Autonomy and Independence in Screen Production Under State Subsidy: Tracing Kennedy Miller Mitchell's Negotiated Dependencies With Australian Governments

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Abstract

Contemporary media industry and production studies takes a nuanced view of the relative independence and autonomy available to media producers. In this article, I apply this frame to the Australian independent screen production firm Kennedy Miller Mitchell. But rather than examining the firm through its commercial partnerships, I analyze its independence in respect of its historical relationship with Australian government agencies. I contend that it possesses negotiated dependencies with these government bodies, a term describing the nuances of a complex reciprocal relationship. While the firm's activities have been shaped and constrained by government policy, I argue also that the firm has maintained agency through negotiations with the state. My analysis of Kennedy Miller Mitchell's negotiated dependencies qualifies our understanding of this reputedly iconoclastic firm and treats the company as a significant case study of the limits of independence and autonomy in an industry underwritten by government intervention.

Keywords: Kennedy Miller Mitchell, production companies, independent production firms, Australian film policy, production studies, independence and autonomy

Introduction

The independence and autonomy available to media producers is a recurring subject in media scholarship, traditionally articulated, in the political economy model, as an account of the power afforded to capital to shape and constrain the nature of the creative work produced.¹ Contemporary media industry studies, however, balances this top-down view with a cultural studies perspective that treats media production as a site of struggle and reciprocity between the forces of commerce and art.² Mark Banks' description of culture workers as "making the best" of capitalist conditions gives a clear sense of the "negotiated autonomy" now understood as common of individuals in the creative industries.³ Comparable analyses have been given of small media organizations, as in Andrew Spicer and Steve Presence's description of independent screen production firms as existing in a state of "negotiated dependency" with the financiers and distributers that make their work possible.⁴

The Spicer and Presence article is representative of the growing body of literature on production enterprises emerging from the production studies discipline.⁵ These analyses typically highlight the relative independence of the firms (or individual producers) and include customary discussion of relevant national policy conditions-particularly important for enterprises in smaller industries like those in Australia, the UK, and across Europe, where state intervention has been necessary to preserve the possibility of a national screen industry. In such analyses, policy is often treated as mere background to the independents' commercial dealings with financiers and exhibitors. However, relations between state agencies and independent producers-obviously of paramount interest in states like China, where government intervention can be hands-on⁶-are equally deserving of direct analysis in those industries where the state is more hands-off but still decisive in the national patterns of production.

In what follows, I undertake an analysis of the independent Australian screen production firm Kennedy Miller Mitchell through its dealings with Australian governments and screen agencies across its half-century lifespan. I treat the firm within a framework of negotiated dependency; however, I use this term not in the context of its commercial partnerships but in its relationships with the state. I describe Kennedy Miller Mitchell as "making the best" of the conditions created by Australian governments. However, I also emphasize that its negotiations display active agency. Policy-production analysis does not always give nuance to the push-pull relationship between policymakers and producers; but, in the case of Kennedy Miller Mitchell–a small enterprise but a big fish in the Australian pond–we can see relations of power and influence that flow both ways.

For Spicer and Presence, negotiated dependencies between independent firms and their commercial partners are hierarchical but marked by a degree of reciprocity.⁷ As Spicer elsewhere describes, the "negotiation" between independents and external partners takes place at the level of production and is reflected in the trust the financier places in the producer to deliver a mutually satisfactory product—that is, in the creative freedom extracted by producers from the media owners who commission their work.⁸ Spicer and Presence write that "the term 'independent' in reality connotes a fluid network of continuously adjusting inward industry engagements that form a series of negotiated dependencies."⁹ I take it therefore that to describe an independent firm as possessing negotiated dependencies qualifies our

sense of not only its industrial independence but also its creative autonomy. In that spirit, my discussion of Kennedy Miller Mitchell's relationship with Australian governments also reflects on the aesthetic influence policy has wrought on its output.

