

Indie Growth Fund



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Channel 4 National HQ, Leeds



Introduction

Caroline Murphy



At Channel 4, we're not just talking about championing unheard voices and standing up for diversity; we're putting our money where our mouth is.

Channel 4 was created to be a disruptive, innovative force in UK broadcasting. We don't just think differently, we are structured differently. Instead of making our own programmes, we commission them from independent production companies across the country. These indies are constantly coming up with fresh ideas and formats. They are creating new jobs and nurturing talent. And they are helping to make British television extraordinarily dynamic and uniquely creative.

In 2014, we set up the Indie Growth Fund to help these companies to thrive by offering investment, support and strategic advice. Our aim is to set young, ambitious indies on the path from good to great, to edge them towards an ultimate sale. We're not doing this because it's a 'nice thing to do'; we want to make a commercial return on our investments, so we can plough the profits back into the country's creative sector.

Channel 4 doesn't just make distinctive British TV; we've developed a track record of investing in and supporting companies across the UK. We play an integral role in creating opportunities, building creative clusters and supporting thousands of jobs through our supply chain.

This year alone, we have added six new companies to our portfolio – Uplands Television, Big Deal Films, Duck Soup, Paper Entertainment, Salamanda Media and Spirit Studios. And we're not stopping there. We will continue to grow the fund and unleash a culture of entrepreneurship, prioritising investment in the Nations and Regions, and focusing on diverse-led and digital businesses. We know we can help those indies – too often overlooked and underestimated – to get to the next level.

At Channel 4, we're not just talking about championing unheard voices and standing up for diversity; we're putting our money where our mouth is.

Caroline Murphy
Head of the Indie Growth Fund
Channel 4

All about the Indie Growth Fund

What's the Indie Growth Fund?

Launched in 2014, Channel 4's Indie Growth Fund provides additional support to the UK's independent creative sector. In return for a 25% minority stake, we invest in young, promising indies across the country to help them take their business to the next stage.

Can any indie sign up?

We look for companies with tenacity, vision and ambitious growth plans. We're focused on investing in companies in the Nations and Regions, as well as interesting diverse-led and digital businesses. Over the past seven years, we've made 25 investments and nine exits. Our current portfolio of 16 indies includes: Big Deal Films, Candour Productions, Duck Soup, Eagle Eye Drama, Firecrest Films, Five Mile Films, Paper Entertainment, Parable, Proper Content, Salamanda Media, Spirit Studios, Spelthorne Community Television, Two Rivers Media, Uplands Television, Voltage TV and Yeti Television.

The Battle for Britain's Heroes (Uplands Television)



So how do you turn creatives into successful business leaders?

Although we don't take a controlling stake in the indies, we're active and supportive shareholders. We get that creatives are primarily focused on creating great shows rather than profit and loss, so we're there to help with the numbers. We turn the indies into professional, sleek operations, with regular management meetings and monthly board meetings. We make sure the companies are performing against their budgets and plans.

We also have a team of three independent external advisors: Lorraine Heggeseey, Marjorie Kaplan and Tracy Forsyth. These media powerhouses have all 'been there, done that' so they act as creative mentors and broadcast buddies to the indies, offering valuable strategic advice.

All about the Indie Growth Fund continued



Lifers Behind Bars (Firecrest Films)

Presumably companies in the fund get preferential treatment from Channel 4 commissioners?

Actually, they don't. Although we want indies in the fund to feel like part of the Channel 4 network – giving them a connection to the heart of the industry that they wouldn't otherwise have – they aren't beholden to Channel 4 in any way, nor do we automatically hand them commissions. In fact, we encourage them to strike deals with other broadcasters and streaming services. That's the best way to turbocharge growth.

When does Channel 4 exit?

After roughly four to five years, we help the indies to move on to the next stage of their journey, and we sell our stake. Sony Pictures Television invested in The Whisper Group for example, and True North went to Sky. We want to make a healthy return on our investments, turn startups into scaleups, and help to build a vibrant, world-class creative sector in Britain.



