second stage is defined as the localisation strategy, which centres on only audiences of the partner’s bigger market since 2013. Localisation is regarded “as [the] counterpart of globalisation on the grounds that the former is ‘supposedly’ based on a local and the latter on a global audience or market” (Anastasiou & Schäler, 2010, p. 11). However, not all films (33) can be classified into these sub-categories. Instead, the researcher strived to show a variety of experimentation that was conducted by filmmakers, by focusing on typical films with distinct characteristics in order to argue the necessity of discussion on international film co-productions as a strand of transnational cinema. These films which belong to the two stages were not made to compete against the dominance of Hollywood
films in the region. This fact is against one of the two distinct features of cinematic transnationalism suggested by Hjort (2010a). Furthermore, Hollywood’s investment to Asian films, and purchase of the publication or remake rights categories display collaboration with the U.S. which cannot be explained by Hjort’s classification.

The inter-Asian financing category contains films which were co-produced in the mid-2000s between South Korea and mainly three major Asian nations (China, Hong Kong and Japan) such as Seven Swords (2005), Battle of Wits (2006) and Three Kingdoms: Resurrection of the Dragon (2008). These projects were primarily motivated by the desire to pool finance because of geographic and cultural proximity among their audiences (PK5, personal communication, August 31, 2011). In particular, using old Chinese tales, Three Kingdoms: Resurrection of the Dragon (2008) was made in an attempt to produce Asian blockbusters, which would have been difficult for South Korea to make alone because of the huge production cost (over NZ$11.4 million) (Hwang, 2009a). Among existing classifications, Seven Swords (2005) and Battle of Wits (2006) fall into the co-financing group as described by Yoon et al. (2007) and into the category of affinity transnationalisms (Hjort, 2010a).

Meanwhile, the Korean Wave boom, which created a great sensation in television programmes in Japan in 2004, began to influence South Korean films in 2005, leading to a rapid increase in the number of South Korean films screening in theatres in Japan (61 films) (Kato, 2008, p. 48). Even though the Korean Wave fever in Japan, which mainly depended on well-known South Korean actors, diminished in 2006 (Kato, 2008), film co-productions between Japan and South Korea have continued to be carried out.

Japanese and South Korean filmmakers have endeavoured to develop a new type of film co-productions, the “Global One Pot System” (Kim, Y.-D, 2009, p. 19), in which the two nations attempted to share everything, including stories, capital, personnel and profits, half and half as much as possible. The Global One Pot System category includes Virgin Snow (2007), Boat (2009) and Higanjima (2009) and has happened only in the case of Japanese-South Korean film co-productions.
Although it was a new experiment in film co-production projects, the films made by this mode failed at both the Japanese and the South Korean box offices. In particular, *Virgin Snow* (2007) and *Boat* (2009) were received by South Korean audiences as a Japanese film in South Korea and vice versa, and the effort to satisfy two different types of moviegoers in both countries resulted in boring and uninteresting narratives (see section 6.5.1. for more information). Nonetheless, this trial was significant in the sense that it sought not only to conduct genuine full co-productions but also to even divide gross profits evenly half and half, regardless of the domains in which the film was released. This mode fits into the group of full co-production as suggested by Yoon et al. (2007) but it in itself does not fall into any category of Hjort’s cinematic transnationalism. These two films demonstrate that to obtain audiences in both countries involved in film co-production ventures is not always possible and does not work as an advantage.

Reflecting the failure of *Boat* (2009), Kraze Pictures, a South Korean film production company, applied the one pot system and made another film (*Higanjima*, 2009) with Japanese companies, to gain access to the Japanese market (PK15, personal communication, October 4, 2011). *Higanjima*, based on a popular Japanese comic book, was shot in Japan by Japanese crews under a South Korean director, and aimed only at the Japanese audiences. In Japan, screenplays for films are created by adapting popular books or comic books (Lee, E.-K., 2008) rather than by using original screenplays, which is one of the differences between Japan and South Korea in making films. However, the film proved to be a flop. It is hard for *Higanjima* to be classified by any categorisations including of Hjort’s (2010a). Personal connections of Joon-Ho Lee, head of Kraze Pictures played a critical role in starting *Boat* and *Higanjima*. Through his Japanese friend, producer Lee first met the Japanese scriptwriter of *Boat* who introduced the Japanese production company, which was the starting point for the film. The start of *Higanjima* also resulted from a proposal by his friend who is a head of a Japanese film company (PK15, personal communication, October 4, 2011). These two cases demonstrate the importance of filmmakers’ personal relationships and networks.
On the one hand, two reworked films, *A Better Tomorrow* (2010) and *Ghost* (2010), belong to the category of the purchase of the publication or remake rights as another type of film co-productions in South Korea. China, Japan and South Korea produced *A Better Tomorrow* (2010), the original of which was very successful when it was released in 1988 in East Asia. The remake of *A Better Tomorrow* was relatively well received by South Korean audiences with over 1.5 million admissions (Kobiz, 2015), compared to film co-productions between South Korea and other nations. Its original version will be released in February 2016 in South Korea to commemorate 30 years since its first screening here (Lee, 2016). *Ghost* (2010) was a remake of *Ghost* (1990), a Hollywood blockbuster film, but it did not attract many viewers to theatres in South Korea (Kobiz, 2015). These two films do not belong to any type of categories of transnational cinema, including Hjort’s cinematic transnationalism.

On the other hand, *August Rush* (2007) fits the expanded co-financing category, in that a South Korean company (CJ Entertainment) put the money into this film as well as being involved in a range of the filmmaking processes. In an attempt to penetrate the U.S. film market, the company engaged in the movie, suggested by Richard Lewis, who is an American producer and writer and known for *Robin Hood: Prince of Thieves*. It was involved from the screenplay development through to distribution in conjunction with its investment. Joining with a marketing and distribution team from Warner Bros. after its screening at the American Film Market, this film was shown on 2310 screens in the U.S. and resulted in over 2.2 million admissions in South Korea (Kobiz, 2015). It seems that it is a new co-production mode, in that CJ Entertainment co-produced it with an American producer because of the producer’s proposal and then Warner Bros. was involved for its marketing and distribution.

By contrast, *The Yellow Sea* (2010) is a good example of Hollywood’s investment into Asian films category. This film, directed and written by South Korean director Hong-Jin Na, who directed and wrote *The Chaser* (2008) which was watched by over five million people, was co-financed by Fox International Productions, a division of 20th Century Fox, which “produces and distributes local language films around the globe” (Lee, 2013b) and which has interest in discovering
potential Asian films (Kobiz, 2015). Fox International Productions also invested in *Running Man* (2012), which was directed and written by a South Korean (Lee, 2013a). Neither film was successful in South Korea. This film fits into the co-financing category of Yoon et al. (2007).

*Hello Stranger* (2010) falls into the *location shootings and local personnel’s involvement* category in the sense that it would not have been made if it had not received comprehensive support including investment from Korea Thailand Communication Center (KTCC) in South Korea. The Thai director of the film, who wrote a screenplay set in South Korea to take advantage of the Korean Wave in Thailand, came to South Korea and filmed it with his key cast and crew members due to assistance from KTCC and did post-production in Thailand. The film set up the highest box-office record in 2010 in Thailand (Kobiz, 2015), and this movie was hailed as a new and beneficial model for film co-productions.

The second stage of the *localization strategy* begins with recent strategies which were used by South Korean film companies to target the Chinese film market and which have been changing towards localisation, which centres on only the partner’s market, Chinese audiences, and closely collaborating with Chinese partners. This is a novel way of creating international film co-productions, which cannot be explained by any types of transnational cinema and Hjort’s cinematic transnationalisms (2010a). There has been no Chinese-South Korean film co-production which was successful in South Korea and also not many collaborative projects between the two nations made a hit in the Chinese market (Park, 2014/2015).

*A Wedding Invitation* (2013) and *Mr. Go* (2013), designed to appeal to Chinese audiences, delivered good performances at the Chinese box office (see more information Chapter 6). This outcome indicates that South Korean producers prefer to be geared to Chinese audiences rather than to try to grab both Chinese and South Korean viewers because the two audiences are different and it is difficult to meet the expectations of both. This phenomenon shows a change of one existing motivation for film co-productions: a movement from gaining access
to both the partner’s markets as well as the local market (Hoskins et al., 1997a, 1998) towards only taking a bigger partner’s market.

It is important to note that only three films, *A Brand New Life* (2009), *The Kick* (2011) and *Hello Stranger* (2010) were co-produced because of a natural fit, such as sharing stories with South Korea. The three films are classified into a type of multicultural co-production (Pardo, 2007). In South Korea, film co-productions have been undertaken to mainly gain access to overseas markets for obtaining profits and funding from partners’ countries for economic objectives.

In addition, when film co-productions are grouped into art films and commercial films, support for art films has been limited. Between 2005 and 2013, only two films (*Desert Dream* (2007) and *Dooman River* (2009) directed by a Chinese/Korean director) respectively received around NZ$454,000 in funding for art-house films from the KOFIC (Kobiz, 2015). *A Brand New Life* (2009), the first official film co-production between France and South Korea, did not receive any funding from the KOFIC even though its producer applied for Ko-production projects between France and South Korea (PK21, personal communication, October 27, 2011). This case indicates that direct funding for film co-production projects from the South Korean government was not automatic, like the New Zealand funding system.

**Effects of South Korean film co-productions on the film industry**

Several positive impacts of South Korean-foreign film co-productions, such as the development of diverse production systems in undertaking co-production projects and technology, were revealed from an analysis of the interview data. Two film producers and one director, who had experienced the Global One Pot System, indicated that it set a significant precedent for future co-production projects in terms of the enhancement of profit structures. One official stated that filmmakers who are involved in film co-productions came to use an accounting system which had not been employed before. One film crew member stressed that South Korean film professionals came to realise that using local production teams could be an effective and efficient option rather than taking their teams overseas. One director
pointed to diversification and invigoration of an investment system. With regard to the improvement of technology, one producer indicated that skills and know-how learned through film co-productions and shared by film practitioners have contributed to expansion of the boundary of creativity.

From the viewpoint of Yoon et al. (2007), who argue that the advantages of film co-productions are invigoration of cultural exchange between nations, cultural exchange through watching co-produced films has not been significant in South Korea since most co-produced films are not successful in South Korea (Seo, 2011; Park, 2014/2015). However, given that cultural exchange is able to be identified in filmmaking practices and personnel since they can be cultural materials (O’Regan, 1999), cultural exchange between filmmakers from countries participating in film co-productions should not be underestimated (see Chapter 6).

With reference to another cultural advantage, which is to enhance the quality of visual products to the level of regional and world products, put forward by Yoon et al. (2007), the Chinese-South Korean co-production, Mr. Go (2013), brought an advancement of 3-D technology by “filming all scenes of the film with 3-D version and producing 90% of total scenes with virtual effects” (Kim, M.-Y., 2016). Mr. Go is a story about a young Chinese girl working at a circus and her friend, a gorilla named Ling Ling, which is changed into Mr. Go later in the story. Mr. Go, which is created by digital technology, goes on to play in the South Korean professional baseball league to pay off the girl’s debt.

Nonetheless, nine South Korean participants indicated that South Korean film co-productions rarely had an influence on the content of domestic films, let alone national identity, because few co-produced films between South Korea and other nations had been successful in the local marketplace to date, even though they contributed to diversification of narratives of co-produced films. That is, “it seems that there was no co-produced film which had a considerable effect on motifs, expressions or material” (PK6, personal communication, September 9, 2011).

However, one director indicated that connecting national identity with film co-productions was not appropriate in the sense that having fun is the most essential
element for film, along with newness and good quality. One producer and two officials mention that national identity needs to be mitigated or discarded for penetrating foreign markets with universal stories. Furthermore, two directors and two producers (all South Korean participants) emphasise cultural exchanges between countries participating in film co-productions so as to produce successful co-production projects in the sense that it is essential for filmmakers from the countries to build good relationships, continuously interchange their ideas and discuss what project can be a hit in both nations by overcoming cultural differences (PK5, personal communication, August 31, 2011).

It is worthwhile noting that among South Korean moviegoers who watched South Korean-foreign co-productions which were produced between 2005 and 2010, only 32.5 percent recognised that they were co-produced films, according to a survey conducted in 2011 (Woo, 2011), demonstrating that South Korean moviegoers were unlikely to be interested in whether or not films were co-produced with other nations.

5.2.3 Summary

It can be said that government policies on film co-productions in both New Zealand and South Korea have not contributed much to their realisation. The support the New Zealand administration has provided for them is limited, in that it places more weight on offshore Hollywood financed productions than New Zealand-foreign co-productions and also regards film co-productions as an opportunity to produce local films, resulting in the co-productions have contributed to producing New Zealand domiciled films. In the case of South Korea, the various programmes for film co-productions the KOFIC has operated since 2004 have not delivered fruitful outputs.

However, some South Korean policies seem to have been helpful in building infrastructure, even though they have not offered direct contribution to film co-production projects. The South Korean government’s shift in attitudes towards film co-productions to active and positive orientations is likely to lead to profitable outputs with continuous effort of film professionals. Nevertheless, it is hard to expect greater assistance from the two nations for film co-productions
between New Zealand and South Korea because the aims the two governments attempt to achieve through film co-productions are significantly different. Therefore, it is important for the two governments to put significant effort into invigoration of bilateral cultural exchange in an attempt to encourage New Zealand and South Korean filmmakers to create film co-productions between the two nations.
Chapter 6 Major influences for New Zealand and South Korea co-productions
Part 1: Political, economic and personal factors

6.1 Introduction

This chapter explores and discusses the five significant influential factors for producing film co-productions between New Zealand and South Korea. These characteristics emerged from the analysis of the interview data gathered, based on interview questions. The key factors explored in this chapter include five themes: 1) political factors (government agencies and film agreements); 2) economic factors (financial and market factors); 3) personal factors (expertise and interactive factors between film practitioners); 4) cultural factors (cultural proximity, discount and differences); and 5) industrial factors (production systems). To this point, the present study has shed light on three factors: political, personal and industrial. In previous film co-production studies, economic and cultural factors have been privileged (Hoskins et al., 1997a, 1997b, 1998, 1999; Pardo, 2007; Yoon et al., 2007) whereas political, personal and industrial factors have been either neglected, or not addressed as important elements. These five factors will be addressed within New Zealand and South Korean contexts, with the theoretical framework derived from the literature review, and insights from the interviews. The emphasis is on exploring the most feasible and desirable way for film co-productions between the two nations, if these become more likely.

Substantial changes in the global film market have been witnessed since 2010 when the present study began. One of these changes is that China has emerged as one of the crucial players in the global film domain. Perkowski (2014) argues that:

China, now number two after the U.S., generated box revenues of approximately $2.7 billion in 2012, a 30.2 percent increase over 2011. After years of when going to the movies meant sitting in a drafty hall watching a film chosen by a local government committee, the Chinese have embraced the idea of taking in a movie as a desirable leisure activity. With an average of nine new screens opening every day, China’s film-exhibition business is growing at a rate that is unparalleled. Since 2002, when there were fewer than 1,300 theaters in China, the industry has grown tenfold. Even with 13,000 theaters, one for every 220,000 people, China’s film industry remains relatively unsaturated. In the United States, there is one screen for every
Therefore, China has not only come to be a nation which a great many filmmakers around the world want to work with, but also is likely to be a critical influence on film projects between New Zealand and South Korea in that film practitioners in both nations attempt to carry out various collaborative ventures with China. For example, if Chinese-South Korean film co-productions are actively invigorated, opportunities for film co-production ventures between New Zealand and South Korea are likely to reduce. In this regard, the relationships that the two countries have had and developed with China will be presented in this chapter as well.

### 6.2 Political factors (government policies)

In this section, it will be discussed from the political economy approach whether the two governments’ film policies have been a primary factor in producing New Zealand-South Korean film co-productions. To achieve this end, two critical elements in their policies will be examined. One element is the two key film organisations in the two countries—the NZFC and the KOFIC—and the other is the film agreement between New Zealand and South Korea signed in 2008.

#### 6.2.1 The NZFC and The KOFIC

Government agencies, from a political economy approach, are deemed to play a substantial role (Newman, 2005; Ryoo 2008; Yeatman, 1998) on film projects between countries. From the interviews the NZFC and the KOFIC emerged as having both positive and negative influences. These two institutions are key state-sponsored agencies which support their local feature films and administer the tax credit or grant schemes for their respective governments.

Even though, since the late 1990s, the two governments began to construe films as one of the growth industries for the future, there seems to be some dissimilarity between them in their perspectives on film. The New Zealand government and the NZFC have framed film “as a commodity with instrumental benefits for the economy and identity of the nation” contributing to creating tension between two groups who regard one benefit as more important than the other (Blomkamp, 2012,
In addition, in their policies, the NZFC has sought to meet cultural and economic objectives of film and has placed itself in a difficult situation in dealing with conflicts between the government and film professionals (Joyce, 2003). In contrast, the South Korean democratic government supports the film industry to sustain a new economic driving force rather than to secure cultural identity (Jin, 2006). The KOFIC places a priority on expansion of the market size of South Korean films overseas. This difference is likely to reflect on what they have to do and what they do.

**Comparison of the NZFC and the KOFIC**

As seen in Table 6.1 below, there exist several significant differences in the objectives and roles of the two agencies. On its website, the NZFC defines itself as a state-funded entity working to develop the film industry and delineates what it does, emphasising New Zealand content:

> The work we do touches on just about everything to do with film. We invest in feature films, short films, script and career development and marketing and promoting New Zealand films and filmmakers both here and overseas. We are committed to telling New Zealand stories through the medium of film. (NZFC, n.d., para. 2)

On its website, the KOFIC displays that its aim is to support and promote South Korean films via diverse tools (KOFIC, n.d.). One of the significant differences is that “the NZFC’s operations cover the gamut of the industry,” (Newman, 2005, p. 16) whereas the KOFIC in South Korea, does not touch on just about everything to do with film.
### Table 6.1 Comparative roles of the NZFC and KOFIC

<table>
<thead>
<tr>
<th>New Zealand Film Commission</th>
<th>Korean Film Council</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mandate for local films</strong></td>
<td><strong>Support through the Korean Scenario Database (scenario.market.or.kr)</strong></td>
</tr>
<tr>
<td><strong>Feature films</strong></td>
<td><strong>Scriptwriters Fund</strong></td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td><strong>Production companies fund</strong></td>
</tr>
<tr>
<td>• Early development</td>
<td></td>
</tr>
<tr>
<td>• Advanced development</td>
<td></td>
</tr>
<tr>
<td>• Documentary development</td>
<td></td>
</tr>
<tr>
<td><strong>Production</strong></td>
<td>Funding for the production of only independent films – short films, features, documentaries.</td>
</tr>
<tr>
<td>• NZFC Production Financing</td>
<td>For production companies, support program for the planning &amp; development of Korean films</td>
</tr>
<tr>
<td>• Documentary Connect</td>
<td></td>
</tr>
<tr>
<td>• New Zealand Screen Production Fund</td>
<td></td>
</tr>
<tr>
<td>• (NZ productions)</td>
<td></td>
</tr>
<tr>
<td><strong>Post Production Funding</strong></td>
<td></td>
</tr>
<tr>
<td>• Feature film finishing grant</td>
<td></td>
</tr>
<tr>
<td>• Post, digital &amp; visual effects grant</td>
<td></td>
</tr>
<tr>
<td><strong>Short films</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Development &amp; production</strong></td>
<td></td>
</tr>
<tr>
<td>• Fresh shorts</td>
<td></td>
</tr>
<tr>
<td>• Premiere shorts</td>
<td></td>
</tr>
<tr>
<td>• Post production fund</td>
<td></td>
</tr>
<tr>
<td><strong>Indigenous &amp; minority group support</strong></td>
<td></td>
</tr>
<tr>
<td>• He Ara*</td>
<td></td>
</tr>
<tr>
<td><strong>Business development</strong></td>
<td></td>
</tr>
<tr>
<td>Development of the screen businesses</td>
<td></td>
</tr>
<tr>
<td><strong>Distribution &amp; exhibition</strong></td>
<td></td>
</tr>
<tr>
<td>Print &amp; advertising grant</td>
<td></td>
</tr>
<tr>
<td><strong>Professional development / Promotion, marketing &amp; sales support</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Career development</strong></td>
<td>Operating of Korean Academy of Film Arts (KAFA): film school which centres its teachings on production.</td>
</tr>
<tr>
<td>• Professional Development Awards</td>
<td></td>
</tr>
<tr>
<td>• Short Film Travel Assistance</td>
<td></td>
</tr>
<tr>
<td><strong>Workshop &amp; scheme</strong></td>
<td>Funding for the flight &amp;/or accommodation</td>
</tr>
<tr>
<td>• Professional Development Services Programme</td>
<td>fees for filmmakers &amp;/or cast attending major film festivals or film markets.</td>
</tr>
<tr>
<td>• Trainee Director Internship Scheme</td>
<td>Fund for invited films’ subtitling or making DCPs.</td>
</tr>
<tr>
<td>• Trainee Producer Internship Scheme</td>
<td>Organising networking events like <em>Korean Film Nights</em> to provide a space for networking</td>
</tr>
<tr>
<td>• International Opportunities</td>
<td>offering legal consulting for signing with international companies</td>
</tr>
</tbody>
</table>

*Source: New Zealand Film Commission (2014), Korean Film Council (2014)*

*He Ara: New Zealand writers, producers and directors of Māori and/or Pasifika heritage to express authentic Māori and Pasifika film perspectives.

**Korean Open Movie Exchange/Eco-System (KOME) provides a safe marketplace where film contents providers and service providers can come together to register films and make legal downloading services easy.*
Table 6.2 Comparative roles of the NZFC and KOFIC in international film co-productions

<table>
<thead>
<tr>
<th>Mandate for international film co-production</th>
<th>New Zealand Film Commission</th>
<th>Korean Film Council</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Co-productions</td>
<td>Competent authorities</td>
<td>Competent authorities</td>
</tr>
<tr>
<td>Co-productions (film agreements)</td>
<td>New Zealand Film Certification Production Funding</td>
<td>Korean Film Certification</td>
</tr>
<tr>
<td>Certifying local films Fund/Incentives</td>
<td>• New Zealand Screen Production Fund (International productions)</td>
<td>• Production cost rebates</td>
</tr>
<tr>
<td>Post Production Funding</td>
<td>• Post, Digital &amp; Visual Effects Grant</td>
<td>• Location incentives</td>
</tr>
<tr>
<td></td>
<td>• China Co-Production Development Fund</td>
<td>• Support for planning &amp; developing co-productions (year-round programs, the business centre)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Operation of film business centre for customised content with the China market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Support for planning &amp; developing co-productions (year-round programs, the business centre)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Operation of the Korean Film Biz Zone (KOBIZ)</td>
</tr>
<tr>
<td>Websites</td>
<td></td>
<td>• Two offices in China &amp; USA</td>
</tr>
<tr>
<td>Networking</td>
<td></td>
<td>• two representatives in Japan and France</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• -Ko-production Forums held in China, USA &amp; Japan</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• KOFIC Industry Forum during Busan International Film Festival</td>
</tr>
</tbody>
</table>

Source: New Zealand Film Commission (2014), Korean Film Council (2014)

In line with this, another big difference between the two organisations is in the production fund administration in the filmmaking process. The NZFC, as a primary funding agency in New Zealand, directly provides funds to filmmakers but the KOFIC, in general, puts seed money into the Korean Film Investment Union or the Fund of Funds which invest in South Korean films (Kim, H-W., 2012). That is, the NZFC has focused on producing New Zealand feature film and Petrie (2007) emphasises the significant role of the NZFC in this way:
… a distinct and identifiable New Zealand cinema is a relatively recent phenomenon. The creation of the New Zealand Film Commission (NZFC) in 1978 provided the means by which a small but sustainable level of film production, of around 4-6 features a year, could be guaranteed. (p. 161)

With regard to these features of the NZFC mentioned above, Jackson and Court (2010, p. 13) also argued that “Film and bureaucracy don’t go together.” Several South Korean and New Zealand participants shared some difficulties when working with the agency. One respondent stated that “One of the things is that I agreed to help [a Korean director] because I knew that dealing with the NZ Film Commission would be very difficult, not just for a Korean person but NZ people” (PN8, personal communication, July 27, 2011). A couple of South Korean film producers and a South Korean director were not satisfied with the experiences with the NZFC, either. One South Korean producer who worked with it recalled her experience:

PK19: [The NZFC] asked me to include a contract of investing companies for film from Korea. The Commission requested me to bring a proposal for a film with MOU [Memorandum of Understanding], or LOI [Letter of Intent]. Please think about that. I think that it is wrong to have such an attitude that we prepare everything including a list of a director, producer, cast, and funding sources guaranteed before applying to NZFC funding.

Indeed, in an application for provisional certificate, co-production or certification requests applicants to provide these items (see NZFC, 2016a). The South Korean producer was especially upset because the NZFC did not understand the process of how Korean filmmakers get finance from a variety of investors in South Korea. In New Zealand, the NZFC is almost the only funding source; however, that is not the case in Korea. The producer emphasised the difficulty of attaching the document with all potential funders.

PK19: Even if we have CJ E&M [one of the leading entertainment companies in Korea] as a financier, we need still many funding sources including even a small venture company. So, it is very hard to persuade these

---

1 CJ Entertainment is the biggest player in the realm of film production and funding in South Korea and is involved in film co-productions with Asian countries.
companies, decide their investments for a film and submit a proposal with their lists to the NZFC.

Another South Korean producer expressed some dissatisfaction with both the NZFC and the KOFIC as to film co-productions between the two countries in that he anticipated that under the film agreement, the two agencies should have created a fund like the Chinese development fund or an exchange program in which filmmakers in both nations could travel to the partner’s country and build their relationships.

Another difference in the two organisations is that the NZFC places heavy emphasis on funding, distributing, and making local films with a significant New Zealand content in accordance with Section 18 of the New Zealand Film Commission Act 1978. To have the significant content, “Wide-ranging criteria are used, including the subject and location of the film, the nationalities of the key personnel, ownership of copyright, sources of finance and a catch-all phrase stating ‘any other matters that … are relevant’” (Newman, 2005, p. 16). In this regard, the NZFC places more emphasis on ensuring cultural specificity than the KOFIC does.

This characteristic of the NZFC is viewed as one of the disadvantages or difficulties for New Zealand-South Korean film co-productions by some New Zealand and South Korean producers and one South Korean official in the sense that it is difficult to produce a film with both New Zealand and Korean stories because of a lack of shared stories. They realise that the NZFC would prefer to finance films with strong New Zealand stories rather than Korean content as discussed in Chapter 5. For example, one South Korean producer comments that when those who work at the NZFC decide which film is going to be made, they consider the New Zealand content the film has rather than commercial value it contains. In effect, based on analysis of the NZFC’s thirty years of activity, King (2010) argues that the requirement of the New Zealand Film Commission Act encourages the NZFC to invest money for and to promote New Zealand local films but they do not stimulate economic performance. One New Zealand
producer indicates that the NZFC is not going to fund a New Zealand-South Korean co-production project with South Korean subjects.

**Attitudes to international film co-productions**

From the New Zealand and South Korean governments’ point of view, New Zealand and South Korea have a positive attitude to international film co-productions. However, it is important to note that the current New Zealand government is more interested in signing film co-production agreements or treaties with many countries whereas the South Korean government concentrates its efforts on creating projects within four particular countries: China, the U.S., Japan, and France (KOFIC, 2014a).

In New Zealand, film co-productions are considered to be one of the means for gaining funding for producing New Zealand domiciled feature films which struggle to gain finance (Screen Production Industry Taskforce, 2003) as mentioned earlier. Gregson (2012), who works at the Media Sector Team at the Ministry for Culture and Heritage, argues that New Zealand has to continue to sign film co-production agreements or treaties. In her report, *Film Co-production Agreements Review* released in 2012, she elucidates the reasons for this:

> The screen sector benefits from access to larger markets (for film and television distribution) and the ability to leverage foreign investment.

> In comparison with domestic feature films, official film co-productions have larger budgets (almost double those of domestic feature films), earn greater revenues (almost four times as much) and attract larger amounts of offshore funding (over four times as much). New Zealand does comparatively well with 54 percent of budget spend occurring in New Zealand. (Gregson, 2012, p. 3)

The KOFIC places its first priority on international film co-productions to resolve problems, such as the saturated market the film industry faced, as well as to grow and develop the film industry by encouraging them. The KOFIC (2014) emphasises that it set up offices in China and USA and local representatives in Japan and France in order to see more co-productions in the future. Pill-Jung Kim,
manager of the Korean Film Council’s Beijing office in China, explains the roles of the Beijing office in China in this way:

In April 2012, KOFIC Beijing office established the Korean Film Business Centre to provide services for Korean production companies and filmmakers who have Chinese-Korean co-prod projects. They can apply for offices in the KFBC with their projects. Each season, we invite industrial experts to evaluate and select 6 projects. Every representative of selected projects will be provided with an office and accommodation for free in Beijing for three months. (“Why are we making,” 2014b)

Similarly, the Chinese government promotes film co-productions between China and other countries and thus has signed nine film co-production treaties including those with New Zealand and South Korea (“Co-production 2013,” 2014). However, K.-M. Lee (2014) notes that China protects the local film industry by using two systems: revenue-sharing imported films and flat fee imports for film distribution. Revenue-sharing imported films is a measure in which foreign companies commission the distribution of their films to Chinese companies and then the profits from films are shared by production, distribution and exhibition companies. A type of flat (fixed) fee is a way in which foreign companies sell all rights of distribution for imported films including box-office revenues, to the Chinese Film Group Corporation.

In the case of revenue-sharing imported films, only 30 films can be screened in Chinese cinemas. In early 2012, the quota on revenue-sharing imported films increased from 20 to 34 per year in conjunction with the rise of the revenue share ratio for foreign films from 13 percent to 25 percent (“Co-production 2013,” 2014). This protective policy encourages foreign filmmakers to co-produce films with China (Yan, 2009). Even American filmmakers have increasingly paid attention to international film co-productions. Baltruschat (2012) emphasises that “More recently, Hollywood has also had a hand in Canadian treaty-co-productions, which were originally meant to offset U.S. influence on Canada’s domestic film and cultural scene” (p. 12). Film co-productions are undeniably a strong trend.
Attitudes to film co-productions between New Zealand and South Korea

Unlike their attitudes to international film co-productions, in general the NZFC and the KOFIC do not seem to have a positive attitude towards film co-productions between the two countries. An official from NZFC notes that “Our primary responsibility is to fund New Zealand stories so there is a problem with a project with Korean stories,” although the NZFC has an interest in film co-productions with South Korea because of gaining money (PN4, personal communication, April 15, 2011).

From a South Korean official’s point of view, New Zealand seems to put a priority on attracting ventures to locations, and post-production, so the two countries have different expectations from international film co-productions. He said:

Advantages of New Zealand can appeal to Hollywood. […] However, they do not attract Korean filmmakers. […] Korean filmmakers expect to expand their markets into overseas and as a consequence, film co-productions between New Zealand and South Korea have not happened yet. (PK3, personal communication, August 17, 2011)

The attitudes that the two organisations have regarding film co-productions have had considerable influence on New Zealand-South Korean film projects since they are key players and decision-makers in their film industries and in deciding who are going to be receiving funding or incentives offered by the two governments. Unlike France and Canada, in New Zealand and South Korea, funding or incentives for film co-productions are not automatically, but selectively provided (Kim et al., 2001; KOFIC, 2013a). The attitudes of the NZFC and the KOFIC demonstrate that it is hard for filmmakers in both countries to gain support from the two agencies when making a co-produced film. In turn, it does not seem easy for official film co-productions to be achieved. This may open up opportunities for unofficial film co-productions between New Zealand and the Republic of Korea.

With regard to film co-production with China, New Zealand signed a film co-production agreement with this country in 2010 and then established a China co-production development fund in 2014 for the first time. In the same year, it
worked on two film projects with China. One of the film projects was *The Wonder* (under preproduction in 2014), which was an official film co-production project (Frater, 2014a), and the other was *Crouching Tiger, Hidden Dragon II* (under preproduction in 2014) which was an unofficial film co-production (Bulbeck, 2014). In addition, a China-New Zealand television co-production agreement was also signed in 2014 (Young, 2014). Due to this agreement, New Zealand has come to co-produce television programmes as well as films with China. During a similar period, New Zealand and South Korea reached a Free Trade Agreement after six years of bilateral negotiations (Porter, 2014). New Zealand eagerly embraces Asian countries such as China and South Korea to increase economic interest.

In contrast, China and South Korea reached a film co-production agreement in 2014, but since 2000 the two countries have collaborated on 25 film projects of various types as unofficial co-productions (Woo, 2011). The first period in which South Korean films penetrated China was around 2000 but South Korean films have been actively received in the Chinese film market with the popularity of the *Korean Wave* (Kim, Kim, & Park, 2011). With success of three co-produced films between China and South Korea in China, *A Wedding Invitation* (2013); *Mr. Go* (2013); and animation *Pororo, the Racing Adventure* (2013), (“Co-production 2013,” 2014, para. 6) proposes that “All in all, South Korea seems to be China’s best partner for making commercial films in terms of culture and profits” and elucidates the reasons for that:

> Compared with Japanese films, which were popular for their artistic merit during the 1990s in China, Korean films, which started to rise in the beginning of 21st century, have bigger ambitions and more experiences in making genre films. Korean directors always have stronger personal styles and they have better technological teams at reasonable prices; Korean stars have a larger number of teenager fans in China. Additionally, Sino-Korean [Chinese-Korean] co-operation faces fewer risks of being swayed by political issues.