My focus on this firm reflects the increasing attention given to small-to-medium enterprises in recent scholarship; this attention ameliorates the dearth of research on such entities in media industry and screen studies–where the focus is more often given to large corporations or particular individuals–and acknowledges the structural significance of these enterprises in the post-Fordist creative industries.¹⁰ In tracing Kennedy Miller Mitchell's relationship with government policy since its founding in the 1970s, my study also takes on a retrospective or historical dimension, an analytical position not prevalent in production studies research but consistent with the field's emerging "historical turn."¹¹ More particularly, my focus on Kennedy Miller Mitchell amends the relative lack of literature on this firm, which has not seen significant analysis since the 1980s. In describing Kennedy Miller Mitchell as possessing negotiated dependencies with Australian governments, I not only treat this firm as a case of the limits of independence in industries structured by government intervention but also refine our understanding of the operations of this significant Australian producer.

Kennedy Miller Mitchell's Historical Relationship With Australian State and Federal Governments and Screen Agencies

Kennedy Miller Mitchell–founded as Kennedy Miller in the mid-1970s by director George Miller and producer Byron Kennedy, and now controlled by Miller and producer Doug Mitchell– is a foremost organization of its kind in Australia, thanks to successes in blockbuster film production, with the *Mad Max* (1979; 1981; 1985; 2015), *Babe* (1995; 1998), and *Happy Feet* (2006; 2011) franchises, and a period of mastery over miniseries production in the 1980s, with works like *The Dismissal* (1983), *Bodyline* (1984), and *Bangkok Hilton* (1989). Even beyond its lack of ownership, the firm has developed a strong independent reputation in Australia. This perception is a legacy of discourse that portrays the firm as standing apart from the norms that dominate the Australian industry.¹² Media scholar Stuart Cunningham, in a 1988 analysis, described the firm primarily in terms of its "iconoclastic" qualities, or deviations from industry norms, including its unusual longevity (though it was then little more than a decade old); its collaborative creative practices (viewed as unorthodox by some); its stable relationships with external partners (like Australian broadcaster Network Ten, which aired the firm's miniseries); its conspicuous overall success (stemming from the profitability of *Mad Max*); and its posture of separation from Australian government funding bodies.¹³

This last element underlies my focus on the firm's relationship with Australian governments. Kennedy Miller Mitchell's supposed independence and iconoclasm is often linked to its apparent disdain for government funding, which is a core pillar of the Australian production industry.¹⁴ The idea that the firm keeps its distance from public funds arises from the success of *Mad Max*, for which Miller and Kennedy took the unusual step of forming a syndicate

of private investors and even supposedly turned down state subsidy when it was offered to them. This perception has been extended through Kennedy Miller Mitchell's long-term partnerships with US studios like Warner Bros (financier and/or distributor on the *Mad Max* films) and Universal (on the *Babe* films), contributing to the idea that the firm can access vast reserves of private funds with a simple phone call.¹⁵

Kennedy Miller Mitchell's founders were quite overt about their disdain for government funding, with Kennedy (who died in 1983) saying he was "philosophically against government involvement in the film industry."¹⁶ This rhetorical posture persuaded observers: in 1985, the *Sunday Telegraph* described the firm as "one of the few movie companies that does not put its hand in the pocket of the taxpayer."¹⁷ But this claim rests on a tenuous and limited understanding of the firm's sources of finance. Much of its 1980s output was enabled by the 10BA tax concessions that so stimulated private investment in the industry in that decade; though the funds may have been private, they were ultimately underwritten by government largesse. It also rests on a factual error: reports from two years earlier suggest that *Bodyline*'s budget was augmented by a handout from a special \$5 million Australian Film Commission fund.¹⁸ My account of Kennedy Miller Mitchell's relationships with government bodies therefore acts as a corrective to some of the fuzziness that inheres in the firm's iconoclastic reputation.

In the following sections, I deliver an analysis of Kennedy Miller Mitchell's relationships with Australian state and federal governments from the 1970s up to 2015. My focus encompasses the firm's use of direct and indirect government subsidy, but this account must be compromised both by Australian tax laws that make it impossible to confirm the use of tax concession subsidies on particular screen productions unless disclosed by the producer and by the difficulty of accessing internal financial information from a privately owned company, especially one notorious for protecting its privacy. However, sufficient sources exist to paint a general picture. My research materials here include contemporaneous press reports, documentation relating to the firm's productions held at Australia's National Film and Sound Archive, and archival audio interviews with the firm's founders.

