

CHAPTER TEN

SALES AND DISTRIBUTION

THE DOCUMENTARY
FILMMAKERS HANDBOOK



THE SALES REP

JAN ROFEKAMP
FILMS TRANSIT

Q – What is Films Transit?

Jan – We sell licenses and rights of documentary films for people to use them in certain media worldwide. We operate out of Montreal, Canada and have an office in New York, which Diana Holtzberg runs. Lots of these media are broadcasters as the market for documentaries is primarily a broadcast market. If you look at the world map, there are about two hundred sovereign states and about forty to forty-five buy the type of documentaries that we're interested in, which are mainly political, social and cultural documentaries. Why only these countries? Because they're the countries with a tradition of some kind of public broadcasting, and it has always been public broadcasters that buy these docs. Overall, broadcasters account for 75% of the sales and 25% is other media - theatrical, educational, festivals, the DVD market and increasingly the new media: Internet stream and/or download, all kinds of forms of VOD, etc.

Q – You said you like social, political and cultural documentaries. What makes for a good one that you would take on?

Jan – Don't forget that buyers, after having bought a film, have to 'sell' that film to their audiences, whether this in the cinema, or on dvd or on the small screen. What we increasingly hear from buyers is that it's important that the viewers in a country can relate to the subject matter. It has to be told in a way that no matter where it comes from, people all over can relate to it. The buyers ask themselves the crucial question: why does my audience HAVE to see this film? You as a producer should ask yourself the same question. If you or we have a very good answer to that question, half the work is done.

So what are the subjects that are on top of the priority list? Subjects that people think about. Subjects that are on top of peoples' minds. These are things that translate. Films with a certain relevance. Then they have to be decently made. There has to be some kind of a filmmaker signature. There are a lot of sales agents out there that will sell whatever they can get their hands on that seems commercial. Many of these films

 janrofekamp@filmtransit.com  www.filmtransit.com

are what you would not call significant filmmaking. They last 52 minutes, they have a beginning, middle and an end and they are bland. They may do well because of the subject matter, but it's nothing special, they do not have an impact, nor do they change people's thinking. I like to have films that are just a little special. Films that will make you remember them.

We have two specialties as well. We're always interested in documentaries about cinema. And we are always interested in a quirky film about sex. But a film that has something to say.

Q – What would you not be interested in?

Jan – There's a whole slew of what we call factual entertainment: pretty blandly made films on science, history, food, travel, etc. You know them: image, interviewee, statistic, image, interviewee – a very simple way of filmmaking. There's a lot of docs on exploration. Every single millimeter of the world has been explored – more than once. And every animal has been filmed more than once. Every time you put on channels like these you see sharks or tigers. I'm not interested in that. I'm not interested in sports unless it's a social issue about sports. There have been some stories about soccer in different parts of the world, which are quite significant. The market has a hard time with short films, which is sad. It's not that people don't like shorts; there's just no economics in them. We'll occasionally take on a short because we like it. Whenever we meet a buyer, we show it and they usually buy it, but for very little money. Classical music, dance, opera I'm not interested in because there are well functioning infrastructures for people to co-produce with each other and where buyers for these genres meet each other.

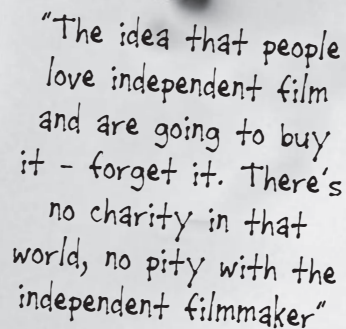
Q – Does it matter these days what format a documentary is shot on?

Jan – It has to be digital. It has to be 16x9. And today it has to be HD. I heard someone say, *"If your film is in HD you can do broadcast, if you don't have HD, you can only do on-line."*

Q – What are some other reasons that documentary films don't sell?

Jan – The biggest problem we face is the overwhelming number of documentary filmmakers out there. Almost anything has been 'done,' almost any subject has been touched. I hear of great films and a day later I hear of a film on the same subject, sometimes even with the same protagonists.

You can ask yourself the question, *"But how different is a tenth film about homeless people?"*



"The idea that people love independent film and are going to buy it – forget it. There's no charity in that world, no pity with the independent filmmaker"

SALES AGENT TIPS

1. Consider the viability of your film as a salesman - would I want this film and if not, why?

2. Style counts in doc, but not as much as content. If your story is great and the information satisfies the built in audience, you have a shot at selling it.

3. Sales people are tough negotiators. They will want long sales times from you with high commissions and expenses paid. Advances are rare these days. Try to get them to reduce something so that you get a better deal.

4. Try to keep either some territories or platforms for yourself to sell in case your sales agent messes you about. This way you can do a direct sale and keep all the money for yourself.

5. Alongside your actual film, a distributor will want deliverables - technical things needed for the broadcast. Your sales agent will get you a list of what's needed and guide you through the creation process.

Or how different is a film on homelessness from the USA, the UK or from Finland? How different is a tenth film about the Middle East issues? Anyone who is looking for their next subject matter has to think twice. Not just twice because someone else may have done it already, but how can I do it differently? Whenever I do courses or workshops, I always say the moment before you start making a film, you have to do a lot of research and find out if your subject matter is appropriate for a documentary. Maybe it is better to a 20-minute item.

Q – Should filmmakers always try to make feature length documentaries?

Jan - A feature documentary has a lot of advantages and a lot of disadvantages. Maybe it's a subject that's better for an hour format. Now you get into the real crucial issues that filmmakers have to think about. If you make a feature documentary, you have to have a story that starts somewhere and goes somewhere. It has to have a beginning of a story that develops all the way to the end. If you don't have that and instead do something observational where you just follow someone, that's not a structure. The other thing is if you desperately want to do a feature doc, we're increasingly finding that broadcasters don't want them. It's not an issue for DVD. It's not an issue for festivals. But it is for broadcasters. There are less and less slots in prime time for long format documentaries. And with the exception of places like The Sundance Channel, ARTE, the BBC, documentaries aren't a priority. Even the Germans, the Belgians and the Fins, they do pay attention to documentaries, but it isn't a priority. That translates into practical issues. If you go to the market with a feature length doc, you'll almost never get it into prime time. It will have to air after 11PM or midnight. If you make an hour version of your film and everyone likes your film, you can get a 9PM or 10PM screening. That's a choice filmmakers have to make while in production. Increasingly,

we're cutting down films that were once feature length films. Filmmakers always say they don't want to cut it down because it is too hard or it costs too much and why don't we see if we can sell it as a feature. It is not a good idea anymore. But we think they have no choice and might as well start thinking about this during their production process.

Q – How important are film festivals to selling documentaries and which are the important ones for documentaries?

Jan – Festivals are very important. There's a big distinction between how it works in the US and the rest of the world. In the US, we have figured out that if you literally plug your film into the twelve key festivals such as Tribeca, Seattle, Denver, Full Frame, Hamptons and SXSW, you'll get a cumulative effect. It means that the film comes floating to the surface and the chances of you making a deal in the US are pretty high. There's a lot of DVD interest for documentaries in the US. Overall there are about three thousand film festivals. But there are only 4 that we call launch pads: Berlin, Sundance, Toronto and Amsterdam – those are the launch pads for feature docs. Once you have done that, I'd say there about 35 to 40 key festivals in the world. Sydney and Melbourne, Yamagata in Japan, DocPoint in Finland, the Stockholm Film Festival, The Munich Dokumentary Fest, Rio, DocsBarcelona, Nyon, It's all True in Brazil, Hong Kong, Encounters in South Africa etc. are part of these 35 to 40 key festivals. If you don't have a deal yet in these countries, you can try to get one there. If you do have a deal, then the distributor can use the film festival as a national launch pad. This is what our strategy is all about: launch pads and key festivals. We do the US. We do the launch pads. We create a strategy for the key festivals, but hand that over to the filmmakers we work with. The producers have to do the work there, but we tell them exactly what to do. Beyond that, there're a zillion other festivals and we don't want to know about them unless it's a nice vacation trip. We also need to have some fun sometimes. The market is not big enough

SALES AGENT TIPS

6. *Try not to state how much the budget of your film is. It might lead to low ball offers.*

7. *Attending a big doc film market will give you a good idea of what your sales agent is doing. These are not creative, they are all business.*

8. *At film markets, look to see which companies buy docs like yours and approach them.*

9. *Get a performance clause in your sales agent agreement so that if they aren't delivering, you can get your film back and move to someone else.*

10. *Cap their expenses! Otherwise you will never see any money from your film.*

11. *Be tough from day one. Demand reports and payment on time and as agreed. You will not tolerate complacency. And if you make yourself a nuisance, which is within your rights, you may get what you want.*

12. *You don't have to go with a sales agent from your country. Go with the one that's best for you or offers you the best deal.*

10 THINGS TO LOOK FOR IN AGREEMENTS

1. Ask yourself what interests you need to protect and are they sufficiently protected.

2. Do you have any existing contractual obligations to other people? Are you going to be in breach of those existing contractual obligations?

3. What are your liabilities in this agreement and if things go wrong, what are you liable for? Look out for clauses which make you personally liable even though you may be contracting through a company i.e. a personal guarantee for a loan which is being made to your company?

4. Is the agreement reasonable and within your power to deliver?

5. If you are required under the agreement to do something, ask to change any reference to your using your 'best endeavors' to 'reasonable endeavors'.