According to K.-M. Lee (2014), the Ministry of Culture, Sports and Tourism announced that the South Korean government would invest around US$40 million into a mutual fund for South Korea-China culture content. Its total funds would be
around US$200 million, and the two countries would each capitalise half of the fund. The South Korean government would finance US$40 million and private companies would raise US$60 million (K.-M. Lee, 2014) because Chinese-South Korean film co-productions are recognised as Chinese local films and can avoid the Chinese government barriers on imported foreign films. This mutual fund indicates how important the South Korean government considers the Chinese market to be. Support for film collaboration, including co-productions between China and South Korea by the South Korean government, is likely to grow with a FTA agreement between the two countries.

6.2.2 Film agreement between New Zealand and South Korea

The nations which have vigorously signed film agreements or treaties with other nations including Canada and France have film agencies such as CNC in France supported by government (Kim, H.-W., 2012). While Canada is the leading country in international co-productions, with 54 audiovisual co-production treaties and Memoranda of Understanding (CMPA & AQPM, 2015), France, having the most active policies for film co-productions in Europe, has signed film co-production agreements with 45 nations, including New Zealand and South Korea (CNC, 2016). In other words, these countries consider it as a critical factor that a nation has supporting systems for films backed by the government when trying to sign a film co-production agreement (Producers Guild of Korea, 2008).

The NZFC and the KOFIC are not only the competent authorities for film co-production agreements in each country included in the bilateral agreement. The agreements or treaties provide benefits and drawbacks to filmmakers in participating countries, so the film agreement between New Zealand and South Korea is no exception. The agreement accords a qualification as a local film to co-produced films (Dhaliwal, 2012; Gregson, 2012; Kim et al., 2012), so that filmmakers in both countries can utilise the benefits which their local films have received from the two governments.

 Competent Authority means that “person or organization that has the legally delegated or invested authority, capacity, or power to perform a designated function” according to BusinessDictionary.com (WebFinance, 2016).
The benefits, specified in the film agreement between New Zealand and South Korea, are described in Table 6.3 with comparisons the merits that the French agreement with South Korea has provided for French cinema. Producers participating in film co-productions need film agreements to gain financial support for film productions or benefits for their distribution from bilateral support systems (Hoskins et al., 1997a, 1998). One New Zealand participant describes this as:

PN8: ... if you don’t have a co-production agreement, the Film Commission can’t invest in a film. When you have a co-production agreement they can invest money in any official film and also the film can qualify for the SPIF – the Screen Production Incentive Fund. Now that can only be NZ film but an official co-production is deemed to be a NZ film. So, it made it easier for the producers to be able to put together the financing package.

<table>
<thead>
<tr>
<th>Nation</th>
<th>Benefits available</th>
<th>Support</th>
<th>Finance source</th>
</tr>
</thead>
</table>
| New Zealand  | • Funding support by the New Zealand Film Commission for filming and post production together with international sales representation by the New Zealand Film Commission’s sales agency, NZ Film.  
| South Korea  | Screen Quota  
Selective financial support for production:  
- Support for films in pre-production  
- Support for films in production  
- Selective financial support for distribution | Investments from the Korean Film Investment Union |         |
| France       | • Automatic financial support invested into production |         | Investment from television channels  
– as co-producers |
Acknowledgement as a national film allows filmmakers to circumvent obstacles of a quota system which some nations retain (Yoon, 1999). Hoskins et al. (1997a) argue that American filmmakers are satisfied with film co-productions with France and Canada as they are able to avoid quota barriers in the EC market because of the film treaty between Canada and France. This trait also applies to television co-productions. Hoskins and McFadyen (1993) demonstrate that, in Canada, official co-productions qualify as local television programmes, can avoid quota barriers (Canadian TV broadcasts are required to release at least 50% Canadian content) and are also eligible for funding from the Canadian government and other funding agencies.

In the interviews, two South Korean producers and one New Zealand producer regarded this advantage as one of the benefits. Interestingly, all of them referred to China as a good example for demonstrating why this is one of the advantages of international film co-productions (see below).

PK5: China is the nation that we are likely to make profits the most from because of the advantage of acknowledging as a local film. China has a quota system whereby only around 20 foreign films can be seen in a movie theatre per year. In other words, only those 20 foreign films can take profits out of China after distributing them. In addition, in most cases Hollywood films occupy all of the quotas. However, if you conduct film co-productions with China, it will be the most advantageous thing, because of the fact that a co-produced film is recognised as a national production in both countries. Therefore, official co-productions gain two nationalities so that they can be distributed without limitations of quotas in China.

In 2008 when New Zealand and South Korea signed their film agreement, support for New Zealand and South Korean cinema from each government was not competitive compared to support for the French cinema and Canadian cinema aid. As seen at Table 6.3, the key characteristics of French support system for the film industry are automatic support from production to exhibition and diverse selective support with film subsidies and special funds (Jackel, 2007), but the supporting methods New Zealand and South Korea chose were more constrained and selective aid to selected projects through a public contest (see Kim, H.-S., 2010; Kim et al., 2000).

In France, if the project involves countries with film agreements with France and involves more than 25 percent of its budget derived from French production companies (investors), it can be recognised as a French film. If so, it is able to gain production support (tax incentives), and even distribution and exhibition support (Kim et al., 2012, p. 3). Moreover, the project can be exported to 27 European countries as a European film and can be shown on television in France. French producers have been preferred as partners for co-productions due to France’s comprehensive support system for the productions (Jackel, 2007).

The Canadian system provides automatic assistance to co-produced films between Canadian and other countries (Newman, 2008). According to Dhaliwal (2012):

In Canada, an Official Treaty Co-Production can qualify for treatment as a Canadian Film or Video Production for the purposes of the federal Canadian Film or Video Production Tax Credit Program (FTC). For example, if a Canadian co-producer is responsible for 60% of the coproduction budget, then 60% of the budget is generally eligible for Canadian subsidies and the FTC. The production may also be eligible for benefits under similar Canadian provincial programmes, and, as a Canadian programme, will be able to command higher license fees from Canadian broadcasters (who are required to air a minimum amount of 'Canadian' programming). (p. 2)

Dhaliwal also emphasises government support Canadian filmmakers can apply for can be different depending on particular and specific rules of each film treaty or agreement.
In respect of New Zealand, the NZSPG – New Zealand (formerly the SPIF) is the grant which filmmakers attempting to create New Zealand-South Korean film co-productions are likely to apply for. However, in reality, it is difficult for these film co-productions to obtain funding from the New Zealand government given the constant lack of funding for domestic feature film production. In the case of South Korea, gaining finance from The Korean Film Investment Union which has been invested in by the KOFIC is likely to be the most attractive benefit which co-produced films acknowledged as a national film can take advantage of, since The Korean Film Investment Union is stipulated to invest more than 90 percent of their total investment amount into South Korean cinema (Kim, M.-H., 2009, p. 112). However, it is not an automatic system as mentioned before. Although film co-productions between South Korea and other nations are able to utilise distribution in the country by using a screen quota system, the screen quota days were reduced from 146 days to 73 days after July 1, 2007, so this is not of significant merit.

According to E.-J. Kim (2013, pp. 133-134), France has a tax deduction and a tax credit scheme to support film co-productions. Tax deduction signifies that investors receive a tax deduction up to 25 percent of their investment money or 100 percent of their investment money within the 25 percent of an annual income in the case of an individual when they invest by gaining the share of SOFICAs (Societe pour le Financement de l’Industrie Cinematographique et Audiovisuelle), which are investment companies for the screen and film industry. The tax credit is to rebate tax up to 20 percent of the expenditure spent in France when the production of films is completed. To receive the tax credit stated in 2004, film production companies need to get 38 out of 40 points based on film crew members and shooting locations. This scheme was aimed at encouraging domestic film companies to produce their movies in France, not other countries, and was successful by increasing spending by domestic film-making from 60.8 in 2003 to 71.3 percent in 2005 in the country.

Filmmakers need to pay attention to the disadvantages as well as advantages of the film co-production agreement between nations. One of the drawbacks is additional costs due to the complicated arrangement (Gregson, 2012; Hoskins et
al., 1995; Hoskins & McFadyen, 1993). In the case of official film co-productions, filmmakers have to deal with the government agencies such as the NZFC. This makes film co-productions complicated, difficult and expensive, resulting in a need for local lawyers. For example, one New Zealand official from the interviews describes the disadvantage related to the agreement as:

PN11: The legal and financial arrangement…you need to have legal counsel, you need to have financial advisors and you need to pay fees for two producers, additional staff, not staff, crew…. So, they are more administratively complex and as a result more costly to arrange.

While it is crucial to filmmakers for more than two nations to reach a film agreement or treaty, what is more significant is how it is operated and administered. Jackson and Court (2010) also stress the relationship between the NZFC and film practitioners.

Within the film industry framework, nothing is more important than the relationship between the financing body and the film maker. Whether a film maker is working in Hollywood or New Zealand, the same fundamental rules apply. (2010, p. 7)

Their argument also applies to the relationships between the KOFIC and Korean practitioners. The NZFC and the KOFIC administer many affairs in relation to film co-productions in each country. In the interviews, some negative opinions were expressed although positive responses were also given about the roles of the two institutions. From a negative viewpoint, many participants think that the rules for film co-productions (crew, cast and postproduction including sound mixing and editing) in New Zealand are so strict that it is not easy to produce a film which is able to meet the regulations. Even if filmmakers in both countries succeed in fulfilling them, it also demands much time to sort them out in accordance with the rules.

PK10: The film co-production between the two nations is able to begin once we have a script for it. By the way, the NZFC and the KOFIC have an obsessive idea that there should be New Zealand actors/actresses and Korean cast in a film. To meet the criteria, a mixed story is confined to some genres. On top of that, if the film must be eligible for criteria of New Zealand and Korea, how can we make a film to meet all the rules?
PN21: It would have been much easier to choose the people who were going to be – you know, our key people – originally our production designer and as you know he went on to win a couple of awards with Peter Jackson. He was our first choice and he was the production designer when the film fell over, in fact. And then so, but, we then had to change the person who had invested a lot of time and energy and who we were very keen to have. It’s not saying the new production designer wasn’t good, she was wonderful. Nevertheless, we were forced to do it because of the co-production. So, it’s quite an artificial way of putting projects together.

Another Korean official expressed some dissatisfaction with both the NZFC and the KOFIC because these agencies do not provide filmmakers with practical and useful support such as the Chinese co-production development fund under the film agreement. One reason for this argument suggested by one New Zealand interviewee is that some film co-production agreements were not driven by the New Zealand film industry but political considerations by the government. He comments that “The government has done a co-production treaty with India. That was not a result of a push from the NZ film industry. The industry didn’t particularly want a co-production agreement with India, but the government wanted it” (PN8, personal communication, July 27, 2011).

6.3 Economic factors

In this section, two economic influential factors—financial factors (gaining funding/incentives from overseas, and increased costs), and Market factors (expanding into overseas markets)—for film co-productions between New Zealand and South Korea will be investigated and discussed, comparing extant economic factors from the political economy approach. As discussed in the literature review, economic factors are one of the two major motivations of governments’ policies on film co-productions.

Academic film studies show that as economic factors, gaining funding/incentives from overseas and expanding into overseas markets were the two major motivations for international film co-productions, whilst increased costs, which are inevitable in trying to achieve two positive factors, proved to be one of the disadvantages (Baltruschat, 2013b; Chung, 2011; Seo, 2011; Shin, 2009; Woo, 2011). Most of these scholars approached the primary motivations for advantages
and disadvantages of film productions from an economic perspective. However, in this thesis sometimes cultural viewpoints will also be addressed together because there are overlaps between economic and cultural facets.

Gregson (2012) in New Zealand, and Baltruschat (2002), Dhaliwal (2012) and McFadyen et al. (2000) in Canada regard international film co-productions as a competitive strategy for competing with Hollywood films in local film markets dominated by American films. However, this economic perspective seems to have some limits in explaining film co-productions between New Zealand and South Korea, between New Zealand and China, and between South Korea and China. When the interviews were conducted with participants from New Zealand and South Korea, no participants ever referred to film co-productions as a measure for protecting their local film markets from Hollywood films, for participants have had other significant motivations.

### 6.3.1 Financial factors

**Gaining funding/incentives from overseas**

As Table 6.4 shows, there were significant differences in motivations for New Zealand-South Korean film co-productions. In New Zealand, the foremost motive was identified as **getting funding** (including tax incentives and subsidies from overseas), followed by **shared film stories** (materials that naturally fit film co-productions) and **gaining a much bigger market or a global audience**. However, in South Korea, to **access expertise** (technology or talent) was the most important motivation for film co-productions with New Zealand. After this motive, **filming locations** and **the need for the partner to enter the U.S. market** were the second and third key motivators. This fact demonstrates that New Zealand and Korean film professionals approach film co-productions between the two countries from different viewpoints.
Table 6.4 Comparison of key possible motivations for film co-productions between New Zealand and Korea

<table>
<thead>
<tr>
<th>Priority</th>
<th>New Zealand</th>
<th>South Korea</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To get funding/incentives from overseas</td>
<td>Access expertise (technology and talent)</td>
</tr>
<tr>
<td>2</td>
<td>Shared films stories including location or cast (materials that naturally fit film co-productions)</td>
<td>Filming locations</td>
</tr>
<tr>
<td>3</td>
<td>Gaining entry into a much bigger market or a global audience</td>
<td>Need for partner to enter U.S. market</td>
</tr>
</tbody>
</table>

*Gaining funding/incentives from overseas* has two different purposes for film co-productions. The first is to find funding/incentives to make a film and the other is to gain finance not only to produce a film on a bigger budget (Yan, 2009), but also to share possible risks (Baltruschat, 2013b). These reasons for gaining funding apply to both New Zealand and South Korea.

It is also worth noting that New Zealand participants’ key motives for film co-productions with South Korea are relatively analogous to actual motivations with other countries, whereas Korean respondents' motivations for the arrangement with New Zealand are different from practical drivers with other nations. Among four respondent groups (feature film directors, producers, crew, and officials who are working or worked in funding/policy organisations) in the two nations, there was no significant difference in this priority of the major motivations between them.

In New Zealand, the most important motivation for film co-production with other countries was invariably *gaining funding/incentives from overseas*, whereas in South Korea, the most critical motive was *expanding into overseas markets*. This indicates that while New Zealand is more focused on producing local films, South Korea places more emphasis on attaining profit through making inroads into overseas markets. While New Zealand does not show a substantial difference in priority in terms of *gaining funding/incentives from overseas* according to co-produced partners, expectations of expanding into the New Zealand film market were minimal from a South Korean filmmakers’ perspective.
The difference in attitudes to *gaining funding/incentives from overseas* between the two nations stems from dissimilar contexts: their stances towards international film co-productions; financial sources; the average budget for local films; the number of films produced in each country; and screenings and admissions as discussed in Chapters 2 and 5. The New Zealand film industry has produced, on average, seven local films per year, and the market share of New Zealand films at the box office remained on average 2.76 percent between 1998 and 2014 due to the dominance of Hollywood films (NZFC, 2015c).

Accordingly, New Zealand filmmakers strive to produce as many New Zealand films as possible. In this sense, the effort in New Zealand to gain funding in order to produce a local film itself is more desperate than that in South Korea since New Zealand is largely reliant on the NZFC for funding (Dunleavy & Joyce, 2011; Newman, 2005). In effect, New Zealand filmmakers as well as the New Zealand government construe film co-productions as opportunities to generate domestic films by being financed from partners’ countries (Screen Production Industry Taskforce, 2003). It can be said that this disposition of New Zealand film practitioners has been influenced by the government film policy.

One New Zealand film editor and a director describe this feature as:

PN17: Probably for the money. I would say that would be the first reason. New Zealand is asking a Korean company to join together to make a film. It would definitely be the money.

PN2: There is no private investor to invest money for making a film. The New Zealand Film Commission is the only place where filmmakers can get money so they are, needless to say, attempting to find finance from other countries.

This element is likely to be why the country has already signed film agreements or treaties with 16 countries and is in the process of doing the same with Brazil and Israel (NZFC, 2016b). Also, given that a big budget provides the opportunity to improve the quality of a film using special effects and skilful expertise, and to attract an audience by hiring well-known actors or actresses, Hoskins et al. (1999) stress that for some filmmakers, international film co-productions are the only
viable way to gain funding for a big budget film. A New Zealand film editor supports the idea of joint country funding:

PN17: [I]t is a good thing because NZ itself doesn’t really have the resources or big enough budgets to make big films. If we want to make a film bigger than NZ$2 to 4 million, we really need outside help.

Similarly, based on her research results, Gregson (2012) indicates that the total budget of official New Zealand co-productions (NZ$114 million) is much larger than that of 10 domestic movies (NZ$45 million) and also that the total revenue of the former (NZ$21.6 million) is greater than that of latter (NZ$5.5 million) between 2002 and 2010. These results reflect the arguments advanced by researchers in film studies in big budget films, economic profits, and quality improvement and also reveal the outcomes of the strategy of the New Zealand government. The government is to employ film co-production agreements or treaties as a strategic instrument for providing filmmakers with funding. Gregson (2012, p. 10) endorses this:

There is certainly evidence to suggest that a number of New Zealand’s co-productions would not have been made without the existence of a treaty. Four New Zealand producers, responsible for six feature films and four television series between them, are certain that those projects would not have been made without the existence of treaties. In addition, a former Executive Director of NZFC, Judith McCann, suggests none of the co-productions approved by NZFC during her tenure would have been made as strictly domestic productions.

The lack of continuous or adequate funding has been a central issue in New Zealand in that it has led to a migration of New Zealand directors, producers, crew and actors overseas, especially to the U.S. (Hjort & Petrie, 2007; Philip 2009). That is not to say that most of the film professionals in the country go overseas. In addition to lack of funding, it is hard for filmmakers to recover investment from the film market because of the small population of only 4.4 million people, even though if New Zealand films are successful at the box office, makes funding from other countries more significant in making films in Aotearoa/ New Zealand.

In this respect, it is essential to recall that The Graduation has stalled and is unable to progress due to the Gibson Group’s failure to find financiers from New
Zealand (PK8, personal communication, June 3, 2014). It was to be produced to target the global film market as an official film co-production under the film agreement between New Zealand and South Korea in accordance with a memorandum of understanding for it between New Zealand-based Gibson Group and South Korean partner Cine 2000 at the 17th BIFF. “The Graduation (working title) will commence shooting in around April/May 2013 in New Zealand, as one of three feature films over the next five years, under an MOU between the two company” (New Zealand Foreign Affairs & Trade, 2012, para. 2). The two parties agreed that 80 percent of the total budget around NZ$5.7 million would be financed by Gibson group and the remainder by Cine 2000 (PK10, personal communication, October 5, 2012).

This failure demonstrates that it is difficult for New Zealand filmmakers to obtain funding in the country. Considering this precedent, it is unlikely for New Zealand to provide a large part of the funding for film co-productions with South Korea. It is more achievable for South Korean filmmakers to offer most of the funding. Consequently, unofficial film co-productions are likely to be a possible and realistic mode of film productions between the two countries in that South Korea has a range of funding sources. The Korean Film Investment Union and that the Asian Film Market, which has been held in the Busan International Film Festival, offers filmmakers in Asia cash awards and opportunities to meet investors. Ahn (2008, p. 34) describes the Pusan Promotion Plan (PPP) which became the Asian Film Market, as:

A co-financing and co-production market for Asian films established in 1998 as a side bar event of the third PIFF (BIFF). Each year the festival showcases a select number of Asian film projects in the development or production stages, giving out cash awards and providing an opportunity for these filmmakers to meet with prospective financiers.

In the production of films, government funding, incentives and subsidies are significant factors (Crane, 2014). Nations with substantial political support, such as Canada and France, will have better positions in film co-productions with other countries in the sense that joint-film projects are able to call on incentives and subsidies from both foreign and local governments (Seo, 2011). However, access
Morawetz et al. (2007) argue that the competition around tax incentives for the film industry between countries prompts co-productions through perceived and financial advantages. In a report on the economic impact of the UK film industry, Oxford Economics (2007, p. 5) stresses the significance of the film tax incentives to the film industry in that “Overall UK film production might be reduced by 75%”, if the UK Film Tax Relief were abolished from 2008. The UK Film Tax Relief, a cash rebate scheme for the British qualifying films, is what official film co-productions also apply for (BFC, 2016). New Zealand filmmakers have been interested in utilising subsidies and incentives which partner countries furnish in film co-productions (Gregson, 2012). One New Zealand producer expressed his interest in British tax incentives as:

PN9: From co-production that occurs between NZ and the United Kingdom, you get all the benefits of NZ and you get all the benefits of the United Kingdom which can include such things as tax incentives. It can include access to public money such as NZ Film Commission or British Film Institute. And, it can also gain further benefits such as subsidies for lease, local content quotas, all of which will make the film or television show more desirable for purchasers.

The importance of incentive schemes led to implementation of the NZSPG in 2014, after falling revenue in the screen industry in 2013 because of a drop off in film making, as discussed in Chapter 5. However, this grant aims to grow competitiveness of the film industry and to attract American runaway productions.
including the Avatar trilogies not to help develop local films and film co-productions. There is no change in the benefit the NZSPG (formerly SPIF) offers.

As discussed Chapter 5, even though the contribution of offshore productions financed by Hollywood studios to the New Zealand film industry are acknowledged, the contribution takes place at the expense of domestic films in the sense that the government provides film professionals with less funding for local films mainly through the NZFC and film co-production agreements or treaties than for runaway Hollywood productions. In this kind of flow, one of the cultural objectives of film co-productions, contribution to cultural exchange between participating countries, seems to be marginalised in New Zealand. Even Post Production Financing that co-productions apply for needs “a proportion of significant New Zealand content and an experienced producer who is a New Zealand citizen or permanent resident” (NZFC, 2016c).

This distinction in support by the government that has embraced the framework of creative industries where film is regarded as a key commodity of a growth sector (Conor, 2004; Flew 2012) contributes to a tension between local (Auckland) films and offshore/runaway productions (Wellington) in New Zealand. There are some parallels in respect of the government subsidy in the Australian film industry. This notion is frequently connected with the supporting programmes for films to draw runaway production from Hollywood into Australia. Swift (2013) argues that the Australian film industry needs more transparency regarding subsidising offshore film production. Despite acknowledging the need for film production incentives to attract Hollywood projects into Australia, he has doubts about the practical impact on job creation and substantial contribution (expenditure) to the film industry.

Frater (2013b) identifies two key reasons the Australian Federal government’s direct subsidies and “Location Offset” rebate scheme (n.p.) have not created positive outcomes for the film industry. In his opinion, the first reason is that “inbound production spend dropped from A$86 million in 2010-11 to A$49 million in 2011-12” (n.p.) despite the government’s direct subsidies and the location incentive. The other reason is the fluctuating strength of the Australian currency against the U.S. dollar. Tunny (2013) broadly agrees with Swift (2013)
and Frater’s (2013b) opinions about Australian government subsidies to the film industry. Tunny (2013) does not oppose the commitment of subsidies to bolster up the Australian film industry; however, he has argued against the fact that millions of dollars of Australian taxpayer’s money have been given to Hollywood production companies or superstars by virtue of ad hoc assistance in order to draw international production. It seems that the Australian government has not convinced these persons about the practical profits and job creation that have emerged from the Australian government’s assistance to offshore film productions.

Meanwhile, there were controversies in relation to shooting the Hollywood blockbuster - *The Avengers: Age of Ultron* (2015) in Seoul, April, 2014, since this film had wholehearted support for its filming from the KOFIC and the South Korean Government with the Foreign Audio-Visual Works Production Grant. The National Police Agency executed overall control of the Mapo Bridge for eleven-and-a-half hours in Seoul, and the Seoul Metropolitan Government diverted some of the city bus routes to help shoot around the bridge and Seoul Metropolitan Rapid Transit Transportation shut down exits around Gangnam station, which was one of the shoot locations. However, there has been a backlash against such an active support from these governments in that it is difficult for local production companies to gain such backing for shooting in Seoul downtown (Kim, K.-C., 2014). In spite of this dispute, *Sense 8* (American web television series), directed by Americans Lana Wachowski and Andy Wachowski, is likely to be shot in Seoul this year (Lee, S.-Y. 2014). Given that the competition between countries around tax incentives for the film industry has intensified, drawing offshore film productions into each country by solely using incentives does not seem to be desirable for the New Zealand and South Korean film industries.

**Increased costs (Co-ordination costs/ Increased shooting costs)**

In their work on the disadvantages of international film co-productions, Hoskins et al. (1997a, 1998) primarily concentrate on costs such as *co-ordination costs*, *increased shooting costs* and *increased costs of dealing with governments*. In this section, increased costs include all these expenses above. Gaining funding needs a period of time to negotiate complicated contracts and execute budgets, and
filming costs can rise if shooting has to be done in both countries so as to meet the qualifications for some treaty or conditions (Naarajärvi, 2011). Working together with new partners from overseas is a convoluted and expensive process because there are substantial cultural and social differences between them to be overcome (Maskell et al., 2006; Yoon, 1999).

While not many disadvantages regarding film co-productions between New Zealand and South Korea were identified from the interviews, one South Korean official and three South Korean producers stated some concerns about increased costs through the increasing exchange rate, traveling costs (flight tickets) and the cost of living (meals, accommodation and transportation). Coe (2001, p. 1763) argues that the favourable US–Canadian dollar exchange rate has been one of the most crucial factors of the rapid growth of Vancouver’s film industry during the 1990s due to Hollywood’s runaway productions. In effect, more and more the increase of exchange rate becomes one of the stumbling blocks from a South Korean perspective. Unsurprisingly, these anxieties primarily emerge from three South Korean producers who are in charge of budgets:

PK10: If we co-produced a film with New Zealand, the competitiveness is lost because of the increase of the foreign exchange rate. At the moment, the exchange rate is NZ$ one equals over KRW 900. It was a good time when the rate was KRW 650 to one NZ$. If the rate is around KRW 650, the cost of living in New Zealand is similar to that in Korea. In this case, we are able to shoot an English film with a reasonable price. The current exchange rate is twice as expensive as the previous rate thereby the circumstance of filming in NZ is getting worse.

PK5: When we compare costs for filming between NZ and South Korea, lunch price can be a good index. The price for lunch for one crew in Korea was recently KRW6000 (about NZ$7). By the way, in New Zealand, the price will be twice as expensive as that in Korea as New Zealand may have a rule for meals due to a labour union. It demonstrates that [shooting a film in NZ costs much].

It is worth noting that, due to potential increased costs, two South Korean producers consider the New Zealand incentive systems as insufficient to draw South Korean filmmakers. Indeed, it reflects the current situation of film co-productions between the two countries. One South Korean producer describes it as:
PK15: It is not possible to produce a co-produced film with New Zealand, bringing about 100 Korean crew members to the country. This is because the traveling to and accommodation costs of it exceed support programs [incentives or subsidies] for film co-production ventures.

In this regard, there is a question as to what New Zealand is actually able to offer to South Korea. One Korean official suggested one practical way for this.

PK10: If the New Zealand government cannot make seed money for film co-productions between New Zealand and South Korea, at least the government is able to provide a development fund for film co-productions. For example, when a New Zealander with talent writes a script about Korea, the government should offer living expenses during his/her stay in Korea for one month. If not, who should furnish the money?

This is also the case in Korea. If someone goes to New Zealand for producing a film in English, the KOFIC should cover the cost. Indeed, to write a screen script for international film co-productions needs much more money than to do for local films due to translation of the script for co-productions and communication with counterparts. […] Who wants to make international co-produced films? If someone has the same amount of money for filmmaking, he/she will prefer developing domestic [Korean] films as he/she can start and finish them easily. No filmmaker wants to touch film co-productions as they need a long time to be produced and have many things for filmmakers to overcome.

In addition to this, one Korean director complained about the tax payment system in New Zealand noting that South Koreans were required to pay a tax (income tax) for what they did there, whereas they did not need to do that in the U.S. where they could pay a tax to one of the participating countries. He hopes that the New Zealand government can give some convenience or flexibility to foreign filmmakers who shoot in the country (PK4, personal communication, August 29, 2011).

Meanwhile, when filmmakers in both New Zealand and South Korea have received funding from overseas, they tend to think that they have got more money compared to usual filmmaking. However, as Morawetz (2008) and Maskell et al. (2006) argue, these filmmakers realise that they end up spending much money for multiple and diverse reasons in relation to film co-production projects. These encompass the cost of cast, producers, accommodation and post-production which has to be done in the partner’s countries to abide by the rules of the film.
agreement between the two nations. For example, Morawetz (2008) shows concern about the expenses in this way:

\[\text{[I]n the past decade [1990s] more than 30 percent of all films in Europe have been made as co-productions, although they are significantly more expensive than single film productions, more complicated to execute, and do not necessarily enhance a project’s potential to gain international market success. (p. 80)}\]

These opinions appear more in New Zealand responses than South Korean responses and are revealed by a range of film practitioners (producer, director and editor).

PN12: Once you have accessed money there is an added cost and ultimately you’re hoping you are raising more money than it’s costing you. It’s more expensive to do postproduction in the UK than it is in NZ. In order to qualify as a co-production you need a UK cast and crew, but it is very expensive to bring out and accommodate them.

PN18: Co-productions are very expensive to do from a legal point of view. A lot of cost is involved in managing of finance in a co-production. In case of The Strength of Water, we had to go to Germany. When you did editing for post-production in Germany that would set a value determined by the German market. And the cost of editing in Germany was almost twice as expensive as that in New Zealand. So, one thing that a co-production can have is that it can distort finances of films. When we look at the true value of what is involved in those packages of funding, maybe it’s not as good as it appears.

In spite of these drawbacks, the reason why filmmakers attempt to do film co-productions is that they end up getting more money. This is demonstrated by a New Zealand producer.

PN9: One of the big disadvantages is that they are very expensive to do in the first place, although you gain a lot of money. The money you spend on lawyers’ cost, auditors' costs, accountants is significantly higher than if you are doing them simply as a standalone film. Um, but generally speaking most producers will just view that as a cost of doing business. You know, if you raise 30 percent more money from a co-production but your costs only increase by 5 percent, you’re still 25 percent better off.

However, there is a different opinion from a New Zealand director identified in the interviews. He argues that if filmmakers even gain more funding overseas,
film co-productions cost more with extra effort of filmmakers and further money does not go to the screen to improve the quality of a film (PN14, personal communication, December 12, 2011). Another New Zealand producer explains that one of the reasons overseas funding is not invested into improving film quality is personnel expenditure caused by crew from more than two film industries. Sometimes some producers should inflate their budgets to cover the expenditure (PN13, personal communication, December 9, 2011). Consequently, increased cost is one of the key anxieties when New Zealand and South Korean filmmakers are conducting film co-productions.

6.3.2 Market factors

Expanding into overseas markets

This factor, expanding into overseas markets, is also revealed as one of the key motivations of film co-productions in previous film studies. In the analysis of trade literature on international co-productions or co-ventures, Hoskins and MacFadyen (1993) indicate that it is not easy to distinguish between an access to a partner’s market and an access to a third country market in the literature since expanding into overseas markets were referred to in general. The same thing is identified in the interviews in this study. Thus, these benefits, an access to a partner’s market and an access to a third country market, are integrated into one benefit in the present research. However, in this present study, it was identified that to gain distribution in a partner’s country, which is also one of the key advantages of film co-productions, is not always a benefit since it is difficult to obtain access to a partner’s market, let alone a third market, due to differences in languages and audience’ tastes.

The factor, expanding into overseas markets, has been mostly addressed as the most important element in film co-production studies carried out by South Korean scholars and practitioners (Hwang, K.-N., 2012; Kato, 2008). Seo (2011) and Chung (2011) consider film co-productions as being a relevant tool for expanding a local market. As discussed Chapter 5, the South Korean government has encouraged Korean film professionals to penetrate overseas markets (Jin, 2006; Yeom, 2013b). From the history of the South Korean economic development
point of view, South Korea has grown to break into overseas markets, namely by exporting domestic goods to international marketplaces.

One Korean director who has directed thirteen films since 1987 argues that, as a result of its policies, the KOFIC has done many important things which would not be done by an individual filmmaker. For example, the KOFIC has facilitated many aspects of filmmaking overseas or entering foreign markets. The director emphasises that “he was able to go to France and China thanks to the policies of the KOFIC” (PK16, personal communication, October 8, 2012).

New Zealand film practitioners want to get entry to a much bigger market or a global audience in the third place as well. According to Petrie and Stuart (2008), the New Zealand film industry considers the audiences at home and abroad as being an important element in order to maintain and continue indigenous films productions for cultural and commercial purposes. One New Zealand producer stresses that gaining foreign audiences via international co-productions is crucial, and the New Zealand market being very small provides a good example for this:

PN8: I guess the access to a larger market. So, this is about I suppose, making a movie that appeals to a wider audience and then having access to that audience. I know, for example, there is a company in Wellington called Pukeko Pictures that makes children’s television. It’s not worthwhile for them just to make that for a NZ audience. The audience is far too small but they have done a co-production with Canada which was broadcasted on a Canadian youth television channel and then also has been exported all around the world as a result. It gave them access to an international market. So, that was called Jane and the Dragon. It was an animated TV series.

Hoskins et al. (1998) emphasise the importance of access to the partner’s market by using the case of Canadian co-productions with France and the U.S. This factor is also referred to as one of the advantages between New Zealand and other nations, and between South Korea and other nations, by a variety of participants including film producers, directors and officials working in government bodies in both countries.

PK2: It [film co-production] is good for Korean films with big budgets, because its producers can reduce the [financial] risk. The Korean producers suggest to partners that they should distribute a co-produced film in their countries at the same time taking some benefits from film co-productions.
Then it will be good if Korean producers are able to get some [financial] profit from the distribution.

PN12: There are various advantages: in theory, it should make it easier to sell into your own market. If you have a German, Korean or French co-producer, ideally they should have stronger relationships with those markets and you have more potential of selling in that market.

