



WRAP Fund

PRODUCTION INVESTMENT GUIDELINES

These guidelines are intended to assist Content Producers (Producers) in making a submission to the Western Regional Audiovisual Producers Fund (WRAP) for Production Investment.

WHAT IS THE WRAP FUND?

WRAP is committed to strategic commercial investment that encourages regional production activity across the film, television drama, animation and gaming sectors. Eligible projects must show strong evidence of market involvement/recoupment potential and generate high socio-economic impact and. WRAP aims to support local talent, create sustainable employment, enable the audio-visual infrastructure and contribute to the culture and language of the region. The region encompasses counties Clare, Donegal, Galway (City and County), Leitrim, Mayo, Roscommon and Sligo (Region).

WHAT ARE WE LOOKING FOR?

WRAP is open to applications which can demonstrate the following:

- **Recoupment** potential - WRAP cannot invest in any project where there is not a clear and definable expectation that WRAP will recoup its *full investment with profit participation*. Projects must provide strong evidence to this effect within their application
- **Quality** projects with clear evidence of market support (a significant percentage of production finance must be in place, secured from some combination of sales agent, distribution, broadcaster, publisher, established funders such as IFB, Film4, Telefilm Canada, etc.)
- Commitment to significant **expenditure** within the Region (please note that WRAP aims for a balance of production activity across the Region and this may impact on awards)
- Opportunities for **local talent** (based in or from the Region) including Producer and Production Company, Director, Writer, Heads of Department, Crew and Trainees
- Return Value (projects with further series, spin-off and/or sequel potential; this is particularly applicable to TV drama, animation and games).

WHO CAN APPLY?

WRAP is open to Producers involved in Irish or internationally originated projects that undertake a significant portion of their production (including post-production) in the Region with the following conditions:

- *Early conversations are welcomed; however, a significant portion of the finance must be in place in order to apply.*
- *The Producer must be an Irish tax compliant producer with a production company established in the Republic of Ireland. Producers established within the WRAP Region are at an advantage. The company entering into the agreement for WRAP funding must be registered within the Region.*

HOW TO APPLY?

If you are interested in applying to WRAP, please make an initial enquiry by email to the WRAP Development Manager, Sarah Dillon at sarah@galwayfilmcentre.ie who will advise further. Generally applications may be submitted on a rolling basis, however for Q3 and Q4 of 2021, the following deadlines are in place:

- Completed applications received by close of business on Wednesday 14th July 2021 will be notified of a decision by mid September 2021.
- Completed applications received by close of business on Friday 01st October 2021 will be notified of a decision by early December 2021.

Applications should be made on-line through the Western Development Commission's (WDC) [Online](#)

[Application Portal](#). Should you encounter any issues, please consult the [User Guide](#). WRAP strongly recommends that applicants allow ample time to prepare, upload and submit an application as incomplete applications will not be accepted once the deadline has passed.

Below is a list of items that will be required to make an application (and may be requested once you have registered through the online portal):

- Completed Online Registration Form
- Screenplay (for feature films) or Detailed Series Bible (for television drama and animated television series) or Detailed Game Design.
- Global Production Budget
- Regional Production Budget
- Finance Plan (with Letters of Commitment from confirmed funding sources)
- Recoupment Schedule
- Revenue / Profitability Projections (indicating the WRAP Return – see note below)
- Sales Estimates including high and low figures, Sales Agent Agreement, Distribution and other financiers agreement.
- List of Cast and Crew (detailing confirmed Regional talent or potential opportunities for Regional talent)
- Producer's statement on the project describing its execution in the Region, inclusion of Regional elements, ability to meet the WRAP criteria, and exploitation plans
- Director's / Lead Designer's statement on creative aspects of the project, referring to its execution in the Region and inclusion of Regional elements (up to 500 words max)
- CV's of Writer(s), Director(s), Lead Designer(s) and Producer(s)
- Link to relevant examples of work by the Director (if requested)

CONDITIONS OF THE FUNDING?

