

Shebib exposes himself

by Bruce Pittman

Don Shebib's sixth theatrical feature, Heartaches, opens across Canada in January, after having being warmly received at festivals both in North America and Europe. More than a decade ago, his first feature Goin' Down the Road (1970) marked the beginning of an energetic period of filmmaking in English Canada as Peter Pearson, Don Owen, Allan King, Eric Till, Paul Almond and others brought Canadian stories to the screen. He speaks with Bruce Pittman about his filmmaking, past, present and future.

Cinema Canada: What is your present state of mind?

Don Shebib: Right now the industry's at a pivotal point. In the next four or five months we're going to see what's going to happen, not only with the industry but with me as well. *Heartaches* is opening in January. It's opening in the States shortly after that. If the picture does well, I'm flying. I don't know how well it's going to do, but I do know it has the potential to make a lot of money. There's no question in my mind about that. It has nothing to do with my personal feelings about the film. I've seen it with the audience. I've seen it in Chicago, San Francisco, London and Toronto. The audiences really liked the picture a lot. It's a winning picture. Despite flaws and things that should have been better, it wins the audience over. They liked the characters. It's funny. It has a kick in the ass in the end. They liked the picture a lot.

So if I was giving this interview in a month from now and the picture was doing well - had opened in New York and was doing well there - I would be in a completely different position. Whatever is going to happen, I'm not going to be in the same position I'm in now. Right now I'm at zero. Either I'll be in a position to do what I want to do, or I may be in a draw; or I may end up in a big loss if *Heartaches* bombs.

Cinema Canada: Who do you make your films for?

Don Shebib: For me primarily, and for the audience. I believe (and I've always believed in myself) that I am, in the best sense of the word, a commercial filmmaker. I'm a story teller and I believe very strongly that the kinds of things I like, are the kinds of things an audience would like. I don't like to see films about the sex life of a bumble bee and I don't

Bruce Pittman recently directed the Olden Days Coat which won the Bijou Award for Best Drama Under 30 Minutes, and a gold plaque as Best Children's Film at the Chicago International Film Festival.

think the audience does either. So I don't worry about that. There are lots of films that I want to make very deeply and very badly that I know the audience will love.

I started out on *Heartaches* because I knew the audiences would love it. They would like the characters, and especially love Rita as she was written. And as she was written, the closest human actor to it would be Joanne Worley from *Laugh In*. That broad... that's what she should have been like. I pitched the thing to Bette Midler but she turned it down which was a big mistake for her because she's enough of a dog to make it work. Margot Kidder's different. She's too pretty. But anyway she does make it work. She makes the part her own.

What does make *Heartaches* work is the script that Terry Heffernan wrote. The screenplay saves the film, despite its other problems. Now what makes Terry such a good writer is that he has an exceptional sense of character, humour, and is a very funny writer. He also has a very good visual sense, an off-the-wall visual sense. It's all those things that make up a screenplay.

People accuse me of being extremely arrogant about other directors. Nobody is arrogant by nature... Arrogance is caused by lack of respect for the people who surround you.

I consider the screenplay as a function of the writer and the director. It usually takes two people, but one person could fill both functions. The director's contributions to the screenplay are textual, filmic contributions. It's very rare for someone who has the talent that it takes to write a screenplay, like sense of character, humour, dialogue, to also have the talent of looking at life that a good director has. Those kinds of talents almost never come together. You can count on half of one hand the men who had that ability.

What of course happens is that so many directors write their own screenplays, which is disastrous in my opinion. Huston once said "one way to get a good movie is to get a writer and a director, and lock them in a room together until they come out with a good screenplay."

But the screenplay is a function of those two talents. And they are separate talents.

Famous filmmakers who have written their own screenplays, like Bergman, etc., are not people who deal with characters and situations. They write director's screenplays, entirely director's screenplays. And the films look it. They aren't entirely satisfactory for me, most of the time. Probably the best one is Fellini. I love Fellini. I think *Amarcord* is the greatest film ever made except for maybe *Citizen Kane*. Unfortunately he's gone back to making shit.

Cinema Canada: Do you adhere to the filmmaking idea that shooting film is simply a process that you go through to get enough material to edit?

Don Shebib: Very much so, in many ways. Yes. It's gathering your paints. Editing is the basis of filmmaking. But editing extends to all filmmaking and doesn't start in the cutting room. It starts on the first word that goes on the page; that's editing.