South Korean filmmakers who have entertained a lifelong aspiration to enter the U.S. film market have continuously worked on this aspiration (Yoon, 2008), which was presented as the third motivation for film co-productions with New Zealand. They regard New Zealand as a gateway for penetrating the American film market, whereas they are less interested in the small size of the film market in New Zealand. One South Korean director emphasises that “it is hard to do something with New Zealand because of its small population. We think even Australia has a small market to do so. New Zealand goes without saying” (PK9, personal communication, September 20, 2011). However, no New Zealand film participant expressed interest in South Korean co-productions as being a route into the American market.

As previously noted, given that the size of population in South Korea is ten times bigger than that of New Zealand, South Korean filmmakers are able to make Korean films in the hope of a full recovery of their investment, if their films are to be successful in the film market. Therefore, stand-alone filmmaking is preferred to film co-productions in South Korea; however, this is not the case for New Zealand film practitioners in that it is difficult for them to return their funding from only the New Zealand market.

In respect of this point, one South Korean producer comments:

PK19: Korean filmmakers have a domestic market for their films in Korean language so they do not necessarily need to make films in English. Therefore, the Korean filmmakers’ stance differs from New Zealand film professionals’ standpoint. New Zealand has vigorously signed film agreements and treaties with many countries through which the country is able to sustain the film country. However, except for me, those who are not interested in producing films in English do not need the agreements and treaties. They can only focus on the Korean film market (producer).
This idea is also shared by one New Zealand producer. She claims that South Korean filmmakers tend to focus on the South Korean market and not to listen to what New Zealand film professionals wish to do. She describes this as:

PN13: They very much want to make it bigger. So, that is a bit of a problem. Because it’s trying to understand what they think a commercial film would be, as a co-production. Yeah, and so that’s difficult, because I still think they see it through their own market. They are very driven for their own market even though they say they want to make local films. They don’t want to discuss, not open to listening. They have, and they are very much focused on box office and their own domestic office but they sort of want to have some break out hit, somehow, that will reach a global audience. I don’t find them very open to dialogue about what we are doing. They have a formula and think it’s going to work and so it’s very hard.

One South Korean producer and one New Zealand director are concerned about dissimilarities between the audiences in the two countries. One South Korean producer states that it seems difficult to imagine that South Korean films will be successful in New Zealand or New Zealand films will be a hit in South Korea (PK15, personal communication, October 4, 2011). One New Zealand director also argues that:

PN3: It is a tricky thing to get another country’s market actually. The more different cultures are, the more different markets are and it is not impossible but harder to find a film that was really pleasing both markets.

In this regard, one South Korean official stresses that, “there is no connection between New Zealand and South Korean audiences. In other words, there is no contact point of filmmakers as well as the audiences between the two countries” (PK10, personal communication, September 24, 2011). For example, there are several dissimilarities between New Zealand and South Korean moviegoers with regard to age, genre preferences and language. Genre preferences and language will be investigated in the section 6.5 cultural differences. In respect of movie buffs in New Zealand, while the 14-24 age group is the main target of commercial films, the group aged over 50 years is newly emerging (Val Morgan Cinema Network, 2014).

In contrast to this, in South Korea, the 19-29-year-old group is a major moviegoer
category and is followed by those aged 14-18, based on an analysis of South Korean audiences living in Seoul between 1999 and 2008 (Byeon, 2009). In New Zealand, younger filmgoers prefer to watch Hollywood films but the over 50-year-old age group prefers to view art-house films in art-house cinemas. In South Korea, most of South Korean audiences watch South Korean or American films (KOFIC, 2014c), and the older audience has recently been increasing in South Korea. For example, a movie audience survey, which was conducted by the KOFIC in 2011, included the 50-59 age group as a new research subject for the survey, reflecting this trend (KOFIC, 2011b).

The benefit of access to partners’ markets means that a co-produced film makes inroads into a partner’s market or a third market, gaining some financial profit. Specifically, a co-produced film is likely to attract the audience in the partners’ markets or the third market. Based on the projects in international co-productions between Canada and other countries, Hoskins and McFadyen (1993) suggest two reasons for increasing access to a partner’s market. The first is the foreign partners’ expertise in a distribution system, and networks of primary actors in the markets. The second is that partners are likely to have extensive and comprehensive information about the audiences in their markets which can make their programmes appeal to the audiences. However, what is found in this study is that it is difficult to gain access to partners’ markets or even local markets. It is, therefore, likely to be better for South Korean filmmakers to co-produce a film with New Zealand aiming to enter the U.S. market as it is unlikely to create stories to entertain the viewers in both countries.

6.4 Personal factors (Film professionals)

In the following section, I will argue that personal factors (film professionals) are one of the influential contributing factors to New Zealand-South Korean film co-productions, focusing on access to expertise and interactive factors of film practitioners. In particular, emphasis will be placed on interactive factors based on reciprocal exchanges of social exchange theory, specifically personal relationships and networks. In media studies, research on film practitioners or the production of film has been neglected due to a focus on the texts (Perumal et al., 2012a; Philipsen, 2009). Even though some production studies have been carried out by
Caldwell (2008, 2009), Mayer (2009) and Sullivan (2009) forming a strand in media industries, the focus they emphasise is a representation of the lived realities of production workers which is not the focus of this study (see Chapter 3).

In the literature on film co-productions, not much attention has been given to the roles of filmmakers. For example, when Hoskins et al. (1997a, 1997b, 1998, 1999) carried out research on the advantages and disadvantages of film co-productions, they identified five factors which were connected with filmmakers and crew: learning from partners; cultural goals; loss of control and cultural specificity; opportunistic behaviour by the foreign partner, and creating a more formidable competitor. Yan (2009) indicates that through undertaking film co-productions with South Korea, China learns about the international management experiences of South Korea. However, Hoskins et al. (1997a, 1998, 1999) and Yan (2009) placed emphasis on neither filmmakers/crews nor the relationships between them and their partners in participating countries.

This study suggests that many elements regarding the major motivations for and advantages and disadvantages of film co-productions between New Zealand and South Korea were associated with film professionals. As a result, it became one of the most important aspects for the co-productions. Key factors related to film practitioners are listed in Table 6.5, in respect of both positive and negative factors. To begin with, access to expertise will be investigated.

Table 6.5 Major factors related to film professionals

<table>
<thead>
<tr>
<th>Positive factors</th>
<th>Negative factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Access to expertise (talent and technology)</td>
<td></td>
</tr>
<tr>
<td>- Learning from partners</td>
<td>Distrust</td>
</tr>
<tr>
<td>• Interactive factors</td>
<td>Close ranks</td>
</tr>
<tr>
<td>- Personal relationships/networking</td>
<td></td>
</tr>
<tr>
<td>- Flexible and friendly manners</td>
<td></td>
</tr>
<tr>
<td>- Commitment</td>
<td></td>
</tr>
</tbody>
</table>

6.4.1 Access to expertise

In this study, access to expertise (talent and technology) was revealed as the foremost South Korean motivation for film co-productions between the two
countries. This motive has two components: a willingness to work with skilled and experienced film professionals including Peter Jackson, and a wish to collaborate with established companies such as Weta Workshop\(^3\), Weta Digital\(^4\) and Park Road Post Production\(^5\). The differences in the access to expertise factor between previous studies and this present study are that South Korean film practitioners have a tendency to indicate the names of companies with which they wish to collaborate and to be uninterested in working with New Zealand actors. It is worth noting that famous actors or actresses have been central factors of South Korean-foreign film co-productions at the beginning of cross-border co-productions (Hwang, 2009a; Kato, 2008) (see Chapter 5).

Several South Korean filmmakers have already had experience of the use of technological expertise in New Zealand. For instance, Weta Workshop offered design input for *The Host* (2006), directed by a well-known Korean director Joon-Ho Bong, with over 11 million admissions in South Korea (Frazer, 2007). However, most of the South Korean interviewees who did not have much knowledge about New Zealand or the film industry, have still considered New Zealand as having excellent talent and cutting edge skills in visual effects (digital technology) and associated New Zealand with Peter Jackson due to the success of international offshore films such as *The Lord of the Rings* trilogy and *King Kong* (2005). In addition, the companies South Korean participants indicated are all situated in Wellington, which means that they seem to have no knowledge of Auckland which is the city which plays a key role in production of New Zealand local films (Leotta & O'Regan, 2014) and can be also a significant place for New Zealand-South Korean film productions.

This association with New Zealand with particular skills was also shared in the argument put forward by Goldsmith, Ward and O'Regan (2010) who argue that:

> The emergence of Wellington, New Zealand, as a powerhouse of international production is less the story of a studio as it is of a director-

\[^3\] Weta Workshop, situated in Wellington, New Zealand, is a leading company in the domains of special effects and props.
\[^4\] Weta Digital, located in Wellington, New Zealand, is one of the world’s top-grade visual effect companies and an award winner of five Oscars in a visual effects area.
\[^5\] Park Road Post-Production is a premier post-production company in Wellington, New Zealand.
producer, Peter Jackson, and the physical effects workshop and digital postproduction studio with which he is associated. (p. 75)

The Review of Government Assistance to Screen Sector 2013 Cabinet Paper also acknowledges this “The New Zealand screen production industry is seen internationally as being at the forefront of technology and innovation in post-production, digital and visual effects” (p. 1). Hubbard (2013) further indicates that Wellington (where Weta Workshop, Weta Digital and Park Road Post Production are located) is a front-runner in digital graphics and effects including digital production on blockbuster films.

The data from the NZFC (2014b) underpins the claim that New Zealand has significant strengths in these areas in that nine prominent international films, including King Kong (2005), The Chronicles of Narnia: The Lion, the Witch and the Wardrobe (2005), and The Hobbit (2012, 2013) were produced in it, contributing to developing and sustaining the infrastructure of the film industry. These ideas were supported by comments from South Korean and New Zealand participants.

PK18: Surely, I’d like to work with Weta Workshop, Weta Digital and Park Road Post-Production which have reached the world-class level in technology at least once.

PK17: One or two films represent many things. The Lord of the Rings trilogy, King Kong (2005) and Avatar (2009) were produced in New Zealand. Wellington itself can be considered as a digital workshop [for filmmaking].

PN6: A lot of Korean producers are interested in the expertise here in writing English language scripts. Also, things like the post-production. There are a lot of Korea producers want to come here to work with Weta Workshop.

Conversely, some Korean directors expressed concerns about working with Weta Digital and Park Road Post-Production because of high costs; several of the New Zealand producers agreed with their concerns. This feature is likely to be a stumbling block for film co-productions between the two countries as, unlike offshore Hollywood films, the co-productions are unlikely to have a big budget.
PK18: I had failed to reach a negotiation with Weta Digital so worked with Orphanage [a visual effects company in the U.S.]. Weta Digital boasts a world-class level so the cost is very expensive. [...] If we had succeeded to negotiate it, we could have done postproduction in Park Road Post-Production.

PN12: The Weta Workshop is focused on an entirely high end, very high end. They are set up to do the Hobbit, the Avatars. They’re not set up to do small little films. The quote we got from Weta Digital was 5 times the budget we had for special effects. It was never going to work. Yeah, that is the nature. They are geared to the high end of production and that works against co-productions because co-production doesn’t get to that extreme high level of budget.

On the one hand, one New Zealand producer and one cinematographer expressed some interest in South Korean post-production in terms of quality and cost, in areas that are contributing factors to motivations for film co-productions on New Zealand’s part. The quality of post-production has been recognised due to South Korean blockbuster films (TaeGukGi: Brotherhood of War (2003) and Haeundae (2009)). S.-H. Lee (2014, para. 8) notes that:

Film experts evaluate that the technology of computer graphics in current Korean films [Roaring Currents (2014)] catches up to 80% of that in Hollywood. […]. According to the KOFIC, domestic technology is acknowledged across the world. Most of technology exports almost consists of special effects.

With regard to cost, the exchange rate for the New Zealand dollar against the South Korean won is expensive, so post-production expenditure in South Korea is cheaper than that in New Zealand.

The two New Zealanders (producer, cinematographer) have also recognised that they should meet certain criteria under the film agreement between New Zealand and South Korea. In other words, if they are producing a film with South Korea, they are aware that some parts of filmmaking have to be done locally as well as in South Korea.

PN9: Understanding what talent is available in Korea and how one might access or work with that talent. That’ll be the primary motivations for doing, finding out more about a co-production with Korea.
PN19: If I’m doing a film [co-production with Korea] which isn’t a massive budget, post production in Korea is high quality and cost effective. I do the post production in Korea and I know I’m going to get good quality, value for money and I have trust.

At the same time, from a South Korean perspective, these characteristics can be obstacles for New Zealand-South Korean film co-productions in the sense that, as mentioned before, a South Korean official argues that rather than being complementary, there are some overlaps in the advantages of New Zealand and Korean film industries. Both countries claim superiority in visual and physical effects in post-production so that neither is able to gain much benefit from co-productions in this respect. This notion is also shared by one Korean director describing the challenge as:

PK16: The film agreement between New Zealand and South Korea brought some advantages to filmmakers. However, the reason why an official film co-production project has not happened between the two countries is that there is a clash in benefits which filmmakers in both nations will gain from the co-production. Namely, the two countries attempt to bring post-production into their domains when making co-produced films. Korean filmmakers do not need to go to New Zealand for location shootings unless they do have special reasons. [...] The profit which filmmakers in both nations can take from the project is only postproduction work.

In addition, the South Korean film industry has witnessed a new phenomenon in that many Korean directors and several special effects teams have actively collaborated with Chinese filmmakers since the late 2000s. As Yecies et al. (2011) argue, South Korea has become a provider of technical expertise. For example, Assembly (2007), directed by Xiaogang Feng, helped South Korean visual effects companies enter the Chinese film market. These companies also participated in the post-production of After Shock (2010) which was also directed by Xiaogang Feng (Kim, Kim, & Park, 2011). “Co-production 2013” (2014) also indicates that “Chinese investors turned their attention to another partner - South Korea, whose filmmaking technology currently tops in Asia” (para. 4).

According to Hong (2013), imported movies like Hollywood films packed with the state of art skills increase expectations of the Chinese audiences for their own
local films, which has created a new and overwhelming task for the Chinese film industry. In this sense, Chinese filmmakers wish to work with Korean crews specialised in technical skills to meet their needs. To access expertise (technology and talent) is one of key motivations for film collaboration between China and South Korea from a Chinese perspective, demonstrating that China has the same expectations of Korea as do Korean filmmakers of New Zealand.

The Producers Guild of Korea (2008) indicates that one of the purposes of film co-productions is to actively utilise the popularity of South Korean films in overseas markets, and the relationships between South Korean filmmakers and other countries’ film professionals. These reasons were also put forward by several Korean producers and one official.

PK3: These days, Korean actors, technicians or directors are entering the Chinese film Market. When Korean directors have a job there, they are taking their staff or crew to China in a customary way. That’s because while China has an increasing demand for stories or materials for Chinese films, it does not have sufficient production staff or artists.

PK6: China depends on Korean crews’ technical skills. For example, Feng Xiaogang [a famous Chinese director] has huge belief in Korean crew, especially Demolition Team [which has provided visual effects for his films].

These situations tend to underpin the concerns expressed by the South Korean official and the South Korean director in demonstrating the advantage in post-production. However, there is still a gap in digital technology capabilities between New Zealand and South Korea as Korean film practitioners have not had experience of producing large-budget international films (Hollywood blockbusters) working with a number of film crews under one project. Nevertheless, the good relationship in film collaboration between China and South Korea is likely to be an obstacle in the way of New Zealand-South Korean co-productions.

Based on the analysis of the interviews, South Korean practitioners considered access to expertise (technology or talent) to be the most important motivation for film co-productions with New Zealand, whereas this element was not the most significant feature from a New Zealand perspective. However, it is interesting to
note that this motive was the second most crucial factor when New Zealand participants co-produced films with other nations. For example, they not only wanted to collaborate with skilled talent from around the world but also to cast renowned lead actors or actresses from the partner’s countries in order to gain a wide distribution in the partner’s country’s market.

PN 4: Personnel is number two. For example, in case of The Strength of Water, they employed a particular European director of photography whom filmmakers admired.

PN22: And the actors of course are, if you like, the centrepiece of a production and that co-production arrangement definitely worked well for that film in terms of opening up the cast... I imagined that it was almost a necessity. If it were a purely New Zealand production, I don’t think we could’ve drawn on that cast - we probably wouldn't have had the money, apart from anything else.

As Smith (2012) argues with a film, KM 31 (2006), employing skilled crew and well-known actors is often regarded as a key advantage of film co-productions.

Learning from partners

Interestingly, New Zealand and South Korean participants did not directly refer to learning from partners as one of the (possible) motivations or the advantages of film co-production between the two countries; however, South Korean film professionals’ desire to work with New Zealand film practitioners or the famous companies implied learning from partners because they are able to acquire their skills through the project.

In previous film studies, this factor was seen as one of the benefits of film co-productions. For example, based on their survey research, Hoskins et al. (1997a) found that Japanese producers put more emphasis on this advantage, learning from partners, than other producers from five nations (Canada, Australia, France, the U.K., and other European countries), since learning is always regarded as crucial within Japanese organisational culture. Hoskins et al. (1997a, p. 109) also added that the European filmmakers may gather information in relation to marketing through their co-production partners.
A range of participants in this study appreciated their partners providing something new for them and learned from their partners’ production system, knowledge and other ways of working in their film industry. It seems that South Korean film producers learn more from partners than other groups (directors and crew) do. Two South Korean producers noted that a collaborative venture with Japanese partners was a good opportunity to learn an advanced system of film production and one type of film co-production. Therefore, collaborating in making a co-produced film contributes to enhancing filmmakers and crews’ skills and knowledge in both countries.

PK15: In fact, the boundary between art and industry is considerably related to expenses and schedules. While the Korean film industry has an ambiguous idea about this, the Japanese film industry has industrialized about this area. […] In addition, Japan has an advanced system of film production and a clear principle with regards to the budgets and time period in producing a film.

PN22: From a personal point of view, we did post-production in London, and I know we can do the same sort of work here in NZ. But it broadens your outlook when you work with someone else even if you are in a dark room looking at a screen. You know when you meet people you find other ways of working and I think that’s got to be one of the advantages of co-production deals.

6.4.2 Interactive factors between film practitioners

The research framework of this section will draw on the reciprocal exchange model of social exchange theory, which has been employed to examine the effects of interpersonal dynamics (Moss, 2016). I will argue that film practitioners’ interactive factors, grounded on reciprocal exchanges, are influential factors in producing film co-productions between New Zealand and South Korea. In reciprocal exchanges, one party does not have any expectation of give and take when providing their resources to the other parties (Flynn, 2005; Molm, 2003) and it prefers recommendation and information to enforceable resources (Lau & Cobb, 2010; McAllister, 1995).

As stated in the literature review, in an analysis of the Malaysian independent film industry, Perumal et al. (2012a, p. 2925) argue that crewmembers’ performance is influenced by interactive factors (trust, cohesiveness, communication and
collaboration, relationship and friendship, sharing ideas and experience, and commitment), based on the same research framework. While the study of Perumal et al. is focused on the local film industry, the thesis’ topic is around international co-productions crossing borders. There are, therefore, some similarities and differences between these interactive factors. For instance, the interactive factors identified from the interviews in this study include both positive and negative elements. In the following section, the five interactive factors, personal relationships and networks, flexible and friendly manners, commitment, distrust, and close ranks, will discussed as influential factors in creating the film co-productions.

**Personal relationships and networks**

An analysis of the data in this study suggests how significant the relationship between film professionals and their partners is when producing a film, specifically in co-productions between New Zealand and South Korea. As stated earlier, the factor of personal connections was one of the important motivations (the fourth) for New Zealand-South Korean film co-productions in both countries. Nonetheless, the importance of personal connections emerged from mainly South Korean participants as one of the key factors which have influenced the film co-productions. Those South Korean producers who are willing to produce a film project with the country have several commonalities. First, they have established a good friendship with New Zealand film practitioners and also have substantial knowledge about the New Zealand film industry and context. Notably, the Asia-Pacific Producer’s Network (APN) provides a catalyst for this relationship and the 2011 APN Symposium held in New Zealand was a useful opportunity to enhance mutual understanding between participants and to create co-production projects.

Second, some South Korean producers made a great deal of effort in South Korea to sign the film co-production agreement with New Zealand. Third, they had already attempted to make film co-production projects such as *Soulmates* and *The Graduation* (working titles) with the country even though they failed to go on to screen. *Soulmates*, a collaborative project between Touchdown Eyeworks, a New Zealand production company, and Film Alchemy, a South Korean film production company, was a horror film about love between a human being and a ghost, aimed
at English speaking areas such the UK and the U.S. (Lee, S.-H. 2008). It is significant to demonstrate the importance of personal relationships that a New Zealand friend of producer Nam-Jin Lee, head of Film Alchemy, introduced producer Robin Scholes of Touchdown Eyeworks (PK19, personal communication, October 13, 2011) and then the project began.

In a production presentation held in Busan, South Korea in 2008, director Scott Reynolds, who is New Zealander and directed When Strangers Appear (2001), and Chae-Young Han, South Korean lead actress and producer Nam-Jin Lee attended (Jung, 2008). Producer Robin Scholes from New Zealand and producer Nam-Jin Lee from South Korea sought to make it an official film co-production with a screenplay written by a New Zealander under the film agreement (PK19, personal communication, October 13, 2011), but it did not bear fruit. Despite this failure, producer Nam-Jin Lee still entertains a hope to co-produce a film with New Zealand.

It is worth noting that the most critical factor affecting an achievement of this MOU of The Graduation was the good relationship based on trust between one of the South Korean producers and a family member of the New Zealand producer (PK10, personal communication, October 5, 2012). As Yamagishi (2011) argues, this fact underlines the significance of trust between filmmakers involved in co-productions. Lastly, South Korean filmmakers who wish to undertake co-productions with New Zealand tend to speak English well and have experience of living or studying overseas. Two South Korean directors also stated that having friends in New Zealand or Australia has become one of the drivers for film ventures with New Zealand in that they found it invaluable to build a network between those involved in a joint film product as they may be working together in the future.

In contrast, those New Zealanders who are or were interested in film joint ventures with South Korea are a bit different from South Korean filmmakers hoping to undertake co-productions with New Zealand in some respects. For those New Zealanders, South Korea is one of the countries from which they can gain some overseas funding and they do not have the same kind of loyalty to it that
some South Korean producers have towards New Zealand. One New Zealand official indicates, “There are only a small number of producers in NZ who probably have that kind of expertise to make them [film co-production] viable. And as I say, some of those personal connections seem to be in the mix as well” (PN4, personal communication, April 15, 2011).

Few New Zealand film practitioners keep up good friendships with South Korean film professionals, which can be a drawback for creating a bilateral film project. In this respect, there is a need for an exchange programme of filmmakers between New Zealand and South Korea to activate film co-productions between the two nations although thus far there were some exchanges between the countries. For instance, the inaugural New Zealand Film Festival, held in five cities in South Korea showing 22 films in 2005, was a return event to the first Korean Film Festival held in Auckland in 2004 (“New Zealand Film Festival,” 2005).

![Figure 6.1 Poster of the New Zealand Film Festival](image)

Initially, the event was supposed to continue as a reciprocal event but the New Zealand film festival in South Korea was no longer held after the first festival. Nevertheless, the 2008 film agreement between the two countries led to the biannual Korean Film Festival, which has been held by Wellington city since then (Rutherford, 2016).

Robin Scholes visited South Korea in 2009 to give a lecture at the international film co-production seminar arranged by the KOFIC (KAFA). She is a renowned
producer, and produced *Once Were Warriors* (1994), which is one of the biggest hit films at the New Zealand box office and *The Tattooist* (2007), which was official Singaporean-New Zealand co-production and *Mr. Pip* (2012) which was made by Papua New Guinea, Australia and New Zealand.

Several measures for the exchange programme were proposed by two South Korean directors, one Korean producer and one New Zealand official. South Korean participants put forward a proposal to hold a conference in the two countries once a year, or to tour locations in which recent films were shot in South Korea to better understand each other. Indeed, in 2006, the Gyeonggi Film Commission (GGFC), the Seoul Film Commission and the Korea Tourism Organization co-hosted “a *location familiarisation tour* which is an event for foreign screen industry practitioners to experience or tour locations in metropolitan areas, where visual images were shot or to be shot so as to attract their potential projects to local areas” (GGFC, 2006, para 2). Sue Thompson, Deputy Chair of Film New Zealand took part in this tour.

Meanwhile, one New Zealand official suggests that exchange programmes of producers on a practical level work effectively. In the same vein, a South Korean official proposes that the government needs to send one team comprising three film professionals (producer, director and scripter) to New Zealand for one month and vice versa (PK10, personal communication, September 24, 2011). Although it is a different type of project from those programmes discussed above, in March 2006, the South Korean Government launched a nurturing programme for six months for Asian film professionals to share their experiences and interest with those of South Korean filmmakers by inviting young filmmakers from countries in Asia (Moon, 2006). It will be effective if this kind of project is expanded to those who are willing to co-produce films with South Korea. Furthermore, it seems that there is a need for the NZFC to review the way of selecting who is going to attend the BIFF and the BIFCOM to bring more film producers or directors into South Korea.

Several programmes conducted in South Korea with Richard Taylor and Weta Workshop shed light on the direction of New Zealand-South Korean film co-
productions. Richard Taylor, Creative Director of Weta Workshop and award winner of five Oscars in the areas of makeup, costume design and visual effects, travelled to South Korea several times. In the beginning, the purpose of his visit was to give a lecture at the Puchon International Fantastic Festival in 2006 (Joonicarus, 2014) and at the Seoul International Family Film Festival in 2009 (PN8, personal communication, July 27, 2011). However, in 2014, he came to the country with more than 300 Weta Workshop-created creatures and characters for a Weta Workshop Fantasy Exhibition held at the Dongdaemoon Design Plaza (Lee, W.-Y., 2014). He also lectured at the International Fantasy Conference, and these two programmes were occasions in Seoul Fantacon (Seoul Fantasy Convention) hosted by Fantacon Korea (Fantacon Korea, 2014).

In 2015, he returned to South Korea to deliver a lecture about cultural design at Gywangmyeong Fantasy Academy, during the Gywangmyeong Fantasy Week held in Gywangmyeong Cave and to perform the role of a chief judge of the 2015 Gywangmyeong International Fantasy Conceptual Design Contest. The Gywangmyeong Cave is a kind of theme park where there is a dragon sculpture created by Weta Workshop (Shin, 2015). Richard Taylor and Weta Workshop have been involved in diverse projects with Gywangmyeong city. It is important to note that Gywangmyeong International Fantasy Conceptual Design Contest has been co-hosted by Film Alchemy and Gywangmyeong city since 2014; it is worth noting that Nam-Jin Lee, head of Film Alchemy, was the producer who attempted to co-produce a film (Soulmates) with New Zealand in 2008 and has a good relationship with Richard Taylor. This relationship contributed to Richard Taylor’s involvement in the projects of Gywangmyeong city.

The benefit of building networks referred to in previous studies on films (Blair et al., 2001) was identified as one of the advantages of film co-productions between New Zealand and other nations and South Korea and other countries as well. New Zealand and South Korean participants found it invaluable to build a network between those involved in a joint film product as they may be working together again in the future. Moreover, some New Zealand and Korean producers, directors and crews enjoyed collaborating with their partners from various countries. One
New Zealand editor explains his experience of working with a South Korean director:

PN12: One of the things is that working with a producer from another country will give a NZ producer the opportunity to meet other people in other countries. So, the networking that results from co-production is very valuable.

Another reason why personal networks are important is that most people working in the New Zealand and South Korean film industry get jobs from human connections. Blair et al. (2001) point to this feature in the British film industry in this way:

[…] When asked how they generally heard about jobs in the film industry the most common response was from someone they had worked with before, with the other most frequent response being by general word of mouth. (p.180)

Based on the interviews, film professionals in both the countries are apt to work together with people they have worked with before, if they have had good experiences with them. Personal or informal networking is also a significant factor in getting a job in the film industry.

**Friendly and flexible manners**

Informal relations are central to the real work of organisations (McAllister, 1995, p. 55). From the interviews, those South Koreans who have had experience of working with New Zealand film professionals emphasised that the latter are friendly and flexible people with high skill levels. For these Korean participants, this characteristic is considered as one of the advantages for film co-productions with New Zealand and has encouraged Korean filmmakers to want to continue to cooperate with New Zealanders.

Three South Korean producers, one Korean cinematographer and one Korean official thought that New Zealand film crew members were friendlier and more flexible than American crews. Most of them, who have had working experience with both American and New Zealand crews and could make valid comparisons between the two, learned that it was not easy to undertake a project with
American filmmakers and crews because of a different production system, union considerations and many rules which the South Korean film industry does not have. In particular, American filmmakers work in compliance with their union, schedule and budget when producing films. This quality of being friendly and flexible is described as:

PK17: New Zealand film crews are not only skilful and experienced but also very friendly. In particular, the advantages of working with NZ filmmakers are that they have the quality and professionalism Hollywood staff have, and also a friendly trait that we can see under. Hollywood makes a number of films, which incurs many regulations. There is a labour union with big power and many specific things including rules of down payment. By contrast, New Zealand has some lenient and flexible parts about those things because the film industry in New Zealand is not as big as that in Hollywood and its population is small. That is what I expressed as friendly.

One South Korean producer who needed partners to work in English territories for yielding English content (films, videos etc.), stressed that working together with New Zealand film crew was easier than with Americans. She goes on to say that:

PK19: I have a need to work with filmmakers in an English territory. However, it is not easy to collaborate with Americans, even if I am working with them. So, other countries with the film industries I can select are Canada, the UK, Australia and New Zealand. By the way, when producing a documentary of New Zealand, the person I met in New Zealand was very kind.

The quality of friendliness of film practitioners in New Zealand can be associated with the film-friendly environment in the Auckland region – the Auckland, North Shore, Waitakere and Manukau cities in the sense that “Over the last six years, a ‘film friendly approach’ has been a feature of the [Auckland] region” (de Bruin, 2005, p. 147). He indicates that the approach of the region led to the establishment of Film Auckland, and also a screen production initiative based on The Auckland Regional Economic Development Strategy 2000-2022 enabled the Auckland industry to utilise the international attention New Zealand received at that time (Bruin, 2005). A memorandum of understanding (MoU) between Film Auckland

---

6 Film Auckland describes its role as being that “Film Auckland's objective is to ensure your production experience in and around the region is seamless. As your first point of contact for the Auckland Screen Production Industry, Film Auckland can help you tap into Auckland and New Zealand's vast network of experienced and innovative Film Industry professionals” (Film Auckland, 2014a, para.1).
and the Busan Film Commission has been signed in an attempt to increase collaboration between their audio-visual fields (Noh, 2010). The Busan Film Commission, one of eleven municipal film commissions in South Korea (KOFIC, 2007) and situated in Busan, plays a significant role for the Busan International Film Festival.

Although this partnership has not produced fruitful outcomes to date, the agencies have tried to exchange information and filmmakers with each other to contributing to mutual understanding. A New Zealander who works at Film Auckland stresses that “We’re really trying to set it up so we are exchanging information between producers about really the nuts and bolts of how each other’s industry works” (PN6, personal communication, July 21, 2011).

The friendly and flexible feature of New Zealand crews affords one significant reason for the motivation: the need for the partner to enter the U.S. market for New Zealand-South Korean co-productions, on the part of South Korean filmmakers. Those who attempt to make inroads into the American film market consider New Zealand film crews as appropriate partners for achieving this aim, in that they are not only friendly and flexible but also are skilled and talented with the state-of-the-art technology.

Commitment

Commitment usually comes from crew members’ enthusiasm towards the work (Perumal et al., 2012a). A South Korean official and a Korean producer identified that New Zealand and South Korea share a kind of can do spirit (number 8 wire mentality): namely, “if it does not work, make it work” (PK20, personal communication, October 26, 2011). They argue that:

PK20: The mind of the New Zealand film crew is quite analogous to Koreans’ mind. For instance, if something happens [in the process of filmmaking], the Korean crew try to solve the problems. They have the spirit: “if it does not work, make it work”, which New Zealand crew also have. When I worked with American crew, they had a tendency to easily give up if it did not work although they put effort into it to some degree.

PK10: Please see the Korean films in the 1970s, 1980s and 1990s. To make things which do not work, work, Korean crew stuck their neck out. For example, when shooting The Gingko Bed (1996), the cinematographer who
tied himself with ropes, jumped from a crane to a truck (with a camera) 13 times in order to film one scene. This is nothing short of suicide. […] At that time, we did not have the advanced technology so we had to do so. Therefore, we share the spirit: 'if it does not work, make it work' with New Zealand, and another commonality between the two countries is New Zealanders and Koreans are warm-hearted people.

With regard to this factor, directors Peter Jackson in *Peter Jackson speaks to Morning Report* (Radio New Zealand, 2012) and James Cameron (“Avatar likely filmed in Wellington,” 2012) have also offered clear reasons why Hollywood films come to New Zealand for their productions. They say, New Zealand film professionals are enthusiastic in working on films, and are highly creative, flexible and able to improvise where and when needed. Campbell-Hunt et al. (2001) and Jones et al. (2003) also assert that foreign filmmakers have been impressed by the *number 8 wire mentality* (can do spirit) which New Zealand film crews display in the process of film production. These features are underpinned by the experiences of several South Korean filmmakers who participated in making *The Warrior’s Way* (2010) (see Chapter 7).

