

RISKY BUSINESS: Financing & Distributing Independent Films

With Mark Litwak, Esq.



This comprehensive seminar—for filmmakers, new attorneys, and attorneys transitioning to entertainment law—explores how independent films are financed and distributed.

Topics include:

- Financing via pre-sales
- Debt and equity investors
- Negotiating tactics
- Typical contract terms
- Cross-collateralization
- Creative accounting

Particular attention will be paid to how producers and filmmakers can protect themselves:

- Investigating distributors
- Watering down warranties
- Adding contract provisions covering performance

- Termination
- Alternative dispute resolution
- Getting errors and omissions (E&O) insurance
- Using lab access letters and schedules of minimums

Other topics will include:

- Criteria for selecting a distributor
- New media distribution
- Which contract terms are negotiable
- Compliance with state and federal laws regarding investors
- Retaining an attorney, producer reps and publicists
- Confirming awards and enforcing judgments

Extensive handouts will be made available exclusively online for download, including a sample distribution contract, various topical articles, and a legal self-defense checklist. Finally, the lunch hour will provide a great opportunity for networking.

MARK LITWAK is a veteran entertainment attorney based in Beverly Hills. He has lectured at UCLA Extension for more than 20 years, and at Harvard and other top universities. He is the author of six books including: *Reel Power: The Struggle for Influence and Success in the New Hollywood*, *Dealmaking in the Film & Television Industry* (winner of the 1996 Krazna-Kranz award for best book in the world on the film business), *Contracts for the Film & Television Industry*, and *Risky Business: Financing and Distributing Independent Films*. He has executive produced 6 feature films and successfully arranged for the distribution of more than 50 features as well as serving as production counsel on several TV series. Mark also functions as a producer rep, assisting filmmakers in the financing, marketing, and distribution of their films. He is AV Peer Review Rated and has been named a Southern California Super Lawyer multiple times.



California Lawyers for the Arts

Fort Mason Center, Bldg. C, Room 362
Ft. Mason Center, San Francisco, CA 94123

MCLE CREDIT AVAILABLE (6 hours)

- CLA Student Members and CLA Senior Members: **\$65**
- CLA Members: **\$75**
- General Admission: **\$120**
- CLA Attorney Members (with 6-hrs. MCLE): **\$205**
- Non-Member Attorneys (with 6-hrs. MCLE): **\$295**

REGISTER ONLINE: http://calawyersforthearts.org/calendar/Special_Events

HANDOUT SUMMARY

(Nearly 100-pages delivered online for download!)

SELF DEFENSE CHECKLIST

ORGANIZING YOUR COMPANY

- Choice of Business Entity
 - o Sole Proprietorship
 - o General Partnership
 - o Limited Partnership
 - o Corporation
- Company Formation Checklist
- Limited Liability Company (LLC)
- Comparison of Entity Choices

COLLABORATIONS AND CO-PRODUCTIONS

- International Co-Productions
- Co-Production Checklist

RAISING MONEY

- Loans
- Pre-sale Agreements
- IFTA International Schedule of Definitions
- Entertainment Finance Companies
- Equity Investments
- Finders

TACTICS AND STRATEGY IN ARRANGING DISTRIBUTION

- How Much Is My Film Worth?
- How Distributors Evaluate a Film
- Sources of Revenue
- Increasing Your Leverage
- Film Festivals
- Working the Festival Circuit
- Balancing Risks and Rewards
- The Acquisition/Distribution Agreement
- Tactics and Strategy
- Markets and Festivals
- Investigate the Distributor



PRINCIPAL TERMS OF THE DISTRIBUTION AGREEMENT

- Territory
- Media
- Term
- Distribution Fee
- Distribution and Marketing Expenses
- Advances and Guarantees
- Consultation Rights
- Warranties and Representations
- Accounting
- Arbitration
- Insurance
- Termination
- Assignment
- Allocation of Package Revenue
- Security Interest
- Governing Law
- Territorial Minimums
- Retain Your Masters
- Return of Materials
- Delivery
- Contract: Lab Access Letter
- Contract: IFTA Rider to International Distribution Agreement

WHEN A DISTRIBUTOR DEFAULTS

- Selecting a Distributor
- Creative Accounting
- Conducting an Audit
- How Revenue is divided
- Creative Accounting Pitfalls
- Accounting Terms
- Defensive Tactics