Carol Ballard, who made *Black Stallion*, is the extreme. I saw Carol in San

Francisco in August. He had just finished Farley Mowat's *Never Cry Wolf*. For that picture, Carol shot over 1 million feet. He's seeing the error of his ways now. Nobody can cut the film but him. With that amount of footage you can't trust an editor because the editor has so many decisions to make. You have to be there with him. So he's sitting in a room cutting the thing himself, 20 hours a day. He's going mad.

George Stevens shot tremendous reels of film too. I don't shoot that much. I'd like to shoot more. But all this goes back to the basic question: What's a screenplay? What is editing? What is directing? You can't define them without relating. They are all the same definition.

A good screenwriter is someone who is also a good editor and also a good

director. He may just decide to apply his talents to one particular thing. Whereas the director has to be all of those things. The director doesn't have to be a good screenwriter in the sense that he has to write characterization and dialogue, but he has to have a good sense of visual images. I don't mean visual images like pretty pictures. When I speak in terms of visuals, I talk of sound as well as images - textures. And as much of that as can be put into the script should be put into it.

Somebody brings you a screenplay that has a good story, good characterization, good dialogue. It's funny, it's sad, it's exciting... everything a good screenplay should be. Now, depending on what kind of a writer that guy may be, it may or may not be a screenplay. It may be a story and a situation and characters, all written out very nicely, but it may not have that particular thing that makes it a good screenplay. In which case the director, if he's a good director, can sit and expand on his characters or on the dialogue, changing situations so that it has that peculiar mixture of time, energy and texture. That makes it a good movie.

People always think that movies are



● Shebib gives direction on the set of *Fish Hawk* (1978)