A Day in the Life of Coronavirus Britain
(Candour Productions)

Indie Growth Fund in numbers



Over the past seven years, the Indie Growth Fund has made:

25 investments and 9 exits

16

independent companies in our current portfolio:

3

independent external advisors

£20m

The Indie Growth Fund has a remit to generate commercial returns

Source: Channel 4 Annual Report 2020



The Secret Life of Emily Brontë
(Yeti Television)

4

average number of years that companies spend in the Growth Fund

9

out of London

5

with ethnically-diverse founders

6

with female founders

£70m

expected turnover for 2021 for all of the companies



Success stories

Case study:

THE WHISPER GROUP

Former BBC Sport producer Sunil Patel and presenter Jake Humphrey hatched the idea for Whisper in a car park in Monza during the 2010 Italian Grand Prix. "It all started with a casual conversation about launching our own production company," recalls Sunil. "A couple of months later, we went to see Formula 1® team Williams. Despite having no proper company, no offices and no staff, we walked out of that meeting with all of their production for the following year."

The duo joined forces with Formula 1® commentator and former racing driver David Coulthard and established Whisper. "We wanted to fuse entertainment with editorially led, opinionated sports coverage," says Sunil.

The company quickly clinched deals with brands including UBS, Shell, Red Bull and Hugo Boss but it struggled to break into TV. "Two or three companies had a long-standing stronghold within sports broadcasting and we just couldn't get a foot in the door," says Sunil.

In 2014, he spotted an article in *Broadcast* magazine about Channel 4's Indie Growth Fund. "Whisper was turning over about £1.5 million at that point. We were a growing, profitable business. We didn't need the money – but we did need a broadcaster to take a chance on us," says Sunil.

Channel 4 took a minority stake in the business in 2015. "They spotted our potential and were prepared to back the underdog," says Sunil. "The Indie Growth Fund gave us huge credibility and confidence. It gave us a sounding board. And it gave us an incredible network of industry experts."

Later that year, Whisper won its first significant TV tender – a two-year contract to produce BBC Two's NFL highlights. The business went on to land more contracts, including coverage of the Paralympic Games, Formula 1®, SailGP, Women's Super League, International Cricket and W Series. It also diversified into new areas such as graphic design, unscripted, entertainment and live events, leading to the creation of The Whisper Group.

By 2020, the company had established itself as a leading player in sports production and attracted investment from Sony Pictures Television, bringing an end to Channel 4's Indie Growth Fund involvement.

"We're now a £37-million-turnover business with 175 staff. We wouldn't be where we are today without the trust and belief that was placed in us by Channel 4," says Sunil.



David Coulthard, Sunil Patel
and Jake Humphrey



We would never be where we are today without the trust and belief that was placed in us by Channel 4. They have been a fantastic partner and we thank them for everything they have done with and for us over the last four and a half years.

Success stories continued



Nicole Kleeman

Case study:



Following a career as a BBC producer on *Newsnight* and *Panorama*, Nicole Kleeman launched Glasgow-based Firecrest Films from her spare room in 2008.

She started out making investigative short films for *Channel 4 News*, before producing *Dispatches: Secrets of Poundland* in 2012, drawing an audience of 3.15 million. "That show gave me the guts to move out of the spare room and start hiring staff," says Nicole.

It was the first of more than a dozen *Dispatches* films including some of the strand's highest rating episodes, such as *Secrets of Cadbury*, *Inside Facebook: Secrets of the Social Network* and *Low Pay Britain*.

In 2015, thanks to support from Channel 4's Alpha Fund, Firecrest started broadening into other genres, and expanding away from single films and into series. The result was *Lifers Behind Bars*, the observational documentary inside the Scottish Prison Service, and consumer series *Supershoppers*, which ran for seven series, plus several spin-offs, winning both BAFTA Scotland and RTS Scotland awards for best feature and factual entertainment programme.

At the beginning of 2017, Firecrest became Channel 4's first Indie Growth Fund investment outside England. "We knew the investment would

put us on the map, especially at a time when broadcasters were looking to work with indies outside of London," says Nicole. "Suddenly, we had this very special badge that said 'Approved by Channel 4' and that was game-changing."

The fund enabled Firecrest to move to bigger offices, install its own editing suites and make senior hires, such as Creative Director Iain Scollay. It also provided Nicole with invaluable mentoring and guidance. "As a current affairs journalist, who fell into running a business, I often felt like I didn't know what I was doing," she admits. "Having people to talk to about budgets, negotiations, management and cash flow gave me an extra shot of confidence."