6. If you are providing your own original work or any intellectual property owned by you under the terms of the agreement, what happens if the project does not go ahead? Do you have the chance to regain or repurchase your property?

to soak up all the documentaries that are made. So people have to make selections and they select the films that they like or have heard of. So we want all of our films to pop up in all those key festivals in order to create a reputation for them.

Q – What are the important film markets to attend?

Jan – All of the bigger festivals have some kind of facility that allows people to do a bit of business. That's very good. But there are a couple of broadcast only markets, which are MIP-COM and MIP-TV. In the broadcast world, these are musts. They are not easy to operate because they're huge. Ten years ago, people would walk by and make an appointment and everyone was cool about everything. Now seven weeks before the festival, people start e-mailing their appointments. The only way it works is to go there with an agenda. If you go there just to take a look, you'll get lost. You'll leave town screaming. If you have an agenda with appointments, it makes a lot of sense because people have time for you, they are in the mood and they're concentrating. Then there are the film markets – Berlin, Cannes, Sundance and Toronto. My assessment is that the people that go to these markets are primarily fiction film buyers. People say that now there's a lot more interest in theatrical documentaries – it's still very fragile. If during a year or two there are no major worldwide documentary theatrical hits, the interest fades away. The broadcast markets are very clear. The film markets are very trend sensitive. One big difference that we see between now and 15 years ago, is that 15 years ago if you went to a market screening for a high profile documentary, none of the theatrical and DVD people would show up. Now they do show up. It doesn't mean that they will buy, but they're going to see the films.

Q – Does it make a difference in the deal if you sell a film at or after a market?

Jan – I'm not so sure. I think it's important to grab the opportunity at the festival if there's interest. The trick after the festival is to solidify the interest and get them to sign on the dotted line. Filmmakers have to realize that in the broadcast world where most documentaries go, the decision to buy is a decision based on content. Everywhere outside of that, theatrical, internet, DVD a decision is made by recent experience or the question: can we make money on it? All decisions are based on calculations, in DVD: how much units can we turn? They figure out how much it will take in the first month and then at three months and six months. The idea that people love an independent film and are going to buy it – forget it. There's no charity in that world, no pity with the independent filmmaker.

Q – Which window of sale usually generates the most revenue?

Jan – It's either the surprise at the beginning where someone offers you \$300,000 for an all media deal worldwide, or it is long-term broadcast revenue. Somewhere in the middle are the smaller theatrical distributors, the DVD or New Media people, the educational people. Here the percentages that go back to the filmmaker are not great, also the deductible costs sometimes are a little vague - be careful here! Broadcast sales are very clear: you sell, you get paid. Any other media deals where advances or guarantees come into place and where revenue is shared, are tricky as there is little or no control over what happens in the books of the distributor and there are very few mechanisms to control revenue reports. There are only a few countries in the world that have a state operated control system for box office and home entertainment. France is one. It's very, very easy for someone who is very, very far away from you to monkey with the figures. There are a lot of respectable people out there but most of them are just in the business to make money and 'deductible distribution costs' is the one vague area where people get the short end of the stick.

10 THINGS TO LOOK FOR IN AGREEMENTS

7. *If you're due to receive any royalties or profit share under the agreement, make sure that the other party has an obligation to collect in any revenue derived from the film or project, that they must show you their books and you have the right to audit those books.*

Check also your share of Net Profits (as defined in the agreement) is as agreed i.e. are you receiving a share of the Producer's net profits or a share of all net profits?

8. *What are the possible sources of income from the project and are all those sources being exploited? If so, are you getting a fair share of that income?*

9. *What sort of controls do you have over the conduct of the other party? What happens if they are in default of their promises?*

10. *Remember that if the agreement is being provided by the other side, the terms will be very much in their favor. This does not mean that they are necessarily trying to stitch you up, this is just business.*

Q – You mentioned new media like cell phones, do you think those will become viable revenue sources?

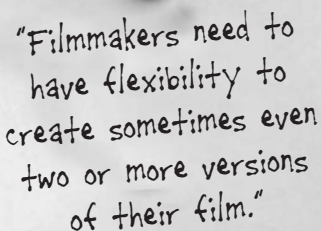
Jan – The new media are definitely there today, but if they will ever become a reliable revenue source for the documentaries that you and I like, I am not sure. The problem is that when you make a TV sale, you sell the right for broadcast in ONE country for ONE relative high amount and once that broadcast has happened, you get paid. In the new media world, your film gets thrown out there and the number of 'clicks', being people who watch, will determine the money you eventually get. It is like the traditional channels: theatrical and DVD; you are, in the end, dependent on the consumers picking up your film, whether it is viewing, streaming or owning/downloading. The more 'clicks,' the more money, very few 'clicks' is very little money. The consumer has a million choices in the new world...where among all of this is your film?

Q – What about piracy?

Jan – I don't believe that the scale on which 'our films' are being pirated is very big. The pirates concentrate on what the masses want: movies, sports, porn, music - we have come to understand that the masses don't want our films. But piracy does exist and it is annoying, especially when it is out in the open and it blocks other deals. People will say, "It's already on the internet!" Amazon and Ebay also trouble the waters for one can buy a US import DVD in the UK on Amazon UK and that is legally not permitted, but no one does anything to stop it.

Q – When do you like to be approached by a filmmaker?

Jan – There are three stages. The idea stage, just before the fine cut and of course a completed film. We really like before the fine cut because it's really important how you start your film in the broadcast world and a lot of documentary filmmakers don't have a clue about that. So they start their film with something very slow and a buyer has already turned it off. The beginning of a film must make you want to see the rest.



"Filmmakers need to have flexibility to create sometimes even two or more versions of their film."

Q – Do you ever fund a documentary film?

Jan – We have, but we don't have a lot of money. We may help out if a filmmaker can get bridge financing if he's getting a subsidy in two months from somewhere. Or in the last stages before a film gets released, we can help there.

Q – If you find something that you want to take on, what kind of deal can the filmmaker expect?

Jan – We have a standard contract that many say

is the best in the business. It's a 30% commission and very few deductible costs. The next step is to get the contract signed and then determine where the film starts. If it's for broadcast, then it will start at the next broadcast market. If it is a feature doc that may have theatrical or strong festival potential, we will be looking for a major film festival start such as Sundance, Berlin, Toronto or IDFA.

Q – What are common mistakes that you see documentary filmmakers make?

Jan – Submitting unfinished films to a major film festival. Bad mistake. You better call them and ask for an extension of the deadline. The other one is not thinking of other formats while you are in production. Filmmakers need to have flexibility to create sometimes even two or more versions of their film, maybe one for domestic use and one for export.

Q – What advice would you give a new documentary filmmaker?

Jan – The most important thing is not to work completely alone and to be open to advice and be active in seeking advice. One thing we have found is that filmmakers have very little access to strategic information like how to submit to film festivals. So learn from each other, phone your colleagues, talk to them at festivals. Other filmmakers' experiences are very important.



THE DISTRIBUTOR

EAMONN BOWLES
MAGNOLIA PICTURES

Q – Is *Magnolia* still doing mostly theatrical or has that changed?

Eamonn – Theatrical has gotten tougher for independent films in general. A lot of those companies have gone out of business. The economics of the independent world were just askew. Now people are doing things on a smarter financial basis and new distribution patterns have emerged such as VOD. We're able to distribute films more efficiently than we have in the past.

Q – What is *Magnolia* looking for these days?

Eamonn – Well crafted documentaries with a strong aesthetic. With HD cameras being so affordable these days, it's a bit easier to achieve. We also like films that don't preach and don't feel like you are taking your medicine to watch them.

Q – Are film festivals still important places for you to find films?

Eamonn – I would say so. The big three of Toronto, Cannes and Sundance are very important. But there's also Tribeca and South by Southwest, and smaller fests too. And if you are in competition in the festival, that can help, but it's definitely not the only way we pick up films.

Q – Have the deals that filmmakers get in either advances, length of term or rights taken, changed much?

Eamonn – Not so much. Most of the time television stations fund documentaries so there are a lot of bifurcated rights. We'll take theatrical and DVD and another company will take TV. Some sales agents can make more money selling off all the parts bit by bit. Like the film *Man on Wire*, the filmmakers got it commissioned by Discovery Channel. Discovery kept the television rights and we did it theatrically. Though interestingly it never played



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on Discovery. I don't know why. The advances part though has changed. Back then we were doing advances of mid six figures or so and now we mostly don't do that. We pay smaller monies upfront or we might give no advance and a more generous back end. On *Elliot Spitzer*, they got a very advantageous back end and the producer made a very substantial amount of money on it. And of course, we still like to recoup expenses before we pay out revenue share.

Q – Are documentaries still palatable to theater owners?

Eamonn – No question. There has been a rebound in the documentary market since that lull period. *Man on Wire* came out and did \$3 million. *Food, Inc.* came out and did \$4.5 million. *September Issue* came out and did a lot of business. I think we are in an era where if something catches the imagination of the audience, be it a fiction film or a doc, it can go viral very quickly. You can get it out to a large group of people and it takes on a life of its own. Social media has enhanced the ability for word of mouth.

Q – Is social media something you do with the filmmaker or are they left to do it themselves?

Eamonn – No. No. We work with them. It's a very important part of our outreach. The best thing a filmmaker can do is to make themselves available to do it. And we love listening to a filmmaker's input. They know the material better than anyone. And if it's about a specific group or subject, then they've spent time in that world and any contacts they have made are very important. We will try to market back to that world.

