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FINANCIAL
INFORMATION

PRODUCTION PACKAGING

1. OVERVIEW

The packaging of a motion picture is initiated with the producer's creative process. He or she is responsible for the financial and business administration, the hiring of cast and crew and is the artistic force behind the production. The producer is also responsible for raising the financial budget. For a package to have merit it should include "Letters of Intent" or agreements from lead cast members and heads of technical departments. All correspondence should be incorporated in the presentation with cast and crew resumes. The package should also include a cover page listing letters of intent, agreements, a focused 2 page synopsis of the script and detailed budget.

2. SCRIPT

The script serves as a blue print in the creation of a film. A producer has several choices in securing a script. He or she may either option a script that has already been written, option the rights to a book or magazine article or other sources on which the screenplay will be based, or hire a screenwriter to create an original screenplay based on the producer's artistic vision.

A literary agreement between screenwriter and producer should include the following clauses: Grant of Rights, Restrictions on Grant of Rights, Reserve Rights, Compensation, Contingent Compensation, Representations and Warranties, Changes in and Sequels to the Work, Copyright Registration-Renewal-Extension and Grant of Rights, Additional Documents, Indemnity, Screen Credits, Purchaser's Control, and No Obligation to Produce.

Once a script is in hand the producer will be able to hire a director.

3. DIRECTOR

The director of the film is generally considered to be the most influential member of the production team and is in charge of the performers and technicians. His or her input should begin during pre-production. All decisions regarding the assembly of a production team are made with the approval of the producer. The director is also entitled to the first editorial cut during post-production. In many instances a producer may not have a screenplay but just an idea whereby a director will hire a screenwriter or write the script himself.

The producer approaches the director or the director's agent with an offer:

This is to confirm that (Director) is to direct our film project (Title). This would be subject to our fee (\$ amount) and mutually agreed dates. It will also be subject to our film being financed.

If the offer is accepted and the Director wishes to direct the project, the agent's intent letter would read somewhat like this:

This is to confirm that on behalf of John Smith, we can represent that he has agreed to direct (title) for the salary of (\$ amount). Once financing is in place we will negotiate in good faith an appropriate agreement.

4. CASTING DIRECTOR

This production member aids the producer and director in assembling a cast through the cast director's photo files and working closely with talent agencies. In some instances the casting director begins negotiations with the talent agent on behalf of the producer.

5. CAST

In bringing the lead cast members into a film, producers negotiate either with their agent, business manager or their lawyer. In securing a star performer, the producer must make an offer to their agent prior to their client's reading of the script:

This is to confirm that (Star) is to perform the part of "John Doe" in our film project (title). This would be subject to our fee of (\$ amount) and mutually agreed dates. This will also be subject to our film being financed.

If the offer is accepted, the producer will receive in return the following letter of intent:

This is to confirm that our client John Doe is to perform the part of Harry Jones in your film (title). This engagement would be subject to a fee of (\$ amount), availability and the full financing of the film.

6. PRODUCTION MANAGER

The director may recommend a Production Manager to the producer who has day-to-day control of the project. Involved from pre-production, among his many duties are the preparation of all necessary paper work, shooting schedules and strip boards, and keeping in close contact with all department heads.

7. OTHER CREW MEMBERS

The package should also contain "Letters of Intent" or agreements from the Production Designer, Art Director, Director of Photography, Film Editor, Script Supervisor, Composer, Costume Designer, Make-Up Artist, Still Photographer, Sound Technician and Publicist. Since all productions are not the same in content, Special Effects for instance, it is advisable to secure a document from that craftsman for the package.

8. INVESTOR PROTECTION

A producer should make an investor feel confident by including the following correspondence:

A. A letter from a motion picture insurance company stating that the film is insurable.

B. From a production payroll company stating that they are able to handle a weekly payroll and are familiar with the unions pension, health and welfare funds.

C. A document from a completion guarantor indicating that the producer is willing to follow their guidelines once financing is in place. In the interim