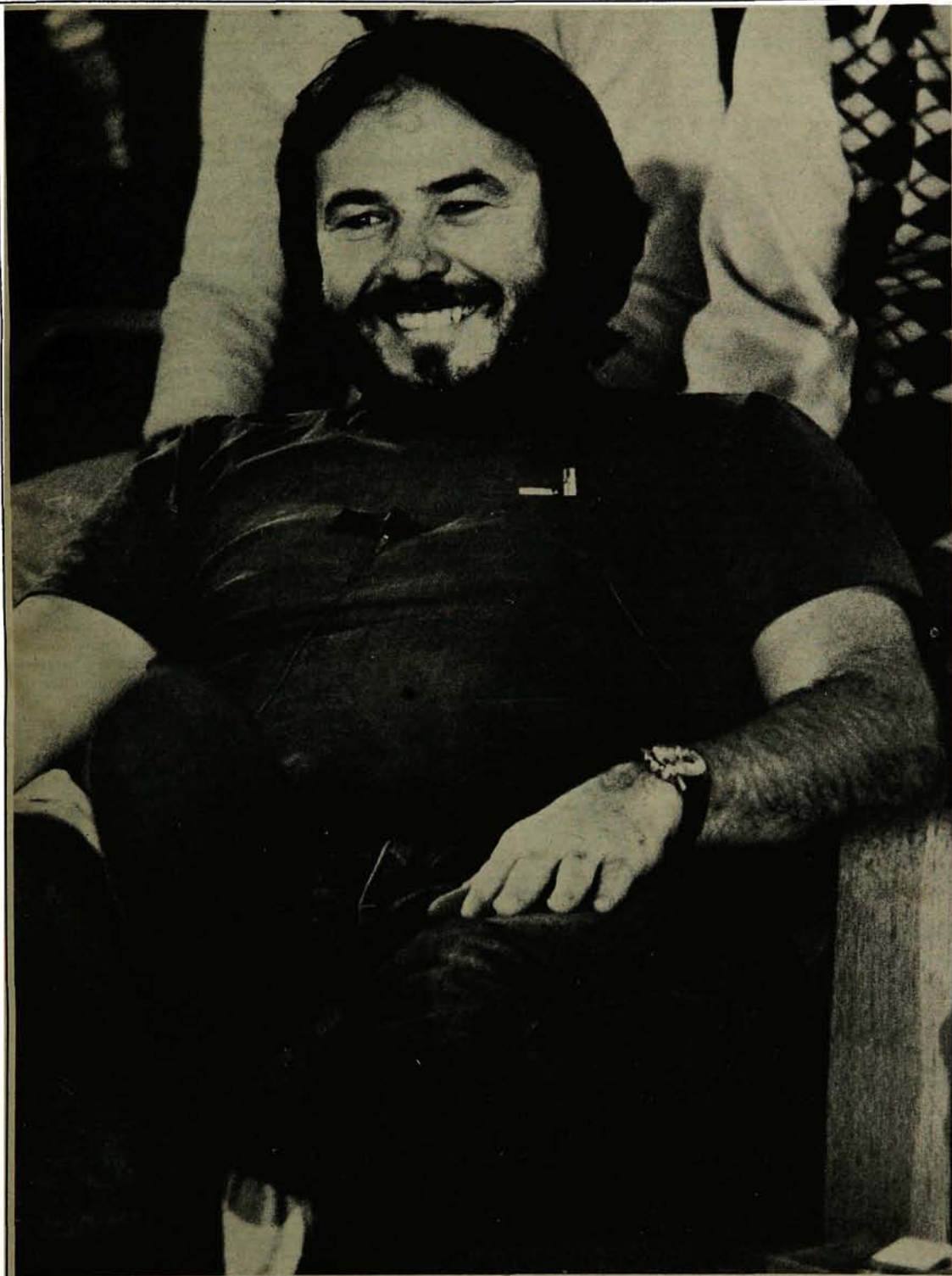
photo: Ron Watts

related to literature or the stage. It has nothing to do with that. The art the movies are the most related to is the only other art that has time, and that is music. How long is the Mona Lisa? Two hours, 10 minutes? However long you want to make it, right? Only music has time limits. The stage has real time, though not the other kind of time that movies have. And time, images and sound, those three elements are what make the texture of a film.

Cinema Canada: Have you looked back and tried to put your films in perspective?

Don Shebib: I'll tell you what always amazes me - especially when I'm in the midst of making a film - is how I ever made *Goin' Down the Road*! I hear about guys making low-budget films

INTERVIEW



● In the early '70s, the mid-winter Winnipeg Symposiums were fun

photo: Stephen Chesley

these days, but they are out there with 10-15 people on the crew. That film was made with me, Richard Leiterman, Jim McCarthy, who did the sound, and Sandra Gathercole who worked now and then to help me out, and another guy who came to help me, who had never done anything since he came out of school. I don't know how we did all that. I guess I could do it again. I don't want to, but I could.

Originally it was going to be for television, and it was to be called "The Maritimers". I was going to do it for the CBC, but they didn't want it. I won some money from the Canadian Film Development Corporation on a contest they had and I made it with that money. I never set out specifically to do a feature film. Then when it happened... when I got all

that praise from here and the States, I wasn't prepared for it. I wasn't even aware of what was happening. At that point I wasn't prepared to pull up stakes and run to California. I didn't want to leave.

After *Goin' Down the Road* I had the chance to make another film. The producer wanted to make a film about a bunch of teenagers (*Rip Off*). That's all he wanted to do. I said OK, I'll try it. I was broke, so what the heck. I did that, then I did *Between Friends*. I wasn't happy with the way that film turned out, but I liked making it.

Then I did *Second Wind*: not a very good script, but a terrific idea. I was very disappointed with that commercially, because it should have done well. It's not a very great movie by any stretch of

the imagination. It was made a year and a half before *Rocky* and no one would touch a sports film then. They just didn't want to know about it.

That is the time I felt I should leave Canada. But then my personal situation changed... kids and things. All these affect you one way or another. So I didn't leave. I should have left after *Goin' Down the Road*. I should have gone to California. There were no ground-rules then. Now I want to leave emotionally, mentally and artistically, but I don't want to leave physically. I spent all my life in Toronto except for a few years in Los Angeles. My roots are here, my friends. I've played on the same football team for 21 years. I prefer to stay here.

But I'm anxious to go back to Califor-

nia to be with people I can respect. I just don't find enough people here that I can really respect. Other directors, producers, writers... I just don't find them here. There's a few, a handful of people. One of my two closest friends is Carol Ballard. It's just so good to be in the company of good filmmakers.

People accuse me of being extremely arrogant about other directors. Nobody is arrogant by nature. Trudeau is not an arrogant person. He appears to be arrogant because he has a lot of contempt for a lot of the twits who sit in Parliament. Arrogance is caused by lack of respect for the people who surround you. The way to cure arrogance is to surround yourself with people whom you respect. Then you're no longer arrogant. The cause of your arrogance is not yourself (at least for me it isn't) it's other people. I would just like to be among people that I consider my peers. There are very few here I can communicate about film the way I want to. So I'm really on the outs here. I really wanted to see founded here a Canadian entertainment film industry. "Entertainment" is the operative word for me.

