

## Feature Film Financing

Spring 2009, Wednesday, 10am – 1pm, Dodge Hall/ Room 508

Instructors:

Mary Jane Skalski / 347 523 9214 / [maryjaneskalski@gmail.com](mailto:maryjaneskalski@gmail.com) / office hours avail upon request

Sandra Schulberg / 917 667 6077 / [sschulberg@aol.com](mailto:sschulberg@aol.com) / office hours avail upon request

1	Jan 28	Course Overview Philosophical frame for independent film production & financing. Introduction of students & their current projects. Outline of theatrical & ancillary market revenue streams. * Bios & project synopses requested by Feb 4
2	Feb 4	What are you selling from a creative point of view? Identifying the key assets of your project. Review of basic elements all fundraising plans require: synopsis, bios, agreements among key players, distribution plan, image campaign options. What elements may have pre-sale appeal. How packaging affects your financing. Students to present synopsis, bio, plus one image that conveys a key impression of your film. Discussion of essential agreements that each project will need to work on during course. Creating and funding a development budget.
3	Feb 11	What are you selling from a financial point of view? What do private investors get in return? What do non-profit backers get in return? Combining not-for-profit backers – eg, 501(c)3 organizations or PRIs (“program-relation investments”) with for-profit investors in the same movie through use of a fiscal sponsor (or by creating your own non-profit). Defining ROI (return on investment) or “success” on <i>your</i> terms. Domestic tax rebates and incentives as another element of the film financing patchwork.
4	Feb 18	Selling to private investors (part 1): Various deal structures for investors, including different splits between those providing creative capital and those providing financial capital. How budget affects the issue of recoupment and profit splits. Finishing Fund deals. Understanding your target markets so as to create a viable distribution plan. Delineating the various revenue streams & “waterfall” structures.
5	Feb 25	Selling to private investors (part 2): Review of model investor agreements. Selling the finished film to the various markets. Discussion of film performance comparisons. How financial projections are built, and their pitfalls. Building the appropriate investor presentation for your project. Reporting to investors.
6	Mar 4	Review of film securities law. Internet advertising pros & cons. Working with a lawyer to create the legal materials required for investor solicitations at different budget thresholds. Pros and cons of working with a bond company, review of bond company agreement. Alternative forms of completion guarantees from private investors or other standby participants.
7	Mar 11	The psychology and mechanics of identifying and soliciting private investors, closing the deal, banking the money. Use of letters of credit. Techniques for keeping investors satisfied and engaged (but not too engaged).
	Mar 18	Spring Break - no classes
8	Mar 25	The cutting edge. Evaluating new and non-traditional sources of financing, eg, all forms of direct marketing, internet downloads, other

		digital platforms, the house parties, and attempts to monetize these market delivery techniques. Reading: A 1000 True Fans
9	April 1	When distribution & financing are provided by the same source, (whether a studio or a company that is taking distribution rights). Review of such production/financing/distribution (PDF) agreements.
10	Apr 8	International Film Financing (part 1). Understanding the underlying rationale for national film subsidies (so-called “soft monies), and other forms of cultural and economic incentives. Difference between “treaty co-production” and non-treaty co-financing. How to combine both in one project. Review of European Co-Production Treaty, and of several foreign co-production/co-financing agreements.
11	Apr 15	International Film Financing (part 2). How to identify and work with the right foreign sales company. Evaluating the international market for your film, and opportunity for pre-sales. Review of foreign sales company and pre-sale agreements. Distribution deals with foreign distributors: pros & cons of flat versus revenue-sharing deals.
12	Apr 22	International Film Financing (part 3 Tax-driven financing, and requirements of other private film funds abroad. When bank financing is essential – for gap financing or cash flow purposes. The issue of international revenue collection. Evaluation of collection agreements.
13	Apr 29	How to research and position your film in the US and rest of world (ROW). Key markets and other ways to compile lists and contacts of potential financiers and sellers of your movie.
14	May 6	Discussion of the ultimate fallback: planning for self-distribution. Presentation of investor presentation packages.

Course Requirements:

Attendance and participation are key.

Using the same project that students are using for the development class, students will create a business-like plan -- akin to an investor offering agreement, minus the legal boilerplate -- to obtain financing. The plan will be developed over the course of the class and turned in at the end of the term.

Students will also create their own database of prospective investors, distributors, international sales agents.

Required Reading:

Filmmakers and Financing by Louise Levison.

Instructors will distribute many documents via courseworks or hand-outs in class.

Trade papers: Variety, Hollywood Reporter, Screen International

Suggested other/internet:

Box Office Mojo  
 Truly Free Film blog  
 Indiewire  
 Filmmaker Magazine (and filmmaker blog)