



● Keeping in tune with changing trends: *Another Kind of Music* from Glen Salzman and Rebecca Yates

Planning to stay alive

by Bruce Malloch

If you believe the myth, Canadian independent filmmakers used to operate a lot like Wild West gunslingers: shoot first, ask questions later. Distribution took care of itself, like the price of food and gasoline. But today, looking to survive in a tough marketplace, many filmmakers are examining the marketability of their productions before they shoot—a less romantic, but certainly more practical, approach.

For an independent filmmaker to achieve any sort of creative freedom, that filmmaker must first survive in the marketplace, and to survive in the marketplace, a distributor must be able to sell that filmmaker's work in high volume. Facts of life in the film business, but, like many other facts of life, it sometimes takes hard times and tight money to drive the point home. Yet Canada's non-theatrical distributors have done a much better job than their colleagues in

feature film and television in providing Canadian producers with exposure, adequate financial returns, and continuity of employment: three essentials for a solid industry. They have been successful because distributors and filmmakers in the non-theatrical sector have been able to work together, rather than at cross-purposes.

Bob Vale, president of Magic Lantern Films Ltd., feels the non-theatrical industry's most positive achievement has been the ability of filmmakers and distributors to successfully respond to market needs through careful planning. "We are producing and distributing a good number of Canadian films by properly pre-packaging projects so that they are assured of a decent return." Frances Broome, president of Kinetic Film Enterprises Ltd., maintains that fewer filmmakers are making films without knowing the marketplace. "They're not as naive as they used to be. They've wised up in a hurry."

What is the "non-theatrical" sector?

Unfortunately, the term only tells you

what the films are not and where you cannot see them; but non-theatrical films generally cover the medium's informational and educational aspects, such as documentaries, training, and instructional films. They are bought by schools, libraries, colleges and universities, businesses, government, hospitals, corporations, religious and cultural organizations—anywhere film might be used more for its learning value than its entertainment qualities. So, for non-theatrical distributors, there is no "box office", no smash hits like *E.T.* or *Porky's* topping \$100 million in gross revenues, and no huge failures which poison investment. Instead there is a conservative, relatively predictable buyer group acquiring films often for \$500 or less each individual purchase.

The non-theatrical sector is much smaller than feature film. For the entire 1980 Canadian market, according to a market survey prepared by Clarkson Gordon, expenditures totalled \$17,857,575. The American non-theatrical market is much larger (an estimated \$75 million) but not easily accessible to Canadian distributors, though several have made

respectable penetration south of the border. Its small size has made it difficult for the industry to lobby government for support, especially when larger, more troubled industries are also at government's ear. But, as Les Modolo, president of Marlin Motion Pictures Ltd., points out, the non-theatrical sector has not asked government for handouts; rather, like many other small businesses, it has asked only that government stay off the industry's back.

But changes brought down by the recent Ontario budget to the Retail Sales Act have posed an immediate problem for the non-theatrical sector, since many distributors are Ontario-based, and provincial sales account for 36 percent of the Canadian market. Modolo estimates the seven percent sales tax now being applied to non-theatrical films will mean buyers may lose over \$450,000 worth of purchasing power, since allocations for purchasing educational materials at most public institutions are already tight. Ontario Revenue Minister George Ashe has exempted books of an educational, technical, cultural, or literary nature from the tax, but not audio-visual

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● Bob Vale, Magic Lantern

aids such as films, filmstrips, cassettes, and videotapes, a double standard which irritates the non-theatrical distributors. "If that's not discrimination or inequity, what is?" asks Modolo, who has been fighting the ruling ever since it was made with letters to Ashe, Ontario Premier Bill Davis, and other cabinet members. Frances Broome maintains the tax is "silly" since schools and libraries, as end-users of educational materials, are exempt from the tax anyway; now they must pay the tax and claim their exemption at the end of the year, which makes for a lot of extra and unnecessary book-keeping.

Non-theatrical distributors face another problem: because of budget reductions and tighter spending policies by public institutions, the Canadian market is shrinking. "There has been a steady erosion since federal funds dried up in the U.S. and the tight money problems of the Canadian institutions began three years ago," says Bob Vale, adding that while a good annual forecast for non-theatrical sales used to be 100 prints per film in Canada and 700 in the U.S., those figures have now dropped to 75 and 300. In a report presented to the Educational Media Producers and Distributors Association of Canada (EMPDAC) in November, 1981, Modolo demonstrated how the market, which appeared to be growing in the sixties, levelled off in the late seventies and has stagnated in the eighties.