The film industry has split up into two camps here, in the last four or five years. There are the commercial producers - who think they are commercial producers - who haven't produced anything but commercial flops. Then there is the sort of Canadian "artist." But to me shit is shit. I don't care if it's sleazy *City on Fire* films, or any number of films from the Film Board or Quebec that I could mention. Some aren't bad, but for the most part they're not good films. They are pretentious, boring, slow or dull.

I don't think much of *J.A. Martin photographe*. I thought it was a bore. I thought it was a 40-minute film with some nice photography, nice acting, dragged out to one-and-a-half or two hours. The film wasn't a success. It wasn't a good movie. That's the bottom line. It wasn't entertaining. It wasn't anything. And those films have done greater harm for the Canadian film industry than all the *City on Fires* that you can name. You consider some of the pretentious films like *The Far Shore...* uniquely Canadian films, and the list is endless. They have done more harm to the film industry than any exploitation film you could mention.

Now the other commercial producers have used those films as clubs, saying "well, you see Canadian films don't make money." They don't make money because they're not very good films. That's why. Not because they're Canadian. And they've used that as a club to eradicate any attempts to make any films set in this country. I've got a lot of films that have nothing to do with Canada whatsoever, but there are lots of films I'd like to make that are specifically set here.

Sometimes I say to myself I'll go and teach or whatever but, I'm not very serious about it. I couldn't give filmmaking up... God no!

Cinema Canada: At what point did you get interested in films?

Don Shebib: When I was 15 or 16 I watched films on TV. I wouldn't watch anything that was made after 1940. I'd watch anything that was made before then. Then I found you could watch silent films if you joined the Toronto Film Society. I went there in the later '50s when I was a student at the University of Toronto. I was really taken with that period of film. It had a tremendous romantic fascination for me.

INTERVIEW

A film like *You Only Live Once* wiped me out for about a week. No film has ever affected me the way that film did. I have a very real sense of social movement and am deeply affected by groups of people acting as one. I was also deeply affected by Frank Capra's *Meet John Doe* and his greatest film *It's a Wonderful Life*. It is only in the late 10 years that people even noticed that film. It's always been one of the great American films, and no one has paid much attention to it.

Cinema Canada: *Who are the filmmakers you respect?*

Don Shebib: Most are dead. I have a great deal of respect for my friend Carol Ballard. I think he's a tremendously talented filmmaker. He was talented from the first day I met him. I've been singing Carol's praises for 20 years. It's a mundane analogy but Carol's always had a fast ball. We did a couple of films together; we co-directed one together. I shot one for him, he shot one for me. He's just tremendously talented. And it was there from day one. *Harvest* is probably his best film.

My favourite filmmakers are Ford and Capra. I like American films. The present filmmakers... I don't really like too many. I like Alan Pakula's work. I like Coppola. I think he's a very intelligent filmmaker.

The only film that influenced me stylistically was *Listen to Britain* by Humphrey Jennings. It's a documentary film made in war-time Britain... one of the most innovative films ever made.

Did you ever see the film I did on the old war veterans? *Good Times, Bad Times*? For me that is taken to the ultimate step in that style of filmmaking. And the kind of filmmaking that's in *Good Times, Bad Times* and *Listen to Britain* is not so far removed in ways from *Raging Bull*... the way it's cut.

I think Scorsese is a terrific filmmaker. He never knows how to end his films, and he's not a very good story teller, but he's got a tremendous fast ball. Still, there's something lacking in him. His endings are very poor. In *Raging Bull*, he could have thrown all that stuff out when DeNiro puts on 60 lbs. It was irrelevant. He could have stopped the film in 1947, in any number of places. But the ending part was completely irrelevant. It dragged the film down. All his films have a very bad ending, but I have a great deal of admiration for him.

Cinema Canada: *What do those directors have? Can you find a common thread in their films that you like in comparison to your work?*

Don Shebib: What binds? It's hard to talk about yourself. It's one thing to talk about myself and Carol because we're contemporaries and know each other very well. It's odd to talk about yourself and, say, Frank Capra.

Who knows? Maybe I'll be that good some day. Chances are very slim. Maybe I won't amount to beans.

