

ITEM FOR FINANCE COMMITTEE

HEAD 53 – GOVERNMENT SECRETARIAT : HOME AFFAIRS BUREAU

Subhead 942 Hong Kong Academy for Performing Arts

New Item “Upgrading of the film/television studio and the video production/post-production facilities at the School of Film and Television”

Members are invited to approve a new commitment of \$26.882 million for upgrading the existing film/television studio and the video production/post-production facilities at the School of Film and Television of the Hong Kong Academy for Performing Arts.

PROBLEM

Digital technology has replaced analogue technology as the operational industry standard in film and television production as well as in post-production procedures. The majority of the film/television production and post-production facilities at the School of Film and Television (the School) of the Hong Kong Academy for Performing Arts (HKAPA) are still in the analogue mode and cannot cope with present day technology standard. There is a need to replace these analogue facilities to better support the academic programmes at the School.

PROPOSAL

2. The HKAPA, with the support of the Secretary for Home Affairs, proposes to replace the existing analogue film/television studio and video production/post-production facilities of the School with high definition (HD) digital equipment at an estimated cost of \$26.882 million.

/JUSTIFICATION

JUSTIFICATION

Need to upgrade the existing film/television studio and the video production/post-production facilities

3. The existing video production/post-production facilities at the HKAPA Wanchai campus were commissioned when their film/television studio was built in 1984. Most of the facilities are still in the analogue mode. During the past 22 years, there were only a few upgrades to the studio equipment –

- (a) the upgrading of the studio cameras in 1992 at about \$2.921 million;
- (b) the replacement of the vision switching console in 1993 at about \$0.621 million; and
- (c) the repair of the studio lighting system in 2000 at \$1.212 million.

4. With the rapid digitalisation of production and post-production procedures by all pay television operators in Hong Kong as well as in the film and video production industry over the past few years, training on the operational procedures and on the functions of the analogue equipment in the School studio can no longer cope with industry requirements. It is necessary for the HKAPA to upgrade its teaching facilities to make the training relevant to industry standards. Although the two free-to-air television broadcasters have yet to use digital broadcasting technology until later this year, they are already using digital production technologies, systems protocols and operation procedures.

5. The existing analogue equipment at the School does not have a similar range of visual manipulations and creative possibilities presented by digital technologies. The limited capability of the existing equipment fails to offer students the necessary training on the aesthetic capabilities of digital studio production.

6. It is also anticipated that maintenance service for the analogue equipment will by and by be unavailable when suppliers terminate their support service to these obsolete equipment. In one case, when three camera sets were sent for repair, the supplier advised that no spare parts were available and repair was therefore not possible.

/Anticipated

Anticipated benefits of the proposed upgrading

7. The proposed upgrading will equip the full-time students with knowledge in present day technology and relevant industry standards. This will not only contribute to raising their professional competency but will also enhance their employment opportunities upon graduation.

8. Apart from benefiting the full-time students of the School, the proposal will also facilitate collaborative initiatives between the School and the other departments in the HKAPA as well as outside institutions, thus benefiting more stakeholders. For example, the HKAPA is in discussion with the Hong Kong Polytechnic University Multimedia Innovation Centre to run collaborative workshops for students to create and record multi-camera productions by using advanced digital virtual set technology inside the film/television studio. The proposed equipment upgrade will raise the equipment standard of the School, and will positively increase the opportunities for collaborative projects with other institutions, in turn contributing to more institutional exchange beneficial to the students.

9. As the school facilities of the HKAPA are open for hire by outside institutions, the equipment upgrade can also benefit small, start-up and emerging organisations which are not able to afford their own studio or have access to sophisticated digital facilities for video production. This will help enrich the talent base of digital video production in Hong Kong and contribute to the goal of developing Hong Kong into a major cultural hub.

10. At the same time, HKAPA's subsidiary company, namely the Extension and Continuing Education for Life Ltd.^{Note}, plans to develop more courses by making use of the new film/television studio as well as the new video recording and post-production equipment and facilities. The HKAPA is also planning to offer a self-financed Master of Fine Arts Programme in the 2009/10 academic year. The success of such courses will depend heavily on the availability of the new film/television studio as well as the new video recording and post-production equipment and facilities because the training provided based on the existing analogue equipment will not be able to meet the industry needs and will fall short of expectations of the prospective students.

/FINANCIAL

^{Note} Extension and Continuing Education for Life Ltd. (EXCEL), is a subsidiary company of the HKAPA which offers a wide range of self-financing courses in the performing arts, related theatre and entertainment arts, film and television. When EXCEL classes make use of the studio facilities, full costs will be charged. This is in line with the spirit of 'no cross-subsidisation' between the subvented activities of the HKAPA and the self-financed activities of EXCEL.