Q – Do you build websites for the film?

Eamonn – Yes we do. We have a dedicated executive who does online outreach, which includes a web presence as well as doing social media like Facebook and Twitter.

Q – Has the DVD market changed or contracted at all?

Eamonn – A little. It's subject matter related. But we have done extraordinarily well. We have a number of documentary titles that have sold over six figures in units. *Jesus Camp* and *Man on Wire* did well. *Food, Inc.* has done over four hundred thousand units. I think it was the number ten best selling DVD on Amazon all of that year. But there's no question that the DVD market in general, especially the rental market, has been down.

Q – Digital distribution has always been a big deal for you. So how has VOD fared with you?

Eamonn – It's a huge deal. It's a platform that just keeps on getting better. Interestingly enough, docs don't do that well on VOD. They do better theatrically and on DVD. It may be because DVDs are more old school and the people that watch docs tend to skew older. The older audience may still be adapting to VOD. There have been some strong

exceptions though, and I think as the VOD audience accelerates, performance across all types of films will improve.

Q – How do the deals for DVD and VOD differ from theatrical and TV?

Eamonn – With DVD, you have a product and you sell it. With VOD, we have a better revenue share than theatrical.

Q – Are clearances still a major problem for you?

Eamonn – In some respects, but in the last five years or so people have gotten much more sophisticated about clearing copyrighted material. It's rare that someone will turn up with a low budget documentary without the clearances sorted out. That kind of naïveté has mostly gone away.

Q – Do you need the film to be shot on HD?

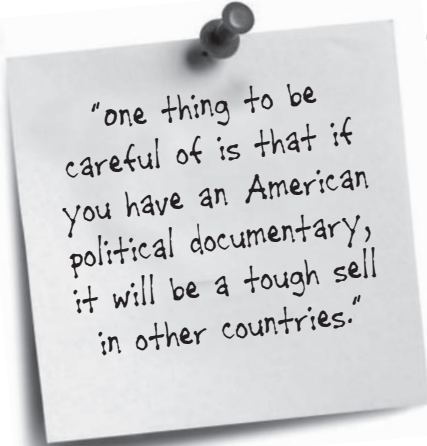
Eamonn – Not to accept it. But with HD cameras being so cheap to own or rent these days, it's becoming what everybody does.

Q – Can you make decisions on works in progress or do you need a finished film?

Eamonn – If something was really compelling we might go for it. We have no hard and fast rules here.

Q – Do you do international sales?

Eamonn – We sell a lot of documentaries to the foreign market. We do well with it. One thing to be careful of is that if you have an American political documentary, it will be a tough sell in other countries. Whereas something like *Cocaine Cowboys*, which is more of a crime saga, did very well in foreign.



"one thing to be careful of is that if you have an American political documentary, it will be a tough sell in other countries."

Q – Do you sell all the rights together when doing foreign?

Eamonn – Yes in the vast majority of cases. Many countries don't have a theatrical market for docs so selling all rights together is the way to go.

Q – Has marketing changed at all?

Eamonn – In the independent world, more and more these days your subject matter is going to determine how it's going to do. It's short synopsis driven. It's more logline driven.

SALES & DISTRIBUTION AGREEMENT TIPS

1. Make sure that you, the filmmaker, still own the copyright of the film.
2. Clarify the territory and platforms of the distributor. (i.e. domestic TV rights)
3. Limit the length of the distribution agreement. TV can be 2-3 years, DVD can be longer. Each time an agreement expires, they renegotiate and that means more money to you.
4. Make sure that license fee is clearly stated and the schedule of payments is fixed. Try to get as much of your fee up front as possible. They may not pay you the balance until after the license expires.
5. Sub Distributor Fees should be paid by the distributor, not you.
6. Taxes should be taken out of gross receipts, not net.
7. Errors and Omissions insurance - you will need it. Make sure you know how much coverage you require.
8. Limit distributor editing rights to that of censorship requirements only. Larger distributors may not give you this right.
9. Get the right to have input on the marketing campaign.
10. Find out who will make the trailer. This could be a hidden expense for you.
11. Release window: get the distributor to commit to release the film within a reasonable time frame.
12. Audit rights - you must have the right to check their books. And your statements must come on time.
13. Make sure the rights of the film revert back to the filmmaker if the distribution company goes out of business or becomes insolvent.
14. Indemnity: make sure you receive reimbursement for losses incurred as a result of distributor's breach of contract, violation of third party rights and for any changes or additions to the film.

SALES & DISTRIBUTION AGREEMENT TIPS

15. *Termination Clause: if the distributor defaults on its contractual obligations, the filmmaker has the right to end the agreement.*
16. *Arbitration Clause: any disagreements will be solved through binding arbitration. Try to get these hearings as close to you geographically as possible.*
17. *Filmmaker Warranties: your statement that says you can enter into this agreement freely and there are no third party rights that are being infringed by the filmmaker.*
18. *No cross-collateralization: when a sales agent offsets the expenses and losses of their other films against your profits. Avoid at all costs!*
19. *Filmmaker Default: The distributor should give the filmmaker 14 days written notice of any alleged default by the filmmaker and an additional 10-14 days to fix the default before taking any enforcing action.*
20. *Late Payments/Lien: All monies due and payable to the filmmaker should be held in a trust by the distributor for the filmmaker and the filmmaker should be deemed to have a lien on the filmmaker's share of the revenue. The distributor should pay interest on any amounts past due.*
21. *Schedule of Minimums: a list of what a sales agent minimumly thinks they can sell a film platform for in a given territory. The filmmaker will give the sales agent proxy to trigger any deal where the amounts are equal or more than the minimum. Any deal that is under the minimum requires the filmmaker's consent. This schedule should be provided to the filmmaker by the sales agent at the beginning of working together.*
22. *If you can, try to keep the rights to sell your film off your website directly. It's a good revenue stream.*

People want to be able to see the poster in their minds sort of like how they do it with studio fiction films now. Unfortunately, it's become harder for great substance to triumph over difficult marketing. The marketing department really has gotten more power in the decision-making.

Q – What are the common mistakes that you see filmmakers make?

Eamonn – I think that if you use a template to make your film, it will suffer. So if you do a competition doc and you just hit all the same beats as other films, it will feel like something you've already seen. You need to approach your film from a fresh angle.

Q – What advice would you give to a new documentary filmmaker?

Eamonn – Make sure you have a back up plan. People don't get rich from making documentary films. Also look for stories that are compelling and work well in a short synopsis. And then again, in spite of what I've said, you have to follow your obsessions. Just be realistic about them.



Q – What is Docurama and New Video?

April – Docurama Films has been discovering and distributing award-winning non-fiction films for more than 10 years, beginning in 1999 with the first documentary to ever be distributed on DVD, D.A. Pennebaker's *Bob Dylan: Dont Look Back*. Docurama's catalog of more than 250 titles features an array of topics covering performing and visual arts, history, politics, the environment, ethnic and gender interests, including *The Wild Parrots of Telegraph Hill*, *Andy Goldsworthy: Rivers and Tides* and the 2011 Oscar®-nominated film, *Gasland*, among many others. We're the only label dedicated exclusively to documentaries in the home entertainment marketplace. New Video is our other label that also distributes a few documentary titles through partnerships with Arthouse Films and Tribeca Films.

Q – What do you attribute to the explosion of documentaries in the last few years?

April – Popular Sundance, Toronto and SXSW documentary categories; stalwart and new doc festivals – niche category fests: SilverDocs, Stranger than Fiction, DOC NYC, True/False, Hot Docs; more opportunities on cable, e.g. HBO, Documentary Channel, True TV, PBS; increased interest in "reality" programming, albeit in need of higher quality. I also think as the category has grown, people have come to realize it's as varied as narrative film in terms of subject and style.

Q – Do you only do the DVD market?

April – New Video has been in the DVD business for twenty years, but we are also the world's largest independent digital video distributor, providing over ten thousand hours of film and television to download and streaming platforms, including iTunes, Hulu, YouTube, Netflix, Xbox, Playstation and Amazon. We also service cable VOD. All of these distribution outlets are available for our documentary titles, including possible



www.docurama.com



www.newvideo.com

theatrical and TV distribution, depending on what rights we have.

Q – What kind of documentary does Docurama look for?

April – Potential for grassroots marketing; good critical praise and word-of-mouth praise, cause-related, i.e. opportunistic, newsworthy or widely popular topics. Or a film that can build a profile throughout a sustained release schedule such as festival, theatrical, public screenings, VOD, DVD, digital and broadcast.

Q – How important is the DVD market to documentary films?

April – Important. Most audiences will see your documentary in their living room or on their personal device. In the ancillary market, the physical DVD market is still the strongest for marketing and publicizing documentary film – the mechanism is still firmly in place for traditional campaigns, special sales opportunities, etc. It is more challenging to get press for a pure digital release. We often analyze strong digital sales for potential DVD releases. Digital platforms give filmmakers more opportunities for audiences to find the film, especially with the shrinking of the retail landscape in recent years. However, digital audiences are more comfortable paying less for streaming or subscription services, resulting in a downward pricing pressure on film titles. We strategize how best to exploit the film across all platforms.

Q – What kind of deal can a filmmaker expect from Docurama?

April – We structure deals in a variety of ways. We do royalty deals, distribution deals, 50/50 deals; it really depends on the sales potential for the film and the risks involved to achieve that. Our deals last typically between five to seven years. We do sometimes offer advances, but that varies based on the title.