I have certain things in common with both Ford and Capra, and Carol. We are all gut filmmakers. There are too many filmmakers today who are intellectual filmmakers. I can't stand Brian DePalma. I can't stand pretentious and phoney directors. They are filmmakers who look at films all the time, not much else. I'm very much more of a street person. I don't mean like New York street, hip, rock-and-roll kind of person. I'm not that kind. I'm an early 20th century man, very much a Mark Twain (not the character) but the values. The values of the

early 20th century - of Twain, Ford and Capra - are my values. I'm that kind of street person as opposed to the '60s rock-and-roll or the '70s or whatever.

But when you talk about those early filmmakers, those days of filmmaking, they were like the early days of the railroad. The building of North America. Those days are gone. I'm of that temperament. I've got about one grain of sand of an entire beach worth of interest in science fiction. It's even beyond my ken. But I'm extremely interested in historical films. I want to do period films... '20s, '30s and turn of the century. I'm mainly interested in historical films that coincide with the arrival of photography or motion pictures.

But although I talk about Ford and Capra a lot, I don't talk about them, say, the way DePalma would talk about them. I mean someone's remaking *Treasure of the Sierra Madre*. The guyotta be shot. I want to remake *Saturday's Hero*. That's a film that had really good ideas but was not really done well. There's a reason to do them right. You don't remake *39 Steps* or *Grapes of Wrath*. It's insulting.

Even though I talk about Capra and Ford (and this is a very important point), I don't relate back to them, the way these guys are doing. They're just people I am very simpatico with. I'm very much their kind of person. I like their values, but I don't copy their work. I'm just out there having fun, making films. I'd like to do it 10 times more than I do. I love making films.

I just did one for CBC recently. I hadn't worked there for about four years. The script is a piece of junk, but it was fun. I enjoyed doing it.

The way the modern filmmakers - and DePalma epitomizes so many of them for me - the way they look back on these old geezers, there is something almost patronizing.

I can't stand Brian DePalma. I can't stand pretentious and phoney directors... who look at films all the time, not much else. I'm very much more of a street person.

Cinema Canada: *Do you see patterns that run through your work?*

Don Shebib: I look back and think, why did I make that film? People go through periods. There's a very strong strain that goes through four or five of my films and it culminates with *Goin' Down the Road*. My documentaries follow an obvious pattern and then the patterns, dissipate in features.

You have control over the kind of film you want to make when you're dealing with \$100,000, \$50,000, \$20,000 films. Say you want to make a film on a particular subject. You find someone at the CBC or NFB who'll let you do it, and you do it. With feature films you don't have that kind of choice, unless you're someone like DePalma or you're in a position like his. So I've made feature films with the only scripts I could find.

The only time it was different was with *Fish Hawk*, where someone offered me a project. That had never happened before and hasn't happened since that day. So what I'm saying is you can't apply a certain pattern and read a certain sort of flow in films when you don't have control over those films. When you're dealing with feature films, at least in this country, when the directors don't have control over what they've done, you can't apply a pattern. Certainly with the early films there was a pattern with the kind of films I made.

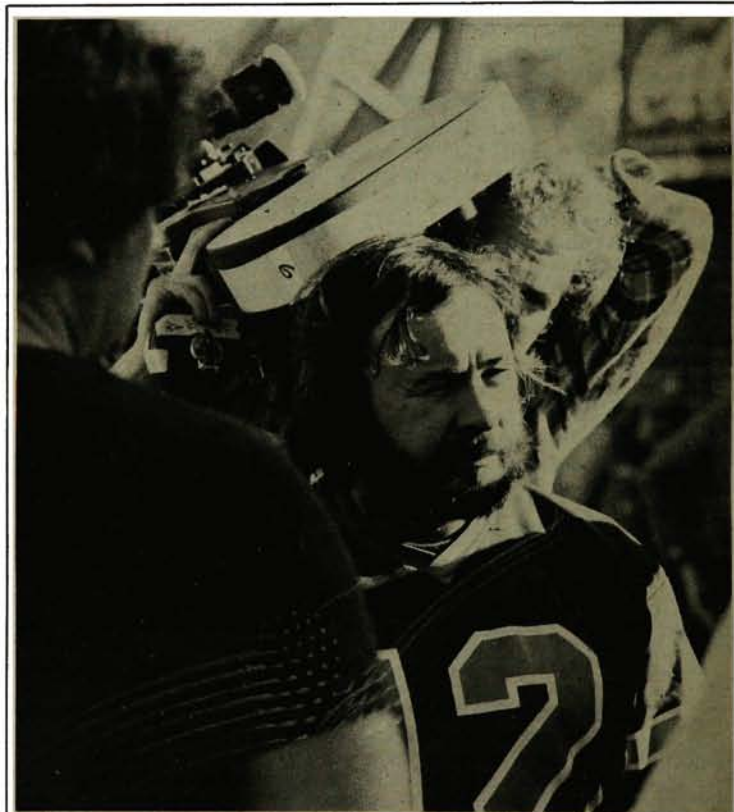
Cinema Canada: *Films in Canada. What's your opinion? Where do you stand right now in December 1981?*

