

Film industry set to increase SA tourism

South Africa's varied landscapes, climate and variety of locations, which are able to pass for major cities or rural areas, has made the country an ideal destination for commercial film and TV productions.



Matthew Cornall, GM of Pepperclub Hotel & Spa

Lured by the country's favourable exchange rate and fast improving film studio infrastructure, international production houses are increasingly identifying South Africa as a location to film everything from TV commercials to fully fledged Hollywood blockbusters in preference to locations in Europe or the US.

This is according to Matthew Cornall, GM of Pepperclub Hotel & Spa, who said that the potential growth of South Africa's film and entertainment industry can have a ripple effect on the country's tourism revenues, especially in Cape Town, entitled the "movie metropolis" by international filmmakers.

"The film industry generates a significant percentage of revenue for the tourism industry and while the country has noticed an increase of international filmmakers and brands choosing South Africa as a location to shoot, there is still room for much growth, due to the country ideally lending itself to the industry in terms of lighting, cost and diverse backdrops."

Hollywood-style film studio

According to the City of Cape Town, the local film industry had contributed approximately R5 billion to the local economy and created more than 35,000 jobs in the past three years. Cornall predicts that these figures are set to increase following the establishment of a Hollywood-style film studio built on the outskirts of the city.

The multi-million dollar studio is designed to meet the needs of both local and international filmmakers. The shareholders in the Cape Town Film Studios project include Videovision, Sabido Investments, the Rico Trust, the Helderberg African Chamber of Commerce and the Western Cape trade and investment agency Wesgro.

The studio includes four sound stages, several offices, a cinema, as well as pre- and post-production services. It has also been home to the international pirate drama television series *Black Sails*, which is beginning filming in 2013 and is scheduled to run for three to five years at the studio.

A series of incentives

Earlier this year, the South African government recognised this potential by announcing a series of incentives aimed at attracting international film productions to help create jobs, generate revenues and encourage tourism. These incentives include an uncapped 20% rebate for foreign productions shot on location in South Africa, as well as a 22.5% break if films are also post-produced in the country.

Cornall stated that in a country plagued by unemployment, a thriving film industry holds tremendous benefit for the tourism sector, which ultimately contributes to economic growth and job creation. He pointed to a 2013 study conducted by the National Film and Video Foundation (NFVF), which revealed that the film industry contributes approximately R3.5 billion annually to South Africa's economy.

He added that businesses operating in the tourism industry can also suffer most during the off-season periods, but said that the film and entertainment industry is a key to combating this given a production company's scheduling. "Our wonderful climate is ideal for all-year, all-weather-specific movies; this improves problems of seasonality in the tourism industry."

Cornall encouraged local businesses in the hospitality sector to support the film industry by catering to their unique needs. "For example, the film industry requires a quick and reliable internet connection; this will play a deciding factor in where they place their business. Therefore businesses operating in the hospitality sector should be aware of these needs and capitalise on them.

"Film tourism has the potential of generating increased and consistent sales for local tourism businesses providing bespoke services, such as overnight accommodation, transport and catering, and it is crucial that the industry capitalises on this opportunity further to drive South African tourism and boost our economy," concluded Cornall.

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