Modolo feels the market can be strengthened by putting more money into the hands of buyers. Citing American Library Association guidelines which specify that 20 percent of an institution's budget be spent on learning materials, he points out that none of Ontario's 18 public libraries spend as much as 20 percent on new learning materials and that 11 of 18 spend less than 12 percent. He feels Canadian libraries should adopt spending guidelines like the Americans. "If you've got a marketplace, people will produce for that marketplace," he says. "For a strong home industry, the government should offer incentives so that in the medium to long term there will be benefits, instead of short-term solutions which bring everyone back to the public trough."

"Buy Canadian"

But one government directive has helped both distributors and producers: most public institutions and agencies acquiring non-theatrical films have a clear mandate to buy Canadian, making Canadian productions valuable assets to a distributor. However, Canadian independent producers cannot recover the production costs of a high quality educational film within the domestic non-

theatrical market alone because that market is too small. A high quality, half-hour educational film can cost at least \$50-60,000, sometimes as high as \$100,000, but Bob Vale estimates the break-even point for a film made strictly for the non-theatrical market to be \$25,000. Vale encourages producers to develop projects which may also be sold to television, though the two markets are not easily compatible. One problem is length: television half-hours (24 1/2 minutes) are often too long for the average 40-minute classroom situation, since some time must be left for discussion. Distributors say films under 20 minutes work best in high school classrooms, films under 10 minutes for elementary schools, which means distributors may want two versions of a production, for the educational market and for television.

Films for the educational market must tie in with the curriculum, of course, but what distributors know, and filmmakers do not often realize, is that some subject areas are saturated. Modolo says there are about 60-70 films available on China, yet asks, "How many curriculum hours are spent on China?" He advises filmmakers to research a production's marketability and to become familiar with the style and content of other films made on that particular subject, so the filmmaker will know the production standards the market will demand. But he admits filmmakers do not like to have their activities regulated.

Bob Vale maintains the biggest problem for distributors is that often they are not involved with a production until it is completed, and feels that "the earlier into production a distributor is involved, the better." He insists that a distributor can give a filmmaker a pretty accurate assessment at the script stage of whether or not a project will succeed or fail commercially, and believes distributors must challenge filmmakers to face the hard facts of the commercial world, where every film must find a substantial audience to survive.

Not all filmmakers would easily agree with Vale. Rebecca Yates and Glen Salzman of Cinefilms in Toronto - which has produced several dramas for the educational market and television - say they usually send their scripts to distributors; the distributors generally have not liked them, but they have made the films anyway. Salzman admits distributors know the market, but adds "it's hard to sell them a concept." He feels it is more important to have a top-quality product to show distributors what you can do.



● Stuart Grant of International Tele-Film Enterprises

But Michael McMillan of Atlantis Films, currently producing six half-hour dramas based on stories from Canadian literature for television and the educational market, feels "distributors do know what they're talking about. If a film will sell, he'll know. If it won't, don't make it."

"The educational market is all front-end loaded with a very slow payout," explains Vale. "Investment by the producer is all up-front to get the film finished. Investment by the non-theatrical distributor is up-front to get the picture released." Expenses must be covered against a film whose market response will be over one to seven years, with the best sales coming between the second and fifth years, according to Vale. "A year in distribution is nothing," says Frances Broome, who takes on films for a minimum of two years, keeping really good films for five years or more to reap full benefits. The non-theatrical sector is less complicated and more predictable than feature film, and far less expensive. Says Modolo: "There is no trouble placing a well-developed film. It is easy to break even."

Many distributors feel they have a greater need than before for new product because the shelf life of an individual film is decreasing in today's market. Vale claims 80 percent of Canadian sales take place within the first two years, rather than over five as in the past; he says Magic Lantern adds as many as 100 new titles a year. He also points out the money available in the Canadian market is in the hands of too few buyers. Unlike the U.S., where many schools operate with medium-sized budgets, Canada has only a few large budgets, which doesn't help to spread sales around. Canada also lacks the

secondary market of federal and state agencies and private institutions, which are big customers of non-theatrical films in the States.