Don Shebib: Well, that's a rather difficult question for me because I'm tired of listening to myself be such a doom-sayer and I've been that for such a long long time. Certainly in the last five or six years in particular. It's boring to see myself say it in print. It's boring to have people give me a hard time about saying it. Yet it has to be said because there's nothing else to say about the film industry in Canada. What can you do? It's like

it. I look at the filmmaker and I'm a pretty good judge of ability in that sense.

I look at it like a baseball scout would look at a pitcher. Does he have a fast ball? That's all you care about. Curves, sliders, hooks and every other kind of pitch you can teach them. But a fast ball is God-given. Filmmaking talent is God-given. Someone might be extremely talented and sensitive in other areas, but may not have the peculiar way of looking at things that it takes to be a good filmmaker. I don't subscribe to the theory that "it's the guy's first film - he's just learning." Fuck that, he's going to learn shit. He doesn't have a fast ball.

There are some filmmakers in this country that have been highly respected for several years yet they don't have a fast ball. They never had it. Now there are people saying "Gee, his films aren't so good are they?" They never were so good. You could see that from day one. But Canada being the way Canada is... It's a country that loves mediocrity. That's its middle name almost. But, on to other hand, good directors, people like Peter Pearson, haven't been making the feature films in the last few years.



● Shebib last year, creating *Heartaches*

photo: Robert McEwan

complaining about the cold and living in Edmonton. If you're going to complain about the cold, don't live in Edmonton.

Cinema Canada: *Do you have to have a cynical edge to work in this country? And what do you know now you didn't know when you started?*

Don Shebib: Well, I know a lot more about filmmaking obviously. I could have known still more if I'd left and gone to the States, or if things had been good for me here, which they haven't been. It's like any art or craft, you have to practice it. You have to have the basic talents to begin with. I'm a very firm believer in that. If someone doesn't have the filmmaking ability with the very first movie they make, they'll never have

Cinema Canada: *Why is that? Is mediocrity applied just to the arts in Canada? Or is that just a Canadian trait?*

Don Shebib: I have a very strong love/hate relationship with this country. My sense of patriotism is extremely deep and strong. At the same time, there are so many things about Canada that I really dislike. That's true about anybody that looks at their country with any kind of view.

The qualities of America run from highs to lows, from one to ten. Our qualities, our good and bad qualities, sort of sit in the middle range from six to four. You get that middle, safe feeling about Canada.

About our only extreme is that too much money is spent on some films. Why did certain films in this country

cost seven, eight or nine million dollars? I never saw *Patman*. I don't know what the film turned out to be like. I read the script years ago, and it was a script that should never have been made for over two million. I liked the script but I wouldn't give it a popsicle's chance in hell as far as commercial strength.

Cinema Canada: *What do you think the future holds?*

Don Shebib: It's difficult to predict what's going to happen for me personally and for the industry as well. I feel the capital cost allowance film is pretty well dead. It's so ironic: they bring in the CCA to promote Canadian films and what does it do? It kills them. That's what everyone said was going to happen. With the Eady plan in England, the same thing happened. It happened differently but with the same results. Finally, they bring in a rule for January of this year. Now the director and writer have to be Canadian. So what? The game's over anyway. It's too late.

Besides, the producers will cheat. They will find some Canadian writer and put his name on the film when it was really written by an American. That sort of thing will go on. You can't stop that.

What's been happening in the last two or three years is the packaging. There are several kinds of packages. What we've had here is the most insidious kind of packaging. In the States they talk about packaging. The agents make the films now, so they get Burt Reynolds and Sally Fields, and it's going to be a good package, right? And that's to entice the distributors. The pressure is always on to get a name in the picture. But in the last four years in Canada, the added pressure was to get the investors, so you could have the greatest story in the world, a wonderful director, a film that's going to be sensational, two relative unknowns or minor names starring in the picture and no investors. On the other hand, there is a complete piece of shit with a hack director and hackwriter, but it's got Richard Burton and Elizabeth Taylor in it. That will raise the money.

