

Getting Ready to Produce

It was the fall of 2004, and I was riding high. I had produced three award-winning films with another one in postproduction. I was on my way to the Osaka Film Festival, where my first film was being honored and I was the star attraction! My film partner, Kate Robbins, and I had three more films lined up, packaged, financed, and ready to shoot in Australia, when bang – the bottom fell out. The UK laws governing film production changed, Australia followed suit, and all three of my projects collapsed. Overnight, all that work was lost. We needed to stop and reassess.

THE TIME WAS RIGHT

As it turned out, the timing couldn't have been more perfect. The same month that the UK changes were happening, the US federal government announced Section 181. Section 181 allowed investors in the United States the opportunity to invest in films and enjoy an incredible tax deduction. The Directors Guild of America (DGA) had lobbied for years to get Section 181 passed with the intention to help prevent “runaway” production. At the same time, the Screen Actors Guild (SAG) was doing its part by offering more reasonable rates to support low-budget indie filmmaking in the United States. We were based in Los Angeles and really wanted to stay home and produce our films. Section 181 gave us that opportunity. So we immediately called our business coach and sat down with her to map out the next phase of our filmmaking adventure.

After speaking with a number of sales agents about what genres were hot, marketable, in demand, yet doable at the SAG ultra-low-budget level, we decided to focus on horror. It was a genre that was selling well at that

time and also one that didn't require a big A-list actor. So we opened up a genre division – WindChill Films, Inc. – and started on our first horror film. We produced three and executive-produced one, all within two years, from 2005 to 2007.

THE LANDSCAPE IS CHANGING

Something I'd like to point out here is the dramatic shift that has occurred since I produced these films. I know it's only been a few years, but a lot has happened in that short time. One of the most important changes has been – you guessed it – the social media explosion! The landscape of indie film producing has been altered so much recently by this change that I feel it's important to address. Not too many years ago, we relied on sales agents, producer's reps, and distributors to both sell and market our films. The producer's job for a over a century was to develop the screenplay, raise the funding, cast the movie, produce it, deliver it to the sales agent, and for the most part, move on to the next project. In fact, in my earlier films, the sales agent even made the decisions as to which film festivals my films would be submitted. Today, as film producers, we are taking full advantage of the access the Internet has made possible, and in many cases we are self-marketing and self-distributing.

Because this is an area that is fairly new and certainly new for me, I will include stories, advice, and suggestions from producers who are currently using and exploring these exciting new avenues.

A STEP-BY-STEP APPROACH

In this book, I will take you through the overall timeline for our horror/thriller, *Séance*. It is my intent to give a very specific overall timeline for making a film. I will break it down into clear chronological segments so you can be guided through it a step at a time. I will refer to *Candy Stripers* and *Portal* from time to time as well. All three of these films were produced in the United States. This book will focus on US laws, specifically those of the State of California. So, although I invite you to map everything you need from this book onto your own production, please keep in mind that you will want to research the laws and requirements applicable to your own area.

I actually think it is easy to produce a low-budget film. I look at filmmaking in a step-by-step, A-to-Z fashion. Don't get ahead of yourself. Really start with A, the first step. I think what stops people is when they look at the whole thing at once. It can look so daunting and overwhelming.

No matter how honorable our intentions are and how passionate and excited we may be about producing our film, we're human. When we hit roadblocks or when things look overwhelming, we all too often get stopped. Breaking it down into steps and stages will make it not only doable, but enjoyable. And isn't that why we're in the entertainment business? We want to provide "entertainment" to people! So shouldn't we be having a blast while we're doing it?

With so many amazing tax incentives around the world and with the remarkable digital cameras and technology we have at our fingertips, there is no reason why we cannot produce our films, see our visions realized, and make our dreams come true. Whether you are an actor, writer, director, director of photography, or editor, anyone who wants to produce a film can now do so – and with the firsthand knowledge you will be getting in this book, you have no reason not to.