By 2018, Firecrest had doubled the number of employees, trebled its turnover to £3 million and was named the fastest growing independent production company outside London. "Being part of the Indie Growth Fund was like getting the keys to a different floor," says Nicole.

Firecrest now has six network series in production for BBC One, BBC Two and Channel 4, and has been shortlisted at the 2021 Edinburgh TV Festival Awards as one of the best production companies in the UK. The company output includes the multi-award winning *Murder Case* and *Murder Trial* series, and *Michael Palin: Travels of a Lifetime*.



Supershoppers (Firecrest Films)

Current investments



The Hunt for Britain's Sex Gangs (True Vision)

Case study:



Documentary Director Anna Hall made a name for herself in 2013 with *The Hunt for Britain's Sex Gangs*. Produced by True Vision for Channel 4, the film earned her the prestigious Women in Film & TV Best Factual award and the RTS Journalism Award.

Anna was determined to continue making “films that make a difference” but she didn’t want to move her family out of Leeds so, backed by True Vision founders Brian Woods and Jez Neumann, she started True Vision Yorkshire from her kitchen table in 2014.

Over the next few years, based in a mill on the outskirts of the city, Anna made hard-hitting documentaries on pressing social issues such as forced marriage and honour-based abuse – and was nominated for five BAFTAs.

“My vision was always to establish a hub for film-makers in the north, attracting the best talent and making brilliant, landmark films,” says Anna.

In 2019, with investment from the Indie Growth Fund, Anna started to turn that dream into reality, using the money to move to a larger office in the mill, build four new editing suites and make senior hires: “Up until that point, I’d been doing the equivalent of ten people’s jobs myself,” says Anna. “Thanks to the fund, I went from being a lone film-maker to running a successful and sustainable business. Now we have a strategy.

Anna Hall



We have a plan. We have monthly board meetings. We are held to account and that has made us massively up our game.”

At the start of the pandemic, the company lost two series but the team stepped up to make Channel 4’s *A Day in the Life of Coronavirus Britain*. “We shot and edited the whole thing in just three days. It was a fly-by-the-seat-of-your-pants experience,” says Anna. On the day the show aired, the company changed its name to Candour Productions.

Over the past year, Candour has won major new commissions, including an eight-part factual series for BBC Two called *Yorkshire Born*, following the work of midwives in Bradford, plus a project with the Department for Digital, Culture, Media & Sport called *Live + Wild*, exploring the use of 5G in extreme and challenging locations to help film-makers deliver live and fast turnaround video content.

Current investments continued



World's Tiniest Masterpieces
(Yeti Television)

Case study:



When factual programming powerhouse Siân Price joined Yeti Television as Creative Director in 2017, she was tasked with growing the Cardiff-based indie and expanding its raft of network commissions.

Over the next two years, she delivered a slate of award-winning programmes, including *World's Tiniest Masterpieces* (Channel 4); *Sylvia Plath: Inside the Bell Jar* (BBC Two); *My Life: Going for Gold* (CBBC); and *The Secret Life of Emily Brontë* (Channel 4).

By 2019, Siân had helped to cement Yeti's reputation as a serious and credible programme-maker – but she felt “stuck”. “The business was in stasis. We were getting singles but struggling to win any new, significant series,” she says. “Other than a part-time development producer and researcher, Yeti was seen as just me by commissioners. I was exec-ing most of our output. Something had to change.”

The turning point came a year later, when Channel 4 took a minority stake in Yeti, making it the first Welsh company in the Indie Growth Fund portfolio and the first investment since the outbreak of the pandemic.

“It never felt like money was just left on the table,” says Siân. “I’ve been supported every step of the way and I’ve been connected to people who really understand the pressures and challenges of running an indie.”

Siân brought in a shooting AP and made her first senior hire, Head of Development Sarah Stevenson. “The Indie Growth Fund has given us more visibility and made it easier to get meetings with those commissioners we struggled to connect with previously,” says Siân. “It’s a brilliant calling card.”