Almost without exception, non-theatrical film buyers will not purchase a film until they have screened and evaluated it, and many distributors feel these buyers have become more sophisticated and demanding. Liz Avison, audio-visual librarian for the University of Toronto, explains there are two general buying patterns: first for films in immediate, topical demand, which are dropped after three to four years of use, and films acquired for long-term reference purposes; she also makes a list of "must" buys and "maybe" buys. In many films she screens, Avison feels the material has been stretched out to fit television time slots, making them difficult for educational use. "The main thing in an educational film (that buyers look for) is the effective use of time," she says. "If there is enough material for 36 minutes, then the film should be 36 minutes, not 40."

A large non-theatrical distributor must carry a great number of films to attract as many buyers as possible, but they must also offer the quality products that selective buyers demand. Some companies try to acquire as many titles as possible, even those that lack immediate sales potential, hoping that sometime in the future they will become timely items and big sellers. One such large Canadian company is International Tele-Film Ltd, with well over 1000 films in its catalogue in such areas as education, business, health, religion, criminal justice, and industry. Sometimes such size can intimidate filmmakers, who fear their films may become only a tiny cog in a big machine, but Stuart Grant, the company's general manager, insists this will not happen. "We're a large company, but one of the most diversified," says Grant, explaining that the company's organization is subdivided into smaller divisions, each handling a certain market area. "Any film we feel is commercially viable will be given the broadest exposure."

International Tele-Film was founded in 1969 by its president, Murray Sweigman, and has offices in Toronto, Montreal, and Vancouver. The company does not distribute directly to the United States or other foreign markets, but sub-distributes its films through a network of international sales agents built up over the years by Sweigman.

The question of sub-distribution

Depending on how you look at it, sub-distribution is either one of the best or one of the worst things about the business. Nearly all distributors sub-distribute their films to some degree, which allows them to reach otherwise unavailable foreign markets, though at a reduced percentage of the sale. Dealing with a large company which uses many sub-distribution agents can allow a filmmaker to negotiate a film's complete distribution in one deal, allowing that filmmaker to get on with the business of making another film. But sub-distribution brings back less money to a producer than a direct deal: as production costs are largely covered by foreign sales, producers are reluctant to lose any potential share of that revenue.

Since they must produce quality educational films for the international market, several Canadian independents are now making films outside of Canada and North America. The same connections necessary for them to produce

● Marilyn A. Belec of Mobius



DISTRIBUTION

these films are often handy when it comes to distributing those films in foreign countries. As producers are becoming more aware of what they can get out of the distribution market, they are becoming more reluctant to give away rights they can better exploit themselves.

Traditionally, distributors have asked for and received a film's world non-theatrical rights from producers, and many still have a policy of asking for exclusive rights. But they are asking, not demanding: the practice is no longer accepted without question by producers. Such an attitude has challenged non-theatrical distributors to come up with better deals for the international markets; some distributors, like Bob Vale at Magic Lantern, will negotiate world non-theatrical rights from a producer in exchange for a distribution guarantee (a guaranteed minimum annual return to investors), which he did with Atlantis Films for their six-part Canadian drama series.

Most distributors don't like to talk about guarantees. Frances Broome says Kinetic doesn't give them, asking "What good do they do anyone? It just puts us under pressure. We want as many sales as producers, maybe more." Stuart Grant admits his company has given guarantees before, but feels "they are hard to give during these present times." Even Vale is having second thoughts, saying guarantees "are becoming harder and harder to justify" in the shrinking marketplace. But precedents have now made filmmakers less afraid to ask.

Vale feels a distributor's biggest mistake is to "overestimate his ability to sell the product in order to secure distribution rights." Adds Broome about Kinetic's flexible approach toward rights: "We want to be fair to producers. We say, if you can find another deal, fine, we will take non-exclusive rights. It's always best to be exclusive, but it is silly to take an exclusive deal in an area you can't handle."

Another problem is that some rights, particularly Canadian television rights, are already committed when producers approach distributors, it being accepted industry practice that producers deal directly with the Canadian networks to recover some percentage of production costs. Even the American television market, with its many "windows" through educational and pay television, is more of a revenue source for producers than distributors. Stuart Grant says the bulk of the percentage for an American television sale goes to the filmmaker, but that the distributor makes up for it in the

hundreds of print sales available in the U.S. non-theatrical market. Vale insists he is not looking to make money out of the U.S. television market. "I look at it as a source of money for the producers," he says, reasoning that American television exposure ultimately provides his company with a better product for the non-theatrical market.