WEARING TWO HATS: BUSINESS AND CREATIVE

I know that you are creative. That is fantastic. In fact, it's what drew you to this industry. That is what has you so excited about wanting to produce your film. However, what I so often notice is the unbelievable number of mistakes and problems faced by producers who think that being creative is enough. I am here to tell you that it's not. We have to wear two hats. One is creative and the other one is business! We have to wear the business hat and we have to wear it *all the time*.

I have friends who have produced films that will never see the light of day because they were so busy being creative they forgot to get the paperwork done on the chain of title, others who did not get proper clearance done on their script, and others who did not get signed actors' contracts. *This is a business!* Remember, it is called "show business," not just "show." There is a great quote by English economist Josiah Charles Stamp that is brilliant and should be kept in mind during your entire production: "It is easy to dodge our responsibilities, but we cannot dodge the consequences of dodging our responsibilities."

My friend John called recently from the Cannes film market, all excited that a sales agent was interested in picking up his film. As the sales agent was going over some of the delivery items with him, John realized that he had never had the option for the screenplay signed. When he called the writer to complete the process (something that should have been done before ever moving forward with producing the film), the writer told him that she'd had a falling out with the director. She told John that she refused to sign the agreement, leaving him with no chain of title and therefore no

right to sell and distribute the film. It was over just like that! A year and a half of John's life had gone into making that film, and it would never be released. Neither he nor his investors would recoup their investment. If you are going to read the rest of this book and go out and make your film, you must be prepared to wear both your creative and business hats.

THE BUSINESS OF FILM PRODUCING

The reason I am writing this book is that I learned so much of this stuff the hard way. I don't want you or anyone to make the mistakes I have made. This book will save you thousands and most likely tens of thousands of dollars. My intention is that the information in this book will educate you about the business aspects of filmmaking; with this education, not only will you avoid my mistakes, but you will also have fun during the entire process of producing your film with no unforeseen surprises along the way.

I remember when my filmmaking partner Kate Robbins and I were finishing up shooting our first horror film, *Candy Strippers*, and we had made a point to get the still photos from the film off to a number of sales agents along with some great articles that had been written about us on various horror film websites. We received an encouraging response from sales agents and actually had a few of them wanting to sell our film. We got the delivery list from one of them and it was seven single-spaced pages! It was like reading another language. I had no idea what any of it meant. Sales agents and distributors need things like a dialog spotting list, a script clearance report, a pan-and-scan version, an HDD5, and a clone of an HDD5. I thought clones were something that happened to sheep in Scotland.

There were endless lists of these things, including E&O (errors and omission) insurance, and they were all essential if we were to do a domestic sale. I didn't even know what E&O insurance was. I knew that we had had our film production insured and that was all I knew. As it turned out, E&O insurance was an extra \$5,000! As I started adding up all these delivery items, it was heading into the \$15,000 to \$20,000 range – and we had not raised that extra \$20,000. This was a hard and expensive lesson to learn. It was then that I knew I would teach a class in low-budget filmmaking and write this book. I had done four films before moving into the low-budget world. I had produced three and helped raise the money as an executive producer on another. They were all budgeted in the millions of dollars, so when Kate and I decided to do these smaller \$200,000 budget films, I thought, "This will be a joke! This will be so easy I can do them with my eyes closed." My arrogance cost nearly \$20,000. On the larger-budget films, there is a lot of money set aside for postproduction and

delivery and there is always a postproduction supervisor to handle it. When you're doing an ultra-low-budget project, you don't necessarily have that luxury: you, as the producer, may have to wear that hat as well.

So now that you're wearing your business hat, let's do what business owners do: commit to a specific goal with a deadline attached. Or, as I would say if I were teaching my workshop, "It's time to put your butt on the line." Take a look at Figure 1.1. I think you'll get the picture.



FIGURE 1.1

There is something very powerful about setting goals. It makes what you are taking about real! You are giving your word. This is happening!

Exercise: Project Goal



What's the game?

A **goal** is a clearly worded, single, focused statement that has you commit to a specific, measureable result by a specific date.

PROJECT GOAL

By _____ I will _____

FIGURE 1.2