Q – What do you mean by ‘the risks involved’?

April – In a royalty deal, the filmmaker gets a percentage, say 20%, from the first dollar of revenue. In that situation we are assuming all the risk in terms of the outlay of money to produce the DVD. In a distribution deal, which is most common, New Video fronts all of the costs, then we recoup those costs from the revenue, take a 25% distribution fee, and flow through all remaining revenue to the filmmaker. So there’s potential, if a title scales, for the filmmaker to bring in significantly more in a distribution deal or 50/50 deal (in which New Video splits the revenue 50/50 rather than taking a distribution fee), though it means recouping costs before



TEST SCREENINGS

1. Pure human emotion is always the best indicator of how things are going. If they are shifting in their seats or look bored, that's someplace you have to fix.

2. Have your editor copy the whole film onto DVD. If there are scenes or effects missing, put title cards up to say so.

3. Have several screenings with different kinds of people. Small ones with industry pros will give you technical and logic advice. Larger, general audiences that are your target demographics are good to see if they'll like it.

4. Test screenings are about finding problems. Don't expect praise. Your audience needs to be very critical.

5. If you can't afford a large venue, then find a friend with a big screen TV and order pizza. Take the phone off the hook and tell everyone to silence their cells.

seeing that money.

Q – Do you do international as well as domestic?

April – Yes. Our focus is English-speaking territories. Distributing digitally in these other territories is easier than on DVD, but we have an international team that specializes in physical distribution internationally.

Q – Do you interact with the filmmaker on the artwork and deliverables?

April – We like to work closely with the filmmaker, understanding that the filmmaker really knows their film best, while we understand the marketplace. We like to start with the art that's been used for theatrical or other exposure, if that exists, but our marketing and sales teams weigh in as well to ensure that it successfully markets the film at retail. Similarly, we look to the filmmaker to advise on what bonus materials would really support the film, but also offer guidance based on our experience.

Q – What elements do you want from the filmmaker when you put the DVD together?

April – Everything available! We like to have all materials that exist that we can work with for art, promotion, PR. If the film's already had a theatrical, it's very helpful to be looped in on all of the marketing and publicity that's happened so far, so we can go about it strategically. Aside from bonus materials, we also look for additional footage that could be used promotionally, whether it be for getting an exclusive in or featuring it on "Free on iTunes" or the Amazon order page. A good trailer is invaluable for promotion, iTunes and VOD. And of course contacts for outreach—we like working as closely as possible with the filmmakers to be sure we can leverage all of the supporters of the film to promote the release. New Video has an affiliate

program that offers a referral fee to organizations that host a link to the product page, so we find that's a great way to encourage support from them while giving them an incentive.

Q – Do you want an HD master?

April – Our preference is digibeta or HDCam for DVD and digital. We've released a couple of our bestsellers on Blu-ray, but don't automatically release on Blu-ray at this point, as it's more expensive and time-consuming, without the same market saturation as DVD.

Q – Is there anything about closed captioning or other languages they need to know?

April – If closed captions or subtitles exist, we like to include them, but they're not required for DVD or digital. VOD does require captioning or subtitles.

Q – Do you do the authoring?

April – Yes, we author in-house and also work with some outside authoring houses.

Q – What kind of marketing and publicity do you do for your releases?

April – When developing marketing plans for new titles, we try to follow four main guidelines: schedule the multi-platform release with an eye to the theatrical release, holidays and promotional opportunities, awards, and information gleaned from the target or niche audience for the film; collaborate as much as possible with the theatrical marketing and PR teams, if possible, to capitalize on their market and media research; partner with organizations who can help broaden the film's audience through their constituencies, e.g. museums, art galleries, music venues, libraries, cultural centers, etc; exchange product for advertising, contests, giveaways, etc.

More recently, social networking and digital

TEST SCREENINGS

6. Create a questionnaire and ask them to fill in answers. Do this before you get into a group discussion in order to avoid "group think."

7. Have a freeform discussion at the end of the screening and ask questions about things you suspect are problems. But don't lead your audience to answers.

8. Your studio or distributor may require a test screening of their own so they know how to market it. This will be with a complete unknown group in your target audience from all walks of life.

9. This can be a harsh environment for directors and producers. Don't let subjects attend unless they are on your advisory board and can help spot problems.

10. If one person mentions an issue, it may or may not be an important problem. If most of the group mentions the same problem, then you HAVE to address it.

GOING UNDER

1. Make a deal. If you owe more than you can afford, offer to pay then half or even less to settle the bill. But you will have to pay then and there.
2. Try to get on a payment plan.
3. Most people don't want to force you to go bust. They will work with you usually.
4. If you do want to go into insolvency, then let them push you into it. They'll have to pay the liquidator or receiver rather than you.
5. If you go into liquidation, you will have to supply all your books and records and they will be scrutinized. Make sure you didn't do anything illegal or undeclared.
6. If serious negligence/fraud is discovered, you will be barred from running a company again.
7. Make sure you made the film under a company and not personally. This way they can't come after your home, car or tools of trade.
8. Always talk to your creditors. It makes them feel like you aren't hiding.
9. Seek legal advice immediately.
10. Bankruptcy stays on your credit report for 7 years. But you can always start over!

marketing has become a crucial strategy for marketing our titles, as these are the best, most effective tools for reaching and growing target audiences and "fans." Podcasts, viral videos, Facebook ad campaigns, etc. These offer amazing opportunities for creative, cost-effective marketing.

As for press, we have a dedicated in-house media relations person who kicks-off each title with the filmmakers to determine where their film lies in the publicity landscape and where the best press opportunities would be. We sometimes hire publicity specialists to leverage niche press. If budget allows, event and screening publicity helps promote films via electronic media.

Q – Can a filmmaker approach you directly?

April – Sure. Our acquisitions team sources films from festivals, agents and other avenues, but it's certainly fine to send us a screener for consideration directly. It just may take a little while for us to respond.

Q – What are the common mistakes that you see documentary filmmakers make?

April – I think the biggest mistake is not looking at your film's release comprehensively. Looking at the theatrical or broadcast or DVD+digital release in a vacuum often means you'll miss out on some opportunities. If you lock in your broadcast before addressing other rights, you may find that you've effectively eliminated any opportunity for VOD, as VOD needs a window before broadcast. Or perhaps there's a big lag between your

theatrical run and your ancillary exploitation, so any buzz you created during the run has disappeared by the time you're releasing on home video. The goal is to look at the entire life of your film, including festival screenings, theatrical, grassroots screenings, VOD, DVD, digital and broadcast. If you do split the rights, work closely with your distribution partners to make sure everything is being timed and windowed in the best way. And keep building the profile for your film – our most successful films begin building it in the theatrical and it just keeps snowballing through every platform, building on itself.

Q – What advice would you give a new documentary filmmaker?

April – Filmmaking is an art form and filmmakers are artists. Like all creative endeavors, a film is about communicating. Taking elements such as a target audience into consideration affords you the opportunity to reach a wider audience. It doesn't mean you have to alter or compromise your film. However, keeping in mind your target audience, the best ways to best position the film in a landscape overflowing with other films competing for the same audience creates the best chance of your work reaching and influencing other people. It's important – and not a compromise – to be honest with yourself from the outset about what you want to achieve – who, and honestly, how many you want to reach with your message or ideas.



EDUCATION MARKET

CYNTHIA CLOSE
DER

Q – Your organization focuses on documentaries as a teaching medium, so who does your library reach?

Cynthia – DER's mission is to cultivate community engagement with the peoples and cultures of the world. Our programs reach millions of individuals each year through broadcast, film festivals and classrooms throughout the world. We sell directly to educational institutions worldwide including an extensive sub-distribution network throughout Asia. We address the need for tolerance and understanding of people who are different than ourselves. This need is universal and more evident in today's global political, social and cultural climate than ever before. Underlying the diversity of the films is the conviction that documentary and ethnographic films can broaden and alter preconceptions of marginalized and underrepresented peoples and cultures within the United States' population and abroad. We also maintain an archive of historical significance and public interest.

Q – Do you handle the US K-12 grade school market?

Cynthia – While K-12 has historically not been our focus market, we've made workshop presentations to help educators develop ways to utilize our collection in schools. As an example, the head teacher at the Moccasin Community Day School requested video donations to be used by their disadvantaged student body. We donated programs from our collection that feature young people dealing with socio-economic and cultural problems in a wide range of environments throughout the world. In exchange, we asked that the students write essays in response to the films. Submissions were judged and the winning students were allowed to pick a title of their choice from the DER film collection. We used the Moccasin Community Day School Project as a model for the development of a multicultural media workshop for schools and communities struggling with poverty



docued@der.com



www.der.org



www.facebook.com/docued

and ethnic diversity. We've made strides in reaching teachers at the K-12 level through workshops and presentations on integrating global issues in curriculum. We have made curriculum and study guide material available as free downloadable PDF files off our web site. We're also starting to offer free programs via Google Video.

Q – Do you deal with museum distribution?

Cynthia – We work with museums in two ways; first many museums rent or buy films from us for their film programs and screenings. Second, they also license footage from our archive that is often integrated in their exhibitions.

Q – What kind of documentaries are you looking for with regards to your distribution library?

Cynthia – While we come from a strong cinema vérité tradition, we've broadened our interests to include many other stylistic approaches to documentary storytelling such as experimental and animation. What we look for are programs where the esthetic fits the story, where content is king, and where the filmmakers demonstrate a deep commitment to and engagement with their subjects.