However, Jones et al. (2003) argue that the lack of funding and sustained work, and also the non-unionised workforce have partly contributed to the *number 8 wire mentality*. While one New Zealand director agreed with the argument of Jones et al. (2003), he also stressed that the lack of finance and jobs led to creative solutions to some compromises each movie faced. In addition, he added that the trait of working as a team activated communication among team members; as a result, New Zealand film crews listen to each other’s ideas and take them on board if the ideas help to improve the quality of films.

While one New Zealand cinematographer agreed that New Zealand crews are more cooperative than American crews, he had different ideas about American crews: the *can do spirit* can be found among independent filmmakers in the U.S. He explains the differences between New Zealand and American crews this way:

*PN22:* Kiwi crews do tend to be collaborative whereas the American crews tend to be more departmentalised – they stick to their job. And like, even if they can see that something’s going wrong over there, it’s not their
department, they'll happily ignore it, whereas a Kiwi will go 'Oh, do you need a hand with that?''

But I can't swear to that, and I also suspect that you could probably do a low-budget independent film in America and find that they would be behaving the same as us — that everyone got together and worked together. So, I think it might be that ... my experience with American crews is on the bigger productions and people become more standoffish in a way, and it isn't all of them.

As the New Zealand director of photography declares, even though the can do spirit can be found in a low-budget independent film in the U.S., it seems that New Zealand and South Korean film professionals have more enthusiasm for their profession than Americans.

A South Korean official also explains the reason why New Zealand is the best partner for South Korea for penetrating the U.S. market, compared to other Asian nations. In his opinion, Hong Kong is too far ahead of South Korea in business to be a good partner and thus it is not easy for South Korean filmmakers to collaborate with them. He points out that:

PK10: I went to Hong Kong, India and the Philippines and found that their film industries differ from the Korean film industry. You might mostly think that the Hong Kong people have commonalities with Koreans as the yellow race. However, Hong Kong is a municipal city which was commercialised several hundred years ago. The Hong Kong people are so successful genius so that we cannot trust them. In addition, they have totally different sentiments from us as well as have been globalised long before us. Further, Hong Kong not only has much money but also is a key distributor in the Asian film market. In comparison, Korean producers are far behind them, we cannot share our sensibility with them.

Many producers in South Korea serve as filmmakers (head of film production companies) as well as producers (expert at the frontline) so they work as not only businessmen who operate an office and hire employees but also genuine producers who control the filming spots so that they cannot be dedicated to their companies and their films (Park, 2005, p. 133). In this sense, Hong Kong and the U.S. are unlikely to have sensitivities in common with South Korea. Even though Australia has a much larger population and more productive film industry than New Zealand, this country and South Korea have recently signed a film
agreement in 2014. There have been only three collaboration projects between the two countries since 2000 because for South Korean filmmakers, co-producing films in Australia is more expensive than in New Zealand due to the foreign exchange rate between the countries.

**Distrust**

Trust and distrust are primary elements in social exchange and relationships (Guo et al., 2014). Perumal et al. (2012b) argue that trust is a key factor for keeping a better relationship between film crews during the making of a film. In the film industry, trust and reliance on co-workers play an important role because of frequent and quick movement of jobs (Blair et al., 2001). In contrast to these arguments, Lau and Cobb (2010, p. 910) claim that “exchange outcomes will impact co-worker trust and, as a consequence, their future exchange relationship.” This applies to the case of *Black Sheep* (2006) which was directed by Jonathan King with investment of a South Korean company (Daesung Group). The film belongs to a co-financing project in which one party does not intervene in the process of production apart from contributing to funding (Yoon et al., 2007) and falls into the category of opportunistic transnationalism which focuses on economic purpose (Hjort, 2010a).

![Black Sheep poster](image)

**Figure 6.2** The poster of *Black Sheep* (2006)

*Black Sheep* is a comedy, horror and sci-fi genre film; a story about two brothers (Angus and Henry) who did not get along during their childhood on the family
sheep farm. On the day when Angus, jealous of Henry’s ability at sheep farming, killed Henry’s pet sheep, their father died accidently. These two shocking events led Henry to sheep-phobia and his departure from the farm. Fifteen years later, Henry returns to his home, hoping his brother will buy him out. Meanwhile, Angus has experimented to create sheep monsters which can eat a meat diet and whose bite can transform human beings into half-sheep monsters. In the end, Henry comes to learn about Angus’ experimentation and fights with him.

One New Zealand producer emphasised that the production of Black Sheep (2006) resulted in distrust between New Zealand and Korean film producers, which created a problem for film co-productions with South Korea. She describes this incident:

PN13: Black Sheep was not screened in Korea. How the heck could that happen? This is the whole problem. That’s what I’m saying about to the Koreans, because, I think, that has created distrust from Korean producers about New Zealand. And I know people lost jobs over it. Busan [in Korea] people mentioned it, explained it. Yes, they still remember it – they still talk about it. They are talking about what happened with Black Sheep and the executives got blamed and they lost their jobs. So, it’s left a bad feeling for investing into NZ and I guess also, if Jonathan King wouldn’t change any content then, they had no way of recouping their investment. So, the executives lost their jobs. I think, that’s what I am saying to Korean producers we don’t understand the environment they live in. Because we have soft money in our country and it’s not hard money, cash from companies. So, Daesung invested out of their own company money – if somebody loses all that money – somebody is going to be responsible for it.

This commentator suggests that those South Korean producers who remember this case do not want to invest into New Zealand films, and New Zealand filmmakers’ ignorance of the audience and the filmmaking process in South Korea is the primary reason for this. In effect, there is much speculation about why the film was not released in the cinema in South Korea. Her opinion was shared with a New Zealand participant who pointed out that:

PN8: Black Sheep was quite successful here, but it wasn’t released by Daesung group in Korea because I think it was a little too controversial. Some of the things in Black Sheep were not suited to Korean taste.
One New Zealand official added further explanations:

PN4: *Black Sheep* didn’t work for the Korean investor. I think the Korean investor turned out to be I think a Christian investment group. They didn’t read the script and didn’t realise that how violent it is. So, they were also very disappointed because it wasn’t a film in keeping with their Christian values. I think that’s what happened.

It is impossible to confirm whether the South Korean investor read the script or not before watching it, but this case demonstrates the significance of mutual understanding of respective cultures by filmmakers who are involved in co-produced films. Simple investment or co-financing in a film co-production project without knowledge of the partner’s country seldom produces a good result. Since unsuccessful productions are liable to incite distrust between filmmakers taking part in joint film productions, personal relationships with the filmmakers have a great importance for film co-productions. Williamson (1985) argues that “Bilateral relationships characterized by trust survive greater stress and show greater adaptability in responding to unforeseen circumstances” (p. 62). As a consequence, in order to make a New Zealand-South Korean film co-production, it is crucial to establish a foundation of networks between New Zealand and South Korean filmmakers, as mentioned at the personal relationships and networks section.

That *Black Sheep* was not screened at theatres in South Korea means that the film did not take advantage of one of the benefits (gaining partners’ markets) of international film co-productions even though it was not an official co-production. This film was only shown in the Bucheon International Fantastic Film Festival in 2007. This notion was discussed by a New Zealand official:

PN4: We had definitely found that to be a real issue with Asia because *The Tattooist* was not even released in Singapore and *Black Sheep* was not released in Korea. They were moderately successful films in New Zealand but failed completely in Singapore and Korea. That is very disappointing because you like to think that if you are going to do co-production, it will benefit both countries.
This also suggests that there is a significant gap between the expectations of New Zealand audiences and South Korean audiences, and that there are problems involved in creating a film co-production which will satisfy both. Therefore, it is perhaps a good idea to produce a film aimed at penetrating the U.S. market rather than to make a film meeting the anticipations of the two participating countries’ moviegoers. Furthermore, one Korean director points out that money can cause distrust between participating partners, since there is a possibility that one of the partners can exaggerate their budget, in particular with costs of printing and advertising.

Close ranks

The Macmillan Dictionary (n.d.) defines to close ranks as joining “with a group to support and protect yourselves against someone outside your group who is criticizing or attacking you” (n.p.). Two South Korean producers and one cinematographer, who have had experience of working with New Zealand film crews, view close ranks as one of their characteristics and state it is likely to be one of the disadvantages in co-producing films between the two countries in the sense that close ranks can cause some misunderstanding and distrust. However, these South Korean filmmakers do not see this feature as a serious hurdle to co-operation. One Korean producer supposes that this trait stems from an isolated culture and the small film industry in New Zealand.

The producer explains that:

PK20: There is some collectivism. That means that they [New Zealand film professionals] cover for each other at work. For example, although there are problems, they do not tell Koreans about them, so that can make things difficult. From my point of view, isolated geography is likely to result in this feature. In addition, the tendency that New Zealand film professionals have worked for foreign clients can cause the film professionals to protect each other. Additionally, the small film market can lead to the culture in which no one wants to admit mistakes, and film crews protect each other. Basically, it can be a good characteristic; however, it does not help from a business perspective.

One explanation for this practice was provided by asking New Zealand participants. One New Zealand editor offers a similar reason to the producer’s thoughts and also different ones. While acknowledging the New Zealand film
industry is small, he also talked about a working culture in which film professionals work as a team.

PN 18: Some of the old practitioners, certain directors of photographers or wardrobe people, bring a whole group of people with them that they have worked with for maybe 10 or 20 years. So, you actually meet the same collection of people who are based around one or two key people who are very good, but they carry with them all these other people. It’s a loose arrangement, it’s not an official thing or anything like that, but because the industry is so small.

Even if South Korean filmmakers are prone to do so, this characteristic stands out more in New Zealand. His notion is also shared with one New Zealand director who asserts that other countries like to work with New Zealand “because of our having to work with small budgets for so long and because of our natural tendency to work as a team” (PN15, personal communication, January 13, 2012).
6.5 Cultural factors

This section will address cultural factors (cultural motivation, and cultural advantages and disadvantages for film co-productions between New Zealand and South Korea), comparing cultural factors from the political economy approach. Next, it will examine how cultural proximity (Straubhaar, 2003) and cultural discount (Hoskins & Mirus, 1988) have influenced New Zealand-foreign film co-productions and film co-productions between South Korea and other countries, and it will explore how the two concepts play roles in New Zealand-South Korean film co-production ventures from the Cultural Studies approach. Then, the phenomenon of cultural regionalisation in East Asia, which film co-productions between Asian countries have contributed to, will be investigated from the political economy perspective.

6.5.1 Cultural motivations and advantages/disadvantages of film co-productions between New Zealand and South Korea

Not many cultural factors were identified in the motivations (advantages) for the film co-productions between New Zealand and South Korea from the interviews. Cultural exchange between nations participating in co-productions suggested by Lev (1993) and Yoon et al. (2007) was not regarded as being of key cultural benefit. In their work, Hoskins et al. (1997a) argue that differing cultures of partners involved in film co-productions are likely to be hurdles. Analysis of the data in the present study indicates that cultural differences between New Zealand and South Korea are one of the significant disadvantages limiting opportunities for bilateral collaborative ventures. The cultural differences include lack of shared stories and a lack of shared language between the two nations.

It is important to give attention to the finding that cultural elements such as contribution to understanding partners’ culture, and personal exchange, such as of producers, appeared as the advantages of New Zealand-foreign and South Korean-foreign film co-productions. In cultural factors, as in economic factors, South Korean respondents displayed some differences in motivations for film co-productions between New Zealand and South Korea, and between South Korea
and other nations, mainly Japan and China, in the sense that South Korean film practitioners considered cultural factors—shared stories, diversifying creativity and the *Korean Wave*—were more significant when they undertook film co-productions with Japan and China. Notably, South Korean interviewees viewed the *Korean Wave* as the fourth motivation for film co-productions with China and Japan, but this did not appear as a motive for New Zealand-South Korean film co-productions. Nonetheless, the Korean Wave in New Zealand has already gained popularity among young New Zealanders especially due to interest in K-pop (Duff, 2015).

New Zealand and South Korean participants desire to co-produce films when they have shared stories with their partners’ country. This was identified as one of the three important motives for film co-production of New Zealand and South Korea. This factor is one of the criteria which classify transnational cinema, including international film co-productions (Pardo, 2007; Smith, 2012; Wayne, 2002). It was also frequently remarked on as a prerequisite by many South Korean directors and producers, as well as several New Zealand producers and an official who works at the government organisation. South Korean respondents thought that international film co-productions took place when the themes or narrative structure of the stories of a film needed a location/backdrop overseas or actors or actresses from abroad.

PK18: I didn’t intentionally plan film co-production, it took place naturally because of the story of the comics itself and its main motif. I am a director so a story or motif is important.

Even though New Zealand participants accord relatively more importance to this motivation (shared stories) than South Koreans, the motivation mostly came from film directors in both countries who were more interested in story telling than financial factors. One New Zealand director commented that “I am not a businessman, as a director I am more concerned about the story” (PN3, personal communication, April 8, 2011). A parallel idea was found in previous studies. The scriptwriter, who was in charge of the screenplay of *Virgin Snow* (2009), a Japanese-South Korean collaboration project, emphasised that the reason why
scriptwriters take part in film co-productions despite differences in cultures and language, is not for a business but a story to create together with their partners (Kato, 2008).

Two New Zealand directors, one South Korean director and one South Korean producer state that if they had a story in relation to both New Zealand and South Korea, they would co-produce a film. They explain their focus on shared stories:

PN15: If there were a story similar to the Katherine Mansfield story in France, but featured a Korean in New Zealand or a New Zealander in Korea, the energy of the film would arise from cultural differences. That would be good reason for a co-production.

PK01: If I want to make a film which is connected with New Zealand, it is necessary for me to co-produce it with New Zealanders. For example, this would be essential when filming a story on Maori myths.

Nevertheless, one New Zealand producer and one director point out that the Korean War is the only historical connection between the countries. Therefore, one South Korean producer and one South Korean official are concerned about suitable stories for the film co-production. The South Korean official also asserts that no one can yet write a story appealing to both New Zealand and Korean audiences. As a result, there is a need for exchange programmes for filmmakers in the two countries (PK10, personal communication, September 24, 2011).

In this regard, there is a gap in attitudes towards film co-productions between the film practitioners who look for the shared stories and the New Zealand government. Successive New Zealand governments have justified their engagement with the screen industry sector because of its cultural benefits in making New Zealand culturally richer (MBIE & MACH, 2013; MED, 2012) and that the intended cultural objectives of the film co-productions are to bring more New Zealand stories to the screen in the country and to develop New Zealand talent (Gregson, 2012). This propensity of the government is likely to be a barrier for co-productions with South Korea causing the stories' tension in that they have to include cultural specificity of New Zealand and to appeal to South Korean or global audiences (Taylor, 1995).
Although two New Zealand officials expected Stephen Gang, a Korean-born New Zealander who won the Grand Prix from Cannes Critics Week in the Cannes Film Festival in 2011 with his short film, *Blue* (2011) and directed a feature film *Desert* (2010), to be an appropriate person to create New Zealand-South Korean film co-productions, South Korean filmmakers who participated in the 2011 APN Symposium held in New Zealand were not interested in next film of Stephen Gang, according to one New Zealand producer. The producer explains the reason for this is that there are many good directors in South Korea so Korean filmmakers do not need to find directors overseas and are more interested in commercial films than art-house film either. Consequently, it seems to be difficult to create New Zealand-South Korean co-productions which can appeal to both audiences, given lack of shared stories between the nations, the indifference to the Korean-born New Zealand director of some South Korean filmmakers and the focus on New Zealand content.

Considering these accounts, the outcome that South Korean filmmakers attempt to penetrate the American film market through film co-productions with New Zealand can be explained by the results of the research undertaken by McFadyen et al. (1998) that Japanese participants considered cultural benefits to help make inroads into markets with significant cultural differences as more significant than Canadian and Australian participants and they had more interest in access to a third market than Canadian participants.

**Compromised stories of films**

In previous film studies, there have been concerns about compromising stories or delivery of stateless films which do not contain any cultural specificity. Hoskins et al. (1996) note that “A joint venture inevitably involves compromises concerning the character of the program and the creative talent employed. […] It may be that the comprised program, far from appealing to viewers in both markets, actually appeals to neither” (n.p.). In effect, this drawback is referred to as loss of cultural specificity (Hoskins et al., 1998). In the interviews, many participants directly express two anxieties about this matter as in early accusations regarding Europudding with European co-productions (De Vinck, 2009). Firstly, a film story in film co-productions tends to lose indigenous characters in order to
correspond to the partner’s demands. Secondly, as a result of this, a story of a film turns out a stateless film and end up not appealing to the audience of any country.

Although compromising stories is not a new disadvantage (see, Chung, 2011; Hwang, 2009a), significant concern expressed by three New Zealand participants is about changing stories of a film or putting something artificial into stories due to their counterparts’ requests since this will hurt the quality of a co-produced film. Thus, filmmakers should not produce a film to fit into a co-production structure. As a result, New Zealand and South Korean filmmakers should produce a film co-production together when having a genuine reason. One New Zealand director and two New Zealand officials express their concern in the following manner:

PN10: If you’re just jamming that [the story] in for the money then that’s bad. Those would be my concerns as a film maker. Am I having to use things I don’t like? Am I having to use a location I don’t like? It would be something I have to think about [when producing a film with South Korea].

PN11: One disadvantage or hurdle is that I guess you need to make compromises in terms of the story. Um, so, in order to work with another country, the story may need to be changed or some of the director’s vision and those kinds of things because you’re working with another country.

The issue of *loss of cultural specificity* is cited by several scholars. This hindrance is referred to as being detrimental to the national aspect as the film sometimes missed out indigenous components (Liehm, 1984), and may project a blurred national identity (Hayward, 1993). The cultural identity of films made by co-productions can be confused due to finance capital without nationality (Morawetz et al., 2007). In particular, *loss of cultural specificity* and *blurring of the cultural or national identity* are regarded as important disadvantages of film co-productions between New Zealand and other countries, and between South Korea and other nations. Notably, these are emphasised by producers regardless of nationality. Nevertheless, South Korean producers who attempted to appeal to Japanese and Korean audiences express deeper regret than New Zealand film professionals do. For example, they tried to capture two audiences but ended up making stateless films, losing both audiences.
The other cultural disadvantage is that generally speaking, films do better when they are seen as culturally belonging to one particular place. So, co-production carries the possible disadvantage, again, it’s only a possibility, that it will end up becoming a kind of a hybrid between two countries and not really identify with the audience in either country. Because each feels like it’s not quite them – half them and half someone else. So, that is one of the dangers of a co-production, you have to be aware of going into it.

Most of film co-operation projects are seen as culturally belonging to one particular country. However, Virgin Snow (2007) deleted something that was not culturally understood by both the Japanese and Korean audiences in order to thoroughly produce a film which could be successful in the two nations. As a result of that, the film became tame and flat. For example, when we put a comedy scene, if either audience does not understand it, just we delete the scene.

### 6.5.2 Cultural proximity and cultural discount

#### 6.5.2.1 New Zealand

This section will centre on official New Zealand-foreign co-productions made between 1988 and 2010 which were in the showcard shown to the participants during the interviews for this study (2010-2011) while focus for the analysis in Chapter 5 was placed on official New Zealand co-productions with other countries which were produced between 2005 and 2013. Up to 2010, New Zealand has officially co-produced 22 films with six countries: the UK, Australia, Canada, France, Germany, and Singapore. In particular, New Zealand has co-produced 18 films with Commonwealth countries such as the United Kingdom (9) and Australia (5) which speak the same language and share cultural proximity as well as other benefits such as tax incentives.

The notion of cultural proximity is also supported by one New Zealand director who indicates that even within the broad English language sphere it is easier to work with filmmakers from Commonwealth countries rather than the U.S. because of shared ways of thinking. In this sense that it is not likely to be easy for South Korean filmmakers to create films to penetrate the U.S. market with New Zealand film crews.

I find it easier to work with Canadians than to work with Americans. Americans are more foreign. Canada is a Commonwealth country and it is based on the British Parliamentary system as is NZ. The effect of that is that even though a strong minority element of Canada is French – there is still Englishness to their way of thought. The American way of thinking is so much more strongly focused on the individual and self-aggrandisement that
it makes it difficult sometimes to work with them. So, there’s a whole difference between them. You can line up NZ, Canada, Australia and the UK, perhaps parts of Africa and there’s a kind of shared way of thinking which is not the same as the American way of thinking. So, you’ll find that New Zealanders trying to do a movie that will please an American audience struggle because we don’t share… there’s a lot of things we don’t share. We don’t share the cult of the individual, we don’t share the concept of self-aggrandisement.

As discussed in Chapter 5, one New Zealand editor and a New Zealand producer view the close relationship and common history between New Zealand and England as two of the major motivations for official film co-productions between the two countries, as in the following explanations:

PN6: I think it’s historical, cultural in terms of cultural history. There’s a much longer cultural history with the UK on all industrial levels so there has been a tradition of financing and investment between the two countries. I think there is no doubt, it’s probably easier to conduct business if you both speak the same language. It’s true, isn’t it?

PN12: […] the common history between NZ and the UK ensures they are shared stories. Yes, most specifically in the case of River Queen.

Nonetheless, the New Zealand producer emphasises that it takes a long time to understand the culture of any other country, in this case even the UK, one which has cultural proximity with his nation, because there are subtle differences in both cultures which can cause misunderstandings and problems in stressful situations (PN12, personal communication, December 7, 2011).

Given the geographic proximity and close economic and trade relationship between the two countries, it is interesting that the number of official co-productions between New Zealand and Australia has reduced sharply since 1993. Four explanations for this phenomenon are suggested by Gregson (2012, p. 6): the dissimilarity of culture between New Zealand and Australia; a lack of shared history and curiosity about each other’s cultures (low popularity of New Zealand films in Australia, and vice versa); the competition between the two nations; and the negative approach to film co-productions such as taking their funding away from each other. Despite the reduction of official film co-productions, she emphasises that there are many exchanges of film practitioners and unofficial co-
productions that have been carried out. For instance, *ANZAC Girls* (2014) is a recent Australia-New Zealand co-production in television and New Zealand Prime TV has collaborated with Australian channel ABC to tell the stories of the New Zealand and Australian nurses who volunteered in World War I (Parkes, 2014).

In addition, Frater (2013b) offers three further explanations. Firstly, he argues that Australia has mainly produced co-production films with the U.S. and Europe (Britain and France) in part due to good supporting programmes for films in Europe. Secondly, Australia and New Zealand are in a tight competition to attract location shootings from overseas to their own countries. Thirdly, he highlights that the Australian Federal Government has made an effort to be part of the Asian countries, encouraging Australian filmmakers to build relationships with Asian partners for cultural and economic reasons.

These explanations are also expanded on by one South Korean director (PK18, personal interview, October 10, 2011) who attended the Asian Pacific Screen Awards in 2009. The director indicates that although the Asian Film Awards are already being held in Hong Kong, Australia, which itself wishes to belong to the Asian region, created the Asian Pacific Screen Awards which has been taking place in Australia every year, showcasing both Australian and Asian films. Similarly, one New Zealand official states that “Australians have been really looking outwardly as well to Europe and Asia” (PN6, personal interview, July 13, 2011).

As Pastina and Straubhaar (2005) argue, it can be said that cultural proximity is still one of primary factors for producing film co-productions given that New Zealand has mainly co-produced films with the UK since 1988 (see Chapter 5), even though many other factors including cultural, economic and political factors are involved in the phenomena as the case of New Zealand-Australian co-productions demonstrates.

### 6.5.2.2 South Korea

South Korea, which has had only two official co-productions with France to date, has made a number of unofficial co-productions, including location shooting,
since 2004 when the Korean Film Council officially launched support for international film co-production projects (Hwang, 2009a). As Table 6.2 shows, a total of 188 films were collaborations between 2000 and 2010 and these films were made in a broad sense of film co-productions, such as co-financing, full co-production and employment of directors, cast or technical crew members (Woo, 2011).

As Table 6.7 shows, South Korea has mostly collaborated with Japan and China in making films. This frequency of collaboration can be attributed to cultural proximity (“Co-production 2013,” 2014; Woo, 2011), the local film market sizes of the two nations, geographical proximity and the Korean Wave. Among these factors, cultural proximity is regarded as “comparative advantage” (Jin & Lee, 2007, p. 38). In contrast, the aspiration of South Korean filmmakers, the fact that it is necessary to penetrate the U.S. film market in order to overcome the limits of the local film market resulted in 30 film collaboration projects with America. Nevertheless, as discussed Chapter 5, there has not been observed any visible performance of South Korean films in the U.S. marketplace despite a variety of trials and arrangements to enter it (Hwang & Han, 2009). In this regard, some South Korean filmmakers have a strong desire to use New Zealand as a gateway for making inroads into the U.S. film market. One Korean director notes that East-Asian sentiments shared by countries throughout East Asia led to some South Korean films’ success in Thailand (PK11, personal communication, September 25, 2011).
Table 6.7 Number of South Korean film collaboration* projects with other countries

<table>
<thead>
<tr>
<th>Co-production country</th>
<th>Number of films co-produced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>70</td>
</tr>
<tr>
<td>US</td>
<td>30</td>
</tr>
<tr>
<td>China</td>
<td>25</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>21</td>
</tr>
<tr>
<td>Other Asian countries</td>
<td>33</td>
</tr>
<tr>
<td>France</td>
<td>18</td>
</tr>
<tr>
<td>Others</td>
<td>44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>241</strong></td>
</tr>
</tbody>
</table>


** one project is counted twice if a film co-production venture involves more than two countries.

As Figure 6.3 indicates, since 2006, the main domain to which South Korean films have been exported is the Asian region. In spite of the fluctuation in export of sales of South Korean films between 2007 and 2010, exports to the Asian region still remains significantly higher than other countries. This can also be attributed to cultural proximity (Straubhaar, 1991, 2003; Pastina & Straubhaar, 2005) between Asian countries and South Korea. The increase of South Korean export sales to Europe in 2013 is ascribed to *Snowpiercer* (2013), with a story based on French comics and directed by Joon-Ho Bong (KOFIC, 2014b). *Snowpiercer* (2013) shot in a future is an English language science fiction film and a transnational project with famous Hollywood stars and geared to global audiences.
With the growing importance of the Chinese film market, the present study places more weight on China than other Asian domains. According to Kim and Park (2011, p. 124), the period when South Korean films made inroads into the Chinese film market was around the year 2000; however, it was the Korean Wave that prompted South Korean films to vigorously enter the film market. They categorised the entrance of the Chinese market in two ways from outbound and inbound approaches. While the outbound approach includes an export of South Korean films (theatrical release, sales of DVD and Internet rights) and personnel (actors or actresses, directors, and crews), the inbound perspective involves South Korean crew members’ participation in postproduction of Chinese films in China and South Korea (Kim & Park, 2011, p. 125).

According to Yoo (2014, pp. 28-29), the context in which most of the collaboration projects between China and South Korea are undertaken are where Korean cast, directors and crews are employed in Chinese films such as For Love or Money (2014) (starring Ji-Hun Cheong). However, three film co-productions are being produced between the two countries, including PyeongAndo (with a South Korean director) and 20, Once Again (remake of Miss Granny (2014)). Due to a lack of Chinese creative talent, Chinese filmmakers are interested in producing quality films rather than expanding their market into the South Korean film market. Despite these many projects with The People’s Republic of China, it
is not easy for South Korean filmmakers to gain local funding for film collaborations with China since South Korean investors do not have trust in the methods of cost calculation and profits distribution for Chinese-South Korean film co-production projects (Yoo, 2014, p. 29). However, this situation has changed after the film agreement between China and South Korea was signed in 2014 and the success of some film co-production projects between the two nations.

As seen in Figure 6.4, with regard to VFX, 3D, sound mixing, special effects, China is one of the key clients of South Korean companies and Korean crews who work in post-production (KOFIC, 2014b). The Chinese filmmakers’ interest in the technical know-how of South Korean crews is likely to be connected with the domestic hits of Chinese blockbuster films such as *Hero* (2002), *Kung Fu Hustle* (2004) and *The Banquet* and *Curse of the Golden Flower* (2006). According to Yeh and Davis (2008), these films fit the martial arts genre which features spectacle and technology as well as famous stars. In the past decade, the Chinese film industry has begun to produce its own blockbusters, borrowing Hollywood’s style with huge budgets, stellar casts, special effects, culturally transparent text, and expensive marketing campaigns (Wang, 2009).

![Figure 6.4](image)

Figure 6.4. Overseas projects obtained by Korean companies and crews who work in post-production from 2011 to 2013


The other factor is that some Chinese directors prefer to work with South Korean film crews. For instance, Feng Xiaogang, who directed *Assembly* (2007) and *After Shock* (2010), prefers to work with Demolition (Korean post-production
company), which specialises in special effects (PK10, personal communication, September 24, 2011), because he was satisfied with the work of the company in producing *Assembly* (2007). This desire to work with South Korean post-production companies shows that several Chinese filmmakers acknowledge the production values and technology South Korean films have. Therefore, China is still a good partner from both outbound and inbound perspectives. Accordingly, as “Co-production 2013” (2014) notes, South Korea seems to be China’s best partner for film co-productions on several counts.

However, the Seoul-based film critic Pierce Conran calls into question the future relationship between China and South Korea. Currently, Chinese filmmakers need the technical skills (special effects, visual effects) of South Korean film crews; however, once China has perfected these skills from South Korea, it may not require the crews’ expertise. He expresses his concern this way:

> The relationship seems to be going well so far but the one thing that does worry me is that China is looking to Korea, an industry world renowned for impeccable production values, for its technical know-how... Being so close and much cheaper than Hollywood, it seems obvious that China would look to Korea for this kind of guidance. However, once that information is considered to be absorbed, there may no longer be the same need for the relationship. (as cited in Arirang, 2014, para.13)

This point of view is also shared by one South Korean official who argues that the reason China is interested in working with South Korean film professionals is not necessarily because of the South Korean content, but more to take advantage of the skills of the technical crews (PK 10, personal communication, September 24, 2011). He adds that although China has a huge amount of money as well as good equipment and about 15 film studios, it does not have the desired level of skills in producing films. Shackleton (2014, p. 38) indicates that “a growing number of local [South Korean] productions are achieving technical excellence and tapping into local, as well as international, market tastes.” From the cast’s point of view, that the Chinese audiences are good at listening to dubbing when watching foreign films makes a South Korean cast more comfortable, because South Korean actors do not need to speak Chinese in their roles with China-Korean film co-productions (KOFIC, 2014b).
From the audience’s perspective, until 2010, 29 films were produced as a result of collaboration with China and most of the films failed at the box office in both markets (Kim & Park, 2011). However, *A Wedding Invitation* (2013) grossed about RMB 2 million in the box office in China, while it had fewer than 20,000 admissions in the South Korean market, because the film was specially geared to Chinese audiences (Park, 2014).

Chan-Il Cheon, a South Korean film critic, emphasises that “it is unlikely to make films which would succeed in both China and Korean markets, since there are significant differences in sentiments and disposition between Chinese and Koreans” (as cited in R.-S. Park, 2014, para. 6). Also, he argues that a Chinese film which is to be produced for the global market may also have the potential to succeed in the South Korean film market place. This aspect is also likely to be reflected in the co-produced films between New Zealand and South Korea, as Gregson (2012, p. 13) argues that “New Zealand’s feature film co-productions are less popular at the New Zealand box office than domestic productions, and are less likely to fit the definition of New Zealand cultural content.” This is another reason it seems to be a better option for the countries to produce films in English for the U.S. market or the English-speaking market.

With regard to the audiences in China and South Korea, it seems that film co-productions between the two nations have not made a contribution to bilateral cultural exchange; however, there have been cultural exchanges between the two countries via film professional exchanges. Two South Korean producers regarded access to the other’s talent and expertise or working together with them as activities of cultural exchange with countries involved in film co-productions. They address this feature in the following manner:

PK 7: As a creator, for me to co-produce a film with a country means to have come to understand its culture, ways of thinking of people living in the country and differences of each other.

PK18: The experiences which I had learned when I produced *The Host* (2003) was helpful to the work of creating *Snowpiercer* (2013). I worked with American film crews and Japanese actors and such experiences made myself feel comfortable and easy in collaborating with foreign film crews and cast.
There is no doubt that many Korean filmmakers are increasingly eager to work with China. This has resulted in signing a film co-production agreement between China and Korea in 2015. As a sign of this shift, a larger presence from China at the Busan Film Festival this year attracted much attention in that four Chinese language films have been screened at six important events in the festival and for the first time, a Chinese delegation participated in the Asian Film Market (Lizziepbh, 2014), which is one of the biggest events at the festival and open to all members of the film industry.

In particular, having a Chinese delegation at the festival is significant in that the China Film Group Corporation (CFG), a Chinese government agency, controls film production, distribution and exhibition in China (Yeh & Davis, 2008). In addition, the CFG controls the access to China’s film market in accordance with rules regulated by the State Administration of Radio, Film and Television (SARFT). For example, CFG also administers “blackout periods” (p. 42) - times when Hollywood films, including those already approved, are banned in order to protect domestic films (Yeh & Davis, 2008) and this happened to the initial release of Avatar (2009). Consequently, building good relationships with the Chinese delegation implies more opportunities for South Korean filmmakers to make film co-productions with the country. Also, this episode, according to one Korean official, demonstrates how powerful the CFG is:

PK10: The China Film Group Corporation is a state-owned agency which funds, distributes and censors films. Thus, when Avatar (2009) was a big hit in China, the CFG requested all cinema circuits to stop releasing the 2D version of Avatar (2009) to promote Confucius (2010) produced by Chinese filmmakers. This resulted in stopping the screening of the 2D version of Avatar (2009) for a day. The screens were replaced with Confucius (2010). Is there any country like this in the world? It does not make sense under democracy. China is not a liberal and competitive state and has a 66 percent screen quota for films. However, the quota is also subject to the CFG.