Now it's one thing to have a name for the public which doesn't care much about it anyway, except for a couple of people. It's another to have a name for the distributor. But it's so insidious to have to have names for a bunch of dentists, doctors and lawyers looking to get tax breaks. So who does the dentist with \$20,000 to lay off, invest in? He will invest in a Burton film because all he knows is Burton. He's not seeing the film. He's not even seeing the script.

And that's what killed the Canadian film industry. Because there has been a scramble to get names, no matter who they were. Whether they fit was irrelevant. It's also irrelevant because most of the scripts weren't worth being made anyways, even if they cast them perfectly. How can you cast a piece of shit perfectly? It's still a piece of shit.

I don't get too excited about politics. I'm not too excited about what's going on in Poland. All my energies go towards filmmaking in that sense. I don't care that the Russians are marching into Poland. But it pisses me off that bad directors make lousy films, not that someone is shooting someone in San Salvador or 3 million people are starving in Nigeria. But it pisses me off that some jerk director will be making the *Terry Fox Story*. Those are the things I get excited about. I still care very much about all that stuff.

I've become jaded in a way. I've finally come to the conclusion that, in this business, it's not how good you are that counts, but, how good people think you are, and mediocrity will almost always win out. I don't know what's going to happen to the future of the Canadian film industry. Right now, as far as I'm concerned, there barely is one. They're all running like lemmings to pay-TV, hoping that's going to solve their problems but they're going to fuck that up like they fucked this up. I don't see why it should be any different.

People have a hard time accepting and understanding me. I like good movies and I get really pissed off when they're not good. That's what I care about. People say, "What skin is it off your nose if some director is making junk? What do you care?" Well, first of all, it is skin off my nose. I've been saying this for years. It's skin off all our noses. If I've got a terrific script, I still can't go out there and get it made because of those people who have burned the industry to the ground. So it does affect everyone. Some people don't like to see food wasted. I don't like to see shlocky, bad movies.

Cinema Canada: *What are your biggest faults?*

Don Shebib: My biggest fault is that I compromise. I don't know if it's part of me personally or perhaps I just learned to deal with being in Canada. I'm going to do as much as I can to stop compromising too easily. Carol Ballard is fiercely against compromising and I admire him tremendously for it. It's going to get him into trouble some time, because everything is a two-edged sword. But he is uncompromising. I wish I had more of that quality.

Second, I'm not that ambitious. Ambition doesn't mean anything to me. I'd just as soon play golf the rest of my life. I have ambitions to make particular films. I don't have any ambitions to win an Academy Award, except that winning an Academy Award would enable me to do the things I want to do filmwise.

I'm in this... anybody is in the film business or any artistic endeavour, because of a sense of themselves and ego. I have a very strong ego, obviously. But that's not the end. Ego is just a way to get me someplace, that's all. It's the means rather than the end. Although I have a strong ego, I don't think it has overtaken my talents. That's when you're in trouble. And that happens to a lot of people. I just have ambitions about particular projects that I'd like to do. But I would like once, just once, in the near future, to be able to say "I have no excuses about this film, I gave it my best shot." Just to say, "This is the film I wanted to make. The money was there. I had as much time as I wanted to make it. If it fails, it's completely because of me."

I'm tired of making excuses for myself... to myself. I don't really know how good a filmmaker I am. I've never really had a full shot at it. And I don't think anybody in this country has either; it's not just me. I believe very strongly that I would have been a much better filmmaker if I had gone to the States and that's true of several other filmmakers here too.

But when I think back I knew as soon as I'd put my first piece of film to my second and made an edit... I knew filmmaking was for me. It's like the line a friend of mine said, "I knew when I had my first hard-on that that was what I wanted to do the rest of my life." Filmmaking is the same. ●

Seeing the deal through

David Patterson moved into feature production from a firm base as president of Telescene, a Montreal production company which, for over five years, has regularly produced television commercials, documentaries and industrial films. With Niel Léger, and now Pieter Kroonenburg as partners, Patterson uses Telescene to furnish the first capital needed to develop feature projects.