The movements of Australian film policy over the past half-century can be broadly painted as a swinging back and forth between mechanisms of direct and indirect subsidy; Kennedy Miller Mitchell's stance has been to be dismissive of the former but desirous of the latter. This reflects on the early views of its founders. While Kennedy publicly proclaimed his philosophical opposition to government intervention–feeling that a "film industry should be able to stand or fall without any government help whatever"¹⁹–privately, in an interview at Film Australia, he said that "my pragmatic philosophies in a country like Australia show that it is absolutely necessary."²⁰ Historically, the firm has displayed this pragmatism by using small amounts of direct subsidy in limited circumstances while otherwise staking the viability of much of its output on the availability of indirect subsidies.

1970s

In the early 1970s, Australian governments introduced several support mechanisms intended to uplift the deteriorated screen industry, among them two federal direct subsidy sources–the Experimental Film and Television Fund (EFTF), and the Australian Film Development

Corporation (AFDC), later renamed the Australian Film Commission (AFC). Kennedy's antipathy toward direct subsidy is perceptible through his early use and avoidance of these schemes. He received a small grant from the EFTF, which he used to produce, collaborating with Miller, the short work Frieze: An Underground Film (1973). However, this film is a parody of the very mode of experimental filmmaking incentivized by the fund and critical of producers who treat filmmaking as a medium for experimental expression, rather than a commercial activity servicing an audience. For the first major works made by the Kennedy/ Miller partnership-the short film Violence in the Cinema, Part 1 (1971) and their debut feature Mad Max–Miller has said that they never expected support from the AFDC/AFC, which Kennedy believed would not support projects of their style.²¹ Industry analysts Dermody and Jacka have used the term "AFC Genre" to describe a strain of filmmaking incentivized by this agency in those years: safe, nostalgic works with pretensions to literary "quality."²² This term captures the aesthetic constraints introduced by the government under direct subsidy. Mad Max defies this aesthetic and suggests that Kennedy Miller's early pursuit of creative autonomy was staked to a desire to make films that were more commercial than what appeared possible under direct subsidy.

As I take it, Kennedy's opposition to direct subsidy was partly an aesthetic critique, disdaining the type of films incentivized by government funding, which he viewed as non-commercial.²³ This point requires special handling. In studies of screen-producing organizations– especially in Hollywood–independence has come to assume the dual meanings of both industrial independence and an alternative mode of practice set against the studio norms–that is, "indie" filmmaking–that carries its own sense of creative autonomy.²⁴ However, it would be wrong to believe that Kennedy Miller Mitchell has ever practiced an "alternative" mode under such terms. As its partnerships with Warner Bros. and Universal indicate, the firm is not "indie" in aesthetic. It is ironic but otherwise consistent with the discourses of the Australian industry that the firm's earliest assertions of "independence" were wrapped up in the defense of its right to pursue Hollywood–style, mass–market works.

Kennedy's aesthetic critique was also complemented by an industrial critique. In 1978, Kennedy spent time as a producer and financial controller on the film Last of the Knucklemen (Burstall, 1979). This gave him experience of the strictures governing direct subsidy productions, and though he found the reporting requirements beneficial, he felt grant conditions overly restrict the financial freedom of a production and that a film could be made more cheaply without government funds.²⁵ Private funding meant, for Kennedy, a "flexibility" to make decisions without having to answer to a board.²⁶ Miller's views in 1979 appear similar if more moderate: "Obviously there would be no Australian industry without the government . . . but there are also negative sides to government funding. . . . Making movies is a highly intuitive process which if institutionalized or bureaucratized cannot work as successfully."²⁷ For each founder, then, direct subsidy delimited either the industrial independence or aesthetic autonomy of the producer, threatening their freedom to create "intuitively" or organize production as they saw fit.