Q – What documentaries aren't you looking for?

Cynthia – Formulaic approaches, wall-to-wall narration, unnecessarily long docs and history.

Q – What are the best selling lengths for documentaries in your library?

Cynthia – Length does not factor in on popularity or sales. We have best selling shorts as well as full-length features.

Q – Do you have to become a member of DER to participate in the rental of your films?

Cynthia – No, we aren't a membership organization. We have a tiered pricing structure - institutional with public performance rights, K-12 teachers and Community Colleges, and consumer/home video.

Q – What kind of deal does the filmmaker receive from DER if their film is included in your library?

Cynthia – We offer royalty based on gross sales from all sources. We do not buy out rights. We have a standard contract that's negotiable. If there's competition for a film that we really want to acquire we'll offer a cash advance on the royalties.

Q – Do you license any of your films to broadcasters? If so, what kind of deal does

HUMAN RIGHTS ORGANIZATIONS

Amnesty International
www.amnesty.org

Witness
www.witness.org

Article 19
www.article19.org

Human Rights Video Proj.
www.humanrightsproject.org

Doctors Without Borders
www.doctorswithoutborders.org

The Innocence Project
www.innocenceproject.org

Rights and Democracy
www.dd-rd.ca

United Nations Foundation
www.unfoundation.org

UNICEF
www.unicef.org

UNIFEM
www.unifem.org

Human Rights First
www.humanrightsfirst.org

The American Red Cross
www.redcross.com

a filmmaker receive?

Cynthia – Yes. 50% of gross is our standard. Again, negotiable depending on the circumstances.

Q – How important is it for the documentary filmmaker to look at the community outreach of their film?

Cynthia – This is becoming essential from most funders POV. It should be a built in component of every filmmaker's business, funding, and distribution plan.

Q – Can you help find funding or finishing funds for a documentary filmmaker? How successful is the response to the films seeking donations on your website?

Cynthia – Through our role as a fiscal sponsor we currently support the work of 27 independent filmmakers whose subjects range from an examination of Native Alaskan sovereignty within historical, cultural, spiritual and political contexts to *The Mathare Project* where the filmmaker has been living in and documenting life in an orphanage in Kenya over a period of years. As a result of our support, all these projects have raised some funds moving them closer to completion - others have been fully realized.

Q – Is there a deadline for what is required?

Cynthia – We have a rolling deadline. To initiate an application we require a treatment, ideally two pages, bios of the production team and a budget. A trailer is not required, but previous film work may be requested.

Q – How important is the internet in today's distribution of documentaries?

Cynthia – Essential! Without the internet, we

would have been out of business several years ago.

Q – How does a filmmaker approach you if they have a film that they'd like to be included in your library?

Cynthia – E-mail is a good start. They should first visit our website to see if they feel their film would be at home with us.

Q – What common mistakes do you see with documentary filmmakers that could be avoided?

Cynthia – We often get DVD's or other previews for acquisition with no indication of how long is the piece. Also, often there isn't sufficient contact information on the material sent to us.

Q – What advice would you offer a new documentary filmmaker?

Cynthia – Know whom you are talking to! I hate it when a filmmaker wastes our time by sending us programs that are clearly not anything that would interest us. Do some research before you make that initial contact. Go to a distributor's or funder's web site before you make your first phone call or send an email query to them. People appreciate the fact that you took the time to do this. It also saves everyone time in the end.



INDIE THEATER

JOHN VANCO
IFC CENTER

Q – Is there any criteria for the kind of documentaries you show at IFC Center?

John – Because I'm in New York, I have the luxury of being able to program what I think is the best, without having to make any concessions for commercial concerns. If we program films that get support from the press, they might only appeal to a niche audience, but in New York those audiences run pretty deep.

Q – Do you usually screen the films before you show them?

John – Yes. And that's true with most art house cinemas in New York. You have to think long and hard about what audience a film is going to have. The films we do don't have a lot of P&A dollars behind them so there's a lot of pressure on the film to provide it's own marketing engine to attract audiences without the marketing tools that more mainstream releases get. We spend a lot of time trying to figure out what kind of reviews it will get. What kind of word of mouth is it going to generate? How are we going to get people to come out to it? So looking at the film is the first step in all of this.

Q – Do you help advertise the film or is that mostly on the filmmaker?

John – It's mostly on the filmmaker, but in New York many theaters do ads in the weeklies and *The New York Times*, which are small and basically list the days programs. But if someone wants to do some display advertising on top of that, that decision and expense is on the filmmaker or distributor.

Q – Have you seen any special advertising that filmmakers have done that were unique?

John – There are a lot of grass roots promotions that come into play for documentaries



info@ifccenter.com



www.ifccenter.com



www.facebook.com/IFCCenter



<http://twitter.com/ifccenter>

all the time. That goes especially for social issue documentaries that have a core constituency that really cares about those problems. People do special screenings for those groups and then go to places where those people are and hand out postcards and so forth.

Q – With whom do you usually deal with in getting films into your theater?

John – Usually the distributor. We will take on a film from a foreign sales agent when there's no US distribution. In which case we'll do the publicity and marketing of the film ourselves. There are situations when we deal directly with the filmmaker when they have retained the rights and aren't working with a sales agent or a distributor.

Q – What is the standard deal that you do with a distributor?

John – For a new film, we usually do a locked run of one or two weeks. There's always the possibility of holding over beyond that if a film does really well. In terms of revenue, we do the standard New York theater deal which is a 90%/10% split. It's a little more complicated than the deals around the country, but basically the theater will retain a house allowance for a film playing for a week. The house allowance is like rent. After that house allowance, which is sometimes called the "house nut," the payout is 90% to the filmmaker and 10% to the theater. If you don't make the house allowance, then there is a floor of 25% that goes to the filmmaker. And if we did publicity or press screenings, we'd deduct that from the amount that goes to the filmmaker. Also the filmmaker bears part of our directory advertising cost.

Q – What is common in the rest of the U.S?

John – The amount to the filmmaker is based on a flat percentage. It's usually around 35% and there may or may not be expenses taken out of that. For the bigger theaters and the chains it is still based on a percentage, but you might get a sliding deal. So the first week you get 60%, then the second week you get 50%, then 40% and 30% and it goes down as you get further into the run. But unless you are at a firm terms theater, which there aren't a whole lot of, it's basically a negotiation with each theater.

Q – What is the gap of time between agreeing to run a film and screening it?

John – Usually it's about a three to five month window and that's a little longer than it is for most theaters. Sometimes you open a film on Friday and it does worse than expected. On Monday you're already looking for a new film for that next Friday. It doesn't happen much with us because we're tightly booked.

Q – What is four walling and would you recommend it?

John – It's paying a fairly high fee to own all the playtime in a particular auditorium for a week. So you can give a theater \$5,000 and you can play your film for a whole schedule

and any ticket sales in that week go 100% to you the filmmaker. If you gross more than \$5,000, then you did OK. If you gross less, then you lose money. Filmmakers do four walls most often when they can't convince theaters to play a film in a conventional way. It's usually a last resort situation. And if that's your only option, then it might be because your film doesn't belong in a theater based on the marketing tools that you have at that point. The other side of four walling is if you have something heavily branded like *Spike & Mike's Tour of Shorts*, and you know you have a big, predictable audience coming, then you can make a lot of money four walling.

Q – In the calendar year, are there any dates or times that aren't recommended for opening a documentary film?

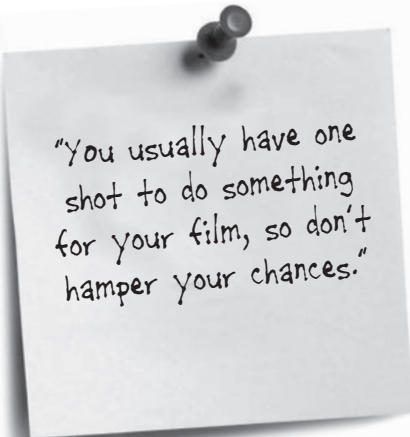
John – It used to be a little more complicated. For a long time people wouldn't open small, niche films in the summer because that's when the big Hollywood movies took over. And early December was a bad time because it's just before the Oscar movies come out and everyone is Christmas shopping. Now it's changed where every weekend is a bad weekend to open a little movie because it's so crowded. Even early December now that they've moved the Oscars up, so everything is not clogged up at the end of December. It's all spread out from Thanksgiving on. A small movie opening in the teeth of the Oscar releases is going to have a hard time. But generally, a good week to open your movie is when there are no other movies opening that are going after your audience. And you can't predict that because everything shifts. You can strategize a bit, but you don't want to be defensively shifting your film all over the place.

Q – When do you start putting trailers for films in theaters and how long are they?

John – A good trailer is between 90 seconds and two minutes. And we'll play a trailer as early as eight weeks prior to the opening. But we'll only play three or four trailers at a time. We give preference to the movies that are playing sooner. So we might get a trailer in and it will have to wait in line until there is room available.

Q – How have documentary films been doing at the box office?

John – Michael Moore's movies have made a big difference in terms of convincing everyone that docs can do big box office. The market place is cyclical. In the 1970's and 1980's there were big docs that did very well. *Woodstock* and *The Last Waltz*, which were music themed and then *Noah's Ark* that did well across the country. Now it seems that the political docs are finding audiences, but it's not really a new thing for docs to find success. We do well with docs. They tend to be more review and word of mouth



"You usually have one shot to do something for your film, so don't hamper your chances."

driven than opening weekend box office numbers driven.