Heartaches - and the title was often appropriate during the shoot - was Patterson's first adventure into the feature arena. Now, teaming up again with Kroonenburg while Léger minds the Telescene shop, Patterson is gearing up for pre-production on Cross Country, a Canada-U.K. co-production to film in April, and is working out development details with the CBC for a mini-series for 1983.

Below are some comments by Patterson, given during an interview with Cinema Canada, about the importance of sticking with a film once it wraps, and about the challenges confronting the industry in the coming year.

The success of a film has most to do with the amount of time, energy and ingenuity that the producers apply to making sure that it works. *Heartaches* is certainly a case in point. No matter how good your sales agent is, and no matter how great the contracts you have, the principals must continue to be the prime movers.

The overall sales agent was the Seven Arts people, Michael Bennahum who really a terrific job, spent a lot of money out of his own pocket, and did a lot of lobbying and hard work. But in the final analysis, only the person who believes in something can make it stick, and it was the producers of *Heartaches* who ultimately made the Avco Embassy deal. They had turned the film down three times and they picked it up on the fourth pass because we were able to present it to them with the marketing hook.

There had been an inability on the part of the executives at most studios and distribution companies to see the inherent value in *Heartaches*. Consequently, it was necessary to find the one individual who could give us the twist that would make it comprehensible to the distributors. Pieter, on this last trip to Los Angeles, found an advertising consultant to Avco Embassy. They saw the picture in a private screening together, and he got very excited about its potential, for a certain reason. He said "Look, I think this picture is another 9 to 5. I think we have to change the title and market it that way." He had all sorts of ideas and... the next morning, they go down to see Len Shapiro at Avco Embassy, and I don't think we looked back. Three weeks later the deal was signed because someone had found the way.

We have the kind of deal with Avco Embassy that was worth holding out for. They handle the world. We do not have full cross-collateralization. We have access to 20% of revenues from first dollar with their expenses coming out of their share. We have a lot of things which I'm not sure too many Canadian producers have worried about...

Two years ago, in the Fall of the '80s, it was very easy to get an Avco deal of some description. Today, you cannot get an Avco Embassy deal unless you also have something viable to offer. The

distributor now says, "You're offering me a deal where I can absolutely lose no money, but I still won't take it. Why should I spend my time just not to lose money?"

The market has changed substantially in the US. Network pre-sales no longer take place. Off-network and cable television are in such a state of change and flux that nobody quite knows how to handle them. Because videocassettes are coming in and pay cable networks are opening up, etc., it's very difficult to deal with them in a pre-sale environment. Finally, the theatrical distributors are saying, "Look, I don't want to handle any film theatrically just because you're giving me the ancillary rights and I will be covered. I want to believe that this film has theatrical potential equal to the amount of effort and money I will spend on it."

So we were born about six months too late with *Heartaches* in that respect. Certainly our expectations at the time that we set out to produce the picture were vastly changed by the time we had an answer print to the picture; and then we had an eight-month, up-hill fight to ensure that we had the kind of viable deal which would imply that, if the picture performs, the unit-holders stand to make money. That was our objective, and with Avco we have that.

My greatest concern, the greatest crying need, on the part of producers in Canada, is to be able to apply the amount of working capital required to see their ideas bear fruit. We see the traditional avenues drying up; a lot of private investment groups are less willing to invest because of the track record of films, less willing because of the current economic situation and their lack of need for protecting capital gains and income.

At the same time, we're probably at a break point although, outside of the industry, no one's aware of it. We have learned a lot of lessons as producers about what it is that makes a viable business proposition, and we're at a point where we can be much more valuable to the financial community in terms of an investment opportunity than was ever the case.

Somehow, we haven't met the challenge of what it was the financiers were looking for in terms of establishing long-term relationships. We have had the exposure, one to another, and what the financial community has walked away with is a bad impression, if they have any impression at all.

I think that the crunch is going to boil down to two things really. First is Revenue Canada's attitude towards pre-sales - we call them pre-sales, they call them revenue guarantees.

I think we have been limited in our ability to offer a viable business opportunity to the investor because of the concern over revenue guarantees and whether or not they would ultimately mitigate against the tax shelter.

Literally, I've been in the position of saying to American sales agents and distributors, "Look, I don't like to let you off this hook. I know you told me you'd give me a \$500,000 letter of credit on this, but would you soften the deal? Would you tell me that you'll only give it to me if x-y-z will happen?" And he's saying, (cont. on p. 30)