The same Korean official stresses that there are huge differences in culture, ways of life, and social and political systems between China and South Korea although one would think that the two countries would have something in common due to geographical proximity and history. He explains these differences between the two nations in this way by discussing the issue of housing:
PK10: While there are few furnished apartments in Korea, almost of all the
apartments in China are furnished. In addition, only Korea has the concept of
Jeonse [which is a real estate term unique to South Korea that refers to the
way apartments are leased. Instead of paying monthly rent, a renter will
make a lump-sum deposit on a rental space, at anywhere from 50 percent to
80 percent of the market value (source: wikipedia.org)]. This concept does
not exist in China or Japan. This concept is unique to Korea. Of course, it
has nothing to do with filmmaking. However, it shows that there are
substantial differences in cultures, habits and systems between China and
Korea. Nonetheless, we tend to overlook them.

This consideration suggests that it is not easy to make successful co-produced
films between China and South Korea. In effect, CJ E&M has shifted the focus of
its strategy for Chinese-South Korean film co-productions from targeting both
audiences to capturing only Chinese viewers and has gained good performance, as
discussed in Chapter 5. Furthermore, since South Korea-China film agreement
signed in 2014, collaboration accompanied by capital between South Korean
companies and Chinese film production companies has been activated. In 2015,
Showbox Mediaplex Company, the fourth distributor in South Korea, and Huayi
Brothers Media Corporation in China signed an exclusive contract to establish
Showbox China which will co-produce more six films in three years. Beautiful
Accident which is a co-produced film between the two companies is supposed to
be released this year (Lee, S.-J., 2016).

However, this phenomenon causes concern that, with the increase of input of
foreign capital into the industry, the South Korean film industry may face a
dilemma in which motifs of South Korean films will be standardised by the logic
of capital, resulting in reducing diversity of the films (Hwang, 2016). In this sense,
it is not a wise strategy for South Korean filmmakers to focus solely on the
Chinese film market; there is a clear need to diversify to overseas markets. New
Zealand is likely to be one of the potential countries for this purpose. Chung
(2011) also emphasises that in order to increase the position of and profit from
South Korean films in the global market, it is necessary for South Korean
filmmakers to actively co-produce films with English speaking countries as well
as Asian nations in the future.
6.5.2.3 New Zealand and South Korea

According to Lustig and Koester (2013, p. 32), cultural differences are mostly influenced by six components – “a culture’s biology, history, technology, ecology, institutional networks, and interpersonal communication patterns”. Notably, two of these factors – a culture’s biology and history – provide the reasons cultural differences between the two countries are likely to be drawbacks for film co-productions between New Zealand and South Korea. From a biological approach, one reason is the different composition of the cultural and ethnic nature of populations in the two nations.

As stated in Chapter 2, New Zealand is a bicultural and multicultural society, whereas South Korea is almost exclusively a monocultural society and is a small, homogeneous country with very little exposure to foreigners (Miller, 2014, para. 5), resulting in South Korean filmmakers and crew members not being familiar with different working cultures, ways of thinking, and ways of communicating with foreigners including New Zealanders. Similarly, New Zealand film professionals have few opportunities to work with Korean film practitioners. Consequently, there exists the challenge of overcoming cultural differences between New Zealand and South Korea in order to make co-produced films.

In respect of their history, the two nations also share little cultural affinity. In his study, Smith (2012) argues that cultural affinity proves to be one of the motives for producing a transnational film. Two New Zealand producers explain it this way:

PN9: You know, the disadvantages are there’s not a natural affinity – you might think different – but there’s not a natural affinity between NZ and Korea. There’s not a natural culture in Korea to leap out to us. So, you have to overcome that. You could have a reason and it’s very difficult to make a film between those two countries that is relevant to both countries bearing in mind different languages, different histories.

PN 12: In respect to Asia, there’s an added barrier. At least with Europe we might not share the same language but there is more shared culture. You know, there’s the European sensibility which is more historically understood than an Asian culture. That’s gradually changing with the level of immigration and certainly, there are multi-generational Asian New Zealanders.
In the literature, cultural differences mostly centre on a difference of language between filmmakers from different countries (Chung, 2011; Seo, 2011). Two New Zealand directors and one New Zealand official regard language as one of the disadvantages in co-producing films. Since New Zealanders usually do not speak Korean language, it is hard for them to build a good relationship with those who cannot speak English. Two New Zealand directors describe this anxiety as:

PN3: Language is a big barrier. Certainly, Korean language is a huge barrier. New Zealanders are generally terrible to learning another language. Most New Zealanders only speak English so that is barrier for any other country. If the other countries don’t speak English, then basically a co-production doesn’t really happen because it is so much about the relationships. You cannot have a good working relationship with somebody when you need to talk through a translator.

PN10: [...] those were the dangers of … you know, the cultural differences, something one culture might find is very funny and another culture might say, ‘Whoa, that’s too extreme.’ And I guess, it’s important that all parties know what they are getting themselves into. Sometimes there are language differences but there are cultural differences. It’s important everyone is on the same page I guess for those things.

Conversely, South Korean participants have less concern about language than New Zealand film professionals as some of them can speak English fluently and do not have any problem with it. One South Korean director and even one New Zealand editor, who do not see a difference of language as a big barrier, think that they can overcome this issue using the same language for filmmaking and having a good interpreter.

PN18: But it’s interesting even though it’s in another language how you can assess performance. You can work out whether the actor is still in character or not, because they might look unsettled or the tone of their voice changes, the strength of their performance changes. You feel those things even though you can’t understand the context and the language. It’s very interesting how much the takes that the Korean director chose are also the takes that I chose even though he understood the language. That’s the same with the Samoan film I worked on as well.

PK18: It seems that there is no problem in communicating with technical crews, artists and computer graphic artists, since they are experts who are linked with me via technical things. Even if communication with actors and actresses is likely to be the most delicate and complicated part, I do not worry about that much as long as I have a good interpreter.
The pros and cons of this argument are identified in the interviews. One South Korean producer emphasises that international film co-productions need long-term preparation, especially in pre-production, due to cultural discount, notably language (PK15, personal communication, October 4, 2011). While language is one of crucial hurdles of film co-productions between the two nations, it can be overcome if filmmakers can find a skilful scriptwriter and an interpreter for their films. In the same vein, to reduce this barrier, Hwang and Park (2002) suggest two other things: to teach a producer who plans film co-production the languages of co-producing countries, and to train a local expert. In fact, the South Korean producers who have an interest in making films with New Zealand speak English well. As a result, the latter suggestion would be a more appropriate option for this impediment.

With regard to learning a foreign language, the concept of “politics of language” (Schmid, 2001) seems to play an important role in this situation. Namely, non-English speakers tend to learn English rather than English speakers learn other languages. Collins (2013) argues that:

There is a 'politics of language' (Schmid, 2001) at work here, where the global spread and mutation of English must be understood as entangled in quite uneven power relations (Jaquemet, 2005). The globalisation of English is manifest in hierarchical relationships to other languages like Korean and in the capacity for individuals to claim to speak English appropriately. (Pennycook, 1994, p.121)

In effect, even though cultural proximity exists between South Korea, China and Japan, it is important to note that there are still significant differences between them. Moreover, cultural differences existing between New Zealand and South Korea are likely to cause a barrier. One South Korean producer argues that:

PK19: The differences in cultures and the environments of film industries between New Zealand and South Korea make it not easy for Korean producers to negotiate with New Zealand producers and agree on the contents for co-produced films. As a result, some trials for the co-produced films between the two nations failed because of an absence of these processes.
As stated earlier, cultural exchange programmes are necessary between New Zealand and South Korea for filmmakers including producers and directors. As three New Zealand participants and one South Korean director argue, employing a cultural advisor is likely to alleviate cultural differences between New Zealand and South Korea. A New Zealand official defines a cultural advisor as a person who is “both aware of the other person's culture and what they mean by that. This is because the person knows some people in different cultures, they'll say something but it's not actually what they intended and they actually meant this” (PN6, personal communication, July 13, 2011). Consequently, there is a possibility to overcome cultural dissimilarities between New Zealand and South Korea because there are several Korean film practitioners who are still eager to produce films with New Zealand.

**Genres of films**

Genres of films are a good example that how cultural discount works. The Korean culture seems to have a unique and distinctive trait. Mark Russell, the author of the books: *Pop Goes Korea: Behind the Revolution in Movies, Music, and Internet Culture* (2009) and *K-POP Now!: The Korean Music Revolution* (2014), argues that there is no clear distinction of genres and categories in the South Korean popular culture including films. Mark Russell, a writer based in Seoul, has lived in South Korea since 1996 and “spent many years as Korea correspondent for *The Hollywood Reporter, Billboard, and Television Asia* and many other publications” (Russell, 2014, para. 5). He describes this characteristic in this way.

For me, one of the most defining parts of Korean culture in general is freely and widely mixed elements. There is a Korean word for a soup, JJamppong (짬뽕). What it means is mixed up. I find that Koreans like that a lot. And you go to a café, and you hear classical music followed by Jazz music. There is no sense of genres and categories the way we have. And I think that popular cultures are like that too. You go to the movies and you know it is very exciting. And it has crying and something else. There is always crying. Last 30 minutes of every film has crying, comedy, action and whatever. (interview with Colin Marshall, November 22, 2014).

Similarly, with regard to film categorisation, South Korean films appear to have an exclusive feature compared to films in Western countries, in particular English-
speaking nations including New Zealand. Namely, 70 percent of moviegoers around the world speak English, and are heavily oriented to genre films whereas it is not easy to classify Korean films into film genres such as action, drama and science-fiction (PK10, personal communication, September 24, 2011). In the South Korean film industry, genres are mainly used in promoting films for marketing strategies (Diffrient, 2003). The same Korean official argues that South Korean films have mixed hybrid genres, which can be a drawback to foreign audiences because they are used to watching genre films and have favourite genres that they like to watch. He explains that:

PK10: Korean films are something very Korean which is a very advanced hybrid. Namely, Korean films are like assorted gift sets. They are genre-mixed movies which give a strong emotional charge to the audience. The thing is that foreigners are not used to these Korean films.

On the one hand, based on the analysis of film audiences in South Korea in 2013 (KOFIC, 2014c, p. 73), those film genres watched the most at the cinema were action and crime/detective/thriller, followed by SF/fantasy/martial arts, romantic comedy and drama. Action was the genre which has been watched the most at the cinema since 2008.

![Figure 6.4 5 Types of movies watched most frequently at the cinema in South Korea in 2013 (percent)](source: Korean film Council. (2014c, p. 73). 2013 Movie audience survey. Busan, South Korea: KOFIC.)

---

238
In contrast, comedy was the most preferred genre for New Zealand film-goers, and was followed by action, adventure and drama according to the report presented by Nielsen (2015). Comparing these two results, only action and drama can be identified as shared genres which were preferred by the audiences in both countries.

![Figure 6.5 Types of movies most likely to be seen at the cinema](image)

*Figure 6.5 Types of movies most likely to be seen at the cinema


In this regard, one New Zealand director indicates that the drama genre will be a better option for film co-production with Korea by virtue of different preferences in genre films between Western and Asian cultures. He describes it as:

PN3: There is a big difference in horror films and comedy films between cultures. For example, generally Asian romantic comedies are regarded as very, very cheesy in Western cultures. It is a laugh in New Zealand. So, you have to mitigate that in some way in New Zealand culture. That is quite a big difference to overcome.

There is more commonality between cultures, if you make a real humanistic drama film, but as soon as you go to genres like a comedy, romance, horror or thriller, there are always film conventions and history of films in each culture. Also, when you make a comedy, romance, or horror, those films are hard to translate.

Based on his research, F.L.F. Lee (2008) notes that the U.S. comedy proves to be a less favourable and culturally specific genre, whereas adventure is seen as a
universal genre. He examined how the audiences in seven East Asian countries – Hong Kong, Taiwan, South Korea, Japan, Singapore, Malaysia and Thailand – appreciate Hollywood films from nine genres.

In line with this tendency, two South Korean producers suggest that fantasy genre or a film with numerous special effects is likely to be appropriate for co-produced films between New Zealand and South Korea. Similarly, one New Zealand official regards science fiction as one of the best options.

PN11: You remove some of those cultural and language differences when it’s science fiction. In the same way, like children’s television – the Wop Wops, is set in… it’s not set in any country. It’s sort of outer space or the universe. It removes some of those specific cultural elements which make it easier to appeal to an international audience. So, I think that is a feature of District 9 that needs to be considered when it is talked about as a model.

At this point, the results of the research conducted by Kim and Kim (2014) are worthy of attention because they have studied a content strategy for South Korean films to make inroads into overseas markets by analysing cultural elements in the films, based on Hofstede’s 6-Dimension Model. In their study, three categories of films are employed: global top 50 worldwide box office; top 50 domestic box office; and South Korean films’ top 50 foreign box office including the U.S., France and East Asian countries from 1999 to 2012.

They suggest three conclusions. Firstly, for European and American film markets, South Korean films need to have a protagonist who reflects global cultural codes with a task to be resolved. Secondly, distinctive genres work well in East Asian countries. Lastly, South Korean blockbusters face difficulties in the global film markets due to the size of production budgets, dissimilarity in values, and stories embedded in locality. It is hard for foreign audiences to identify with South Korean blockbusters as the blockbusters have been focused on South Korean historical backgrounds and social realities. Therefore, the global strategy for South Korean films needs to take into account a universal motif or material and also to adapt differential strategies of genres geared to different cultural domains (Kim & Kim, 2014, pp. 27-29).
On the other hand, two New Zealand officials and two Koreans (director and producer), who are aware of film censorship in China, understand that it does not allow ghost stories and references to homosexuality in films. Conversely, there is no serious censorship in New Zealand and South Korea except that South Korea has restrictions on some issues relating to North Korea. In this respect, producing a film with fantasy penetrating the U.S. film market looks a relative and valid measure for both nations.

As Goldsmith and O’Regan (2008) and Lake (as cited in K.-N. Hwang, 2012) note, creative aspects were revealed as a key motivation for New Zealand-South Korean co-productions. South Korean professionals considered diversifying creativity more seriously than New Zealand did. One Korean producer argued that it is easy to co-produce a fantasy film with partners from other nations, as the fantasy film does not have much appeal to South Korean audiences, and also requires a huge budget. The producer added that what major investment-distributors usually do in South Korea is to produce films with high probability of success instead of cultivating new genres or ideas for films. Another South Korean director mentioned that film co-productions could offer the opportunity to cross boundaries of genres or overcome the limits of materials in the local market.

6.5.3 Cultural regionalisation in East Asia

There are three different approaches to cultural regionalisation in East Asia (see section 3.2). With regard to film co-productions, the approach the present study uses is that cultural regionalisation in East Asia does not cause a homogeneous culture but promotes decentralisation of cultures and diversifies local productions in East Asia (Yan, 2009). In effect, Jin and Lee (2007) present evidence of cultural regionalisation in the region in several dimensions: co-productions between broadcasters (television dramas) and film producers; the launch of the Asian Film Industry Network; the Hong Kong Asia Film Financing Forum (HAF); and establishment of joint-venture companies between countries.

However, this study concentrates on two reasons for decentralization and diversification of cultures in East Asia. The first reason is that film co-productions among filmmakers in East Asian countries have played significant roles in the
growth of cultural regionalization. It is useful and significant to compare the effort on European integration in culture with the phenomenon of cultural regionalisation in East Asia from a film co-production perspective. In Europe, one of the two core objectives of film co-productions between European countries since the 1950s has been to protect local cultures from the dominance of Hollywood films and to encourage cultural diversity (Baltruschat 2002; Hwang et al., 2009; Lev, 1993).

As a result, the co-productions have been carried out under film agreements or treaties between European nations as official film co-productions with financial support, such as Eurimages (Eurimages, 2015a; Kim, M.-H., 2009) or from governments. In this sense, it can be said that the co-productions in Europe have been driven by European nations with political intention. However, filmmakers and film production companies are the key actors for film co-productions (Kong, 2005; Min et al., 2003) that contribute to cultural regionalisation in East Asia, especially China, Japan and South Korea, without any film agreement or treaty between nations in terms of film co-productions (South Korea signed the film agreement with China in 2014).

Jin and Lee (2007) emphasise the traits of cultural regionalisation in the region:

> Indeed, it is crucial to understand the characteristics of cultural regionalization in East Asia as a form of state-society complex model. Not only the role of the nation-state is important in the process, but there were major non-state actors playing major roles in the historical process because cultural regionalization is not a top-down, state-driven phenomenon, but a bottom-up, market- and society-induced process (p. 33).

China, Japan and South Korea have maintained strong domestic film market shares at their box offices, with 54 percent, 50 percent and 58 percent shares respectively in 2014, compared to European countries such as the UK (26%) and Germany (26%) (Statistics Korea, 2016). In this regard, the three nations are not driven to create film co-production ventures together to protect their domestic markets from American films. One South Korean producer provides
diversification of content of local films and its need as being why Asian countries want to co-produce films with their neighbours as follows:

PK17: In the case of Asia, each country wants to diversify content of its local films and it is also driven by the recognition that it is difficult for each country to survive and develop if it does not expand the content.

As the reasons for this situation, “Why we are making,” (2014) points to commonality in “popular culture, fashion styles, family values, due to geographical connection and historical origins” among three nations and claims that “It is easier for Japanese and Korean filmmakers to overcome cultural and narrative barriers than their European and American counterparts” (p. 4).

For example, Seven Swords (2005) and Battle of Wits (2006) were motivated by close relationships among three film producers: Joo-Ick Lee (South Korea), Nansun Shi (Hong Kong) and Satoru Iseki (Japan) (Kobiz, 2015), and economic motivations (finance and expanding into partners’ markets) (Hwang 2009a; Kim, Y.-D, 2008). Together Hong Kong, China, South Korea and Japan co-produced Seven Swords (2005) which revolves around seven swordfighters who come together to save an important martial village from a brutal and cruel official of the Ching dynasty of China. The film directed by Tsui Hark (renowned director/producer), set in China, cast a South Korean actress and Hong Kong actors with Japanese music (Jin, 2010) and was made in three languages (Cantonese, Mandarin and Korean).

Battle of Wits (2006), a co-production film made by Japan, South Korea, China and Hong Kong, was produced by a Chinese director based on a Japanese comic book. South Korea invested 25 percent of the total budget and the remainder was financed by other nations and the two lead actors came from South Korea and China (Kim, H.W., 2012). In 2007, one year after releasing Battle of Wits (2006), its producers established the A3 International Film Fund as Asia Film Fund with NZ$113.6 million to seek an active exchange for personnel, capital and markets in the Asian region (Kim, M.-K., 2007).
A recent example of such co-production was *Better Tomorrow* (2010), a remake of *A Better Tomorrow* (1986) directed by John Woo, and produced by South Korea, Japan and Hong Kong. Formula Entertainment (Japan) was a main investor with CJ Entertainment (South Korea), Michigan Venture Capital, and Hong Kong was associated with sales rights. Thailand provided production services and location settings for shooting. The number of film crew members was 140 of whom 70, including the director, actors and key production staff, were South Korean; the others were Thai (Kobiz, 2015).

A 2013 co-production *A Wedding Invitation*, directed by Ki-Whan Oh (a South Korean director) and invested in by CJ Entertainment (South Korea), C2M Media and Beijing Century Media International (China), opened up a period of successful China-Korea film collaboration projects with a big hit in China (Choi, 2014). Even though this film was a remake of *Last Present* (2001), which was very successful in South Korea, its script was adapted for the Chinese viewers after adequately monitoring Chinese films and constantly researching the taste of the Chinese audience. The strategy South Korea seeks is to play a part in creating new Chinese films by adding a new plot into the films via continuous exchange with China (Shin, 2009, p. 92).

The original story is about a couple who do not share an intimate relationship. While the husband has not earned enough money as an unpopular comedian, his wife has made a living by running a shop for babies’ clothes, but her health worsens. By accident, her husband, who comes to know that his wife’s life is fading away, prepares the show only for her. However, *A Wedding Invitation* has a completely different story from the original one. Its story revolves around a young couple going to high school. Their love starts from when the boy changes his lunchbox with the girl’s one in secret. Then he confesses his love to her and they become a happy couple experiencing everything together. Suddenly, the girl leaves him, pledging to marry him ‘if we are still not married after five years.’ When the time approaches, the boy lets her know that he is going to marry someone else so she staggers at the news. This case indicates that international film co-productions seem to contribute to diversity of content in countries participating in film co-productions rather than homogenisation of their cultures.
This is also underpinned by one New Zealand official who points out that film co-productions creatively and narratively contribute to New Zealand films and the film industry in a good way. He also states that “one of the things I like about co-productions is that whatever the content, the actual intellectual property, cultural ownership, creative ownership and the legal ownership stays within the countries” (PN6, personal communication, July 13, 2011).

The second reason for decentralisation and diversification of cultures in East Asia is the Korean Wave (Hallyu), which is one of the valid instances of cultural regionalisation and is a significant factor in the growth of film co-productions in this region, as discussed in Chapter 3. Before the Korean Wave, Japanese pop culture, including animation and TV dramas, had been popular in South Korea and other Asian nations (Jung, 2009). Shin (2009) argues that in South Korea the notion that the disposition of popular culture is used to reproduce pastiche rather than originality is recognised and that the opinion, that it is useless to measure a national logic, which examines whether the culture is ours or theirs, in popular culture, forms the main stream. She also claims that unlike the past, “East Asian culture in the current situation displays mutual exchanges in nations, based on adaptation of the Western cultures, so this culture exists in a flexible condition which can be communicated and transformed, not exclusive and fixed” (Shin, 2009, p. 25). Based on their study on the Korean Wave in Beijing, Hong Kong, Taipei, and Tokyo, Jang, Kim, Cho, and Song (2012) indicate that the Korean Wave is preferred since it is appreciated as a hybrid product of Western and Asian public culture. K-pop is a good exemplar of the concept of hybridity with the opportunity to create a new genre (Jung, 2009). These examples demonstrate the decentring East Asian culture, not its re-centring.

While the Korean Wave has been popular especially in South East Asia due to media deregulation and liberalisation (Park, 2004), it also faces criticism in Japan, China and Taiwan. Won-Seep Song, a director of Jogging Entertainment and Sports, (as cited in Nam & Lee, 2011) notes that since the Korean Wave began sweeping across Asia, animosity to it has emerged in Japan and China over the years. One of the reasons suggested by Won-Seep Song for the anti-Korean Wave sentiment is that while South Korean cultural industry is eager to sell their
products, they do not tend to embrace foreign cultural content. Another reason is a combination of political issues and psychological mind-set. Namely, Chinese people feel that the Koreans underestimate Chinese culture and some Japanese are upset at the popularity of the *Korean Wave* in Japan because Korea was once one of its colonies.

In particular, S.-S. Park (2014) notes the strand of anti-*Korean Wave* in Japan since 2013. Due to the popularity of K-pop and several South Korean TV dramas and entertainment shows there, the *Korean Wave* has faced a grave resistance “sparked by chauvinistic right-wing politicians and activists in Japan whose voices against the boom, resonate widely amid a sluggish economy” (para. 3). As a result, “restaurants, cosmetics and gift shops in Tokyo's Korea Town have suffered sharp drops in sales since January of last year when the anti-Korean sentiment resurfaced” (Park, S.-S., 2014, para. 8). The anti-*Hallyu* sentiment demonstrates that South Korean culture is not widely received in Japan.

Meanwhile, there is the possibility of the emergence of a China-centred cultural area in the future, as J.-J. Cho (2012) notes. Recently China has actively signed film co-production agreements with many nations including New Zealand and South Korea. In effect, the Chinese impact on New Zealand is increasingly growing in many areas such as population, businesses and politics. The New Zealand Government emphasises that “New Zealand is the first country in the world to sign a Television Co-production Agreement with China” (New Zealand Government, 2014, n.p.). As stated before, the NZFC only launched the Chinese co-production development fund in 2014. Before China and South Korea reached a film co-production agreement, they referred to the film agreement between New Zealand and China (Korean Cinerama, 2015). One New Zealand official notes the shift in New Zealand’s focus from the UK to Asian countries including China.

PN6: It’s really interesting living in Auckland because we have 200,000 people from Asia here, plus the students. We have 50,000 or 60,000 English language students in Auckland, the majority of them from China, Korea, Malaysia, and Hong Kong. So, I’m encouraged by the shift to more of an even focus with some of the other countries.
6.6  Industrial factors (the production systems)

Previous film studies have not shed the light on production systems of countries involved in film co-productions from either a positive or a negative perspective. However, in this present study, from a South Korean participants’ perspective, differences in production systems in filmmaking between the two countries are referred to as one of the key drawbacks, although no prominent potential disadvantages of film co-productions between New Zealand and South Korea have been identified. Therefore, in this section, differences in the two systems will be investigated focusing on roles of producers and directors.

In order to do so, the Hollywood production system will be examined because New Zealand has used it for its film industry and produced many American offshore blockbusters. Based on Hjort’s (2010a) typology from the transnational approach and the category of Yoon et al. (2007), this study suggests a possible classification of production modes of New Zealand-South Korean co-production projects. A film production is a temporary organisation which comes together to produce a project but dissipates when it finishes (Kim, M.-H., 2012, p. 39). In this sense, New Zealand-South Korean film productions are project-based systems.

6.6.1  Hollywood production system

Scott (2002) states that the Hollywood production system comprises two major elements. One element is dedicated to “the production of very expensive blockbuster films that are marketed globally and another devoted to the production of relatively low-budget independent films which may or may not be distributed abroad” (p. 965). Major Hollywood studios have provided funding for independent films and to help their distribution so as to gain creativity as well as personnel from the independent film industry (Scott, 2002). Among all film-producing countries, in terms of the average cost of films, the U.S. is exceptional. The average cost of films produced by the Motion Picture Association of America member companies is close to US$100 million, while the average cost of independent films is less than US$40 million (European Audiovisual Observatory 2006, p. 37). By comparison, the average cost of a British film is US$3.3 million (Brunet & Gornostaeva, 2006) and a French film, US$5.1 million (European Audiovisual Observatory, 2010). The high production costs of American films are
necessitated by their use of a star system and their emphasis on increasingly elaborate special effects (Brunet & Gornostaeva, 2006, p. 368). Scott (2002) argues that, without its effective and unparalleled distribution system, the production system in Hollywood would be much less successful than it is.

The job description of film crews in the U.S. is very specific, thus creating diverse labour unions that oversee each category, for instance, such as DGA (Directors Guild of America) and PGA (Producers Guild of America) (Park, I.-S., 2006). I.-S. Park (2006, p. 36) argues that these diverse labour unions have strongly affected film productions in America, and basic clauses in all contracts are based on rules and regulations of Basic Agreements. This makes working conditions for American film crews more stable than those of South Korean film crews (Park, I.-S., 2006).

6.6.2 Differences in the production systems between New Zealand and South Korea

There exists a need for New Zealand and South Korean film professionals to understand differences in the two production systems and working conditions between the two countries such as the presence or absence of labour unions and wage systems. In particular, it is important for them to comprehend dissimilarities in roles of producers and directors. Two producers (one Korean and one New Zealander) are worried about different working conditions between the two nations. The South Korean producer expresses his anxiety in this way:

PK 5: I do not know the working conditions in the film industry in New Zealand. I do not know the characteristics of the union in the country since not having any experience of working with film professionals [producers] in New Zealand.

In addition, two South Korean producers reveal their concern about the presence of the labour unions in the New Zealand film industry, although there are no effective unions especially in the wake of The Hobbit: An Unexpected Journey (2012) case. One of the two Korean producers describes his concern as:
PK 4: It can be a bit of shock to Korean directors that there is a union in the New Zealand film industry per se. If we need to shoot some additional scenes, we need permission from the person in charge of this, even if other crews agree with it. Even if we pay the crew for the extra work, we cannot do the work without the permission of the union. This will cause embarrassment for Korean directors, that despite an approval from producers, we cannot shoot one more hour if the person in charge in the union does not agree with that.

This appears to be a misunderstanding of the New Zealand situation by those South Korean producers in that Rowlands and Handy (2012) argue that “The industry is non-unionized with strong resistance to increased unionization coming from international film financiers, local film producers and the New Zealand government” (p. 662). One South Korean producer thinks that New Zealand does not have a union and regards the absence of a strong union as one of the advantages of the New Zealand film industry. He describes this:

PK20: Is Hollywood prone to go to New Zealand or Canada because costs of producing films in Hollywood increasingly goes up and there are unions and many regulations related to making films? This is ordinary business decision-making. New Zealand brings some Hollywood films into the country due to the rebate, non-labour union and spectacular scenery. In addition, there is a good infrastructure for the film industry and friendly film crews there.

South Korean film professionals regard differences in production systems in filmmaking as the most crucial hurdle for film co-productions between South Korea and other nations. According to CJ Entertainment, co-ordinating the process of production in film co-productions is imperative because the process is different depending on conventions in production of each country (Hwang, 2009a). It is interesting to note that New Zealand film practitioners put less weight on differences in production systems as a drawback for co-produced films between New Zealand and other countries, including South Korea. The facts indicate that South Korean participants are more concerned about differences in the ways of filmmaking between participating countries than New Zealand participants. One of the reasons for such dissimilarities can be the production system in South Korea which is unique and differs from that in the U.S. and other countries, including New Zealand. It seems that many Western countries and New Zealand
have adopted the Hollywood system and adapted it to fit their own industries, whereas South Korea has developed its own exclusive production system in terms of roles of directors and producers.

**Directors’ authority and discretion**

Until 2011, when this researcher conducted most interviews with South Korean film practitioners, the production system in South Korea was still under the leadership of a director in contrast to the system in the U.S. and Japan. One South Korean official gives clear reasons for this situation. South Korean directors have tended to write a scenario or screenplay themselves so it is rare to prepare accurate and complete scenarios before shooting a film in South Korea. For these two reasons, seeing film directors fired is unusual in the South Korean film industry (PK10, personal communication, September 24, 2011).

Robert Mckee, an internationally acclaimed guru of story-writing and storytelling, as cited in an interview with *Movieweek* (2012), views this feature as an advantage of the South Korean film industry. He points out that:

> It is encouraging for Korean directors to have often written scripts themselves. This is not only very unique and an amazing phenomenon in Korea is but also the right direction for the film industry. There is such a clear distinction of domains between scriptwriters and directors in Hollywood, Europe and China and so on, that sometimes conflicts happen between a director and a scriptwriter. From this perspective, it is desirable that scripters become directors with their own stories. (“What is a good story,” 2012)

Other reason some Korean directors write a screenplay on their own suggested by Hee-Jae Kim, the head of *All That Story* (company) and a famous writer, is that this is a shortcut to become a director in South Korea where competition of scriptwriters is very tight (as cited in “What is a good story”, 2012). However, this characteristic led to one of the key challenges in the production, which is “strong control over shooting by a director” who has often changed schedules and budgets arbitrarily (Yoon, 2002, p. 83).

This is where some South Korean directors have struggled with respect to foreign
filmmaking environments, since they do not have control over the film they produce as they are accustomed to in South Korea. One Korean director describes differences in systems between America and South Korea as:

PK13: This was a film which was shot in the U.S. and was produced in the Hollywood system. It took me a long time to understand the American production system, which differs a lot from the Korean system. The difference between the two systems is very simple. In fact, time - the very simple thing - brings an enormous change. Korean filmmakers have relatively more time compared to American film professionals because Hollywood is obliged to reduce time to save production costs - Hollywood films usually need huge production costs. For example, in Korea finishing our work at 7 pm even if it is supposed to end at 6 pm is not an issue. However, in the same situation, American filmmakers have to unconditionally finish their work at 6 pm otherwise they have to pay their crews for an extra one hour. In doing so, they will have to cut back on one working hour the next day. Korean film professionals are quite flexible with shooting time so it is possible that we shoot a film for 15 hours today and then do only 3 hours the next day. As a result, the American production system which emphasises efficiency of time and money is overwhelming to Korean filmmakers who are used to working under flexible but harsh and poor labour conditions. This is because Korean filmmakers cannot arbitrarily do [in the U.S.] as they do in Korea.

This flexibility of the South Korean film crew members can be explained by the lower score of two dimensions: Indulgence versus Restraint and Individualism versus Collectivism of Hofstede’s (2011) model. The film crew members put more emphasis on their work and career than individual leisure time, and their loyalty to organisations than to their family.

One South Korean producer states that she was informed that South Korean producers give directors more discretion than producers in other countries. She describes them as:

PK6: In case of The Host (2006) [which was directed by Joon-Ho Bong, a Korean director], New Zealand crews were surprised at the number of times the film was shot: For example, given the labour costs it was a shock to them that the film which should have finished shooting on the 50th time was extended to the 100th time by the director’s decisions. The film was managed in a naïve and lax manner under the leadership of the director.
J.-S. Han (2013) notes that in South Korea recently three directors dropped out in the middle of filming, giving rise to concerns about directors’ roles and position in the film industry. Meong-Se Lee, one of the directors, had to leave at the beginning of the production because of a conflict with the production company (JK Film) which was not satisfied with the direction of that director (Song, 2012). It is a crucial case in the sense that the director was one of the more experienced directors in South Korea and that he was forced to leave at the beginning of filming because the direction (commercial success) that the production company and the investment company aimed for was different from that (aesthetic styles) which the director desired (Song, 2012). In another case, the production company, cast and crews shot some scenes without the director’s agreement after the director left the scene due to arguments with them.