Getting involved in production

Few of the Canadian non-theatrical distributors produce films themselves—most claim they simply cannot afford it—though most companies will provide filmmakers with completion money, guarantee lab bills, or act as "packagers" (bringing potential investors together with filmmakers). The Canadian distributor most active in production is probably Magic Lantern: Vale claims one reason he started the company was because he wanted to get involved in Canadian production. "My aim from day one was to build a Canadian collection," he says, noting the company now circulates over 100 Canadian titles, and adding that he hopes to see 50 percent of the company's income derived from Canadian productions within a 10-year period. His approach has been to pre-sell projects to the Canadian and American non-theatrical markets, using distribution guarantees to investors as a means of raising production money; he did this with the highly successful children's drama series *The Kids of De-grassi St.*, produced by Toronto independents Kit Hood and Linda Schuyler and pre-sold to the U.S. educational film distributor Learning Corp. of America.

In 1979, Vale began his own American non-theatrical distribution company, Beacon Films, which began as a mail order business and has grown to a full-service company. One of his objectives with Beacon is to give Canadian productions a higher profile in the U.S. non-theatrical market. "Canada has always had a tremendous reputation for short subjects, and not just the National Film Board," notes Vale; but he adds that, until a few years ago, "Canadian short subjects were getting into release without any recognition as Canadian films." According to Vale, Beacon looks to Canada as its main source of supply: while the company distributes American titles, it only invests in Canadian productions.

The smaller way

Distributors like Magic Lantern, International Tele-Film, and Marlin have large catalogues which offer buyers a wide selection from almost any area within the non-theatrical sector. But

some companies are taking a different approach: specialization within a narrower segment of the market. Kinetic has 450 titles, a small number in comparison to the bigger distributors, but they are concentrated in the health and human relations market: the company has built up a strong collection of films about alcoholism, for example. Frances Broome says she looks for the type of film that "improves the quality of life," explaining that for a business film this may mean a film that teaches better communications, sales, or managerial skills. One of her company's biggest sellers last year was *Killing Us Softly*, a satirical look at how women are portrayed by advertisers.

Kinetic has a distribution contract with the Film Arts production house in Toronto, and has over 50 Film Arts titles in its catalogue. Such a deal helps provide the company with the steady flow of new material which all distributors need. Since they rely on fewer titles to cover expenses, smaller distributors like Kinetic must market their films more aggressively, an approach Broome characterizes as "getting the most out of one film, rather than the least out of ten." Broome not only researches new films, but new customers and new markets as well. She says Kinetic re-evaluates the sales potential of each of its films after two years, and discards poor selling films from its catalogue, keeping the numbers down and the quality high. She also has one full-time staff member whose only job "is to see that the films are not sitting on the shelf," ensuring that no production will get lost in the shuffle of the company's organization. Broome is confident that Kinetic's strategy of providing buyers with quality rather than just quantity will continue to bring her company good results in the shrinking marketplace.

Mobius International of Toronto, founded three years ago by Marilyn Belec, is a paragon of the small, aggressive distribution company getting ahead by offering quality films and good service. "I have turned down a lot of films, because either the subject was not well enough covered or the technical quality was not up to the level of our collection. Essentially, every single film we've got is an award-winning film," says Belec. She began as a producer, and her company distributes five of her own educational films; her son Phillip is general manager of the company's distribution wing which handles 30-odd films.

Marilyn Belec turned to distributing her own films because she felt no distributor could offer her a better deal than the one she could get for herself. She began her company with one film, *Taking Chances*, a half-hour docu-drama about the reasons for the non-use of birth control by sexually active teenagers, which she had produced herself. Needing a high return to cover production costs, unsure of how the controversial subject would be handled through regular sales channels, and unhappy with the deal offered her by most distributors, Belec decided to do the job herself, and took a year off from production to set up a distribution company.

Her gamble paid off. *Taking Chances* sold an incredibly successful 300 prints in Canada, and the distribution operation survived, even though it was a year before the company added a second film to its "catalogue." But Belec admits she would only recommend that other producers distribute their own films with some qualifications: "You have to be willing to take an entire year and do



● Les Modolo of Marlin Motion Pictures

nothing else, and make sure the film you start with is dynamite; it's hard to start without a good film," she says. "You'll make no money the first year. It all goes back into the company, or else you won't keep going. There is an enormous amount of responsibility you can't get away from. It takes over your life, you lose yourself in the business. You really have to commit yourself and not give up." She would not recommend setting up a distribution company, as she originally did, for the sake of a single film, claiming it is too expensive: "You need \$10,000 to promote one film."

