



From *The Corporation*, dir. Mark Achbar and Jennifer Abbott, Canada (2003)

The \$4,149,561 Envelope—Please!

The Fight for Genre Equality

by Mark Achbar

Telefilm Canada's strategic objective, according to one of its mission statements, is "to ensure that Canadians have access to high-quality popular Canadian audiovisual productions." This objective does not distinguish between media or genres. Indeed, their new corporate plan is titled, "From cinemas to cell phones." Telefilm doles out roughly \$220 million every year to fulfill the citizenry's audiovisual needs.

Telefilm is one of the federal government agencies that helped finance *The Corporation*, a film I made with Joel Bakan, Jennifer Abbott, and a cumulative crew of 200. As independent filmmakers (editorially, if not financially), we were doing our bit to uphold the federal media-quality mandate and—what do you know?—*The Corporation* became the highest-grossing Canadian feature documentary ever, displacing the previous record-holder, *Manufacturing Consent*, which I'd made a decade earlier with Peter Wintonick. But that isn't saying much, relatively speaking. *The Corporation* did not take in the mega-millions Michael Moore's films have. It reached nowhere near the box office of the 95% of feature films that are not Canadian and dominate our theatres. However, the year it was released, it did outgross all but one English Canadian drama, Sony Picture's game spin-off sequel, *Resident Evil: Apocalypse*, a 20% Canadian co-production with an estimated budget of \$50m.

The Corporation grossed almost \$2m in Canadian theatrical ticket sales and went on to gross roughly five times that in international theatrical, TV, and DVD sales. Telefilm typically recoups about 13 cents of every dollar it invests in Canadian feature films. *The Corporation* paid Telefilm back in full and, unlike most Canadian dramas, is actually making a profit for the good citizens of Canada.

Telefilm has a generous reward program for producers of successful theatrical films. Until 2004, those films

were exclusively dramas. *The Corporation* changed that. For the first time, a documentary's domestic box-office gross potentially qualified it for a "performance envelope," a kind of exclusive reserve fund for the producers of the top 15% of films grossing over \$1m (current guidelines lower that threshold to \$500,000). Telefilm made an exception and awarded an envelope to my company, Big Picture Media Corporation, which produced the film. I was informed, in writing, that the envelope amount would be "\$1,383,187 per year for the next two years." I was ecstatic.

The idea behind these envelopes is: "You've proven yourself in the marketplace and we trust your judgement to evaluate the creative elements of your projects; you've earned the benefit of doubt with respect to your future use of these public funds." They're supposed to help you to repeat your past success.

But Telefilm doesn't just hand over a cheque and say, "Here you go. See you at the premiere!" The money and the equity it represents is Telefilm's and can only be invested in films that meet the CFFF (Canadian Feature Film Fund) qualifications. That means, among other criteria, having a theatrical distributor committed in advance. A significant hurdle for a doc.

Also, CFFF rules dictate that 90% of an envelope must be spent within one fiscal year. Once Telefilm awards an envelope, the clock starts ticking. How is that a problem? Well, as far as my filmmaking history goes, *Manufacturing Consent* took five years and *The Corporation* six, from inception to completion, not unusual gestation periods for feature documentaries. I raised this problem with Telefilm's top brass to no avail. The use-it-or-lose-it restrictions of Telefilm's federal fiscal year take priority over giving an envelope recipient the flexibility to use the funds to support a demonstrably

successful production process. (Telefilm allows some productions to draw down 60% in one year, and roll the balance into the next, but it's not policy and cannot be relied upon in planning a production.) In contrast, Rudy Buttignol, one of the world's most admired documentary commissioning editors, who greenlit *The Corporation* at TVO, urges filmmakers he works with to take the time they need to make the best possible film. "Give it to me when it's done," he told me, "not when it's due." This surely accounted in part for TVO's documentary excellence during his tenure there.

I found myself in an odd position. Whereas previously I had to beg for years to finance a project, I now had more money to invest in Canadian feature filmmaking than some Canadian broadcasters. Although I was not obliged to do so at the time, I wanted to put the money into a feature doc. (New rule: a documentary envelope can only support documentary.) But I couldn't conceive of a subject I could do justice to in less than a third the time it had taken before. I could invest in other people's films though, projects already developed, or which had even done some preliminary shooting.

I asked a couple of dozen filmmakers whose work I knew and respected what they were up to, and knowing me, if they thought their current projects might be a fit—since Telefilm also insisted I be "meaningfully involved" in each production. Then word got out. Producers and filmmakers from across the country expressed their hitherto suppressed desire to collaborate with me. They pitched all kinds of projects: verité, essays, biographies, history, macro views, micro views, and even a musical. There were times I wished I could just divide up the money equally, hand it out, and be done with it.

I called on Betsy Carson to co-executive produce with me. Her 20 years of expertise in the arcane world of film funding and producing enabled us to navigate the triggers, levers, and contradictions of international-interprovincial-broadcaster-funder forms and formulas.

Many filmmakers are surprisingly confident their films are destined for the big screen and popular success. More confident than I've ever been. What constitutes a feature documentary proposal with theatrical potential? Relevance? Passion? Commitment? With some proposals it seems obvious. An intellectual rigour in approaching a topic coupled with an appropriate aesthetic. A powerful central narrative or unique access to a compelling story or character. A novel societal analysis. There's no formula. Knowing the filmmaker's previous work makes an ambitious proposal easier to imagine. So does a solid demo. In some cases, we supported—or tried to support—a film because it dealt with important issues that deserved to be seen on the big screen.

We got a taste of what it is to be commissioning editors. We didn't have final say over what would or wouldn't be made—it was up to the project's producers to complete

their financing—but we could at least throw our newfound financial weight behind films that might not otherwise have mustered a feature budget.