- Expenditure of all funding awarded by WRAP must be incurred within the Region and conform to rules of eligible WRAP expenditure (see below).
- WRAP will aim to achieve a spend-to-funding ratio across its investments of at least 3:1, with a maximum of €200,000 or 20% of the global budget (whichever is less) available to any one project. Consequently, productions which offer a spend level higher than the statutory minimum of 160% of funding are likely to have an advantage. *Given the limitations on WRAP's annual budget, investments may be less than the maximum available.*
- Funding will be provided on comparable terms to those of co-investors (specifically the private/commercial sector), will be recoverable as equity funding from a share of revenues derived from exploitation of the project, and will entitle WRAP to a share of net profits. WRAP will seek an enhanced or favourable recoupment position ahead of or alongside other equity finance, and ahead of all re-investments and deferrals. ***A fundamental aim of WRAP is to generate a return on its investments in order to replenish its resources for future investment and contribute to the fund's sustainability*** (see note on recoupment below).
- Projects awarded WRAP production funding must proceed to production and complete financial closing/contracting within four months of the offer unless otherwise agreed.
- WRAP may require that additional third-party legal costs incurred by WRAP to make the investment are treated as a budget item of the Project.
- Principal photography on the Project cannot have commenced prior to making a formal application.

- Projects must provide for and allow for a contingency of 10% of the submitted production budget, exceptions may be made in relation to documentaries only.
- The appointment of an approved collection agent is a standard requirement and projects with global budgets in excess of two million euros are required to secure an approved completion guarantor.
- Projects are expected to meet all Irish Government approved health and safety protocols in relation to COVID-19 at the time of production. Adequate allowances should be made within the production budget submitted at the time of application.

RECOUPMENT?

As outlined in the conditions above, a fundamental aim of WRAP is to generate a return on its investments in order to replenish its resources for future investment and contribute to the fund's sustainability. A project must have market interest (eg a Sales Agent or Distributor) attached at the time of application and clearly demonstrates the potential return on investment for WRAP. Projects that cannot provide sales estimates and the terms of potential sales and distribution agreements are unlikely to make it beyond the initial phase of assessment.

In line with the policy of the Western Development Commission (WDC) which provides WRAP's capital funding and awards investment under the [Market Economy Investor Principle](#), an applicant must demonstrate that WRAP will make a return on its full investment commensurate with the risk taken (based on an assessment of the revenue projections from the most up-to-date **low/take** sales estimate amounts), through the proposed recoupment waterfall and net profit participation. Applications which do not demonstrate this are unlikely to be successful.

WHAT IS ELIGIBLE WRAP EXPENDITURE?

Eligible WRAP Regional Expenditure is defined as:

- Expenditure on general goods and services purchased in the Region in direct connection with the production
- Expenditure on industrial facilities in the Region including equipment hire (lighting, camera, sound, grip, rigging, etc.), transport, catering, post-production, etc.
- Expenditure on Regional studio facilities and location hire
- Fees and salaries paid to persons based in the Region while working on the project. WRAP will require employment of a significant and appropriate number of local persons on the project. WRAP may consider allowing the inclusion of fees and salaries of local persons while working on the project outside the Region in certain circumstances
- Per diems paid to any persons while working in the Region

Please note that the following costs are *not eligible*:

- Travel costs of persons not based in the Region unless travelling directly to/from the Region or within the Region specifically to carry out work in the Region
- Payments for insurances, including completion bond
- Payments for rights clearances in respect of music, literary work, archive material, etc.
- Financing costs

HOW DO WE SELECT PROJECTS?

The WRAP Advisory Investment Committee will make recommendations to the WDC which has ultimate responsibility for funding decisions. The WRAP Development Manager and Investment Advisory Committee will ensure that all decisions are taken independently and conform to the WRAP Guidelines (as

outlined above) and Investment Policy.

Following a negative decision by WRAP, a project may be re-submitted only if significant, material changes have been made (i.e. to the screenplay, finance plan, regional expenditure, recoupment waterfall, or key creative talent/elements). WRAP will only consider a project submitted for investment twice – if an application is unsuccessful following a second submission, it is no longer eligible.

FEEDBACK

Due to the high volume of submissions that we expect to receive, we regret we may be unable to give individual feedback on submissions outside of the basic competitive analysis of each submission. Funding is provided to WRAP within strict annual budget limits, offers made by WRAP are subject to availability of funding, and decisions by WRAP are final.

FURTHER INFORMATION & UPDATES

Please contact Sarah Dillon at sarah@galwayfilmcentre.ie with all initial enquiries or consult www.wrapfund.ie for news and updates.

WRAP Production Guidelines are subject to a periodical review and WRAP reserves the right to make changes.

WRAP is an initiative of the Western Development Commission and Galway Film Centre with the support of the local authorities of Clare, Donegal, Galway City, Galway County, Leitrim, Mayo, Roscommon, Sligo and Údarás na Gaeltachta.

June 2021