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Chapter 21 – Epilogue: Raising Cash – Quiz

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

Gap financing and foreign presales are basic ways of getting your film started. This can be used as collateral when you are able to get your film created. You are basically selling the rights to have that foreign country distribute your film at a discounted price. Although this is not a way of raising money for the film, the contracts that were created will be worth money.

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

An entertainment attorney is important because, if anything were to happen and you were getting sued, for example fraud, then your attorney would be able to help you get through it. There may be an instance when someone sees your film and says you stole their idea. If that were to happen, then your attorney would be there to get through the possible lawsuit. Your entertainment attorney would also be able to help you look through your contracts, talk to agents, and assist you in various ways.

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

It is best to try and get as much of the insurance you can afford. The types of insurance that a production must have are workers compensation, liability insurance, equipment insurance, E & O insurance and a completion bond.

Workers compensation is there to cover you and your employees if something were to happen during work, such as a physical injury. If you did not have this kind of insurance and something does happen to an employee, you could be held civilly liable and possibly criminally liable as well. You should have an incident report around that if/when something happens, you are able to write down what happened. Even if your employee only needs a band aid for a small cut. That person should fill out the incident report in order to have it on record just in case.

Liability insurance protects you from any civil damages that may occur. This type of insurance will cover everything else that may have happened during the accident. The employee would be covered by worker’s comp, but what if there were innocent bystanders that were injured or he/she damaged a building? The liability insurance would come into play and cover those damages.

Equipment insurance is needed in case something happens to anything such as your camera. If someone dropped the camera and the lens were to break, the insurance should be able to cover that.

E & O (Errors and Omissions) insurance is needed only if you plan to distribute your film. This type of insurance will cover your film in case someone accuses you of copyright infringement, invasion of privacy, plagiarism, etc.

1. Why aren’t permits always necessary and how do you know what to get them?

Permits are not always necessary because they are mainly needed when you are outside and need permission to have/use weapons on a sidewalk or to control traffic. In LA, you can go to FilmLA and fill out the correct paperwork that’s required, pay a nominal fee, and choose the police officer for our set. If you are in another city, you should get in touch with the local film commission.

1. 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?

A couple methods that have been helpful nowadays to raise money for your film is to create an account on sites that help promote your film, and if people like your film, then they would be able to donate money towards completing that project. Kickstarter and Indiegogo are great examples of sites that help those raise money for any kind of project they need help on. Another way to help get started is to ask family and friends to invest in your project and give them a small percentage of the profits.

There are also sales that you can do to help raise as much money as you can, carwashes, and other smaller things that can be done. Although these methods in raising money to help create your film may not bring in a lot of money, any amount will do to get you closer in reaching your goal.

The main thing a person should have and never let go of in this industry is perseverance. Sometimes things may seem like it will never happen. You try and try to get your film created but no one wants to buy your script/screenplay. Do not simply give up. Keep motivating yourself and be your own cheerleader.