J.-S. Han (2013) argues that a fundamental ground for this is “the absence of a reasonable production system in South Korea” (p. 1) and suggests three reasons for these incidents in detail. The first reason is vertical integration in the film production system caused by certain conglomerates wielding capital (CJ groups and Lotte groups) in South Korea, which results in the creation of an oligarchy. In this respect, one South Korean director regards film co-productions as a kind of independence in filmmaking, in the sense that film directors can be independent from capital since sources of funding are varied (PK9, personal communication, September 20, 2011). The second is the collapse of film production companies and is followed by directors’ lack of perception about industrialisation of the film industry. The collapse of film production companies means serious reduction of producers’ power as a counterbalance to key investment/distribution companies (Kim, M.-H., 2012). Namely, this led to the dominance of the major investment/distribution companies such as CJ E&M and Lotte entertainment in the South Korean film market. J.-S. Han (2013) also adds that directors fired might not have understood a trend of the industrialisation of the film industry.

Meanwhile, the ripple effect of dismissal of three directors was significant. The first standard contract for film directors, announced by the Directors Guild of Korea (DGK) in 2013, was completed in 2015 after discussion and negotiation with the KOFIC (Son, 2015). There has been an increase in unfair and aggravated
treatment of new and senior directors since 2012, so it is believed that a few directors are able to firmly claim directors’ authority in South Korea these days (Jin, 2015). In this situation, the application of the contract system is likely to be significant in respect of protecting directors’ creativity.

In one New Zealand case, Vincent Ward, a New Zealand director, was fired in the process of production of River Queen (2005), which was a New Zealand-British film co-production venture. The film was often referred to as a negative outcome of film co-productions in the sense that many disputes arose during the production. “The prolonged illness of Morton [lead actress] and the eventual firing of Ward” were reported as main problems (Foundas, 2005, para. 5). Nonetheless, two New Zealand participants (a producer and a director) emphasised that the dismissal of the director had nothing to do with film co-productions, arguing that it happened due to conflict between the English lead actress and Vincent Ward. He explains that:

PN12: River Queen was a terribly traumatic film given there was a major problem with the actress becoming ill. The director got fired. It was a very unusual and difficult experience. Ah, it was nothing to do with the co-production, but it was difficult for other reasons. There was a very difficult relationship between her and the director which undermined the film. Ultimately, the bond company fired the director. They either had to fire the actress or the director because their relationship had broken down to the point the film couldn’t be finished with both of them working on the film. They made the pragmatic financial decision that it was cheaper to fire the director than it was to fire the actress. If they fired the actress, they would have to re-shoot the scenes already filmed.

If New Zealand and South Korea co-produce films, the standard contract for South Korean directors can be applied for directors, whoever directs these films. There are differences in directors’ discretion and authority in New Zealand and South Korea; however, it is unlikely to be a huge disadvantage for film co-productions between the two nations. This is because many Korean directors, who have recently made films in production systems in the U.S. (Stocker, 2013 and The Last Stand, 2013), China (Dangerous Liaisons, 2012) and Japan (Higanjima, 2009), managed to overcome the difficulties although struggling with new production systems.
The producer's role

Geuens (2000, p. 4) asserts that key film producers control films made in each studio in America, indicating that the production system in Hollywood “evolved from a system of filmmaking controlled by cameramen working on their own to a unit of specialists operating under the leadership of a director” to a key producer who increases efficiency and saves production costs. Yoon (2002) argues that a lack of professional producers, who can effectively come up with an accurate schedule and budget in South Korea, often results in an extension of the shooting schedule. To deal with this issue, separating a planning and finance department and strengthening its roles is suggested by Ahn (2008). Baker and Faulkner (1991) also argue that “[…] pressures for specialization created by technological change, greater administrative load, and so on, encourage the separation of business and artistic domains or full role separation” (p. 287). In relation to this feature, one South Korean director who made a film under the American production system acknowledges the importance of producers in the system as follows:

PK13: Money is a substantial factor in the Hollywood system. Therefore, roles of producers in America are more significant than in Korea. If they do not calculate budgets accurately, they will lose several thousand U.S. dollars - 10,000 or 100,000 in a day. While the U.S. has a system centred on producers, the production system in Korea lays weight on directors.

In line with this, one South Korean producer indicates that one of the prominent differences between the Japanese and South Korean production systems is the role of producers. Producers’ roles in South Korea are weaker than those in Japan, the U.S. and New Zealand because South Korean filmmakers tend to place importance on the quality of films rather than budgets and schedules of films, and have more autonomy for directors, as argued earlier. This feature is likely to contribute to producing good quality films in South Korea. His explanation was:

PK 5: I felt there were differences in producers’ roles between Japan and South Korea. While Japanese producers put more priority on keeping budgets and schedules of their films, for Korean filmmakers, improving the quality of their films is the most important role rather than completing films with given budgets and time schedules. In the Japanese case, if Japanese filmmakers do not have enough time to shoot a scene with particular actors
or actresses due to their personal schedules, they delete the scene. Meanwhile, Korean producers have the tendency to argue with investors to gain extra money from them if they think that putting more money into their films will improve the quality of their films. However, in Japan, there is no room to get extra money at all. Once Japanese filmmakers decide budgets for their films, no further changes can be made.

This idea is shared by another South Korean participant who notes that South Korean filmmakers are used to finishing a series of scenes in a rush by using many extra crews at once regardless of the budget. However, New Zealand, adapted to the Hollywood production system, produces a film according to the arranged time and budget. According to Huh (2007), the biggest advantage which South Korea can gain from cross-border collaboration with New Zealand is to use the structure of high efficiency combined with the low cost in the country. Due to this characteristic, Huh argues that New Zealand is the best partner for South Korea to create a film that can be exported to the English-speaking domain. However, South Korean filmmakers do not understand why this practice (taking a series of scenes in a rush by using many extra crews at once) is impossible since they have little experience of producing a film with foreign partners who adapt the Hollywood system (PK8, personal communication, September, 16, 2011). Thus, it is essential for New Zealand and Korean filmmakers to understand the production systems of each other’s country.

**Apprentice system**

New Zealand and South Korean film crews share the seven characteristics of workers in cultural industries including films have, suggested by Hesmondhalgh (2013). These are that:

- They tend to hold multiple jobs;
- There is a predominance of self-employed or freelance workers;
- Work is irregular, contracts are short-term, and there is little job protection;
- Career prospects are uncertain;
- The distribution of earnings is highly skewed (that is, unequal);
- Workers in the cultural industries tend to be younger than in other sectors;
- The workforce appears to be growing. (p. 254)

In particular, Hesmondhalgh’s (2013) argument that most workers in cultural industries still have low wages is visible in the case of South Korea. The apprenticeship system, where apprentices are tied to a new project without clear roles and without regular and appropriate salaries (Yoon, 2002), has been a long
tradition in the South Korean film industry. After 2000, the system has gradually vanished with the dramatic growth of the film industry (Lim, 2008); however, the industry has not established a rational production system and has still several issues to resolve (Han, J.-S. 2013).

The existence of the apprenticeship system in the South Korean film industry can be partly elucidated by two conditions, one of which is the more than adequate supply of workers in the film market, which helped to keep wages low (Wasko, 2003). The environment for filmmaking in South Korea is analogous to that in the U.S. when it comes to creative workers who love their work, and cherish occupational achievement more than financial rewards (Menger, 1999). Wasko (2003) argues that:

The abundance of available labour also may be related to the popularity of media in general. The growth of media education at universities and colleges, as well as the increased visibility of film and television production in the popular press, means that there is a glut of eager workers for Hollywood companies to employ, very often, without union affiliation. (p. 47)

In the same vein, Peter Jackson, an established New Zealand director, expressed the enthusiasm of New Zealand film crew members for filmmaking in the programme: Peter Jackson speaks to Morning Report (Radio New Zealand, 2012):

We have people working in our film industry who are not jaded. They don’t work on 10 big films a year. They’d be lucky to work on 10 small films. They just work on a handful of films. They go from job to job. You’ve got an incredible attitude which is over the whole set. They are enjoying themselves and having fun. It almost feels like to some it is a privilege to work on something as exciting as this. We all feel it. We all feel that way. We don’t take it for granted. There are a lot of jaded people overseas who just do it as a job. There is an expectation they’re just going to move onto the next film. New Zealand crews are fantastic in that way.

A South Korean director, Ji-Woon Kim, who directed The Last Stand (2013) in the Hollywood production system, emphasises that a South Korean film production team is better than any other in the world, as South Korean staff have excellence in speed, adaptability and willingness to follow directions and understand the process of making a film (Ju, 2012). In addition to this, the director claims that the strength of South Korean films stems not from directors but from
the crews who have been dedicated to the film industry and have long regarded the films as theirs.

In this respect, Huws (2010) stresses that a genuine desire “to do something meaningful in life, to make a mark on the world, to be recognised and appreciated and respected” causes creative workers committed to their work (p. 519). Film professionals’ propensity to take risks combined with this creative desire are regarded as the reasons why film professionals are interested in working in the industry, despite low salaries and job insecurity (Menger, 1999). Hesmondhalgh and Baker (2011) expresses concern over creative workers’ disposition to sacrifice themselves for gaining inherent rewards creative labour brings.

Hesmondhalgh (2013) offers another reason for the existence of the South Korean production system. In comparison to other industries, the greater autonomy that is given to filmmakers by production companies makes an underemployed or underpaid job greatly desirable, which has changed. Rowlands and Handy (2012) argue that New Zealand film professionals return to the film industry because of a subjective experience of both high satisfaction from work and repeated concerns about unemployment after finishing work causes in them an addiction to their work.

In this sense, it is worth noting Caldwell’s (2013) argument that scholars studying films need to concentrate on below-the-line film workers because their insecure and poor labour conditions are deteriorating, considering that the treatment of film professionals in South Korea has not improved much. M.-H. Kim (2009b, p. 86) argues that “the labour market in the Korean film industry narrows down to two distinctive characteristics: poor treatment to film crews and crisis of expertise.”

The apprenticeship system and employment through networks are pinpointed as structures which amplify negative features in the industry. The wage level and working conditions of film practitioners in South Korea cannot be compared to those of other businesses (Lim, 2008). The tragic death of one South Korean screenwriter due to hardship and chronic disease in 2013 has given prominence to the poor treatment of cultural artists (Cho, 2015). This contributed to the
legislating of The Law on Artists’ Welfare in 2012 and the Korean Artists’ Welfare Association was launched to execute this law (Park, J.-W., 2012).

One New Zealand official also stresses a need for mutual understanding of the production structures between New Zealand and South Korea, which include wage systems. He points out how different the respective salary systems are:

PN6: It applies to both sides that they need to understand the partner’s production structure. For example, with the Korean production structure people get paid more or less a flat fee to work on the project. Whether it takes one month or whether it goes under or over it’s the same fee, whereas New Zealand structure is based on an hourly wages or weekly wages. However long it goes, you get paid in time. So, they need to understand how each other works.

The problem of wages also seems to apply in China. It is better off to adapt to a good production system for film crews when filmmakers produce film co-productions. Otherwise, filmmakers are likely to encounter tough situations which were not expected. Marsha Metz, the senior EVP of Business and Legal Affairs at Constantin Film Development, Inc. in the U.S., describes how different the Chinese and American production systems are (“Why are we making,” 2014):

It’s like the wild wild West. There are a lot of benefits you can get out of that if you are willing to get your gun and go for it. But there is also going to be a lot of situations where you are just on the sidelines crying your eyes out: “Oh my god. What am I going to do? – My actors have not been paid, and the crew has not been paid in two weeks.” There are a lot of things we have to overcome.

**Developments and variations on production modes**

There have been many changes in ways in which South Korean filmmakers involved in film co-productions produce films together, whereas the New Zealand film industry has not witnessed significant modifications in modes of New Zealand-foreign film co-production projects. For the projects, New Zealand filmmakers have invested money and offered key creators with the production team as well as shooting locations in general. By contrast, until mid-2000s, South Korean producers put some actors and/or money in the production team of a partner’s country which provided filming locations (Lee, S.-J., 2016). Next,
seeking to conduct full film co-productions, specifically with Japan, there was a
tendency to organise a production team consisting of film crews from the
countries involved in a project. For example, if one nation provided a director and
a DOP, the other country offered other key staff such as an assistant director,
which increased the amount of travel for some film crews and involved significant
costs (Hoskins et al., 1997a; McFadyn et al., 1998).

Then, when South Korean filmmakers have hegemony in a co-production project,
they tend to take core staff such as a producer, a director, a DOP and/or a head of
each department (costume, makeup and art) to a place where production will
happen and to form a team with a local production services leading to reducing
expenses in travel and accommodation. It is significant to emphasise that these
advancements have been achieved by South Korean filmmakers not the South
Korean government.

Given these differences in production systems between New Zealand and South
Korea, it is imperative to discover what type of production system could be
feasible for film co-productions between the two countries. Although it is likely to
depend on characteristics of each film, it is useful and profitable to investigate
some Korean projects which have been tested by one South Korean producer’s
(Joo-Ick Lee) experiences which are likely to be exemplary of the concept of
hybridization.

Since 2000, which was the beginning of film collaborations with other nations,
many South Korean filmmakers have been abroad for location shootings. For
example, five South Korean feature films including Bungee Jumping (2000),
Silmido (2003) and Oldboy (2003) came to New Zealand for the purpose. In these
cases, South Korean filmmakers brought South Korean crews and cast to the
country to mostly shoot some scenes under the South Korean production system
spending considerable amounts of money on expenses such as travel,
accommodation and meals.

However, the South Korean producer (Joo-Ick Lee) tried out new production
structures when collaborating films with foreign partners. This will be examined
in the case study of *The Warrior’s Way* (2010) (in Chapter 7) in which he brought only primary key Korean staff (a director, a cinematographer and a producer) to New Zealand and employed the team who had been involved in the creation of *The Lord of the Rings* trilogy in New Zealand. Then, he experimented with a new mode of film collaboration when producing *Late Autumn* (2010) which was shot in English by a South Korean director under the American production system in the U.S.

One South Korean producer stated that in producing *Late Autumn* (2010), producer Lee strived to use the most advanced methods of film collaboration projects, bringing only a few skilled personnel of creative sections who could speak English (a director, a cinematographer, an artist and a makeup artist) into the U.S. From an American perspective, the film had such a small budget that high quality American crews working in the Hollywood mainstream were not affordable, whereas the budget was a big one for South Korea, allowing the producer to take these crews to the U.S. Thus, the film was an advanced project which took advantage of possibilities of diverse film collaborations in that the production quality of the film was improved by virtue of South Korean crews’ contributions (PK13, personal communication, September 30, 2011).

*Late Autumn* (2010), directed by Tae-Yong Kim, is a remake of *Late Autumn* (1966), directed by Man-Hee Lee, which was a story of the love between a woman, a model prisoner, and a man charged with counterfeiting money. However, *Late Autumn* (2010) focused on the love between a Chinese woman and a South Korean man who were immigrants to the U.S. The local story was recreated in a global environment starring a famous Chinese actress (Tang Wei) and a popular actor (Bin Hyun) from South Korea, which was different from the original story, to better appeal to global audiences. Consequently, while *Late Autumn* (2010) as a South Korean film was successful in China, breaking “a record for three opening days at the box office of all time in China with 25,000 Yuan” (Park, J.-T., 2012, para. 2), it was not so in South Korea with only 800,000 admissions (Bong, 2011).
Although the reasons the film was not a hit in South Korea are not known, Seo (2011) argues one of them might be the indifference of South Koreans to cross-border projects. One South Korean critic indicates that domestic audiences have an eye for good quality films and they expect more from global projects than local films (Lee, 2010). The author also notes that the fact that South Korean film co-production ventures almost always failed to appeal to the domestic audiences reveals that creating profit via film co-productions (Hwang & Kim, 2012; Kim, E.-J., 2013), the main motivation of the co-productions, has not been fulfilled.

However, not all South Korean filmmakers have sought a new mode of film co-productions. Two Chinese-South Korean co-productions with South Korean tales (*A Wedding Invitation* (2013) and *Mr. Go* (2013)) were created by South Korean directors and productions teams, with many Chinese actors employed in China (“Co-production 2013,” 2014). In this respect, there are two different possibilities for the production system for film co-productions between New Zealand and South Korea. If filmmakers in both countries are creating a movie with a large budget, the production structure used in *The Warrior’s Way* (2010) (see Chapter 7) is likely to be the most appropriate solution, whereas if they are preparing for a modest or mid-budget film, the production system is likely to be different, negotiated on a case-by-case basis.

**Typology of New Zealand-South Korean film co-productions**

Based on the typology suggested by Yoon et al. (2007), the full co-production was the most preferred for New Zealand and South Korean co-productions, with 17 participants, and the second favourite was the co-financing form with 11 participants. Considering the failure of *The Graduation*, a full co-production mode is likely to be a feasible way for both nations to co-produce a film. Nevertheless, the frustration of *Soulmates*, expected to be a first full co-production project between the two countries with a budget of around NZ$45 million, casts a shadow over this possibility, in that this film was terminated during the process of the development of its screenplay by the two partners. One South Korean producer provided one hint for the reason that there has not been a joint project with New Zealand, which has been delivered by such a process so far (PK19, personal
communication, October 13, 2011). South Korean filmmakers could not produce a film through the process with American producers despite considerable effort, because it is so difficult. In this respect, a full co-production type is likely to be possible when either New Zealand or South Korea has a story to naturally fit for New Zealand-South Korean film co-productions.

On the one hand, it is worth examining the success stories of the *Kung Fu Panda* trilogy (2008, 2011 and 2016). According to Tracy Trench, Head of Creative Development at Oriental DreamWorks, when making *Kung Fu Panda I* (2008), they just looked for relevant stories in China which would appeal to Eastern audiences. In the second film, they have collaborated with China more than before. For *Kung Fu Panda III* (2016), they are conducting a film co-production employing 115 animators in Shanghai (“Why are we making,” 2014, p. 22). Given that New Zealand and South Korea have conducted no official co-productions, the step-by-step arrangements of the *Kung Fu Panda* series would be one of the achievable and viable ways for the two countries to follow. One South Korean participant also suggests that simple collaborative work, such as employing a supervisor for special effects or working with companies with such skills, might be another option for the two nations (PK8, personal communication, September 16, 2011).

On the other hand, among eight different transnationalism categories provided by Hjort (2010a), globalisation (8 persons) and opportunistic transnationalism (7 persons) were regarded as possible options for New Zealand-South Korean co-productions, even though there were various responses from both sides. From the New Zealand side, seven New Zealand participants presumed that its characteristic would be opportunistic transnationalism, whereas for South Korean filmmakers, globalising transnationalism was referred to the most with five responses reflecting this as their major motivation for the film co-productions. New Zealand participants also stated globalising transnationalism; however, opportunistic transnationalism was not considered by South Korean respondents. Two South Korean directors were interested in auteurist transnationalism.
6.7 Summary
In this chapter including Part I and II, five influential factors - political, economic, personal, cultural and industrial - for New Zealand-South Korean film co-productions, identified from the analysis of the interview data, were examined and discussed to uncover viable modes of the co-productions drawing upon the research framework of this study. It is clear that undertaking an official film co-production between the two nations is difficult in the sense that acknowledgement as local films do not provide substantial benefits to filmmakers in both countries, and that it is likely to be difficult to obtain support for the official project from the NZFC and the KOFIC which are less interested in assisting, and that Chinese-South Korean film co-production ventures have been increasingly invigorated. In this regard, unofficial film co-productions seem to be feasible and desirable for this purpose, therefore three production modes (utilising New Zealand as a gateway for penetrating the American film market, natural fit film co-productions, and a simple collaboration work) are suggested.
Chapter 7 Case Study:  

7.1 Introduction

This thesis has identified five influential factors for producing film co-productions between New Zealand and South Korea: political factors (government policies), economic factors (financial and market factors), personal factors (film professionals), cultural factors (cultural proximity and discount), and industrial factors (production systems). In order to examine how these factors have practically impacted on making international film co-productions, this study carried out one case study on *The Warrior’s Way* (2010), drawing on its theoretical framework. The overview of the film and the impact of five influential factors have not been separated; instead, each aspect has been discussed whenever it was needed or relevant. Another purpose of this case study is to provide evidence to strengthen my claim that international film co-productions need to be addressed as a significant form of transnational cinema.

As stated earlier in Chapter 3, there have been three mainstream approaches to transnationality in cinema: a national/transnational dichotomic approach, a regional phenomenon approach, and a diasporic and postcolonial approach (Higbee & Lim, 2010). However, this film does not fit any of these. That is to say, international film co-productions, both official and unofficial, are not much discussed within publications on transnational cinema. However, based on an analysis of this case study, I will join S.-J. Lee (2011a) in arguing that there is a need to consider the co-productions as one strand of transnational cinema.

*The Warrior’s Way* (2010), produced by three producers (one South Korean and two Americans), is an international film collaboration which gained funding from the U.S., South Korea and India, yet was produced in New Zealand. This film can thus be regarded as a South Korean-American-Indian-New Zealand film co-production by means of the concept of international film co-productions, as defined in this study. This project began from a screenplay written by a South Korean who hoped to enter into the U.S. market. It is an appropriate case study for
this thesis in the sense that a South Korean producer (Joo-Ick Lee) played a leading role with the director/writer (Sng-Moo Lee), the director of photography (Wuoo-Hyeong Kim) and the leading actor (Dong-Gun Jang), who are all South Koreans, and that its shooting and postproduction were conducted in New Zealand in conjunction with New Zealand film crew members such as the production designer (Den Hennah). Furthermore, it received incentives from the New Zealand government through the Large Budget Screen Production Grant. In addition, the film is likely to be a significant case for South Korean filmmakers who are interested in capitalising on New Zealand as a gateway to entering the U.S. market when making New Zealand-South Korean film co-production ventures.

7.2 Storylines
The story revolves around an oriental swordsman with superb skills (South Korean actor, Dong-gun Jang). This cold-hearted warrior wins the title of the world’s strongest swordsman, defeating all enemies. However, when his enemy’s infant child is the only one left alive after his last battle, he changes his mind, packs his sword away and decides to live a new life with the child. To hide himself from the organisation looking for him, he leaves for a remote small town in the American West to find his friend. When he arrives in the town, he finds his friend has died. Nonetheless, he settles down in the small village, reopens the laundry shop his friend ran and falls in love with a female tomboy, Lynne (Kate Bosworth), after disguising his status. While he enjoys his ordinary life with Lynne and drunkard Ronald (Geoffrey Rush) who is a cowboy, a band of reprobate gunmen who killed Lynne’s family when she was young threaten the town and Lynne. The warrior prepares a showdown to protect villagers, drawing his sheathed sword.

7.3 Background of the plan
The director, who resided in the U.S. for about eight years to study film, began to write the script in 2000 to try and create a new action drama which differed from any previous action film made in South Korea, by combining conventions of the Western genre with the martial arts tradition in the East. Sng-Moo Lee wanted to
produce it; this was his first film for American audiences. He thought that it could never be made in South Korea, as its aesthetics, story and size of budget were beyond what South Korean directors could usually manage: that is, his film was not a movie style that major investment/distributors in South Korea preferred (PK4, personal communication, August 29, 2011).

*The Warrior’s Way* (2010) was a production designed to be an international film collaboration from the planning stage, with a new attempt to create a novel action genre combining Western and Eastern cultures and set in a fantasy world. In genre and narrative terms, this film is a good example of hybridity (Baltruschat, 2002; Jameson, 2010; Pieterse, 1995), with the mixture of two distinct sets of characteristics (Kim & Yang, 2006; Kraidy, 2005). For example, an oriental swordsman goes to the remote West, a battle breaks out between disparate weapons (a sword and a gun), the best warrior runs a laundry to make a living, and an Asian man and an American woman come to like each other. In this respect, from a director’s point of view, it can be classified as experimental transnational cinema (Hjort, 2010a). As discussed in Chapter 6, Sng-Moo Lee, as a director, was more interested in the film’s narratives than business potential when producing this co-production project. Director Lee’s desire for creating this kind of film is one of the motivations for film co-productions (Chung, 2011; Producers Guild of Korea, 2008).

Studying in New York, director Lee realised that many immigrants from South Korea, despite their skills and qualifications, typically operated laundry shops and other services, and amongst them there was even one person who had been the Chancellor of a university in the past. So, he wanted to tell stories about the new lives of the immigrants who have lived with their past unknown to those around them (Kim, H.-W., 2012). Although the director received some initial inspiration from South Korean immigrants for his film, he developed its story to become a new fantasy action film combining Asian and Western narratives. As a result, the working title of the film was *Laundry Warrior*. However, with an increase in its budget and a shift in focus from an independent film to a more commercial film, the title was later changed to *The Warrior’s Way*. 

266
It took almost 10 years for the film to be produced. *The Warrior’s Way* (2010) could not have happened if the director had not met producer Joo-Ick Lee. The director first commenced the work with a South Korean producer, Seung-Jae Cha, who was the head of Uno Film. However, its production was postponed for a long time because it was not easy for him to find a proper partner overseas. In 2005, producer Cha showed the script to producer Lee, a colleague of his, who had good overseas networks with experience in three international film collaborative projects (*Together* (2003), *Seven Swords* (2005) and *Battle of Wits* (2006)).

Producer Lee left South Korea in his early 20s and travelled to China, the U.S., Japan and Singapore. With age and experience, he came to have an interest in films and wanted to make a film, so he returned to South Korea in his 50s. His fluency in English, Chinese and Japanese contributed to producing the films mentioned above and *The Warrior’s Way* (2010) (PK17, personal communication, October 9, 2011). In this regard, this film can also belong to cosmopolitan transnational cinema (Hjort, 2010a), since producer Lee can be regarded as cosmopolitan.

Intrigued by the script and wanting to produce it, producer Lee seemed to have the aim of making inroads into the U.S. film market, an aspiration that most South Korean film professionals have had for a long time (Yeom, 2010a, 2010b; Yoon, 2009). If this film had been successful in the American market, he would have been the first filmmaker to achieve such success in the market and would have reaped enormous profits. To date, South Korea has not witnessed the success of any film or director in the U.S., even though active efforts to enter the American market, including *Snowpiercer* (2013) and *Never Forever* (2007), continue to be made by filmmakers or film production or investment/distribution companies.

Realising the importance of a foreign partner, producer Lee showed the script to an American producer, Barrie Osborne, a friend of his. One of the reasons producer Lee contacted producer Osborne was to use his expertise (to share ideas and experience), specifically, knowledge of his central role in *The Lord of the Ring* trilogy produced in New Zealand, which was needed to create the film. From the South Korean participants’ viewpoint, obtaining expertise from overseas is the
third most important motivation for undertaking South Korean-foreign film co-productions. Access to this know-how is also one of the key motives for cross-border co-productions (Baltruschat, 2002; Seo, 2011; Yoo, 2014) and one of the advantages for this style of production (Hoskins et al., 1997a, 1998).

At that time, deciding on a shooting location for the film which could embody its fantasy space was a critical issue (PK17, personal communication, October 9, 2011). The story also caught Osborne’s fancy; that is, the concept of the film was received by Osborne as a new style Western film mixing Oriental with Western cultures with a great story integrating humanism and romance (Kim, J.-H., 2010). Hence, producer Osborne decided to make a Hollywood film which could have universal appeal to international audiences with the South Korean screenplay, a South Korean lead actor and early investment from South Korea. At this point, it seems that producer Osborne wanted to create globalising transnational cinema (Hjort, 2010a). It is interesting to note that the classification of this film could vary from experimental, to cosmopolitan, to globalising transnational cinema depending on perspectives of film professionals involved in this co-production. According to Pardo’s (2007) six categorisations, this film can be characterised as an internationally oriented co-production designed to target the global audience.

Osborne’s support was of great help for producer Lee to start this project. It is interesting to note that producer Osborne is interested in South Korean cinema and served in the U.S. military in South Korea right after the Korean War (PK20, personal communication, October 26, 2011). That choices and consumption of cultural products take place on an individual level, such as personal preference (Cha, 2013; Park, 2004), may extend to the personal relationship between producer Osborne and South Korea. As Park (2004) argues, Osborne’s relationship with South Korea and interest in South Korean cinema might have contributed to his investment in the film despite his lack of cultural proximity.

As stated earlier, previous studies have neglected the roles of the producers of cultural productions including film co-productions (Cottle, 2003; Jin & Lee, 2007; Morawetz, 2008). With regard to film producers, it is possible to argue that interpersonal relationships, in particular, personal networks and relationships
between film producers, based on a reciprocal form of exchange discussed in social exchange theory (Perumal et al., 2012a), are one of the primary motivations for film co-productions along with gaining funding and expanding into overseas markets, because the clear chain of personal networks grounded on trust linking the three producers (Cha, Lee and Osborne) played a central role in bringing *The Warrior’s Way* to realisation, as reinforced by South Korean participants’ statements from their interviews. As Blair et al. (2001) indicate, it proves that trust and relying on colleagues are critical components in finding projects.

Even though interpersonal networks and relationships have long been a feature in the literature on the film industry, they have not usually been regarded as a motivation for film co-productions. For example, Coe (2000, p. 397) stresses that “on a project by project basis, the nature of the film production process is very much determined by inter-personal relations.” Other film studies (Blair, 2001; Christopherson & Storper, 1989; Langham, 1996) demonstrate that in a project-based organisation in a local film industry (DeFillippi & Arthur, 1988; Jones 1996), building and sustaining personal networks play a significant role in gaining jobs and information. In this case study, the director and the DOP were introduced to producer Lee by acquaintances.

For producer Lee, moreover, this was the third international collaborative venture, after *Seven Swords* (2005) and *Battle of Wits* (2006), which also resulted from his trust and friendship with their producers. These two films were able to be produced because producer Lee had developed a strong relationship with producer Nansun Shi Nan-Sheng and producer Satoru Iseki, as friends and film experts (Kobiz, 2015). Nansun Shi Nan-Sheng, one of the most powerful producers in Hong Kong, made *A Better Tomorrow* (1986), and *Infernal Affairs* (2002) and Satoru Iseki is a renowned Japanese producer who worked on *Smoke* (1995). In this case, trust among the three producers contributed to a division of labour as well as success in securing funding. In previous film studies, trust has been considered a critical element to maintain good relationships between film crew members (Perumal et al., 2012b), to secure jobs, to collaborate recurrently (Blair et al., 2001), to mitigate the risk which filmmakers can encounter at any stages of
filmmaking (Kong, 2005) and to gain funding for developing indigenous films (Coe, 2001).

It is likely that producer Lee’s trust in his colleagues is linked with certainty about financial arrangements. Unprincipled behaviour by film partners has been pinpointed as one of the disadvantages of film co-productions (Hoskins et al., 1997a, 1998; Yoon, 1999). This likelihood is supported by Yoon (2008), who emphasises that in Hollywood, multiple close personal relationships are crucial, because such film productions deal with huge budgets. In Yoon’s research, one interviewee, a deputy-president in one of Hollywood’s majors, describes Hollywood as “a company-driven system in which film practitioners want to work with persons whom they know. If they do not know each other well, they do not work together … because of huge money” (2008, p. 185).

Based on analysis of the Internet Movie database (IMDB), Shichijo (2012) argues that the experiences of filmmakers who have participated in international film co-productions in East Asian countries such as Japan, China and South Korea contributed positively to the formation of social networks for contacting overseas human resources. The findings from Shichijo’s (2012) research emphasise that personal networks can be built up through film co-production ventures.

Meanwhile, another American producer (Michael Peyser) also favoured the screenplay. Thus, the three filmmakers found in each other the kindred spirits needed to produce the movie. In the end, the three producers decided to make a film in New Zealand, because it was a suitable and competitive place to introduce a new process, which is to shoot every scene on a green screen and then to composite them with computers (PN17, personal communication, January 27, 2012). That New Zealand was selected as a shooting location because of its “situated expertise” (Goldsmith & O'Regan, 2008), suggests that access to expertise (talent or technology) is a significant factor for international film productions (Baltruschat, 2002; Hoskins et al., 1995; Hoskins et al., 1998; Producers Guild of Korea, 2008; Yoo, E.-J., 2014). Also, the director and other film crew members were pleased to work with established producers, actors and other film practitioners.
It seems that the wages of New Zealand film practitioners, which are lower than those of American crew members, even considering the exchange rate of New Zealand dollars to U.S. dollars, and the tax incentive (Large Budget Screen Production Grant) aimed at attracting offshore Hollywood productions, contributed to bringing the project to New Zealand, although the two benefits were not the decisive factors that determined the shoot taking place in New Zealand. However, this case appears to follow the tendency that film production places are sometimes decided by access to lower labour costs and tax incentives and structural support (Goldsmith & O'Regan, 2008).

7.4 Funding and contract process
This case study confirms that gaining funding, including diversification of risks, is one of the most critical motivators for film co-productions (Baltruschat, 2012; Hoskins et al., 1997a, 1998; Lev, 1983; Morawetz, 2008; Yan, 2009; Yoon et al., 2007). The film could not have been made had it not been an international co-production, because the fantasy genre is not favoured by South Korean investors, due to its need for a high level of investment. Investors from South Korea as well as the U.S. and India put money into the film. The total cost of the film reached US$47 million, of which US$32 million was provided by City Bank as a bridging loan, which was money lent for content in the U.S.; India financed US$2 million; and South Korea supplied US$13 million.

The level of the film’s cost (US$47 million) is less than the average cost of films produced by the Motion Picture Association of America member companies (about US$100 million), but it is more than that of an independent film (US$40 million) in the U.S. (European Audiovisual Observatory, 2006, p. 37), as mentioned in Chapter 5, making it a unique case of international film co-productions (Kim, H.-W., 2012). However, the budget is much larger than the average budget of South Korean commercial films released in 2013 (NZ$6.5 million) (KOFIC, 2014b), and that of New Zealand’s the 10 domestic feature film co-productions between 2002 and 2010 (NZ$11.4 million) (Gregson, 2012). This figure demonstrates that one of the major motivations for South Korean-Foreign film productions is gaining finance (Hwang, K.-N., 2012; Yan, 2009; Yoon et al., 2007). This trait was also regarded as the most important advantage of film co-
productions between South Korea and other nations. It is worth noting that the producers raised the substantial figure without any support from their governments, since the U.S. has no film co-production treaty with any country (Baltruschat, 2002).