Despite Kennedy's philosophical opposition, his conduct reflects a practical willingness to solicit direct subsidy. In addition to *Frieze*, Kennedy submitted another funding request to the EFTF for what I surmise was to be a revue-style variety show, "A Night of Bloody Good

Entertainment," which he later withdrew.²⁸ And though Miller and Kennedy apparently never approached the AFC for *Mad Max*,²⁹ they submitted a request to the Victorian Film Corporation (VFC), recorded on the VFC's annual report for 1976–1977 as \$50,000. While Kennedy said they turned down the money because they were oversubscribed on private funds, film agency historian Thomas O'Donnell suggests the investment fell apart when Kennedy Miller could not provide scripts and budget to the satisfaction of the VFC board.³⁰ Although these particular requests were not realized, Miller told *The Age* his firm did accept \$20,000 from the Victorian government to promote *Mad Max* internationally,³¹ and a 1981 newspaper report suggests they had received AFC script development grants.³² These events in the 1970s suggest an overall logic: cautious of constraints on its creative autonomy, the firm would avoid or abandon direct funding for production but would accept funding for professional development activities, where independence could be maintained.

1980s

In the 1980s, the dominant character of federal government intervention in the Australian film and television industry switched from direct to indirect subsidy with the introduction of the 10BA tax concessions, which incentivized private investment in production and precipitated an industry shift toward commercialized entertainment over cultural expression.³³ These remodeled industry conditions better fit Kennedy Miller's ambitions, and the firm took full advantage; it may even have had some small influence in this shift, in the sense of *Mad Max* providing a powerful example of the market potential of privately funded production. Film scholar Tom O'Regan described the film as a reference point for the report by Peat Marwick Mitchell (now KPMG) that redefined the terms of the AFC's industry role.³⁴ Kennedy, who called 10BA "the greatest gift any government has ever given to any industry,"³⁵ may have played a minor role in lobbying for policy changes; a 1979 report says he attended an AFC-organized special screening of *Mad Max* for parliamentarians, at which he discussed the role of an independent producer.³⁶

Judging from available sources, it is likely at least 12 of the firm's 15 productions in this decade drew upon 10BA, though I cannot estimate what proportion of the final budget these funds constituted. I have viewed prospectuses-issued through the firm's arrangement with investment firm BT Australia-for the miniseries Bodyline and The Dirtwater Dynasty (1988), the feature film Dead Calm (1988), and a package of telemovies: The Clean Machine (1988), Fragments of War: The Story of Damien Parer (1987), The Wreck of the Stinson (1988), and a fourth project that became the feature The Year My Voice Broke (1987).³⁷ Mad Max II and The Dismissal were 10BA productions also, and it is reasonable to think the case would be the same for The Cowra Breakout (1984), Vietnam (1987), and perhaps the documentary series Sportz Crazy (1988). The Witches of Eastwick (1987), Miller's American feature for Warner Bros., was not financed in Australia. Mad Max Beyond Thunderdome (1985) was not certified for 10BA-as per a 1985 AFC denial that the film had been submitted for approval.³⁸ The final 1980s production, Bangkok Hilton, made after the concession had been reduced, displays characteristics of being reliant on international pre-sales.³⁹ In addition to this substantial use of indirect subsidy, the company also is reported to have received the direct AFC contribution to Bodyline mentioned earlier, its only use of direct subsidy in this decade of which I am aware.

While on the one hand the firm's feature film output in the 1980s reflects the creative autonomy its founders desired-continuing the "commercial" aesthetic developed in *Mad Max*, even those which, like *Mad Max 2* and *Dead Calm*, used 10BA-on the other the firm's television production slate appears more tangibly shaped by AFC policy. The six miniseries, and four telefilms (the bulk of its production in this decade), are acquiescent to the mandate for significant Australian content introduced for direct subsidization eligibility and carried over as a requirement for 10BA certification. While the structure of indirect subsidy kept the firm at arm's length from the AFC, the overall influence of the agency on Kennedy Miller's output in the 1980s is still visible in terms of the incentivization of a certain strain of production.