Q – What kind of film and sound formats can you screen?

John – 35mm, Digital Content Protection (DCP) and nearly all tape formats.

Q – Has social media helped you publicize your films?

John – It has to a certain extent. At IFC Center, we have our own way of reaching out to the community via Facebook and Twitter. But really, I find social media to be more valuable to the filmmaker to enhance their films visibility, especially with social issue documentaries. They can make their films bigger by reaching the communities that would be interested in their subject.

Q – Is there anything a documentary filmmaker can do to benefit their screening?

John – Use marketing tools like posters, trailers, postcards, flyers, word of mouth screenings and online campaigns. For people who have made a good documentary, I usually tell them to get a distributor or hire a consultant to advise you through the process. It's a difficult and risky thing to do – for you to take on the marketing of your film alone. You usually only have one shot to do something for your film, so don't hamper your chances. Just make sure the people that you ask help from are experienced.

Q – What are the common mistakes that you see documentary filmmakers make?

John – A common problem is to not take good on set still photography. It's the most basic of deliverables and it becomes very difficult, especially when your distributor is trying to do things cheaply, to do any marketing materials without good art. So get someone who knows what they're doing and have them take good photos. It makes a big difference.

Q – What advice would give a new documentary filmmaker?

John – Watch a lot of great documentaries. Spend a lot of time seeing how people have achieved telling really great stories and new ways of telling them. And be in it for the love of filmmaking and because you are in it to tell the story you want to tell. Don't be in it because you want to make a lot of money or have a stable career with it. Your gratification should come from the work itself.



DIY DISTRIBUTION

ROBERT GREENWALD
BRAVE NEW FILMS

Q – *Brave New Films* has really taken off. The internet seems to have played a huge roll in that.

Robert – Yes. We've moved from using the internet as a way of merely talking to our audience to it actually becoming our primary distribution mechanism. We just passed 55 million views of all of our work online. And of course we are using social media in a robust way. We have a quarter of a million people on Facebook. We are using Twitter. It's been so exciting to see the possibilities expand so rapidly.

Q – *Last time you couldn't really download a movie and watch it. Now that's completely changed and must have helped you tremendously.*

Robert – It's not so much the movie downloads, but it's the ability of our short one to two minute videos to get seen and passed around hundreds of thousands of times.

Q – *Why does that work better than say a 15-minute video piece?*

Robert – I wouldn't say it's better. It reaches a wider audience because people online and in general have shorter attention spans and are besieged and bombarded with an enormous number of opportunities at every moment of their living and breathing time. So the short pieces will get you the largest number of viewers, but the longer ones have different value. With our *Rethink Afghanistan* films, we did a 2-minute piece to get the widest audience and then we offer an 8 or 10 or a 15-minute piece for those who are really interested and want to invest the time.

Q – *You use social media for publicizing your films. Do you take a different approach when using different types of social media?*



info@bravenewfilms.org



www.bravenewfilms.org



www.facebook.com/bravenewfilms



www.twitter.com/bravenewfilms

Robert – Absolutely. When we first started it was almost exclusively email because the other stuff didn't exist. In email, the subject line is the thing that gets people's attention. But something we changed is that we used to only have a link to the films in the email. Now we put a screen grab of the video in the message to further entice people to go to the film. With Facebook, you need to keep your message really short because people are scrolling through lots of entries – especially if they have a lot of friends. The good thing about Facebook is that it allows you to target specific groups of people very quickly. With Twitter, that's best for letting people know that information is coming. Like there's a new film we're putting up or that I'm going to speaking somewhere.

Q – You have a lot of different films that tackle lots of different subjects. How do you keep people from getting lost in all that information and choice?

Robert – We segment people and feed them the info they want. Someone who is interested in our healthcare films gets information on that and not our Afghanistan films. This is where Facebook really helps. Once they come to our site and watch the healthcare pieces, they will see that we've drawn a link in the rise of health costs to the war in Afghanistan. Then they will probably check out those films to get more information.

Q – How do you get people to trust you?

Robert – The internet is great because you can learn a lot about a segment of society so you can speak their language. Then you need to be as transparent as possible. Put up drawings and clips of what you are doing. Show them everything. That way they know you aren't pulling a fast one.

Q – Is fundraising difficult even for such small documentaries?

Robert – It's always difficult and hard. One change is that we get some funding from grants now, but those have their own challenges.

Q – What is the future for Brave New Films?

Robert – It's hard to say. Five years ago, I had trouble convincing people that the internet was a good way of disseminating information. Now 12-17 year olds think that email is too slow. So now they text. The key is to have your eyes open and not be afraid of whatever is coming up next.

Q – What advice you would give a new documentary filmmaker?

Robert – Find a way to make it. Get the price as low as possible. Get your own camera. Steal an editing system. And just go make it. Because the energy that you are going to spend convincing someone else to give you the money sucks the blood and energy away and it turns you into a salesman and not a better filmmaker. So given how cheap the technology is today, just find a way to make it. Even if it's only 10 or 15 minutes long.



INTERNET
DISTRIBUTION

ROB MILLIS
DYNAMO PLAYER

Q – What is Dynamo Player and how did it come about?

Rob – Dynamo is a paid video platform that came about after several years of frustration we felt as producers trying to get film and web video out without a major backer. Dynamo's main feature is the ability to upload a video of any type, set your own price and publish it anywhere online. You set your own access terms, so maybe it's \$.99 for six hours or \$9.99 for thirty days. You have a wide range of options and you are totally in control. Your viewers can embed it anywhere they like or spread it around on Facebook, use the share buttons to spread the word through Twitter. So it's like many other players online with the exception that with just a few clicks people can pay very easily through Paypal or Amazon, which most people are familiar with.

Q – How do you differ from Vimeo and YouTube?

Rob – We're open to any kind of producer. We have no entry restrictions and no upfront costs. And aside of not allowing pornography or anything illegal, we are wide open as far as content goes. The other thing is that we are completely platform agnostic. Youtube has a paid content system that they allow some of their partners to use, but it's somewhat limited and it only works with Google Checkout, which is not a very popular payment system. We are happy to use Google Checkout if people want to use it, but we hit well over 90% of the market with Amazon and Paypal. We also really built Dynamo to replace the DVD. DVD sales have been plummeting the last few years and they will continue to do so. We wanted you to have a way to view all the extra content online. You can cut a preview and put up a trailer and you can add unlimited other videos. So you can put in the behind the scenes stuff and the outtakes and the interviews with the filmmakers. You can put in various versions of the film in different languages or with voice overs.

Q – How does one make all those things stay together? Do you form a channel of



www.dynamoplayer.com

some kind?

Rob – All of those videos can be included in a single program for a single price, or you can create separate programs for them. You're totally in control of how you manage your content. With Dynamo, we're really a utility service. So while we do have featured content on our website and will do more of that and provide some destination pages, really Dynamo is a service for filmmakers to do their own promotion and shape the user experience on their own website. Many of the producers we met when we were building the system were frustrated because they had a great website, but they had to click out to some other platform that didn't look that good or sent to a retail site where their viewers were suddenly surrounded by other things to buy. We wanted the producers to have complete control so the priority for us was to let them embed it, adjust the size and the environment of the presentation. Dynamo is not a destination site on its own. Ultimately, it is a tool set to present films in the best way to a particular audience. A lot of our users are documentary filmmakers, but we also have many feature films, educational videos, short comedies and more, each with their own unique audience.

Q – What kind of formats do you accept?

Rob – We accept just about everything. I don't think we've had a video that wouldn't covert. The most common high quality format we see is H.264, hopefully not too large so it can be uploaded in a day. The main limitations come from long upload times from large files. We automatically convert to 1080 HD and a couple of smaller versions for various connection speeds.

Q – Anything users should know about the audio component?

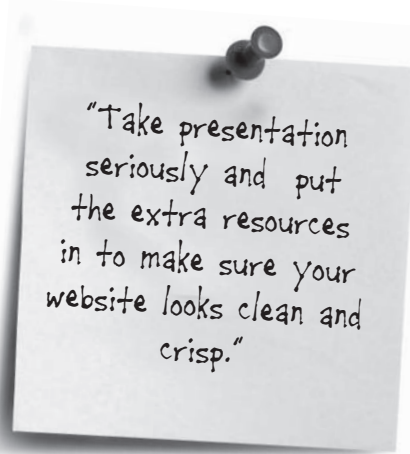
Rob – It's all high quality stereo. I believe 44k is the standard.

Q – How long of a clip can you upload?

Rob – There are no limitations on file size or film length. There are also no restrictions to how many videos you can add to a single program.

Q – What would you say are good price points for various videos?

Rob – For feature films, we really notice a drop off below \$1.99 and above \$4.99. There's a surprising lack of bargain shopping going on there, especially for documentaries. \$.99 seems to signal that it's not worth it. The exception is in short films. Short films need to be \$.99 or \$1.99. That's their sweet spot. Documentaries



"Take presentation seriously and put the extra resources in to make sure your website looks clean and crisp."

GRASS ROOTS DISTRIBUTION

1. A website is still the most important thing to have. All information on the film and all communication can be done through it. And you can sell your film off of it!

2. Docs have built in audiences. Connect with them early in the development process and link to relevant groups' websites, Facebook pages and LinkedIn sites.