It was a strange and difficult time that strained some friendships. It's one thing to tell someone you don't love their film proposal. It's something else when you become a person who could—but won't—commit hundreds of thousands of dollars to it.

After evaluating a substantial stack of proposals over two years, we were able to direct a total of \$2.38m into ten feature documentaries, which helped lock in \$270,000 of development financing and \$5.85m of production financing.

As a result, three million-dollar-plus feature documentaries are now in post production: Denis Delestrac's *The Cassandra Syndrome* (weapons in space vs. survival on Earth); Velcrow Ripper's *Fierce Light* (spiritual activism); Kevin McMahon's *Waterlife* (humanity's thirst for self-destruction). A fourth, Mathieu Roy's *A Short History of Progress* (the escalating costs of progress), starts shooting late this summer. These films will be completed and released between 2008 and 2010.

With the portion of the funds Telefilm allowed to be invested in development, we supported six other projects: Katherine Dodds's *I, Fembot* (a sassy fembot's take on future robotics); Barbara Mainguy's *Modern Madness* (who decides who's crazy?); Oliver Hockenhull's *The Perfect Pill* (utopian pharmacology); Jill Sharpe's *Sex, Breath and Death* (the quest for transcendence); Ann Marie Slater's and Sarah Butterfield's *The Curiosity Lab* (innovative education); and Fredrik Gertten's *Bananas!* (workers sue toxic transnationals).

Though some of their titles may change, stay tuned for updates on these films in the coming months and years. It cannot be overstated how important it is to see them in a theatre as soon as they're released. Early box-office grosses can make or break a film's theatrical and financial future, not to mention its performance-envelope eligibility.

Got a feature doc in the works? Sorry. All the envelope money is allocated. But there could have been—indeed, should still be—more. Our system of public funding for media production in Canada is remarkable, the envy of our filmmaking colleagues in the US and around the world, and I am eternally grateful for Telefilm's support over the years. But two problems emerged regarding what Telefilm initially stated about *The Corporation's* envelope.

Although Telefilm told me my company would receive \$1,383,187 each year for two years, the reality was a little different. Year one: \$1,383,187. Year two: \$1m. No negotiation. No apology. Just \$383,187 less than promised. I've no idea why Telefilm penalized the documentary projects, or why it thought it was okay to ignore its written commitment to what my company would receive.



Mark Achbar

photo: Alessandro Brasile

I also learned that Telefilm gave all other qualifying films a three-year envelope (valid as long as each film's box office is not superceded by another film which would knock it out of the top 15%). Despite *The Corporation* maintaining its initial qualification, Telefilm only gave my company two years. That's another \$1,383,187 I could have put toward developing and producing feature documentaries.

These two deductions represent a loss to the documentary-feature filmmaking community of \$1,766,374 which could have anchored up to \$4,600,000 of development and production. We're not talking small change here.

Telefilm now caps documentary-generated envelopes at \$1m, while dramas receive over three times more. What's all the fuss about genre anyway? It's the Canadian Feature Film Fund. The "feature" part refers to the length of the film and distribution venue. So many films bend genres anyway. What is *Radiant City*? Or *Borat*? Docs incorporate elements of dramas and vice versa. Is it a meaningful use of anyone's time to parse our pixels?

So what is the rationale for the \$1m cap? If it's that docs are cheaper to make than drama, one could argue that this is because we've never been able to access the same level of financing through the CFFF as drama producers. In fact, if we had access to those funds, many of our feature doc budgets would be on a par with smaller budget dramas. Our efficiency in using fewer of Telefilm's resources than dramas to return the same or higher profit margins seems to be held against us when a doc hits a home run.

As a federal agency, Telefilm is obliged to treat fairly all producers who engage with it. Is this fair: every feature film that qualified for an envelope before *The Corporation* and every feature film that qualifies after it is eligible for one year more of funding than the feature

documentary that broke the mold. Why would Telefilm do this? "The [documentary] format only became eligible well after the box office performance had been achieved," Telefilm helpfully explained. In other words, *The Corporation's* box office returns prompted Telefilm to change its rules and allow documentaries to be eligible. But it took Telefilm so long to change its rule that the film didn't qualify during its record-breaking year. So, they reasoned, since the rule hadn't changed yet, how could the film have been eligible?

The Corporation was released theatrically in 2004, but it took Telefilm until 2006 to award the envelope because they were in "lengthy discussions with industry stakeholders." Interestingly, the Canadian Feature Film Fund Working Group, which advised Telefilm on the issue, never suggested altering *The Corporation's* eligibility period from three years. "I was on the committee that agreed to include docs," a Working Group member informed me, "and our intention was not to limit the reference period." An envelope's an envelope, same for everybody.

Telefilm subsequently confirmed, "Technically performance envelope eligibility lasts for three years," and even admitted, "What you won't find a specific reference to in the guidelines, is the answer to your question about allowing *The Corporation* two years of eligibility, not three." So once the film was deemed eligible, there was no policy basis to deny it three years of eligibility.

Telefilm initially allowed *The Corporation* to receive its two-year envelope "on an exceptional basis." While it's understandable that modified guidelines cannot, as a rule, be applied retroactively, in fairness, could Telefilm not extend *The Corporation's* envelope eligibility to the three years it rightfully earned, "on an exceptional basis?" The answer is: of course it can—if it chooses to.

Until then, feature documentaries are being massively short-changed.

Mark Achbar was once an award-winning documentary filmmaker. His Telefilm envelope funds thrust him into the role of executive producer, mentor, investor, part-time public servant, and quasi-philanthropist. He may yet return to filmmaking. Mark requests you send him your written support on this issue, addressed to Wayne Clarkson, Executive Director of Telefilm, which he will pass on.
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