The situation with the firm's industrial independence is likewise double-edged. In this decade, Kennedy Miller avoided the hand of "bureaucratized" board oversight over scripts or budget that Kennedy had feared. As an example, the plot summary in the prospectus issued for Dead Calm differs from the final film (many of the firm's 1980s projects entered photography with writing still ongoing, in part due to the strict delivery schedules attached to 10BA production). Such a situation would not have concerned 10BA investors, who as a rule were more concerned that their money be deployed and their concession secured than in the details of the projects they funded. Kennedy Miller's prospectuses from this decade show that investment was solicited more on the basis of the firm's commercial reputation than on project specifics. This managerial independence is consequently reflected in the firm's idiosyncratic way of operating, including its supposedly unorthodox collaborative or "ensemble" style of production, which led Cunningham and others to ascribe to it an iconoclastic identity. However, this appearance of independence, while certainly facilitated by Mad Max's profits, was also in a more general sense conditional on government policy. It was only by virtue of the availability of private funds through 10BA, complementing the firm's own resources, that Kennedy Miller was able to take on a large production slate in the 1980s and achieve the state of continuous production that sustained its creative practices.

1990s

By the 1990s, 10BA had been phased out over concerns about industry inflation, and the federal intervention model again returned to direct subsidy, with the AFC playing a junior role to the new Film Finance Corporation (FCC).⁴⁰ It is not likely a coincidence that Kennedy Miller's rate of production was reduced thereafter (though other factors also played a part, including the dissolution of a television deal with The Nine Network and the exit of writer-producer Terry Hayes, who had been a motivating force behind the miniseries work). The firm's situation in this decade displays a constraining of possibilities; its reduced slate reflects, I take it, the firm's opposition to the production conditions created by the shift in policy. Although the FCC putatively sought to uphold the commercialized, market-driven filmmaking that evolved under 10BA, which Kennedy Miller favored, the firm used this funding resource only on 40,000 Years of Dreaming (1997, made with the British Film Institute [BFI]), a nationalistic documentary history of Australian cinema inherently amenable to subsidization. Its other films in this decade–*Flirting* (1991), Lorenzo's Oil (1992), Babe, Babe: Pig in the City–display a turn toward international investment partnerships, a strongly transnational aesthetic appearance, and, in the \$100 million Babe: Pig in the City, global trends in mega-budget

blockbuster production (the sole exception is the 1996 documentary curio Video Fool for Love, in every sense an outlier in the firm's corpus).

Babe: Pig in the City is significant for opening new avenues in Kennedy Miller's use of government assistance, by demonstrating the benefits of alternative forms of state support. Photography of this film took place at the Sydney Showgrounds concurrent with the construction of Fox Studios, a production services complex made possible by payroll tax concessions and other benefits from the New South Wales state government.⁴¹ Despite community scrutiny about the location of the studio, Kennedy Miller advocated strongly for permission to use the Showgrounds. A description of a development proposal lodged by Kennedy Miller has it claiming that "It is vital to the NSW and Australian film industry" that the Showgrounds be used and threatening the loss of benefits to another offshore location if refused.⁴² While Kennedy Miller had previously shown a capacity to take on government bodies over production disputes—in a high-profile suit with the Sydney City Council during the filming of Mad Max Beyond Thunderdome⁴³—this development proposal suggests an emergent awareness of its own power in negotiating relationships with state bodies, a power stemming from its commercial reputation and ability to leverage significant quantities of international finance.

While Kennedy Miller's advocacy for use of the Showgrounds was not dispositive in the establishment of Fox Studios, the conjunction in timing-the parallel efforts in persuading the NSW government to open the area as a production site-led to a satisfactory outcome for both parties. Miller attended a sod-turning ceremony at the Fox Studios site in April 1997, the day after then-NSW Premier Bob Carr had first broken ground. Carr touted *Pig in the City* as proof that the government's projections for Fox Studios were accurate.⁴⁴ The site has since been an important resource for the firm, used again on the production of *Mad Max: Fury Road*, and as company headquarters after it sold its premises at the Metro Theatre in 2019. The establishment of the high-tech complex is viewed by scholars as a milestone in Australia's entry into the globalized film industry.⁴⁵ The NSW government's subsidization of the studio is emblematic of a broader policy movement that directed support to screen industry infrastructure; this mode of support would be a key area of interest for Kennedy Miller in the coming decades.