But now Belec can describe her experience in distribution as "fantastic, very exciting," and feels that if more filmmakers tried it, they'd like it. She continues to produce, having recently completed two half-hour docu-dramas, *Menopause* and *Cramps*, dealing with women's health issues, which Belec feels have never been adequately handled in past films. She heavily researches all her productions, and claims that many of her past films have developed in reaction to how poorly previous films had handled the subjects. As a producer, Belec knows her audience will be teenagers, and she says "Kids like the truth, they like to be able to identify issues from where they are feeling things, otherwise it isn't going to work for them." But as a distributor, Belec also knows something else about the educational market: "In order for teenagers to see the films, they have to be bought by adults. It is important for filmmakers to understand that. If people who buy don't like it, the kids don't see it."

Buyers won't pay for what they can't use, which is why distributors now are after well-researched, well-planned, and strongly marketable educational films more than ever. "I can't afford to put thousands of dollars into a film that is not going to sell, or I won't stay in business," says Belec. "Film librarians are buying what they need, no extras. The money available to independent filmmakers is probably less right now (than it was a few years ago)." Phillip Belec points out that quality Canadian productions are valuable to distributors not only because they sell well in the domestic market, but because they allow Canadian distributors access to the lucrative American market. He notes that only Mobius' Canadian productions have really been able to sell well in the States since the company opened an American office last year in New Jersey.

More producers are finding it attractive to deal with smaller distributors,

● The producers roam the world: Heather MacAndrew and David Springbett in Papua, New Guinea



feeling their films will be given more attention, and knowing that if a smaller distributor must market its films more aggressively, that means a greater individual return to the producer. Last year, producers David Springbett and Heather MacAndrew of Asterisk Films in Toronto both sold a production to a large distributor and themselves distributed one of their own films in the Canadian non-theatrical market. They gave a large Canadian distributor exclusive rights to their 13-part series, *The World's Children*, but were dissatisfied when that distributor could not get them a single television sale; the distributor's response was that the 15-minute-length of each segment made them unsuitable for the television market. But having got back some of the rights after winning a breach of contract dispute, Springbett and MacAndrew themselves negotiated a sale to CBC Northern Services.

Springbett says the lesson learned was "before you give away rights, be sure the person is capable of exploiting those rights." Both he and MacAndrew admit there are advantages to going with a large distributor: prestige, security ("no worry about bankruptcy"), and often assistance in raising money; but their attitude now is that less-mainstream productions can get lost within a big company and that filmmakers shouldn't hesitate to be selective as to who will distribute their films. MacAndrew notes that when filmmakers are starting out, "You're so flattered to have anyone pick up your film. Some filmmakers go with the first distributor they talk to. With experience comes more bargaining power."

Glen Salzman of Cineflics agrees that a producer's most common mistake is to give away all of a production's rights; he says that in their dealings with non-theatrical distributors, Cineflics now keeps all television rights, because they now see themselves as primarily television producers. His partner Rebecca

Yates feels that at some point, for right or wrong reasons, all filmmakers have felt that their distributors weren't giving them full value, but she adds that producers must trust their distributors and not set their expectations too high. Salzman points out that the perceived "rip-off" of a distributor's small cheque is often a distortion by the filmmaker. "After you finish a film, you always think it's great, but maybe not two years later. Also, you always expect more than you get." But Yates adds, "Sometimes distributors dig their own grave. They talk extraordinary figures." She cautions filmmakers to be aware of how their productions are being marketed by distributors.

Doing it yourself

Producers who have distributed films themselves usually develop a genuine respect for distributors and the work their job involves. Asterisk distributed its 1981 production *A Moveable Feast* in the Canadian non-theatrical market as a means of recovering production costs; David Springbett says distributing his own film made him realize "how much distributors earn their commission. It was a positive thing. We used to think that to make the film was the end of your responsibility—now we are much more aware of the value of marketing and publicity."