FINANCIAL IMPLICATIONS

Non-recurrent Expenditure

11. Based on the latest market information, the estimated non-recurrent expenditure of the proposal is \$26.882 million, with the breakdown as follows –

	\$ million	\$ million
(a) Film/television studio equipment		17.587
(i) Studio cameras (three sets) of HD capability	8.807	
(ii) Mixing console (one set)	2.397	
(iii) HD video monitors	0.710	
(iv) Virtual set system *	4.376	
(v) Digital sound mixing console *	1.297	
(b) Location production equipment		6.266
(i) HD tape-less, mid-professional level grade camcorders (two sets)	1.213	
(ii) Prosumer grade camcorder (one set)	0.999	
(iii) Professional HDCAM package (two sets) *	3.249	
(iv) Digital ready portable audio equipment including sound mixer and microphone kits	0.224	
(v) Lighting gears: fresnels and accessories	0.581	
(c) Post-production upgrade: editing facilities		3.029
(i) Professional Avid non-linear editing systems (two sets)	0.778	
(ii) Upgrading the existing three sets of Avid adrenaline from standard definition to HD capability *	0.553	
(iii) HD video compatible post-production systems	0.762	
(iv) Post-production storage server system	0.936	
	Total	26.882

(* These are standalone equipment items.)

12. On paragraph 11(a), the estimate of \$17.587 million is for the procurement of camera units, mixing consoles and the necessary software for the film/television studio.

13. On paragraph 11(b), the estimate of \$6.266 million is for the procurement of HD camcorders at various professional levels as well as portable audio equipment for location shooting and classroom teaching purposes.

14. On paragraph 11(c), the estimate of \$3.029 million is for the procurement of a professional grade editing system and a central server for post-production work.

15. The estimated cash flow requirement of the proposed project is \$17.407 million in 2007-08 and \$9.475 million in 2008-09.

Recurrent Expenditure

16. The HKAPA estimates that the recurrent expenditure for supporting the proposed equipment upgrade is about 2% of its total project cost, i.e. \$0.536 million per annum as from 2009-10. The recurrent expenditure will mainly cover the necessary maintenance and the annual software licence fees. Part of the recurrent expenditure will be offset by savings of approximately \$0.27 million from the termination of the maintenance contracts for the obsolete analogue equipment. The HKAPA will absorb the additional recurrent expenditure of \$0.266 million from within its existing annual subvention.

IMPLEMENTATION PLAN

17. The HKAPA will acquire and install the equipment in two batches. The first batch will include those items that form an integral part of the production and post-production processes, while the second batch will comprise the standalone equipment items.

18. To minimise disturbance to students, the equipment will be installed and tested during summer breaks. The HKAPA plans to implement the proposed replacement exercise according to the following timetable –

/Activity

Activity	Target completion date
<i>Acquisition and installation of the first batch of equipment</i>	
(a) Tender invitation	December 2007
(b) Award of contract	March 2008
(c) Delivery of equipment	June 2008
(d) Installation and commissioning of equipment	July 2008
<i>Acquisition and installation of the second batch of equipment</i>	
(e) Tender invitation	January 2009
(f) Award of contract	March 2009
(g) Delivery of equipment	June 2009
(h) Installation and commissioning of equipment	July 2009

PUBLIC CONSULTATION

19. We consulted members of the Legislative Council Panel on Home Affairs on the present proposal by circulation in July 2007. Members were in support of the proposed upgrading of the equipment at the film/television studio as well as the video production/post-production facilities at the HKAPA.

BACKGROUND

20. Established in 1984, the HKAPA is a government-subvented education institution providing higher education in performing and related technical arts. A new School of Film and Television (developed within the School of Technical Arts, later gaining devolved autonomy as a separate school) was established in 1996 and currently has a student population of 100. The School has been offering a one-year Diploma in Film and Television programme and a three-year Bachelor of Fine Arts in Film and Television programme.

21. Since the 2006/07 academic year, the School has revised and re-conceptualised its diploma programme to a one-year Diploma in Digital Film-making programme, with an annual intake of 30 students. Starting from the 2007/08 academic year, second year students in the Bachelor of Fine Arts programme can choose either 'Television Production' or 'Film Production' as their major. The first year student intake for the degree programme is 28. The division of students majoring in film and those majoring in television is 18 to ten.

22. Graduates from both the diploma programme and the degree programme are mostly employed by the television and film industry as film producers, camera operators, editors, film directors, designers, production assistants, screenwriters, production managers and programme directors. There is a strong and increasing demand for graduates from these disciplines to support the development of the film industry as well as to support the demand of satellite, terrestrial and cable/broadband television, internet television and video on hand-held devices.

23. The existing video production/post-production facilities at the HKAPA Wanchai campus were commissioned when their film/television studio was built in 1984. During the past 22 years, there were only a few upgrades to the studio equipment as mentioned in paragraph 3 above.