2000-2015

In the 2000s, the funding paradigm swung back to an indirect subsidy model, with the introduction of the Location Offset, in 2001, and the PDV Offset and Producer Offset (PO) in 2007, all managed by the new agency Screen Australia (formed in 2008 as a merger of the FFC, AFC, and Film Australia). While some direct subsidy assistance persisted, the offset mechanisms collectively revived the 10BA project by stimulating private investment and re-emphasizing commercial aesthetics and continued the policy turn from cultural to economic objectives by solidifying the country as an offshore hub for international finance.

Kennedy Miller Mitchell's (the firm changed its name in 2008) productions between 2000 and 2015 evince a definite reliance on these subsidies. Graham Burke, executive producer of *Happy Feet*, told the press the film would not have been made in Australia without the location offset. Miller, the same article reported, had been urging the federal government

to deliver a package of further incentives, indicating that the firm had undertaken lobbying activities coinciding with the later introduction of the PO in July that year.⁴⁶ The firm used the PO on the subsequent *Happy Feet Two* and *Mad Max: Fury Road*. I take it that the reduced quantity of the firm's slate in this period–three completed features in total, despite the reintroduction of indirect subsidy–reflects other complicating factors, not least the logistical complexity and high budget of these productions, each of which cost over AU\$100 million.

Although the reintroduction of indirect subsidy was of benefit to the firm's exercising of its creative preferences, we can again observe constraints on its aesthetic autonomy, most clearly in the case of *Justice League Mortal*, a superhero film for Warner Bros., which was canceled by the studio after the project was refused provisional certification for the PO due to its failure to meet a necessary standard of significant Australian content.⁴⁷ This was to be the most Americanized of the firm's projects, featuring a predominantly American lead cast, and American source material adapted from DC Comics. The material benefit to the firm of the PO scheme is indicated in a March 2008 *Australian Financial Review* article, which, deriving its figures from *Justice League Mortal*'s reported budget, estimated a potential rebate of \$60 million to Kennedy Miller Mitchell were the film to be completed.⁴⁸

The offset mechanisms were additionally part of a push toward the building of the independent entrepreneurial capacity of the industry,⁴⁹ as well as of an international shift in policy that saw the traditional film and television sectors subsumed into a broader creative industries category.⁵⁰ Kennedy Miller Mitchell was in a strong position to take advantage of the former, and it was decisive in responding to the latter. Acting on industry assumptions about media convergence, the firm began to expand into video game and digital production and looked to government assistance to make these moves feasible. In 2007, Miller and Mitchell co-founded, with Omnilab Media Group, the digital animation firm Dr D Studios, through which *Happy Feet Two* was made. Dr D's premises were located at Sydney's Carriageworks creative hub, in a space secured from the NSW government, reportedly under favorable terms of lease.⁵¹ State government concessions in the form of a payroll tax assistance package made the new enterprise viable.⁵² Unspecified production concessions from the NSW government were also secured for an early version of *Fury Road*, which would have made use of the Carriageworks premises.⁵³

In 2007, the firm also founded Kennedy Miller Mitchell Games, which produced a *Happy Feet Two* tie-in game. In 2011, this division was supplanted by KMM Interactive, a new entity incorporating staff from the defunct developers Team Bondi and Krome. The firm viewed its game activities as complementing its digital studio, and there was some cross-over between their workforces. However, beginning in 2011 the creative industries were afflicted by a significant financial slowdown, thanks in part to a resurgent Australian dollar, putting these expansions at risk. Miller and Mitchell were reported to be lobbying Minister for the Arts Simon Crean for federal government support for the video games,⁵⁴ and KMM Interactive was given a \$200,000 grant from a special \$20 million games fund for the development of its project *Whore of the Orient*, which was never completed.⁵⁵ By 2013 both KMM Interactive and Dr D had been shuttered (the former releasing no games and the latter completing one film).

