

Quiz 21

1.) In a short essay describe the basic method known as foreign pre sales and gap financing.

Foreign pre sales are deals made with distributors in pre production. Pre-sales agreements are pre-arranged and executed contracts made with distributors before the film is produced. These are relative towards the process, and progress of marketability. A distributor will determine the films potential costs, for the crew, the locations, film equipment, then advise the creator to take out a loan using the pre sales deal as back up.

Gap financing exists as a method of getting your film out there, by selling the rights to distribute your film in other countries. Procuring a loan is important in all territories because it is vital to secure all unsold distributing rights. If you have a one million-dollar film and you have \$800,000 in pre sales, you'd then need to gap finance the full amount with a loan of \$200,000.

2.) Why is an entertainment attorney important? How can he help you?

Entertainment attorney's are there as a big helping hand when it comes to meetings, and dealing with inventors. Your attorney will diligently look over contracts, and speak with agents. Its important to know how much work load you wish to send your attorney, as his/hers billing will go over what you initially intended to pay them. Knowing this, its important to discuss payment options as well as costly hours with your attorney before sending them documentation.

3.) Explain the different kinds of insurance and why they are important.

Workers Compensation Insurance is all about covering employee injury's that can, and will occur on set. If an accident happen as they do, then its important to have Compensation insurance which comes with first aid kits in the event of an emergency. Its always important to have an incident report before applying first aid, then if an employee decides to sue you, you have the written report.

Liability Insurance is required in that it protects you legally from any, and all civil damages on set. For example, if there is a scene where a store is bombed to hell. If any actors were hurt, then that's what compensation insurance is for, but if an innocent bystander were to get hurt by the explosion, then that's when liability insurance comes in. Its also federal law to have liability insurance in most states, and be advised you may need as much as you can afford.

Equipment Insurance is pretty much self explanatory, if you want to rent an expensive hd camera with all the attachments, its going to cost you a shit ton of funds. Needless to say, since the equipment isn't yours, your going to need equipment insurance. Its absolutely vital to write down every single piece of equipment, so that if someone on set breaks something from the rental house you will not be held liable for that piece.

E&O Insurance is needed only if you plan on distributing your film. If selling the rights to your film is the path your gonna take, then you will need coverage before distribution. Its vital to have a policy before production begins, because most distribution markets now require it. This could be the most important branch of insurance because it covers lawsuits, copy right infringement, slander, invasion of privacy, plagiarism, defamation, and infringement of slogan, or trade mark.

4.) Why aren't permits always necessary and how do you know when to get them?

Permits are not really required if you are just filming interiors, inside buildings, and houses. So long as its somewhere discrete, where so wont get caught, there not needed. Your gonna know when you need them, when a huge majority of your script has scenes that take place out doors in busy areas. In order to avoid having the cops called on you by some annoyed bystander, you'll need permits to prove that you are allowed by the city to film in said location.

5.) What are the various methods available to help you raise cash? Can you think of any others that might not be mentioned in the chapter?

There are a number of ways to raise money for a film. One major way is to seek out investors, they help by seeing what you have to offer, and then giving -

- a fair amount to aid your project. Often times they'll ask for there name to be put on the project as assistant producer, or they could sue you if they are not given the profits that are owed to them. So its always important to have an entertainment attorney. The internet is also a great place to raise cash in an easy way, and also a difficult way. Everyone is doing the exact same thing, trying to get people interested in there projects. You'd have to really know how to pitch your film if you are to get people interested enough to donate/invest. One way to raise funds that may of not been mentioned is to take the best part of your script, and make a sizzle reel of it. Display it for investors and if the 2-5 minutes of your feature was impressive enough, then you will be backed by intrigued people.