Degrassi St. producers Kit Hood and Linda Schuyler used to distribute their own films in Canada but gave it up as production demands became too great. "It got to the point where we couldn't do both," says Schuyler, adding that she found the distribution routine, with its costs of preview prints, reels, cans, jiffy bags, shipping charges, postage, and the price of continually replacing damaged footage, "too nickel and dimey for us." She says expenses for selling a half-hour educational film at \$500 per print often totalled \$150 or more. Now that Schuyler is out of distribution, she feels the most

important things between a filmmaker and a distributor are trust and enthusiasm to sell the film. She claims that as a producer selling her own film, often she could see only the film's weaknesses, whereas she now recognizes how a sales agent can more effectively communicate a film's strengths to a buyer.

Toronto's Lauron Productions Ltd. has distributed some of its films in the Canadian non-theatrical market, but has not yet moved up to a full-scale distribution operation, according to its president Ron Lillie. Lillie feels it is a mistake for Canadian producers to produce non-theatrical and television programs in high volume, believing that if producers selectively create high quality productions, they will attract a good share of the distribution market. The Lauron-produced series on Canada's World Cup downhill ski team, comprised of quality documentaries made during each of the past few racing seasons, has had moderate success selling outside Canada, with sales to the Public Broadcasting System and several cable companies. But Lillie points out that American audiences identify more closely to the American World Cup ski team and its heroes than to the Canadian team, making it harder to sell the films.

Lillie believes that knowledge of distribution and its business realities are indispensable to an independent producer. "Distribution is too important to learn how to do it yourself—it's vital to the long-term success of a company. You should make it as much of a priority as making good films," he says, maintaining that to simply hand over a film to a distributor without a real understanding of the system is "inviting disaster."

It is ironic then that one of Lauron's most critically successful films, *The Breakthrough*—a documentary about how cerebral palsy victims are able to communicate to the rest of the world through the language of Blissymbols—which won the Canadian Film and Tele-

vision Award for best independent Canadian production in 1981, has had nightmarish distribution problems. Produced by Peter Williamson and directed by Ira Levy for Lauron, the film was a very personal creation for the filmmakers, yet it has two major obstacles for distributors: its length and its subject matter. At 40 minutes, the film is too long for the television half-hour, too short for the television hour, and an awkward length for the classroom; also many distributors say that the market is already saturated with quality films about disability, which haven't made sales easy. Still, *The Breakthrough* was bought by the Canadian Television Network (CTV) in 1981, though the network has yet to broadcast the program.

Lillie defends *The Breakthrough*, calling it "an act of the heart" by two filmmakers, and saying that the sale to CTV demonstrates the film's value, even if it has yet to be broadcast. But for any other projects, Lillie feels his company would not approach outside investors without a competent understanding of how the project would be distributed. "At the best of times, film is a speculative investment," says Lillie. "Unless you are honestly able to offer that chance of recoupment through your own knowledge, then it's not even a good speculative investment. Ultimately, it's not just the making of good films, but knowing you have a real prospect of distribution."

The future

With the Canadian non-theatrical market effectively shrinking, distributors will have to look for new markets, as well as existing ones more efficiently. One important future market is video, though right now it is not as big as many distributors might like. Les Modolo notes video sales haven't caught on in the educational market the same way they have in the home market. Bob Vale feels customer investment in 16mm equipment remains significant enough to

● Having toyed with distribution, the producers of *Degrassi Street* are now firmly in the production camp



Going the alternate route

"The largest distributor of independently produced Canadian films in the universe," is how Natalie Edwards playfully describes the Canadian Filmmakers Distribution Centre (CFMDC). Founded in 1967 as a collective organization, the CFMDC has over 400 members and over 1000 films in its catalogue, ranging in such areas as experimental and animated film, social documentary, drama, the arts, nature, leisure, travel, and sports.

The Centre was formed "to benefit the filmmaker above and beyond all points," according to Edwards, its current director. It offers filmmakers higher percentages than any other distributors - 60-70 percent of gross revenues, compared to the average deal of 30 percent offered by the commercial distributors. But because the organization is grant-supported, the CFMDC does not compete in the same market as the unsubsidized, commercial, non-theatrical distributors. "It would not be fair," says Edwards.