In the case of collaboration or film co-productions, most producers hesitate to be the first to put finance into a project; hesitation which sometimes results in the project failing. However, producer Lee took the risk of investing funds at the initial stage, because he thought that the story was interesting, and the decision producer Osborne made to participate in the film was likely to increase his confidence in its potential success (PK20, personal communication, October 26, 2011). However, it seems that he trusted his intuition in making a decision to produce the film without any tool available to validate the quality of the film’s screenplay.

South Korea initially invested US$10 million into The Warrior’s Way, which was investment which got the pre-production underway; for instance, the investment allowed the producers to make free visuals and concept art. The purpose of free visuals is to create continuity with roughly 10 action-sequences sketched out as 3-D versions to show that specific sequences the director wants to create can be made. Concept art is a form of illustration used to help to understand the ideas in a film in order that one can feel as if one saw the film. These visuals contributed to casting the well-known actors Kate Bosworth and Geoffrey Rush, and attracted the investment from the City Bank (PK20, personal communication, October 26, 2011). This enabled such a substantial amount of funding to be raised from the U.S. and India because it was an international film co-production project and its investment was large, since it contained more visual effects: “to get a bigger film with more effects and more amazing looking, they [producers] needed more money so that’s another reason that we turned to America for funding” (PN17, personal communication, January 27, 2012).

Meanwhile, the film was able to recoup US$10 million due to pre-sales in the American film market to 12 countries including South Korea before its release (Kim, H.-W., 2012). In addition, according to Wallwork (Payne, personal
communication, July 8, 2011), it received NZ$6.3 million of the NZ$43 million spent in New Zealand from the New Zealand government due to the LBSPG, which provided up to 15 percent rebate on qualifying New Zealand production expenditure, as mentioned in Chapter 6. It could take advantage of the incentive system aimed at attracting offshore Hollywood productions on account of its huge production cost. Because of this rebate, the South Korean producers considered New Zealand as a suitable country for making big-budget films. The tax incentive (Large Budget Screen Production Grant) aimed at attracting offshore Hollywood productions contributed to bringing the project to New Zealand, although this benefit was not the decisive factor that determined the shooting taking place in New Zealand.

It is worth noting that the producers, notably producer Lee, selected their partners and the production place to make the film in the most effective and efficient ways. Sad Flutes Ltd, as a Special Purpose Company (hereafter SPC), was established by the three producers in New Zealand and the U.S. to find the optimal way to minimise the cost (Kobiz, 2015), and its holding company was set up in another place to deal with tax issues. In the case of film co-productions, tax problems can arise if all countries involved attempt to collect corporate tax from the same film. To avoid this problem, this kind of SPC structure and a holding company offshore is a common form for international film co-productions (PK14, personal communication, October 4, 2011). In this case, the New Zealand government asked the producers to pay tax on what the producers did in the country, whereas the U.S. did not request it and allowed them to pay it to one country (PK4, personal communication, August 29, 2011).

Meanwhile, the South Korean producers had trouble in creating contracts with American partners due to differences in financial trade and contract practices between the U.S. and South Korea, even though this film was not an official film co-production. For example, in this film, South Korean producers needed professional lawyers for their contract with American producers (PK17, personal communication, October 9, 2011). Legal complexities and difficulties of official film co-productions were identified as one of the disadvantages of the co-productions from the interviews, and Gregson (2012) and Naarajarvi (2011)
emphasise that once filmmakers conduct film co-productions with other countries, they need to handle this issue with professional lawyers. This characteristic was identified as a drawback of film co-productions from the findings of this study. Gregson (2012) suggests the need for a standard template for this agreement or treaty between nations for New Zealand filmmakers to reduce producers’ time and money. Indeed, the KOFIC provides diverse templates for Korean film professionals on the website of Korea Film Biz Zone regardless of whether they are official or unofficial co-productions (Kobiz, 2016a).

Similarly, according to H.-W. Kim (2012, p. 73), Mofac studio, a South Korean company involved in visual effects with other foreign companies, indicates that the most significant difference in doing international film collaboration work is in contract practices. Hollywood’s contracts typically have very detailed articles beneficial for American productions – for instance, provision of a minimum work period and the delivery date of basic sources of visual images – so South Korean companies can get into trouble because of them. This is because the South Korean companies do not have these articles in their contracts when working with other companies in the country; instead, they have flexibility to some extent. From the Mofac studio’s perspective, these articles seem to be reasonable and secure the quality of a product, whereas in some circumstances, they do not help to improve efficiency or reduce cost and time.

7.5 Production overview

While producer Osborne, who has abundant knowledge about shooting films in New Zealand with his role in the production of The Lord of Rings trilogy, was in charge of the production in the country, the roles of casting actors, making contracts with them, sales and marketing were given to producer Peyser. Producer Lee played a key role in casting Dong-Gun Jang as a lead actor and gathering investors in South Korea and across Asia. Even though these roles were not precisely divided, the three producers allocated them naturally after having frequent conversations (Kobiz, 2015), demonstrating their trust and flexibility.

The film is an example of transnational filmmaking activities suggested by Chung (2012) in the sense that its production was carried out with multinational film
professionals in New Zealand and not the U.S., the main target of the movie. Its production team consisted of filmmakers, crews and cast from various nations. In New Zealand, many New Zealand crew members who had participated in the production of *King Kong* (2005) and *The Lord of the Rings* trilogy worked on this project. Amongst them, Dan Hennah (New Zealand), who was a supervising art director of *King Kong* (2005) and *The Lord of the Rings*, took on its production design.

The music was composed by Javier Navarrete, who was in charge of music in *Pan’s Labyrinth* (2005) and the costume design was created by James Acheson (U.K.), who designed the costumes for *The Last Emperor* (1987). In terms of casting, multinational actors took part in the film; for instance, the lead actor was Dong-Gun Jang, famous in Asia, while Kate Bosworth, who appeared as Superman’s lover in *Superman Returns* (2006), was a leading actress. Another key role, that of the drunkard, was given to Geoffrey Rush, an internationally renowned Australian actor, who appeared in *Pirates of the Caribbean: The Curse of the Black Pearl* (2003).
<table>
<thead>
<tr>
<th>Item</th>
<th>Korea</th>
<th>Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title</td>
<td>워리어스 웨이 (The Warrior's Way)</td>
<td></td>
</tr>
<tr>
<td>Participating country</td>
<td>South Korea</td>
<td>U.S.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>India</td>
</tr>
<tr>
<td></td>
<td></td>
<td>New Zealand</td>
</tr>
<tr>
<td>Production company</td>
<td>Boram Entertainment</td>
<td></td>
</tr>
<tr>
<td>Special Purpose Company</td>
<td>Sad Flutes Ltd.</td>
<td></td>
</tr>
<tr>
<td>Investor</td>
<td>Well-made StarM (South Korea)</td>
<td>Culture Unplugged Studios</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Fuse Media (India)</td>
</tr>
<tr>
<td>Distribution company</td>
<td>SK Telecom</td>
<td>Relativity Media (theatre –U.S.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Entertainment Film Distributors (England)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hoyts Distribution (Australia)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hoyts Distribution (NZ)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intersonic (Slovakia)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Paradise Group (Russia)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rogue (U.S.)</td>
</tr>
<tr>
<td>Producer</td>
<td>Joo-ick Lee</td>
<td>Barry Osborne (U.S.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Michael Peyser (U.S.)</td>
</tr>
<tr>
<td>Director</td>
<td>Sng-moo Lee</td>
<td></td>
</tr>
<tr>
<td>Screenwriter</td>
<td>Sng-moo Lee</td>
<td></td>
</tr>
<tr>
<td>Casting</td>
<td>Doing-gun Jang</td>
<td>Kate Bosworth</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Geoffrey Rush</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Danny Huston</td>
</tr>
<tr>
<td>Production Staff Filming</td>
<td>Wu-Hyeong Kim</td>
<td>Music:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Javier Navarrete (Spain)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Production design:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Dan Hennah (NZ).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Costume Design:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>James Acheson (U.K.).</td>
</tr>
</tbody>
</table>


There were five key South Koreans (three producers, director, and director of photography), four who had no difficulty in communicating in English, and one producer who worked in South Korea. Language is a critical factor both in cultural proximity (Iwabuchi, 2001; Straubhaar, 2003) and cultural discount (Hoskins & Mirus, 1988; McFadyen et al., 2000); thus, it is also a crucial element in media choices (Fu & Sim, 2010). In addition, for filmmakers, a difference in a native language between partners is viewed as a drawback for film co-productions (Chung, 2011; Seo, 2011), and New Zealand filmmakers consider the use of the
same language (English) as one condition when choosing their partner for productions. Also, there was a concern about the New Zealand accent, creating an argument for only hiring Americans or New Zealanders who can do American accents as actors (PN17, personal communication, January 27, 2012).

However, in this case study, language was not an issue between South Korean filmmakers and other film crews since most of the key persons from South Korea did not have any difficulty in communicating with others in English and were less subject to cultural differences, due to their experience of living abroad. This shows that filmmakers and crews who join in international film co-productions tend to speak English well, leading to reduced language problems and cultural differences between South Korea and other mainly English-speaking nations, and demonstrates that an example of an “ethnoscape” perspective – human movements are a crucial element in global cultural flow (Appadurai, 1996, p. 33).

The production of the film took place from October 2007 to February 2008 and its postproduction took almost two years after production (Kobiz, 2015). The preproduction started around 2007; however, it took a long time to start the project and find a filming location. The director and the DOP visited many locations in the U.S. several times to discover an appropriate place to embody the fantasy space, and New Mexico was first selected as the place. The U.S. crews, such as the art director and action teams were hired, and lead actor Dong-Gun Jang went and started action training there. Everything proceeded well until 2-3 weeks before crank-in, when suddenly Dong-Gun Jang was hurt; as a result, the production stopped for a short time (PK7, personal communication, September 7, 2011).

Then, the three producers deliberated on where the film could be shot, considering the U.S., Spain and Australia as candidates, and they finally came to the conclusion that it was better to change the way and location of shooting to create a fictional world which had never been seen before. In practice, there were many scenes which were not easy to realise in real shooting locations, thus the producers replanned to shoot the film in a set (PK7, personal communication, September 7, 2011).
In this regard, New Zealand was chosen because of the successful production experiences Osborne had had with *The Lord of the Rings* trilogy and *King Kong* (2005). It was also considered as the right destination for the production since the cost of the film would be reduced by 30 percent if it were made in that country and not in the U.S. (PK17, personal communication, October 9, 2011). “NZ crews are generally cheaper than American crews even if, once you take into account the exchange rate, we’re still cheaper. A NZ editor can get between $2,500 and $3,500 dollars a week in NZ dollars. But an American editor can get like $5000 a week in the U.S.” (PK17, personal communication, January 27, 2012). This case appears to follow the tendency that film production places are sometimes decided by access to lower labour costs, and tax incentives as noted earlier (Goldsmith & O'Regan, 2008).

In addition, producer Osborne was working on *The Water Horse: Legend of the Deep* (2007) at the time in New Zealand, so he was able to set up a team from that of available personnel those who had experience in the type of work (to create new visual images) needed for the film. In the end, its shooting location moved from the U.S. to Auckland (Henderson Valley Studios) in New Zealand where almost all its filming was carried out, and this enabled the film to be produced in a more autonomous mode, for it was not created in Hollywood studios even though two Americans were involved in it (Kim, H.-W., 2012, p. 73). At the site, producer Osborne chose not to intervene in the director’s work, rather choosing to respect the director’s intention. They, however, negotiated with each other, having many conversations (Kim, K.-H., 2010).

The need to construct stories aimed at capturing all audiences in the participating countries is cited as one of the main disadvantages of film co-productions (Hoskins et al., 1997a, 1998) and it was revealed as the second serious demerit in the findings from the interviews in this study. In this respect, it was desirable not to compromise *The Warrior’s Way* story; however, given that the director did not have sufficient knowledge about the U.S. market, it might have been better had it been adapted by American professionals. In a lecture held as part of the events of the fourth KOFIC Global Forum in Seoul in 2015, Chinese producer Cao advised South Korean filmmakers to entrust a great script they had produced to their
Chinese partners in order to ensure its success in China (Kim & Park, 2015), in that Chinese partners are experts on their market. Cao was the producer of Miss Granny (2014) and PyeongAndo (2014), both Chinese-South Korean film co-productions.

This project was not an official film co-production, so the producers did not expect any support from their governments, nor need to meet any regulations attached to a film agreement. In other words, the project did not have to put indigenous components into its story or to hire any film crew members from each country. The Warrior’s Way was set in a kind of Wild West depicted in a virtual world and all dialogue was in English, because it was aiming at the American market, not at South Korean audiences. Therefore, it had few unique and indigenous components related to South Korea. This trait of placelessness has been recognised as harmful to national cinema (South Korean cinema) (Hayward, 1993; Liehm, 1984; Morawetz et al., 2007), but such criticism is not likely to apply here. As Baltruschat (2003, 2013b) and Taylor (1995) note, for international co-productions, there is a need to shift the focus to international content to appeal to global audiences. For South Korean filmmakers, it does not matter whether a film is South Korean cinema or not, nor which films are defined as official co-productions or international collaborations (Woo, 2011).

Nonetheless, some South Korean elements were included in the film because the lead actor, the director, the DOP and producer Lee are all South Koreans. For example, traditional Korean music (Samulnori) was utilised as background music at the climax of a combat scene, and the lead actor (Dong-Gun Jang) operated a laundry shop, which could symbolically represent employment opportunities of South Korean immigrants to the U.S., even though they appeared to have no natural connection with the storylines (Kim, H.W., 2012).

The South Korean director, as a novice director, and the DOP thought that they were fortunate to work with these skilled and well-known producers, crews and actors, which would not have been possible if this project had not been an international collaboration project. Gaining opportunities to work with talent from overseas was regarded as the most advantageous element by South Korean
Participants and as the second advantage by New Zealand respondents. It was perceived as being valuable for the director and crews to have Osborne and Peyser, who are very experienced producers in America, since they could get professional advice whenever they needed it (PN17, personal communication, January 27, 2012). In addition, given that three key South Koreans (producer Lee, the director and the DOP) had never worked under the American production system, they might have been able to learn many things from the two experienced American producers (Hoskins et al., 1997a, 1998).

The delay in the actual shooting of this film caused certain significant events before the filming. An experienced gaffer hired for the film left to do another project 2-3 weeks before starting shooting, since this film’s schedule was continuously delayed, which led to serious concern about whether the film was to be produced. The concern was also shared with the DOP. Then, the assistant to the original gaffer took over the gaffer’s role with the support of other crews in the team. However, he turned out to be incapable of adequately performing the job so the DOP asked New Zealand film crews to fire him after working with him for a week. In the end, the assistant was relegated instead of being fired. This event caused the DOP to suspect that there was a kind of collectivism, namely closed-ranks, to protect each other, among New Zealand film professionals (PK7, personal communication, September 7, 2011). In this situation in South Korea, the assistant would be fired.

One possible explanation for the unexpected retention for an underperforming crew member was that New Zealanders traditionally tend to work as a team (PN15, personal communication, January 13, 2012). One New Zealand crew member also provided another explanation: that indeed New Zealanders tend to protect any person who is in a difficult situation if he or she does not significantly impact on a project which he/she is involved in. He explained that:

I think New Zealanders are definitely weaker in these situations. They won’t fire people as quickly as other countries. Americans fire people just like that. New Zealanders give the benefit of the doubt to people more, sometimes too much. (PN17, personal communication, January 27, 2012)
Another view suggested by a New Zealand participant was that the crew ‘closed ranks’ because they were working with South Koreans. He argued that it probably happens when two different cultures work together; thus, close ranks is not a characteristic peculiar to New Zealand, referring to “that's the sort of thing I've seen in American crews, where people are trying to hide what happens.” He also emphasised that it is significant to have a strong bonding relationship between film practitioners involved in co-productions to avoid it happening (PK21, personal communication, September 9, 2012). As Perumal et al. (2012b) argue, his statement underpins the significance of interpersonal relationships between film crew members based on trust.

On the one hand, the DOP (who has received five awards for cinematography) had a difficult time due to a tight schedule of filming because it was hard for him to meet it producing a film with good quality. For instance, the speed of shooting required of him in New Zealand, with the expectation of maintaining quality, was almost two times quicker than that in South Korea. He suggested, therefore, that South Korean crew members have to improve the working speed on scene on other future productions. In addition, although the stage was set in a Western village, the shooting was almost all conducted in the closed studio with a green screen so that there were some limits and restraints to embody the village which the director wanted since a great deal of light and space were needed for it (PK7, personal communication, September 7, 2011).

On the other hand, during the process of production, those South Koreans involved generally felt that overall New Zealand film professionals were skilled, friendly and had similar enthusiasm to that of the South Korean practitioners. For example, “New Zealand film crews are not only skilful and experienced but also very friendly. In particular, the advantages of working with NZ filmmakers are that they have the quality and professionalism Hollywood staff have, and also a friendly trait” (PK17, personal communication, January 27, 2012). With regard to enthusiasm, when American crews take a shot, if a picture frame causes reflection, they need some kind of equipment to adjust and hold it; however, South Korean crews just put a wad of tape behind it to keep the angle. “The U.S. crews do not know this mindset, whereas New Zealanders do have it, are flexible and their
mind is very free and creative” (PK20, personal communication, October 26, 2011).

In this regard, New Zealand film practitioners are viewed as crew members with the same high quality as Hollywood crews but are kinder and more flexible than Hollywood crew members. One South Korean film practitioner described this as:

> Although the New Zealand film crew worked in accordance with a strict weekly payment system and by the hour, they even had a meeting with me on Sunday when I asked them to do that. In addition, they made time for me during their lunch break when I requested some of the crew to get back to work earlier. This is almost impossible with American crews. (PK7, personal communication, September, 7)

Because of this, New Zealand is regarded as a gateway to producing a film of the quality needed to enter the U.S. market, due to its lower labour cost being than in the U.S., the virtual non-existence of unions, the positive atmosphere of work culture (flexible and accommodating) and the feeling that the country is part of Asia (PK20, personal communication, October 26, 2011). However, on the other hand, three South Korean producers involved in this film noted that it is not easy for New Zealand to make a film with a small budget, since the standard of its film professionals is tailored to the production of Hollywood blockbuster films. The average budget of a South Korean film is much smaller than that of Hollywood films: the former was about NZ$2.4 million while the budget of commercial films released in 2013 was NZ$6.5 million (KOFIC, 2014b). It is likely to be the result of their ignorance of New Zealand local films.

Meanwhile, as discussed in Chapter 6, the production system in South Korea differs from that in the U.S. in many ways, including drawing up contracts between participating companies, and between filmmakers and film crews, wage systems and working environments, although South Korean filmmakers intend to produce South Korean blockbusters which follow the production mode of Hollywood blockbuster films (Yoon, 2008). It seems that there were two different contract types in the same project. South Koreans workers on the film contracted with the South Korean company following their conventional practices, whereas
the others seemed to have a different contract with the Special Purpose Company, resulting in one South Korean crew member becoming disillusioned and feeling disadvantaged. He did not get paid weekly as his foreign colleagues did, because he had signed a contract for a flat fee; however, he wanted to be treated like overseas crew members (PK7, personal communication, September 7, 2011).

In the U.S., if film practitioners are a member of one of the unions, they are protected by union rules (Park, I.-S., 2006), while the South Korean film industry has not provided any protection for practitioners despite the presence of the Federation of Korean Movie Workers’ Union. This phenomenon of lack of worker protection also applied to this film. Such discriminatory treatment can be a new disadvantage of film co-productions. It seems that South Korean film professionals need to be treated without any discrimination in working conditions.

As Dicken (2004) indicates, key players participating in global economic activities are engaged in both positive and negative relationships. There has been an agreement among scholars who have examined organisational behaviours that “distrust and suspicion are common and recurring problems with many organizations” (Kramer, 1999, p. 587). For South Korean film professionals, distrust caused by the continuous delay of shooting of The Warrior’s Way at the preproduction stage and discriminative treatment in terms of wages (workers did not get paid weekly nor got wages for the extended period) seem to have contributed to the quality of the film by discouraging them from their commitment, as Perumal et al. (2012b) argue in their article. Trust has been studied as an important topic in the varied literature on organisations including research focusing on the relationships between trust and performance. Colquitt, Scott and LePine (2007) emphasise that “trust is a vital component of effective working relationships” (p. 918).

In order to improve the situation in South Korea, in 2011, the film industry cooperative committee announced a standard contract for film crews (Lee, H.-S., 2011), which required subscription to the national pension, national health insurance, unemployment insurance and industrial accident compensation insurance for film crews, and regular payment to film crews not payment by
instalments (deposit and balance). Nonetheless, it was not until 2013 that film crews were covered by the four social insurance policies and went to a “standardized payroll” (Bae, 2013). In this respect, it can be said that contract-based practices are now the norm in New Zealand filmmaking which means more precarious employment provision.

Meanwhile, the director, the DOP and producer Lee did not have much trouble in the process of production, since the director had known the Hollywood production system and the DOP had been aware of the U.K. production system too. These features seem to have played a key role in reducing cultural differences in making this film, and indicate that if film practitioners who have experience of studying films overseas are hired, specifically in the U.S. and in the U.K., cultural differences such as languages and production practices between South Korea and these nations can be reduced.

Nonetheless, it seems that there was a cultural gap between the director and other foreign crew members, though this did not cause any serious problems in the course of the production. For instance, an American crew member complained to the director that he tended to leave it late to offer suggestions or criticism, whereas for the director, it is a part of the South Korean and South-East Asian cultures of ‘saving face’ not to immediately complain about something (Redding & Ng, 1982; Yu, 2003). Consequently, when the director criticised his work later, the crew member was embarrassed by his action, saying that “you told me that it was good a short time ago” (PK4, personal communication, August 29, 2011). In fact, it is found that there are distinct differences in the opinions and importance of saving face between the U.S. and South Korea (Earley, 1997). These differences are likely to be applied to the relationships between New Zealand and South Korea production personnel.

In the post-production of the film, many professional computer graphic companies were involved in special effects and the computer graphic parts; among them there were Mofic Studio, Weta Digital which also created the special effects in The Lord of the Rings trilogy, and the companies specialising in this field from the U.S. and Canada. Weta Digital is one of the companies which South Korean film
professionals desire to work with as it is known for good digital skills in New Zealand, but they fail to do so because of the high cost. It seems that this film was able to employ this company due to a relatively large budget and the importance of visual effects.

Meanwhile, in the editing period, there were almost no arguments between the director and the editor by having a number of discussions with each other and they experienced few cultural differences. New Zealand crews did not need to go to South Korea for the production at all, so they had no idea of the South Korean production system; nonetheless, what a New Zealand crew member found was that “when all the effects were being done they [South Koreans] had a different way of doing things that meant they couldn’t go back to previous versions of the shots very easily. New Zealanders could go back to any version of the shot” (PN17, personal communication, January 27, 2012).

The editor could not see any cultural differences or obstacles while working with South Korean filmmakers; on the contrary, he considered the differences between himself and them as merely differences in personalities. In addition, at the end of the project, when the project could not afford to pay the crews overtime, the editor worked the overtime without getting paid to make the film better, as he considered his pay was already good (PN17, personal communication, January 27, 2012). This case can be a good example of why South Korean producers consider New Zealanders as flexible, friendly and having enthusiasm or the can do spirit for making a film (Campbell-Hunt et al., 2001; Jones et al., 2003).

7.6 Distribution and marketing
Help with marketing for films in a partner’s country is considered as another benefit of co-productions (Yoon et al., 2007), so the two American producers’ expertise in the U.S. film industry such as its production, distribution and exhibition were expected. Nevertheless, the producers and the director experienced trouble in controlling the marketing through a distributor in the U.S. as the film was an independent film not a studio movie. The director hoped that Relative Media, the media company for the film’s distribution in the U.S., would
promote the uniqueness and diversity of the film as a different kind of action film, yet the company positioned it only in the martial art genre.

In addition, even though the director and producers viewed adults as the major target for the film, Relative Media targeted male teenagers who like martial arts, creating the preview containing Dong-Gun’s image as a warrior, with rock music and speedy beat (PK20, personal communication, October 27, 2011). Therefore, there was a big gap between the expectation of the U.S. audiences and the actual storylines of the film, which caused the audiences to be disappointed (PK4, personal communication, August 29, 2011).

In South Korea, a similar thing also took place. SK Telecom, the distribution company in South Korea, packaged The Warrior’s Way as a Hollywood film made by producer Osborne, starring Dong-Gun Jang with famous Western stars, comprising many action scenes, even though the producers gave very different opinions to the company about how the movie should be marketed. SK Telecom was not a company which specialised in distribution of films, so it went for the easy choice (PK20, personal communication, October 27, 2011).

There was another aspect to the failure of its marketing. It was a challenging project to deliver the film since the producers did not gain all funding before the project, so had to gain further funding while producing a film. Because of this, even experienced producers could not influence the marketing or distribution sectors (PK20, personal communication, October 27, 2011). In addition, Relative Media promised that it would make a wide release with more than 2000 screens and spend over US$20 million on printing and advertising (PK20, personal communication, October 27, 2011). However, it is interesting to note that one of the crew members stated that he did not see any billboards for the film in Los Angeles while it was screening there (PN17, personal communication, January 27, 2012).

Additionally, a sense of frustration about distribution and marketing was identified. After knowing that the film was not appropriately released in New Zealand and went straight to DVD, one New Zealand crew member tried to show
it at his friend’s movie theatre and gained the result of “every session was over 50% full for three weeks” through word of mouth alone (PN17, personal communication, January 27, 2012). It seems that lack of proper marketing could be one of reasons for the ultimate failure of The Warrior’s Way.

As a result, even though the film was released in 14 countries, including the U.S. and South Korea, it achieved very poor performance at the box office, with earnings of only US$11 million (Kim, H.-W., 2012). In particular, its revenue (about US$6 million) in the U.S. was disappointing, given that it was shown on 2500 screens simultaneously, which was an all-time record set by a film starring a South Korean lead actor (PK17, personal communication, October 9, 2011). In South Korea, it was also not successful, grossing just US$2.7 million. Choice of the wrong target audience by the distribution companies was mentioned as one of the reasons for the poor outcome in both countries. The failure of the film indicates the importance of marketing in success at the box-office.

The genre (action, fantasy and Western as defined by IMDB) created by the director was not successful in appealing to any substantial audience grouping, including Americans and South Koreans. Family, thriller and comedy genres, as well as typical Hollywood style films, were more favoured by the mainstream audiences in the U.S. than other genres (Hennig-Thurau et al., 2004). Nonetheless, while South Koreans like the action genre; they did not to respond to the action, fantasy and Western genre-mix of this film.

This thesis has analysed 33 projects of international film co-productions, in which more than two partners invested, between South Korea and other nations from 2005 to 2013. According to the data, drama, notably drama/thriller and drama/romance, was the dominant genre chosen for co-production projects. In the same period, New Zealand co-produced 12 films, mainly with the U.K. and drama, particularly, action/drama, was the genre which was most frequently produced. The genre of What We Do in the Shadows (2014), which was a New Zealand-US co-production and very successful in New Zealand, was comedy/fantasy/horror. Even though Seven Swords (2005), a South Korea-China-Hong Kong co-production, was in the action/adventure/fantasy genre, its performance was poor
in South Korea. Co-produced by New Zealand and the U.K., *Perfect Creature* (2005) also had a genre of action/drama/fantasy/horror/sci-fi and its box office return in New Zealand was not good. It does not seem that the mix of action and fantasy genres was preferred by audiences in both New Zealand and South Korea.

An audience unfamiliarity with innovative genre combinations, the lack of professional expertise in adapting the script, and the selection of the wrong target audiences seem to have contributed to the failure of the film. For marketing in the U.S., the film was positioned as a B-grade movie with a hybrid genre (action and fantasy), which played a negative role, because American audiences were not familiar with the genre (Kim, H.-W., 2012).

It is regrettable that neither the marketing efforts nor choice of target audience for the film was successful in the case of *The Warrior’s Way*, even though those involved included two experienced American producers and an American distribution company (Real Media). Strong marketing is recognised as being one of the factors which helps Hollywood films to dominate the global film market (Scott, 2004b). Although gaining distribution for co-produced films in partners’ countries or a third market has been seen as one of the advantages of film co-production projects (Hoskins et al., 1995; Hoskins et al., 1998), there is a need to consider marketing of the projects to achieve a good result in the target market or partner’s country.

In South Korea, this film was imported by SK Telecom, since it was not a South Korean movie. An imported film receives higher rate in the ration of box-office revenue between distribution companies and theatres than a South Korean film when screened in the theatre in South Korea (Kobiz, 2015). In a case of South Korean films, distribution companies and theatres split the profit half and half, whereas in a case of imported films, distribution companies take 60 percent of the profit (Seo, 2008). Indeed, for some South Korean filmmakers, it does not matter whether a film is South Korean cinema or not, or which films are defined as official co-productions or international collaborations in that an acknowledgement as South Korean cinema did not provide many benefits (Kim, Y.-D., 2008; Woo, 2011).
There is no consensual definition of transnational cinema, so it has been variously defined by particular film scholars (Ezra & Rowden, 2006; Higbee & Lim, 2010). *The Warrior’s Way* can be included as a transnational cinema project in that it was not an official co-production, which means that it was not made under the auspices of any bilateral or trilateral film agreements or treaties, according to the concept suggested by Yecies et al. (2011). Nonetheless, Yecies et al.’s definition does not provide any detailed categorisation schema for transnational cinema (unofficial co-productions) as well as international film co-productions as official co-productions.

In this regard, Hjort’s (2010a, 2010b) nine segments of transnational cinema can be more relevant for categorising both types of transnational film (unofficial and official co-productions), because they are based on production contexts, which is the core part of this thesis. She created a “detailed typology that links the concept of transnationalism to different models of cinematic production, each motivated by specific concerns and designed to achieve particular effects” (2010a, p. 15), in response to the problem that a film itself has a tendency to cross national borders in the process of production, distribution and reception (O’Regan, 1999). In the same vein, presenting fifteen categories for the cinema, Shaw (2013. p. 65) justifies the appropriateness of categories of transnational cinema claiming that “We can thus rescue the concept of ‘transnational cinema’ if we break it down into specific categories and apply them carefully in any analysis of film cultures.”

Smith (2012) also presents three types of cinema without distinction between official and unofficial film co-productions; however, there are two different categories for official co-productions suggested by Pardo (2007) and Wayne (2002) (see section 3.5). In this respect, Hjort’s (2010a) categories have four advantages compared to others stated above. Firstly, her groups can be applied to both official and unofficial film co-productions. Secondly, the same film can be differently classified by filmmakers’ backgrounds or motivations. Thirdly, the nine categories are neither simple nor complicated in comparison to other researchers’ typologies categories. Lastly, her categories are not mutually exclusive and thus it is possible to reflect various and diverse features of
transnational cinema. For instance, Hjort (2010b) presented the relationships of the Sigma/Zentra partnership as “a purpose-driven affinitive transnationalism with cultural dimensions” (p. 51). Sigma is a film production company established in 1996 by Scottish filmmakers and Zentropa was founded in 1992 by director Lars von Trier and producer Peter Aalbæk Jensen in Denmark.

However, neither producer Lee nor the director intended to make the film to resist the dominance of Hollywood, which is viewed as one of the more significant traits of cinema transnationalism by Hjort (2010a). Instead, they had an aim to make inroads into the U.S. film market. In the case of producer Lee, as a cosmopolitan, his insufficient knowledge about South Korean films contributed to this conclusion. In this respect, this film does not serve as a competitive strategy to resist the dominance of Hollywood in local film markets (Dhaliwal, 2012; Gregson, 2012; McFadyen et al., 2000).

What is more, in South Korea there have been two tracks – local cinema and film co-productions – in the film industry and the former has been considered the more important. As a result, the task of competing with Hollywood films in the South Korean market has been given to South Korean films in the form of national cinema backed by the government and the KOFIC through a screen quota (Berry, 2003; Kim & An, 2006) and diverse support programmes including various funding systems (Kim, M.-H., 2012). Ryoo (2008) emphasises the active role of the South Korean government as a nation state, in gathering capital and protecting the film industry when compared to governments in European countries, which seem to seek “to construct a national identity or image” (p. 887). Consequently, as S.-J. Lee (2011a) argues, it is necessary for international film co-productions, including this film, to be addressed as one of the mainstream strands of transnational cinema.

On the one hand, it is also significant to consider other categories proposed by other researchers and film practitioners, in that the nature of film co-productions is diverse and varied depending on projects (Santaolalla, 2005). In the typology of film co-productions of Yoon et al. (2007) focusing on economic factors, the category of full co-production is applicable to The Warrior’s Way, since
American and South Korean producers invested money and produced it together with a multinational film cast and crew members including South Koreans. A similar classification system has been used by several South Korean researchers (Kim et al., 2001; Yoon, S.-H. 1999).

On the other hand, Wayne’s (2002) category, which includes official film co-productions, takes into account the relationship between national identity and international markets, a relationship which is not considered in the typology of Yoon et al. (2007). In his group, The Warrior’s Way belongs to the *disembedded films*, since the film was produced for the American market with a large budget, and a new genre or genre hybrid which might have been able to appeal to it. In Pardo’s (2007) six categorisations, the film is connected with *internationally oriented co-productions* designed to target the global audience. It is interesting to note that most of the classifications explained here have a category into which the film falls – a film to make inroads into the global market – except for Smith’s (2012) groupings.