3. Create a newsgroup using a program like Mad Mimi. Gather emails from everyone you meet that shows interest in the film and keep them posted on all happenings with your film. Great way to get them to screenings and buy DVD/downloads.

4. Non-theatrical screenings are the biggest money makes for docs. Religious groups, national organizations, youth groups, etc. are all good ways to get your work seen and DVD/downloads purchased.

5. DVDs are still the best way to send people copies of your film. But if you have the server space, send people links so they can watch it on their computers, phones and tablets.

do better at higher prices than dramatic films. They do better at \$4.99 and above than any other genre can. I think it's because the viewers know what they are getting. They are not sitting back and waiting to be entertained, they have something specific in mind and know they want to see it. Due to that it has a unique value to them. The one exception for high pricing is instructional content. There are high quality instructional videos that do very well at \$7.99, \$8.99 or \$9.99 – largely because someone knows exactly what they are going to get out of it. And those are for longer access periods like a month and people will watch it four or five times.

Q – How many people can be watching a film at any given time?

Rob – It's unlimited. We're on a global cloud network of servers.

Q – Do you envelop social media in with the player or is that outside the purview?

Rob – We will do some promotion for films that use Dynamo via our own social networking. But when it comes to the player, we have a share button that immediately converts short URLs for Twitter and Facebook. We will be improving the sharing options over the next few years as Facebook and others improve their platforms. One big feature that we're excited about is the ability to gift a program to a friend. With just a few clicks you can send anyone an access code to watch the film on your dime.

Q – How do you set up an account and what kind of revenue sharing do you do?

Rob – Just go to the website, sign up and you're ready to go. You can start uploading videos, setting a price and publishing on your site immediately. Everybody gets 70% of every sale automatically. We felt it was very important to give filmmakers a better profit percentage than anything they would

find on Amazon or YouTube. It's also on par with the iTunes store. It's also the point in the worst-case scenario that we break even.

Q – You offer geo-blocking. What is that?

Rob – That allows you to limit where your film is sold either by DVD region, continent or country. So, for example, if you have a deal in a particular country that prohibits you from any online distribution there, you can check off that country and Dynamo won't let people there buy it. We had one occasion where an Australian filmmaker did a premiere online, the film was showing at a film festival there and they had a lot of press for theatrical screenings, but they also wanted to do a simultaneous international release. So outside of Australia, it was available immediately. Within Australia, they had their theatrical push and then opened it up a few weeks later.

Q – Do you do analytics?

Rob – Sure. We do real time stats and transparent accounting. One of our big frustrations as producers ourselves was having to wait weeks to see your stats and then even more weeks to be paid. With Dynamo, as soon as a payment is made, it goes right into your Dynamo account. When you want to get that cash out, you submit a simple form and it's usually approved within an hour or two. Then it goes right to your Paypal or Amazon account. If the numbers are large enough, then we can cut you a check.

Q – What are the common mistakes that you see filmmakers make?

Rob – Expecting that the internet will deliver viewers with search terms. They expect that marketing will just happen or that it's overrated. For independent filmmakers who don't have the marketing and promotional team behind them that a major studio has, a blog isn't enough to get the word out about your film. At some point, someone has to be actively selling the film no matter how good it is.

GRASS ROOTS DISTRIBUTION

6. *It takes a long time and a lot of effort to self-distribute. You are like a start up business, no one really knows you so you have to spend a lot of time making noise.*

7. *Tweet, Blog and Vlog. Social media is the best way to reach a lot of people really quickly. Go into other blogs and leave comments as well. By doing so, others will check you out to see who is leaving such astute remarks!*

8. *Get into as many film festivals as possible. This is still the best way to connect with the movie going audience and winning some awards gives you more to promote via social media.*

9. *Hire an advisor who is an expert in grass roots marketing.*

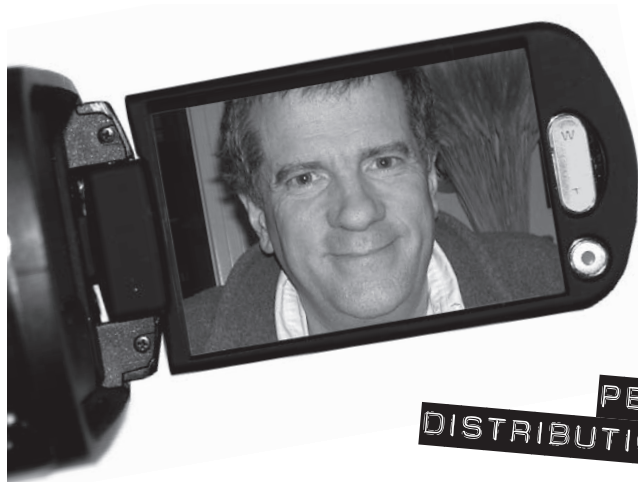
10. *For foreign markets, a sales agent is still the best way to broker the big deals, but increasingly everything else on this list holds true for places far from home. Also work a deal to be able to sell in territories that haven't been sold by them yet.*

WHEN DISASTER STRIKES

1. *Don't avoid legal issues or taking advice to the last minute. Get on them quick.*
2. *If you think a distributor or sales agent is being dishonest, write them an email or letter. Get increasingly more aggressive if they start ignoring you. Copy your attorney.*
3. *A contract cannot force someone to act correctly. But a good contract has remedies for you to get your money or film back if they are.*
4. *Try to have your contracts made in your company's name instead of yours. This way you are not personally liable for lawsuits or bankruptcy.*
5. *Have a distinct paper trail or who owns the copyright of a project so you can defend yourself. Save all your emails and back up your computer hard drive.*
6. *Have a bankruptcy contingency clause in your agreements stating that if your distributor goes under, the film copyright reverts back to you.*
7. *Arbitration favors the wealthy. If you can, avoid arbitration and sue them instead.*
8. *Sometimes the best course of action is to ride out the deal and get your film back. If it's a valuable title, you will still be able to sell it.*
9. *If you're owed money by a company that goes under, stay on the person's bankruptcy proceedings. People will try to get away with things if they are not checked.*
10. *Actors and crew cannot take their names off films if they have a contractual obligation to do so.*
11. *As a last resort, you can get an injunction to stop a film from being released. This is VERY expensive and should only be done if you know you are right and could win a huge settlement.*
12. *Bankruptcy does offer you an out from your problems, but your credit will be ruined for seven years. So forget getting that mortgage or car loan.*

Q – *What advice would you give a new filmmaker?*

Rob – My advice when it comes to using any online resource to promote or sell a film is to make it look really good. Take presentation seriously and put the extra resources in to make sure your website looks clean and crisp. Have it designed by someone who has done it before. Then put your film for sale right up front on your website as an impulse purchase. Don't bury it in a store. Make it easy so they can buy it right off the home page with a few easy clicks.



ALTERNATIVE
DISTRIBUTION

PETER BRODERICK
DISTRIBUTION CONSULTANT

Q – When we last spoke you were talking about a new distribution model that would take hold in the industry. It's not so new anymore as it's more or less the standard. Do you agree?

Peter – What appeared to be coming at the beginning of 2006 has arrived, but the old model hasn't gone away. The traditional distribution path still exists and there are filmmakers who are only aware of that approach. So, the possibility of choosing a hybrid approach isn't even in their minds. There are some people who feel an Old World approach is more appealing to them for several reasons. They feel that it gives their work more legitimacy. The second reason is they don't know anything about distribution so they want experts to come in and do it. And the third reason is that they don't want to be distributors. They want to be filmmakers and they don't want to spend the time even if it means more money. They would rather put their time into their next project. I think all of those are legitimate perspectives. I give filmmakers I consult with a sense of the full spectrum of distribution paths for their movie. Then they can choose where they want to fall on the spectrum. They can decide which avenues they want others to handle (such as foreign sales) and which they want to handle themselves. There are often areas where they have strong relationships or knowledge of the networks and the organizations. Sometimes they hire someone to handle this area and they supervise them. To design a successful strategy for a film, you need to know the options and then decide which ones best fit your film.

Q – What would you recommend first when consulting with a client?

Peter – Step one is to be clear about your goals. I ask clients to tell me their most important goals, which usually include at least one of the following: maximizing revenue, maximizing career, or changing the world. These are not mutually exclusive and there may be others, but it is important to prioritize them. Without a clear sense of your



peter@peterbroderick.com



www.peterbroderick.com



www.facebook.com/DistributionRevolution

priorities, it's really hard to make decisions. Once you've ranked your most important goals, you can design a strategy customized to your film.

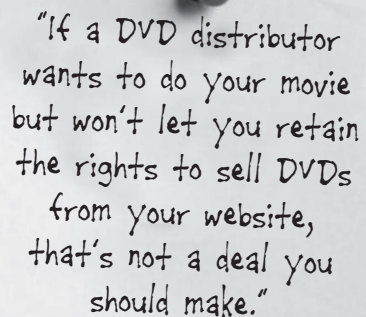
In the Old World of distribution, filmmakers didn't have strategies they just had reactions. This doesn't work anymore because distribution is so much more complex. There are many avenues of domestic distribution and then there's foreign. You need to think about what's going on theatrically. Do I want to have a theatrical release? Am I fine without one? Semi-theatrical screenings - single special event showings on campuses, at museums or in theatres - have become increasingly important. The filmmaker may be there for a discussion or may be on a panel. Experiencing the film at a special event screening is very different from seeing it in a multiplex.