In the past 12 months, Yeti has bagged its first commission for Channel 5, *Grace Kelly: The Missing Millions*; a three-part history series for BBC Wales, *The Asian Welsh*; and a landmark military history series for Channel 4 fronted by a huge talent, *48 Hours to Final Victory*. It has also landed a tentpole series for More4 called *The Great Big Tiny Design Challenge*, which Siân describes as “the biggest competition you’ve ever seen in tiny”. Yeti’s turnover has doubled to nearly £2 million.

“Channel 4 are ideas-driven. They take risks. And they’re collaborative,” says Siân. “Their investment has completely transformed the company.”



Siân Price



I’ve been supported every step of the way and I’ve been connected to people who really understand the pressures and challenges of running an indie.

Current investments continued



The investment from Channel 4 gives us an exciting opportunity to bring eye-opening TV to audiences and for Uplands to deliver on its commitment to be an agent of change.



David Olusoga
and Mike Smith

Case study:



After working together at the BBC, David Olusoga and Mike Smith decided to set up their own production company Uplands Television, co-sited in London and Bristol.

Their first commission was Channel 4 documentary *The Battle for Britain's Heroes*, questioning whether some of the country's historic heroes truly deserve their exalted status. "We quickly became known for making revelatory programmes that bring history to life for today's audiences," says Mike.

In 2019, Uplands made *Unremembered – Britain's Forgotten War Heroes*, revealing the shocking story of how thousands of Africans who died in their own continent serving Britain during World War I were denied the honour of an individual grave. Aired on Channel 4 on Remembrance Day, the film prompted an official apology from the government and the Commonwealth War Graves Commission for "entrenched prejudices, preconceptions and pervasive racism". "That documentary and the extraordinary response it elicited from Westminster is a classic example of the public service programming that Channel 4 was created to commission – eye-opening television that speaks truth to power," says David.



To help Uplands grow its slate of programming and deliver on its commitment to be an agent of change, Channel 4 invested in the business earlier this year. "The Indie Growth Fund has given us development firepower, so we can get all of our ideas out to commissioners," says David.

The fund has also connected the pair to "some of the most significant players in the industry". "Any time we think we're in the weeds or need strategic advice, we can just pick up the phone and ask for support," says Mike.

Upland's upcoming shows include BBC Two film *Blackface With David Harewood*, exploring the origins of blackface minstrelsy in early 19th-century America and how it crossed the Atlantic to Britain, and *One Thousand Years of Slavery*, a new landmark series for Channel 5 and Smithsonian Channel on how slavery stained the past, shaped the present, and continues to rewrite our future.

*Unremembered –
Britain's Forgotten
War Heroes*
(Uplands Television)

Viewpoint: Lorraine Heggessey

Meet the mentor



There comes a certain point in your career when the focus flips: it becomes less about you and more about the people you help along the way.

I joined the Indie Growth Fund as an independent external advisor in 2014, advising Channel 4 on potential investments and helping companies in the fund to thrive. Having spent four decades working in media, I wanted to use my unique combination of skills and experience to support the next generation of indies.

After all, I get what they're going through; I've been through it, too.

I started out as a journalist and producer, making current affairs, science and general documentaries for the BBC, ITV and Channel 4. I went on to become the first female Controller of BBC One – leading the channel to become the most popular in Britain, overtaking its main competitor, ITV1, for the first time and launching a raft of hit shows including *Strictly Come Dancing*, *Doctor Who* and *Spooks*.

I headed up Talkback Thames, which produced over 600 hours of TV a year, including *Britain's Got Talent*, *The X Factor* and *The Apprentice*. And I launched Cardiff-based indie Boom Pictures, growing it to become the seventh largest independent production company in Britain, snapped up by ITV in 2015.

I understand the blood, sweat and tears it takes to make brilliant TV. Throughout my career, I've worked on many hit shows that very nearly didn't get on the air. I know that it takes time, persistence and resilience to make things work.

My role is to work with indies in the fund to develop their creative strategies, so they can turn their bold, ambitious, controversial and noisy ideas into knockout shows and returning series. As a mentor and leadership coach, I want to share the lessons I've learned, open doors, pass on advice and make the journey feel less lonely. I'm the shoulder to cry on and the hand to high-five. I'm there to help them reach their full potential – and watch them fly.

Lorraine Heggessey
Independent Advisor
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