Also because of its grant support, the Centre will not refuse to distribute a Canadian independent film, though Edwards concedes she cannot guarantee filmmakers any spe-

cific return. Membership in the CFMDC costs \$12 a year. In return, a filmmaker has his or her film catalogued, indexed, prepared for distribution (affixed with red and green leader and the CFMDC logo), and promoted on the market. As well, the Centre provides information on film festivals and sales events, on how to get educational and Canadian content certificates, plus, if the film merits it, help in getting sub-distribution in the United States, Great Britain, and Australia. The organization also publishes a newsletter five times a year.

The Centre is currently being re-organized, a process which began in August, 1981, when Edwards took control of the CFMDC and learned that its deficit was 50 percent larger than she had been led to expect. She is still working at reducing that deficit by cutting expenses, renting out extra space at the Centre's Front St. offices in Toronto, and strictly accounting for all costs. Edwards feels pay television will offer a great potential market for packages and series of Canadian films now in the Centre's library, and currently is pursuing this project.

Edwards considers the relationship

between the CFMDC's national office in Toronto with its British Columbia branch, the CFMDWest, which began in 1979, as "the ideal relationship between a central body and a provincial group." She describes the western body as a "true collective," since its 100 members represent virtually all the province's independent filmmakers, and notes the group's sales are up over 1000 percent since its inception. At its 1982 general meeting, the B.C. group voted for financial autonomy and the right to make its own policy decisions, which Edwards considers to be very healthy for the organization.

An example of the group's collective strength can be seen in its negotiations earlier this year with the Canadian Broadcasting Corp. for 16 half-hours of regional programming that the network wanted for its Pacific Wave series. Since the group represents nearly all the province's independent filmmakers, they were able to set the price at \$25 a minute, says Edwards, who maintains the network "wouldn't have paid nearly as much if the Centre was not there." Almost in the same breath, she adds "Of course, the price should have been ten times as much," identifying a familiar problem for independents: getting a higher percentage of production costs covered by the Canadian networks. "Obviously, they (the CBC) should be a major supporter of Canadian independent filmmakers. Now, they're a modest supporter," says Edwards. "I commend what they have done, criticize what they have not done."

One-third of the CFMDC's titles are experimental films, and Edwards figures that her organization is the only one in North America which employs a full-time staff member to handle experimental film distribution. Sales and rentals of these films contribute "a significant amount of the (CFMDC's) gross," according to David Poole, the Centre's experimental film officer. Poole feels the substantial revenue the CFMDC earns from experimental film, influenced the Canada Council's decision to start a 1982 program which helps defray the cost of screening experimental films in artist-run galleries.

Edwards feels that the CFMDC, by offering independent filmmakers exposure within the industry as well as individual advice, criticism, and encouragement, has kept many struggling careers alive within the tough independent production sector. She feels it would be difficult to start up such an organization in the eighties: the Centre's objectives, she says, are not financially lucrative, and at times they are barely feasible. But she is committed to keeping the group going: "We are set up to benefit the filmmaker, and it's hard to stay alive."



● Ronald Lillie, president of Lauron Productions

continue its use for some time, adding "there is sufficient evidence to show that the learning experience is more meaningful when motion pictures are used in the classroom instead of the TV monitor." Stuart Grant agrees 16mm use will continue in the near future, but wonders aloud if the large-size, high-resolution video screen being developed in Japan might change the entire future of the non-theatrical market.

Grant feels the future is going to be tough for the non-theatrical distributors. He admits some markets remain untapped, and a share still remains of the present market, but feels that in the next year to eighteen months, it will be difficult for any business to show substantial growth.

Vale disagrees. He claims Magic Lantern recently had its best two months ever, and the company expanded to a seven-person sales force in March. "My theory is that when economic times are tough, this is a very safe industry to be in. Budgets are cut, not eliminated," says Vale, noting that the non-theatrical sector fluctuates with in a much narrower economic range than feature film. "This is the proper time to be expanding in the marketplace. We are not feeling the effects of the recession to the same degree as someone in construction or car sales."

"Everyone should realize the distributor is on the side of the producer. The distributor wants to make just as much money," says Frances Broome, and the comment in many ways signifies the future of the Canadian non-theatrical distribution sector. For both distributor and filmmaker to survive tough economic times, both realize they must work together to create high-quality productions which can make a dent in the marketplace. Filmmakers have always been told how much they need distributors, but Canada's non-theatrical distributors have been shrewd enough to understand how much they also need filmmakers.



photo: Ron Levine

● Natalie Edwards, heading up the Distribution Centre