For many filmmakers, semi-theatrical has become more important than theatrical. They get paid rental fees for their films, either a percentage of ticket sales or a flat fee if it's a free screening. If the organization putting on the screening has the resources, they may be able to bring in the filmmakers, cover their travel expenses and pay them an honorarium or a speaker's fee of at least \$750 in addition to the rental of the film. Whether the filmmakers are there or not, DVDs can be sold at the screening. If it costs them \$1 to make the DVD and they sell it for \$20, and they sell eighty copies, that's real money. These semi-theatrical screenings often lead to consumer sales and educational sales afterwards. The most important reason to do semi-theatrical screenings is that they create awareness and exposure that can give a film life. If you're in theaters for a minute, few people will learn about your film. But if it's being shown semi-theatrically across the country to core audiences involved with the issues the film deals with, viewers will tell other people about your film.

Q – What are the most important avenues after semi-theatrical?

Peter – There are many other important avenues including television, retail DVD, digital (which includes iTunes and Hulu), and educational. Direct sale avenues have become super-important. Filmmakers are selling DVDs right from their websites and at screenings. They are also selling downloads and streams directly from their websites. Filmmakers need to retain these rights as well as the rights to sell DVDs from their websites. The profit margins on direct sales are much better, and you get the customer data, which allows you to add each individual to your core personal audience. There is also cable video on demand where people pay \$4.99 to watch a movie. If your film's title doesn't begin with A, B, C, or D or a number, you're in trouble because searches are alphabetical and people usually give up after D.

Filmmakers need to decide on the sequence of



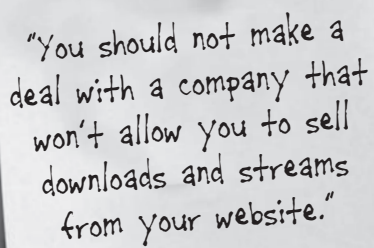
"If a DVD distributor wants to do your movie but won't let you retain the rights to sell DVDs from your website, that's not a deal you should make."

all these avenues. They also need to decide whether they will have different versions of their films. If you have a feature documentary, then you're going to need an hour for overseas TV. An hour will also be easier to sell in the educational market. Sometimes a filmmaker makes what she feels is the perfect version of her film and when confronted with the need to cut an hour version, makes something quick and dirty to send overseas. Filmmakers need to be thinking from the beginning of a project what the best hour would be and should edit it simultaneously with the feature length version. Hoping that someday someone will pay you to make the hour is a bad approach. Just plan for multiple versions.

Q – Would you say it's more beneficial to do the new model yourself and bypass the old method of distribution?

Peter – No. Filmmakers need partners. To do retail video, you need a company that can get it into stores, get it on Amazon and into Netflix. With the digital rights, you need an aggregator or a company like Distribber. With cable VOD, the same thing is true. You can't do that without working with a company. With theatrical, I recommend working with a booker or a service deal company. They have the contacts and the expertise. On their own, filmmakers should sell DVDs, downloads and streams from their websites. They can also do educational sales directly from their websites, but there are some very good educational distributors that specialize in particular areas and have great mailing lists. Filmmakers should assess the possibilities. If they believe they can sell five to six hundred educational copies at \$300 each, they have to decide whether to do it themselves or go through a distributor and receive a 30% royalty. If they think they can only sell fifty copies, then I'd recommend using a good educational distributor because it's probably not worth their time. The worst thing that can happen to your educational distribution rights is that they are not exploited when you give all your rights to one company. That company may have no educational distribution experience or capabilities. Filmmakers need to be careful not to give away more rights than a distributor deserves. If a distributor is really good in an area, then that's what you want them to do.

Q – Is it difficult for a filmmaker to retain certain rights these days? It wasn't so easy a few years ago.



"You should not make a deal with a company that won't allow you to sell downloads and streams from your website."

Peter – Things on that front have improved a lot. A few years ago DVD companies thought of it as a zero sum game. They assumed that if a filmmaker sells one hundred DVDs from his website, the company is going to sell one hundred less. Now the more sophisticated companies have realized it's not a zero sum game. If they let a filmmaker sell his movie off his website and he actively promotes the film online, that's going to increase the retail sales of

START EARLY

All the tools to create amazing marketing materials, to build a professional web presence and to reach consumers, fans, followers and potential collaborators are now freely available. It's not expensive and it's not rocket science. There is no excuse for a shoddy or poorly thought out campaign. Most people who fail to create an amazing marketing campaign do so because they don't start early enough. When they need it, it's a little too late.

Thinking of your key artwork and creating something in Photoshop, building a website and starting a blog, starting a Facebook page and twittering - these are all things you should be doing at the same time you are researching your doc. You need to be an expert in all of these technologies and skills because when you get into production, or close to the release of your film, there just isn't time to get creative. All you can hope to do is to add to or maintain what you already have. Plus, it's too late for a social media campaign at that point anyway.

Remember, it's all what your competitors are doing and they are doing a damn, fine job of it. Audiences won't be interested in your film if they don't know it exists.

the DVD company. It's win-win. These distributors realize that the filmmaker understands his core audiences, has connections to them, and can get their mailing lists. Distributors should think of these filmmakers as partners. They don't have to pay them anything and should just unleash them. If a DVD distributor wants to do your movie but won't let you retain the rights to sell DVDs from your website, that's not a deal you should make. In the digital area where rights are generally non-exclusive, you should not make a deal with a company that won't allow you to sell downloads and streams from your website.

Q – What about places like Dynamo Player and other affiliates that take a small percentage for giving tools to help you self-distribute?

Peter – There are a number of companies that will enable you to do streams and downloads from your site. Filmmakers shouldn't pay more than 25% and could pay as little as 5%.

Q – How would you recommend a filmmaker uses social media to promote their film?

Peter – Social media expertise is very important. Not just when a movie is opening theatrically or at a film festival, but in an ongoing way. It's important to have a social media person on your team. Filmmakers need to have a distribution team just like they had a production team.

THE Q/C REPORT

Quality Control is used by sales agents, distributors and broadcasters to ensure your film is up to the rigid technical standards required for transmission both at home and internationally.

The Q/C Report is usually 2-3 pages long. The first sheet lists the problems that you must fix. The details of the problems will be on the ensuing pages.

The problems will have timecode references so you can find them quickly and a rating system so you know how severe the issue is.

Q/C can be subjective. One company may have a problem and another might not.

Best way to get around the problems is to give your editor the technical specs of your broadcaster as early as possible so they can foresee problems.

Common problems include: crushed blacks, crushed whites, picture drop out, audio drop out or spikes, too dark, too bright, audio hiss and audio too low. Re-grading (color correcting, audio filters and re-mixing the audio can fix many of these issues. Consult your editor or a good post house engineer.

Some filmmakers think that if they have a Facebook page, they don't need a website, which is completely wrong. They need both and should figure out how they will complement each other. Their website should be dynamic. If it is just a static online press kit, people will come to it once and never return. You need to create something that can potentially have a life of its own. The website should encompass content about the subject of the film outside of the movie itself. This makes it richer and more diverse especially if the filmmaker can harness user-contributed content, which is a very powerful asset.

Q – What about using a blog as your website?

Peter – It's too easy. With blog software words are primary and images are secondary. One of my clients asked me, "Do you know what the problem with the web is? Too many words." I've never forgotten that. People don't use the power of images as much as they could. A website allows you to create whatever look you want. Blogs on websites are easy to overlook among all the other categories. The blog is often in a corner from which it is hard to return to the website. The best websites feature the filmmaker's persona throughout.

Q – Do people want that?

Peter – Yes. Think about the politics of persona. Kevin Smith, Spike Lee, and David Lynch are filmmakers who have distinct identities. Too many websites just have official bios that give no real sense of the filmmakers. These sites are merely online press

kits written in the third person. On the web, people are more supportive of individuals passionately making movies.

Q – What are the common mistakes that you see with filmmakers these days?

Peter – Not showing their movies to strangers while they are making it and getting candid feedback. Applying to festivals too early. When the Sundance deadline comes along, many filmmakers are incapable of resisting the impulse to submit even if their movies are nowhere near ready. The rationale is that “*I have nothing to lose*” but I don’t think that’s true. They may say, “*By next year I will be way past festivals.*” Then a year goes by and their movie is finally done but they’ve already been rejected. The third mistake is they don’t realize that bringing a movie into the world is as hard or harder than making it. You should start reaching out to and building audiences as soon as you begin working on a new film. With crowdfunding, you can get a sense of how interested people will be in your film before you even start production. You can launch a Kickstarter or IndieGoGo campaign. If nobody is enthusiastic, that is likely to be the response when the movie comes out. The fourth mistake is not having a strategy. Without one, you will always be operating at a disadvantage. You need to execute a strategy stage-by-stage. After each stage evaluate what has worked and what hasn’t, modify your plan for the next stage. Filmmakers who are nimble can continue to refine their strategies.

Q – What advice would you give a new documentary filmmaker?

Peter – Filmmakers need to understand that things are changing rapidly and make an effort to keep abreast of opportunities. It should be part of their ongoing education. If they have decided to be an independent documentary filmmaker, they must try to do it in a self-sustaining way. The goal is to continue to make movies. To do that, you have to understand this new world of distribution. Hybrid distribution, where you are splitting your rights and retaining the right to do direct sales, allows a filmmaker to have greater control of distribution and to build a core personal audience that she can take with her from film to film.