### 7.8 Summary

This case study attempts to show how the five influential factors (political, economic, personal, cultural and industrial) for producing film co-productions between New Zealand and South Korea contributed to the film, *The Warrior’s Way* (2010), drawing on the theoretical framework. This film proves that the producers were able to gain a relatively large budget (US$47 million) without obtaining direct funding or subsidies from the two governments, and that the personal networks and relationships of the producers were significant from the beginning to the end of the process of the film, and that additionally, access to expertise of talent and technology is one of the most crucial motivations of film co-productions.

This case indicates that the concern about language differences affecting co-productions is likely to be solved because of frequent transnational movement. There exist dissimilarities of production systems between the U.S. or New Zealand and South Korea. In terms of culture of the two nations (New Zealand and South Korea), some commonalities and differences have been found. In this
respect, New Zealand is regarded as a good partner for making inroads into the U.S. film market along with skilled talent, state of the art technology and cheaper labour costs compared to those of the U.S. with some concerns such as closed ranks. The failure of this film points to the significance of marketing of international film co-production projects. This case study can be a practical guide for those who desire to capitalise on New Zealand as a gateway for penetrating the American market.

Meanwhile, I argue that there is a need to create a new classification to include this film as transnational cinema, in the sense that it does not fit any of the categories suggested by Higbee and Lim (2010), and that the key framework for explaining international film co-productions as a competitive strategy to resist the dominance of Hollywood films does not apply to this film. Namely, international film co-productions, both official and unofficial, need to be recognised as one of the mainstreams of transnational cinema.
Chapter 8 Conclusion

8.1 Conclusion
This study has attempted to uncover whether it is possible to conduct official film co-productions between New Zealand and South Korea, and if so, what the most achievable and realistic ways are, by identifying what factors impact on the film co-productions from four different perspectives: political economy, social exchange theory, Cultural Studies and transnational. The theoretical framework is a new attempt to examine a phenomenon of film co-productions, and four perspectives are used whenever they are needed and relevant. In conclusion, the official film co-productions are difficult to make happen, so unofficial film co-productions are regarded as feasible and desirable ways to achieve this. It is also revealed that five factors (political, economic, personal, cultural and industrial) are influential factors in creating the film co-productions.

In the political economy approach, this thesis has investigated how government policies on the New Zealand and South Korean film industries that include film co-productions have impacted on setting the basic orientation and creation of those countries’ film co-productions in terms of the big picture. The policies are set in, and impacted by the context of the two countries as well as a constantly-changing global environment where transnational filmmaking has actively arisen. Such policies, however, have not made much contribution to producing of film co-production projects of these two countries generally, and between New Zealand and South Korea specifically, especially between 2005 and 2013, even though unofficial film co-productions in South Korea have been increasingly growing.

The New Zealand government has regarded film co-production ventures as a means to gain funding from overseas partners to produce local feature films for New Zealand filmmakers, who have suffered from constant lack of funding. This purpose was revealed as the most important motivation for New Zealand-foreign film co-productions from the interviews. By contrast, Hollywood runaway productions have been considered as the most significant contributor for
maintaining the film industry by the New Zealand authority, in that the offshore productions have offered more jobs to domestic filmmakers and have been conducive to construction of the infrastructure of the film industry.

The New Zealand government has spent four times more money on rebating the qualifying New Zealand production expenditure for Hollywood financed feature film productions than offering funding for film co-productions, in conjunction with changes of the labour law and the increase of the rebate rate of the NZSPG for international productions. Although the recognition of importance of the Chinese film market, which is dramatically growing, led to finalisation of the New Zealand-China Film Co-production Agreement in 2010 and the launching of the China Co-production Development Fund in 2014, the government’s focus has been on Hollywood’s runaway productions.

The New Zealand government still approaches film co-productions from the viewpoint of national cinema (Kim, S.-A., 2010), which centres on national culture with significant New Zealand content. The New Zealand Film Commission Act 1978 (Section 18 (2A)) stipulates that although official film co-productions do not have a significant New Zealand content, they are considered as if they do have it. Nonetheless, nine of twelve co-produced films between 2005 and 2013 included New Zealand content, indicating that the NZFC has preferred to support films with such content. In this respect, it can be an alternative for South Korean filmmakers to co-produce a film which is geared to the U.S. audiences with New Zealand partners, as it is not easy to discover shared stories that will create stories combining elements from both countries.

Furthermore, that New Zealand filmmakers have produced most of these co-production projects with the UK, which is only one out of fourteen countries (NZFC, 2014a) with which New Zealand has signed film agreements or treaties, indicates that the government’s policies on film co-productions were not successful. As a result, official co-productions without offering effective benefits remain largely at an aspirational level. In addition, given that the average market share of local films at the New Zealand box office between 1998 and 2014 was only 2.7 percent, the policies of the government (contributing to producing more
domestic feature films by providing funding which comes from film co-production ventures) do not seem to have made a significant contribution to increasing the number of New Zealand domestic films.

In contrast to New Zealand where the pursuit of film co-productions has been deemed as a strategy to compete with American films, from the government’s viewpoint, the South Korean government has regarded film co-productions as an instrument for expanding into overseas film marketplaces rather than exporting existing Korean films, and also as a tool for solving the problems that the film industry has faced, such as the saturation of the local market. Hence, China, Japan and the U.S. have become a target market in the sense that they have large domestic film markets. That is to say, the government has entertained different expectations of South Korean domestic films and South Korean-foreign feature films. In this regard, unlike in New Zealand, film co-productions have been considered as transnational cinema concentrating on film professionals’ connections (Kim, S.-A., 2010).

From the transnational approach, the significant difference between New Zealand and South Korea in the concept of national cinema has led to a mismatch of attitudes towards film collaboration between the two countries. It is not imperative for South Korean films to encompass indigenous elements such as unique stories, despite the case of official film co-productions (according to the film agreement between New Zealand and South Korea) requiring rules that a portion of technical, creative, personnel participation and the production expenditure corresponds to the proportion of financial portions each participating country contributed. Furthermore, the nationality of films does not seem to matter for South Korean filmmakers.

The KOFIC has executed a number of programmes for co-production: Ko-productions’ events with China, the U.S., Japan and France are still being undertaken; six diverse programmes for supporting the productions that the agency resumed in 2012; and global funds launched by the government in 2014 to increase the competitive edge of local films so as to compete with blockbuster films in the global market. Despite all this, to date, among projects which have
received these benefits, South Korea has witnessed no case which has been a hit in both South Korea and the partner’s market or in either country, although these efforts have contributed to building foundations for development of unofficial film co-productions in the country.

This failure may be a consequence of the concentration on the industrial approach to film co-production ventures, in which films are seen as an export product. However, generally, regardless of direct support or assistance from the South Korean government, as discussed in Chapter 5, film co-productions in South Korea have been developed into many modes and types by filmmakers who desire to produce co-produced films. The wide range of attempts, including The Warrior’s Way (2010), suggests that international film co-productions need to be addressed as one of the mainstays of transnational cinema, which was argued in the transnational approach.

This thesis identified five influential factors (political, economic, personal, cultural and industrial) for producing film co-productions between New Zealand and South Korea. With regard to political factors (government policies) related to the political economy approach, it was revealed that the two key agencies of the two film industries in New Zealand and South Korea, the NZFC and the KOFIC, were less interested in film co-productions between the two countries in that the NZFC initiated the co-production development fund only for China in 2014 and that since 2006, the KOFIC has carried out Ko-production events with only four countries including China but excluding New Zealand.

China is expected to overtake the U.S. in respect to its box office revenue and number of screens by 2017 (Garrahan, 2015). In this situation, New Zealand and China approved Beast of Burden (working title) which received support from the development fund as the first New Zealand-China official feature film co-production (Frater, 2016). The South Korean government has put more effort into China since the signing of the 2014 South Korean-Chinese Film Agreement and an announcement of mutual funding for South Korea-China culture content with around US$100 million (Lee, K.-M., 2014). However, the conflict between the two nations caused by the South Korean government’s decision to deploy
THAAD (Terminal High Altitude Area Defense) batteries in the country has exacerbated their diplomatic relationships, resulting in serious damages to South Korean industries. For instance, until November 2016, there is no sign of the Korean Film festival, which had been held by the KOFIC in Beijing and Shanghai every two years since 2008, and the Chinese government has banned the distribution of South Korean cultural content including television dramas and the appearance of South Korean entertainers in Chinese television programmes (Rha, 2016). Nonetheless, the author stresses the personal relationships between Chinese and South Korean filmmakers in that there is still a range of exchange flowing, such as investment of Chinese capital into South Korean film companies.

Considering that the most essential motivation of South Korean-foreign film co-productions is expanding into overseas markets, New Zealand’s small population has a negative effect on eliciting the interest of the KOFIC. In addition, the KOFIC assumes that the New Zealand and South Korean film industries have a common strength in postproduction, which means that they are in competition in some way. As discussed in Chapter 6, under the New Zealand-South Korea film agreement, filmmakers in both countries can apply for government funding, incentives or subsidies; however, the process to gain them is difficult, complicated and even costly because of the many rules and regulations involved (especially in New Zealand). The film agreement between the two countries does not afford practical aid, in that the NZFC and the KOFIC do not automatically provide funding for film co-production ventures although they are official co-productions; instead, the two agencies support the productions selectively resulting in a few projects being supported by them. Taking these elements into consideration, it can be argued that unofficial rather than official film co-productions between New Zealand and South Korea are the most feasible and desirable options.

From the political economy approach, a key factor emerging from the findings was economic factors, which confirms that they are still crucial as a motivator for film co-productions, but this research has new findings in relation to economic factors. For example, motives for film co-productions can be different from one project to another, in the sense that priority of motivation is likely to be influenced by who the partner is, because what filmmakers expect the most from their
counterparts can vary depending on what their partners or partners’ countries provide. What South Korean film professionals would expect from New Zealand was identified as access to expertise of technology or talent, notably, to collaborate with Weta Workshop, Weta Digital and Park Road Post Production, which are companies renowned for digital technology and special effects. This is in part because of the New Zealand government’s strategy as situated expertise (Goldsmith and O’Regan, 2008). South Korean film practitioners were less interested in making inroads into the New Zealand market.

Following experimentation in diversifying modes of film co-productions, South Korean filmmakers have realised that it is difficult to capture both the audiences of the two countries involved in film co-production ventures. Therefore, there is a tendency that they have strived to target only a partner’s film market at the expense of the domestic market, notably in China, of which the market size is large, and if they also manage to find viewers in South Korea, this can be a bonus. In previous literature on film productions, one of the most important drivers for film co-productions was to gain access to partners’ markets or a third market. Paradoxically, in South Korea, most of co-produced films with other nations failed at the local box office, even though some films were successful in its partners’ countries. In this regard, gaining access to partners’ markets (including a local market) can be one of disadvantages, not an advantage or a motivation for film co-productions.

In addition, previous analysis for motivations for film co-productions, advantages and disadvantages focused on film producers rather than other film practitioners such as directors or director of photography, resulting in producers’ voices being reflected more than those of other film creators. Rather than being interested in financial needs, film directors or other crews are more interested in fulfilling their creative desires, such as telling their stories in their own ways and using styles beyond the limits which their local markets impose. New Zealand and South Korean film professionals wish to co-produce films together when having shared stories such as The Korean War, and they have a negative attitude to carrying out film co-productions just for raising funding and oppose revising films’ narratives in order to meet policy objectives required for the co-productions, as this
undermines the quality of the films. Given lack of shared stories between the two nations, co-producing a film with New Zealand to penetrate the U.S. market, which several South Korean producers want, can be a better option.

Another key argument made in relation to personal factors is that interpersonal factors between filmmakers, which are based on the reciprocal exchange model in social exchange theory, including personal relationships and networks, friendly and flexible manners, commitment, distrust and close ranks, proved to be the primary factors for bilateral co-productions in conjunction with access to expertise (talent or technology). Among interpersonal factors, which have been marginalised in previous film studies, interpersonal relationships and networks based on trust proved to be a more significant motivation for creating New Zealand-South Korean film co-productions than film policies of the two governments. As discussed in Chapter 2, New Zealand and South Korea differ in many respects. However, South Korean film practitioners, who have experienced collaborating with New Zealand film crew members, regarded New Zealand as the best partner for entering the U.S. film market, in the sense that New Zealand film crew members are as skilled as Americans but with cheaper wages, and that they have a more flexible approach and are kinder than Americans, with passion for producing films and the can do spirit.

Both nations have a tendency to produce cross-border film co-productions with countries which have cultural proximity between their filmmakers or between audiences, so this propensity surfaces as another barrier for New Zealand-South Korean co-productions. This fact highlights that cultural proximity and cultural discount are central to making the film co-productions from a Cultural Studies perspective.

Nevertheless, as the case study of The Warrior’s Way (2010) indicates in the case of potential language issues, the difficulty stemming from differences of languages (English and Korean) between filmmakers as one of the significant elements of cultural proximity and cultural discount was mitigated, since film practitioners involved in the project tended to speak English. The phenomenon of cultural regionalisation, which contributed to diversification and decentralisation
of Asian culture in the East Asia region from the political economy approach, has indicated that South Korea is a key contributor in it by undertaking film co-productions with Asian countries including China and Japan. It is not easy for New Zealand to join the development of this phenomenon in East Asia.

Dissimilarities in production systems of countries, as one of cultural differences, involved in film co-productions have been neglected by scholars in film studies or film practitioners, but this thesis has demonstrated that the differences can become one of the key disadvantages between New Zealand and South Korea. Despite significant differences in production systems, including roles of producers and directors, and time and budget management, they are not likely to be instrumental barriers for the two countries in producing a film together. In effect, the concern about the production systems was mostly expressed by South Korean filmmakers. However, a dozen South Korean directors, including Tae-Yong Kim and Chan-Wook Park have already produced some films within the Hollywood production system, which is similar to that in New Zealand. Moreover, in South Korea, the authority and discretion of directors have been weakened since 2012, because major investment/distribution companies have concentrated on commercial success.

Since 2012, South Korea has witnessed many positive changes in production circumstances such as launching The Law on Artists’ Welfare and a standard contract for screenplay writers and completing a standard contract for South Korean directors, not only to protect film practitioners but also to clarify their responsibilities and rights, which can apply to film co-productions with New Zealand. The case study of the Warrior’s Way (2010) illustrates how five influential factors have practically affected the production of international film co-productions, and provides evidence to strengthen the claim that international film co-productions need to be addressed as one of the mainstays of transnational cinema from the transnational perspective.

This thesis started from two questions about whether official film co-productions between New Zealand and South Korea would be possible, and if so, what would be the most feasible ways for achieving them. In effect, it has been difficult for official productions between these countries to happen despite the film agreement
between them. In addition, the two governments, represented by the NZFC and the KOFIC, have lacked interest in and offered minimal support for New Zealand-South Korean productions, although they have recently shown greater interest and support for film co-productions with China. In this respect, there is a need to make practical exchange programmes for filmmakers including producers, directors and scriptwriters, supported by both countries, to reinvigorate the co-productions. Another barrier is likely to be the New Zealand government’s point of view that official co-productions are regarded as a complementary means to provide local filmmakers with (overseas) funding for producing their domestic films. Consequently, it is suggested that the option of undertaking unofficial film co-productions is a better one.

This research suggests three ways for unofficial productions, in particular, for those South Korean filmmakers who desire to make New Zealand-South Korean co-productions. Given the establishment of joint ventures between South Korean and Chinese film production companies, such as Showbox China, since 2015, South Korean filmmakers can attempt to produce a film set in a fantasy world, to penetrate the U.S. market with China. In this case, China can create a pool of funding for the budget needed to do so, and New Zealand would be the best production partner in that its film crews, who are good at improvising, are as skilful as and cheaper than the U.S. crew members. Specifically, South Korean filmmakers can employ the cutting-edge skills in digital technology and special effects New Zealand contains, which is their most critical motivation for co-productions between the two countries. It might be better that its story has a universal and familiar motif such as Greek and Roman mythology, which is likely to appeal to a wide range of audiences in America. In respect of a genre of the film, fantasy/adventure may be a good option considering that adventure is regarded as a universal genre (Lee, F.L.F., 2008) avoiding a fantasy/action genre as discussed in Chapter 7.

As another type of unofficial film co-production, South Korean filmmakers could collaborate with New Zealanders in part in creating a film aimed at an English-speaking territory, based on filmmakers’ relationships, and then they would expand their work gradually making the film. For example, Nam-Jin Lee, a
producer and CEO of Film Alchemy, is likely to gain help from Weta Workshop in producing a film, since producer Lee has a personal connection and has collaborated with Richard Taylor, who is Creative Director and head of Weta Workshop.

For unofficial co-productions, if a shared story to appeal to both audiences is discovered from within either New Zealand or South Korea, it could be a good opportunity for the productions as a natural fit, considering that it will be easier for the film to meet many regulations, such as the significant local content that New Zealand especially requires. In this sense, there is a possibility for this co-production to be an official film co-production, which is not easy to achieve because of reasons mentioned above. In producing this film, it may be useful and beneficial to take into consideration that the 14-29 age group is a major target in a broad sense in both countries, and action and drama are mutually favoured genres.

8.2 Contributions
This study provides several valuable and insightful theoretical contributions to previous literature on film studies (cross-border film productions). In the first place, the most primary contribution that this thesis has made is to propose the conceptual framework drawing upon four approaches (political economy, social exchange theory, Cultural Studies and transnational), to explore multi-layered and multifaceted international film co-productions. Secondly, using the political economy approach, this research confirms that the two governments’ film policies have not been a solely decisive factor for making film co-productions between New Zealand and South Korea, as Min et al. (2003) argue, and have also not contributed significantly to creating these film co-productions.

Thirdly, in line with these results, it has shed light on personal factors, notably interactive factors between film practitioners, based on the reciprocal exchanges of social exchange theory, which are critical factors in producing film co-production projects. Specifically, personal relationships and networks are revealed as the most significant factor, as Kong (2005) argues, and were the fourth rated motivation for creating New Zealand-South Korean co-productions, as well as a new motive for film collaboration. Fourthly, from the Cultural Studies approach,
it can be said that cultural proximity is still a significant factor for producing film co-productions between film practitioners and between audiences. However, cultural discount impacts reception of audiences in countries involved in film co-productions, so it is difficult to capture both audiences in these countries. As a result, it is identified in this study that access to partners’ markets does not always serve as one of the existing central motivations/advantages of film co-productions. In addition, the differences of production systems between the two countries as an industrial factor are identified as one of the influential factors for the film co-productions.

Fifthly, this thesis opens up a discussion for international film co-productions as transnational cinema based on analysis of South Korean-foreign film co-productions, based on S.-J. Lee’s (2011a) argument in Chapter 5. It is noted that in terms of hybridity of production modes or stories or funding, a wide range of film collaborations have been carried out in South Korea, some of which are not explained by existing concepts of transnational cinema (Higbee & Lim, 2010) or varied typologies. Therefore, the researcher divided the South Korean-foreign film co-productions between 2005 and 2013 into two stages: the experimental stage and the localisation strategy. The experimental stage included inter-Asian financing based on cultural proximity, expanded co-financing, Hollywood’s investment in Asian films, purchase of the publication or remake rights, global one-pot system, location shootings and local personnel’s involvement, and support for art-house films. In this regard, it can be argued that there is a need for international film co-productions to be addressed as one of the mainstreams of transnational cinema. Lastly, five influential factors identified in this study for creating film co-productions between New Zealand and South Korea can be contributed to the literature related to film co-productions.

Methodologically, this research makes a contribution to the domain of film co-productions in film studies by employing mixed methods with three different designs, as reliable and valid ways of investigating influential factors in making film co-production projects. By using three methods—collecting and analysing secondary sources, in-depth interviews, and a case study—this thesis sought to overcome difficulties which can result from the use of one method.
This thesis also suggests three possible practical options for New Zealand-South Korean co-productions and, in particular, for those South Korean filmmakers who desire to make them. It may also serve as a reference book for film practitioners who are interested in creating film co-production projects between the two countries, as it provides informative information for film professionals and stakeholders in both countries.

8.3 Future research

Given that this study is the first research study on film collaboration between New Zealand and South Korea, it seems there are many opportunities for further research. Lack of information available on unofficial film co-productions between New Zealand and other nations, and an insufficient number of official South Korean-foreign co-productions, has meant that emphasis in this study is placed on official film co-productions in New Zealand, whereas unofficial film co-productions are focused on in South Korea. Therefore, it could be worthwhile conducting a study which examines and analyses equivalent data, such as all official or unofficial data, of the two countries, even though this research sought to select information which corresponded to New Zealand official film co-productions, when investigating film policies of the South Korean government’s impact on South Korean-foreign co-productions.

Further research could continue to move towards how New Zealand and South Korean moviegoers receive film co-productions of New Zealand and of South Korea, and between New Zealand and South Korea. This study suggests that there were dissimilarities in genre preferences of films watched at the cinema between audiences in the two nations. It could be beneficial to centre on the influence of co-produced films on genre preferences or box office revenues.

Meanwhile, two intriguing events, related to co-productions between these countries, occurred at the end of 2016. One is an official co-production agreement between POW!Post, a New Zealand company, and XrisP, a Korean company, to produce Nori, Roller Coaster Boy, which is the new kids’ television animation series created by Xris Sohn of XrisP (Barclay, 2016). In July 2016, POW!Post, involved in sound work for both the production and post-production phases,
opened the possibility for a feature film co-production of the television series with its counterpart (Barclay, 2016). This is a case that I referred to as the second mode of unofficial film co-productions between New Zealand and South Korea.

The other event is a film co-production project, *Pokarekare Ana: Yeon-Ga*, which is being undertaken by New Zealand producer Catherine Fitzgerald and South Korean producer Sebastian Dong-Hun Lee (Tan, 2016). Its story, set in the Korean War, revolves around a love story between a Maori soldier and a South Korean woman, and in this sense this film is the third case of unofficial New Zealand and South Korean co-productions. Therefore, if these two projects are examined in the future, it could be useful for studying film co-productions between the two countries.

The process of completing this thesis was a long journey taking more than five years and a period to transform me from a marketing researcher who worked for business companies into an academic researcher. Reflecting on the course of my research, it has provided me with an opportunity to deliberate and build my theoretical perspective, which I had previously implicitly accepted without critical examination.

Throughout the research process, establishing the theoretical framework for this study was the part that I struggled with. This is because the framework was changed considerably from relatively narrow perspectives centring on the phenomenon of international film co-productions, such as an economic perspective, even though it had a transnational approach, to inclusive and diverse perspectives including the political economy approach and social exchange theory. This modification was needed in that the initial approach missed out other influential factors (government and interactive factors between filmmakers) for producing film co-productions, and it allowed me to use a holistic approach resulting in the contributions this research has made.

Notably, the experience of conducting the case study for this thesis research in conjunction with in-depth interviews offered me chances to learn many things, including how to structure and how to discuss key issues, and also to grow as a
qualitative researcher. Closing my thesis, I hope that it may be useful for those who desire to create New Zealand-South Korean film co-productions to make a dream of many years an actuality.
References


Cha, Y.-S. (2013). *Box office performance of American movies in Korea and cultural discount* (Master’s thesis), Hongik University, South Korea.


Dhaliwal, K. (2012). *International treaty co-productions with Canada - An overview for producers*. Toronto, ON, Canada: Heenan Blaikie LLP


Eo, I.-S. (2013). 国제합작영화제작의 가능성에 관한 일고찰 - 한중합작영화를 중심으로 [A study on the possibility of a joint international film production - A case study of the co-productions between...


317


318


Ha, C.-L. (2014, July 2). 국민 100 명 중 3 명꼴 외국인 [Three persons are foreigners out of 100 people living in South Korea]. *Yonhapnews*. Retrieved from http://www.yonhapnews.co.kr/politics/2014/07/02/0503000000AKR20140702094100004.HTML

Han, J.-S. (2013). *From the center to the periphery [in the Korean film industry]* (Master’s thesis). Korea University, Seoul, South Korea.


http://dx.doi.org/10.9707/2307-0919.1014


326


Lealand, G. (2010b). Some thoughts on New Zealand Film. Script (73), 4-7.


Ministry of Strategy and Finance. (2006). *Is there any plan to improve the profit sharing ratio between local theatres and Korean films, which is lower than that of foreign films?* Retrieved from http://www.mosf.go.kr/service/service02.jsp?actionType=view&runno=77827


Pivac, D. (2012). The rise of fiction: Between the wars. In D. Pivac, F. Stark & L. McDonald (Eds.), New Zealand film (pp. 53-78). Wellington, New Zealand: TEPPA PRESS.


Appendices

Appendix A

In-depth interviews: Information Sheet and Consent Form

My name is JuHee Kim and I am conducting some research for my PhD dissertation at Screen & Media Studies department at the University of Waikato in Hamilton. The topic of the research is a comparative study of strategies for co-production in the film industries of New Zealand and South Korea. Either of us can be contacted by the following.

Student: JuHee Kim       Phone: 021-072-6708, Email: jk116@waikato.ac.nz
Researcher
Screen & Media Studies,
Faculty of Arts and Social Sciences,
The University of Waikato,
Private Bag 3105, Hamilton 3240,
New Zealand

Chief Supervisor:        Associate Supervisor:
Associate Professor Geoff Lealand   Dr. Ann Hardy
Phone: 07 838 6022,        Phone: 07 838 6223
Email: lealand@waikato.ac.nz   Email: a.hardy@waikato.ac.nz
Screen & Media Studies,
Faculty of Arts and Social Sciences,
The University of Waikato,
Private Bag 3105, Hamilton 3240,
New Zealand

The researcher expects to gather participants’ opinions about international film co-production between New Zealand and Korea, influence on New Zealand/Korean films and film industries, and their expectations, demand on and outcomes of co-production. Findings from this study will be reported in my PhD dissertation and may be used in further academic presentations or publications.

You will discuss the topic at a quiet and convenient place with the interviewer. It is anticipated that the interview will take about 60-90 minutes. You also may be contacted at a later time to clarify any information about your interview. The interview materials will be recorded and coded to ensure confidentiality. A pseudonym (code name) will be used on your interview transcription and any written research reports or presentations to ensure that your identity remains confidential.

All data will be used and analyzed for this study initially will be stored in my laptop which is located at a secure environment. However, backup copies will be stored in the chief supervisor's office for a period of 5 years for the purpose of academic examinations and reviews. Only myself and my supervisors will access to this data. The material on the laptop will be deleted after the dissertation has been passed.
If you take part in the study, you have the right to receive a summary of the findings from the study when it is concluded. Also, you are entitled to refuse to answer any particular question, or withdraw any information from the project up until two weeks after the interviews and you are welcome to ask any further questions about the study that occurs to them during their participation.

This research project has been approved by the Human Research Ethics Committee of the Faculty of Arts and Social Sciences. Any questions about the ethical conduct of this research may be sent to the Secretary of the Committee, email fass-ethics@waikato.ac.nz, postal address, Faculty of Arts and Social Sciences, Te Kura Kete Aronui, University of Waikato, Te Whare Wananga o Waikato, Private Bag 3105, Hamilton 3240.
Appendix B

In-depth interviews: Information Sheet and Consent Form

Title: A comparative study of strategies for co-production in the film industries of New Zealand and South Korea

Researcher: JuHee Kim

Participant Consent

- I have been given and have read an explanation of this doctoral study.
- I have been given an opportunity to ask questions and have had these answered.
- I understand that my participation in this study is completely voluntary.
- I understand that the researcher will personally interview me.
- I understand that the interview will be audio recorded and complemented by field notes.
- I understand I will have the opportunity to review my interview and comment for accuracy.
- I understand that only the researcher will have access to any data collected obtained from my in-depth interview
- I understand that my identity will not be revealed
- I understand that findings from this study will contribute to a PhD dissertation which will also be made publicly available on the internet
- I understand that I may withdraw from the study any time up to the beginning of the data analysis without having to provide any reason. All data collected from me will be destroyed and removed from the study findings.
- I understand that I will be offered a copy of the findings summary resulting from this study.
- I understand that by signing this form, I am indicating my agreement to be interviewed for this doctoral study.

Signed: ________________________________

Participant’s name: ________________________________

Institute/Company: ________________________________

Job position: ________________________________

Date: ________________________________

Interviewer’s signature: ________________________________
Appendix C

The list of South Korean interviewees

<table>
<thead>
<tr>
<th>No.</th>
<th>Category</th>
<th>Participant name</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Film director</td>
<td>PK1</td>
<td>28/03/2011</td>
</tr>
<tr>
<td>2</td>
<td>Film producer</td>
<td>PK2</td>
<td>16/08/2011</td>
</tr>
<tr>
<td>3</td>
<td>Officials from government or other organizations</td>
<td>PK3</td>
<td>17/08/2011</td>
</tr>
<tr>
<td>4</td>
<td>Film director</td>
<td>PK4</td>
<td>29/08/2011</td>
</tr>
<tr>
<td>5</td>
<td>Film producer</td>
<td>PK5</td>
<td>31/08/2011</td>
</tr>
<tr>
<td>6</td>
<td>Film producer</td>
<td>PK6</td>
<td>06/09/2011</td>
</tr>
<tr>
<td>7</td>
<td>Film cinematographer</td>
<td>PK7</td>
<td>07/09/2011</td>
</tr>
<tr>
<td>8</td>
<td>Officials from government or other organizations</td>
<td>PK8</td>
<td>16/09/2011</td>
</tr>
<tr>
<td>9</td>
<td>Film director</td>
<td>PK9</td>
<td>20/09/2011</td>
</tr>
<tr>
<td>10</td>
<td>Officials from government or other organizations</td>
<td>PK10</td>
<td>24/09/2011</td>
</tr>
<tr>
<td>11</td>
<td>Film director</td>
<td>PK11</td>
<td>25/09/2011</td>
</tr>
<tr>
<td>12</td>
<td>Film director</td>
<td>PK12</td>
<td>30/09/2011</td>
</tr>
<tr>
<td>13</td>
<td>Film director</td>
<td>PK13</td>
<td>30/09/2011</td>
</tr>
<tr>
<td>14</td>
<td>Film producer</td>
<td>PK14</td>
<td>04/10/2011</td>
</tr>
<tr>
<td>15</td>
<td>Film producer</td>
<td>PK15</td>
<td>04/10/2011</td>
</tr>
<tr>
<td>16</td>
<td>Film director</td>
<td>PK16</td>
<td>08/10/2011</td>
</tr>
<tr>
<td>17</td>
<td>Film producer</td>
<td>PK17</td>
<td>09/10/2011</td>
</tr>
<tr>
<td>18</td>
<td>Film director</td>
<td>PK18</td>
<td>10/10/2011</td>
</tr>
<tr>
<td>19</td>
<td>Film producer</td>
<td>PK19</td>
<td>13/10/2011</td>
</tr>
<tr>
<td>20</td>
<td>Film producer</td>
<td>PK20</td>
<td>26/10/2011</td>
</tr>
<tr>
<td>21</td>
<td>Film producer</td>
<td>PK21</td>
<td>27/10/2011</td>
</tr>
</tbody>
</table>
Appendix D
The list of New Zealand interviewees

<table>
<thead>
<tr>
<th>No.</th>
<th>Category</th>
<th>Participant name</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Officials from government or other organizations</td>
<td>PN1</td>
<td>11/03/2011</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>7/10/2011</td>
</tr>
<tr>
<td>2</td>
<td>Film director</td>
<td>PN2</td>
<td>7/04/2011</td>
</tr>
<tr>
<td>3</td>
<td>Film director</td>
<td>PN3</td>
<td>8/04/2011</td>
</tr>
<tr>
<td>4</td>
<td>Officials from government or other organizations</td>
<td>PN4, PN5</td>
<td>15/04/2011</td>
</tr>
<tr>
<td>5</td>
<td>Officials from government or other organizations</td>
<td>PN6</td>
<td>13/07/2011</td>
</tr>
<tr>
<td>6</td>
<td>Film director</td>
<td>PN7</td>
<td>21/07/2011</td>
</tr>
<tr>
<td>7</td>
<td>Film director</td>
<td>PN8</td>
<td>27/07/2011</td>
</tr>
<tr>
<td>8</td>
<td>Film producer</td>
<td>PN9</td>
<td>23/11/2011</td>
</tr>
<tr>
<td>9</td>
<td>Film director</td>
<td>PN10</td>
<td>5/12/2011</td>
</tr>
<tr>
<td>10</td>
<td>Officials from government or other organizations</td>
<td>PN11</td>
<td>7/12/2011</td>
</tr>
<tr>
<td>11</td>
<td>Film director</td>
<td>PN12</td>
<td>7/12/2011</td>
</tr>
<tr>
<td>12</td>
<td>Film director</td>
<td>PN13</td>
<td>9/12/2011</td>
</tr>
<tr>
<td>13</td>
<td>Film cinematographer</td>
<td>PN14</td>
<td>13/12/2011</td>
</tr>
<tr>
<td>14</td>
<td>Film director</td>
<td>PN15</td>
<td>13/01/2012</td>
</tr>
<tr>
<td>15</td>
<td>Film editor</td>
<td>PN16</td>
<td>22/01/2012</td>
</tr>
<tr>
<td>16</td>
<td>Film editor</td>
<td>PN17</td>
<td>27/01/2012</td>
</tr>
<tr>
<td>17</td>
<td>Film editor</td>
<td>PN18</td>
<td>27/01/2012</td>
</tr>
<tr>
<td>18</td>
<td>Film cinematographer</td>
<td>PN19</td>
<td>10/02/2012</td>
</tr>
<tr>
<td>19</td>
<td>Film producer</td>
<td>PN20</td>
<td>22/02/2012</td>
</tr>
<tr>
<td>20</td>
<td>Film producer</td>
<td>PN21</td>
<td>28/02/2012</td>
</tr>
<tr>
<td>21</td>
<td>Film cinematographer</td>
<td>PN22</td>
<td>1/09/2012</td>
</tr>
</tbody>
</table>