Conclusion

Independence in screen production is widely recognized as a relational, even relative, concept.⁵⁶ But to the extent that Kennedy Miller Mitchell has appeared, in Australia, as a maximally independent firm, possessed of private financial resources, lucrative international partnerships, and a stance of opposition to government interference, the preceding account offers a qualifying picture of that independence. We have seen that Kennedy Miller Mitchell from its earliest years existed in a hierarchical relationship of dependency with Australian governments and screen agencies, one which while not sharing the structure of corporate owner to corporate division, financier to filmmaker, or manager to employee still betrays a constraining influence, albeit of a particular sort. While the firm has tried to preserve its creative autonomy by avoiding the aesthetic influence of direct subsidy on particular productions, over the span of decades a broad picture of industrial influence stemming from its use of government intervention is visible in its patterns of production. The relationship between Kennedy Miller Mitchell and Australian governments is a particularly asymmetrical example of the kind of negotiated dependencies Spicer describes. This is not an instance of two organizations selecting optimal partners in a free market environment. For Kennedy Miller Mitchell, federal and state government support, a structuring influence on the local industry, is more like a condition of its operating in Australia. While, as Cunningham suggests, there are several bases from which to consider Kennedy Miller Mitchell's supposed iconoclasm, on the point of its reliance on government agencies it operates within the norms of the industry.

Kennedy Miller Mitchell's negotiated dependencies with Australian governments should qualify our understanding of its independence but not constrict it altogether. My account shows the firm engaging in overt, but not always successful, negotiations for autonomy and independence. As we have seen, the firm sought to shape industrial conditions to its benefit, by lobbying for federal policy changes—sometimes with apparent success, as suggested by the timing of the introduction of 10BA, the Producer Offset, and the games fund. We have seen some elements of reciprocity, where the firm leverages international investment, its employment capacity, and willingness to make culturally compliant productions in order to secure tax concessions, rental agreements, and other related production support from the NSW government. This is obviously an active form of negotiation, involving an exertion of influence over other parties, and it has seemed at times that governments were willing or even eager to accommodate the firm's desires.

One way to approach this evidence of Kennedy Miller Mitchell's negotiating capacity is to let it reframe our understanding of the firm's iconoclasm in terms of its organizational power. David Hesmondhalgh has suggested a taxonomy of the different forms of social "power" perceptible in media production: symbolic or cultural power, inhering in the creation of media texts; political or coercive power, in the control of police or military forces; and economic power, in the command of monetary resources.⁵⁷ Applying these concepts to small production firms we can see that while it is obvious that all independents possess at least symbolic power, not all will possess the other forms. And yet in Kennedy Miller Mitchell's command over large budgets acquired through private and/or international sources (as in Babe: Pig in the City, and Happy Feet, for instance), and its position as employer of a large labor force (in these blockbuster productions and Dr D), it is possible to see the firm as possessing a degree of political and economic power. However, this power still has clear limitations, as seen with *Justice League Mortal*, where the firm failed to secure desired concessions. Here a comparison point can be found in New Zealand, when the power of Peter Jackson's filmmaking operation–production company WingNut, and associated Weta effects companies–was tested by the local actors' guild prior to the production of the Hobbit film trilogy, which led to warnings from Jackson that the project (backed, like *Justice League Mortal*, by US studio Warner Bros.) would relocate internationally. The NZ government coordinated to pass special film production employment legislation to keep the project in the country.⁵⁸ The Australian government's comparative non-compliance reflects Kennedy Miller Mitchell's relative position in its national industry: significant but not dominant like Jackson, with its economic and political power correspondingly delimited.

Although Australian governments' role in the screen industry has created a necessary dependency for Kennedy Miller Mitchell, this conception of economic and political power offers a frame for assessing the firm's dependencies in relative terms or to see it as more "independent" than others in Australia. Economic power over \$100 million-plus budgets has not historically been available to many Australian filmmakers, although some like Baz Luhrmann and Alex Proyas have worked in this bracket. Political power is likewise not unique, but few other independent Australian firms have attempted or achieved the level of organizational expansion seen in KMM Interactive and Dr D. While Kennedy Miller Mitchell's exercising of political and economic power in its relations with government entities might be uncommon, it is nevertheless typical of the sort of negotiations undertaken by cultural producers in the contemporary media industries generally. Government intervention underlays the commerce of the Australian screen industry, and Kennedy Miller Mitchell, no less than any other producer, has striven to mediate, manage, and "make the best" of these circumstances.

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