### Trade News

## Cannes market depressed but *Jésus* raises spirits

MONTREAL – The excitment over Denys Arcand's Jésus de Montréal has by no means dissipated with the closing of the Cannes Film Festival, May 15 to 23, where the film won the Jury Prize in the Official Competition and the Ecumenical Prize.

Max Films reports over \$2 million (Cdn.) in worldwide sales with all territories sold after its world premiere on May 15. Pierre Latour of Max Films International says a U.S. deal is expected by the end of the summer.

At presstime the film was averaging close to \$100,000 per week on three Montreal screens.

Arcand's film was a strong contender for the Palme d'Or - best film of festival - which was presented to 26-year-old Steven Soderbergh for his Sex, Lies and Videotape (U.S. A.).

Also helping to draw attention to Canadian film was Gilles Carle's 50 Ans, winner of the Palme d'Or for best short film – a tribute to the National Film Board on its 50th anniversary.

Atom Egoyan, a young Canadian director, drew his fair share of international media attention with Speaking Parts in the Director's Fortnight and was "all over the French press" according to Claude Chamberlan, co-director of the International Festival of New Cinema and Video in Montreal.

"It was a good feeling to be there and see things going so well for the Canadian and Quebec filmmakers, especially for Frappier and the gang who have all been fighting for independent film for the last 20 years," says Chamberlan.

Of the Cannes jury and its final selection, Chamberlan says, "fantastic, it had a good balance of conservative and nonconservative jury members and for the first time in 42 years it chose an independent filmmaker for the top prize."

Noteworthy, says Chamberlan, is the fact that Wim Wenders had the full jury on the podium during the presentation to, symbolically, "stand behind" its selection.

"It was a great day for independent film, not to mention Canadian and Quebec film," says Chamberlan.

Jan Rofekamp of Films Transit Inc. agrees that independents got "a much-needed break."

As much as Jésus deserved to be among the top three films in competition, Rofekamp says a keen observer could foresee how this jury would choose "a film made for \$350,000 by a 26-year-old director over a producer's film made for \$4 million."

But Latour, who is far from wounded by the jury's decision, says there are many theories as to why *lésus* took second place.

"We weren't thinking of Sex, Lies and Videotape. We were in competition with

ourselves," says Latour whose partners Roger Frappier and Pierre Gendron produced Arcand's *The Decline of the American Empire* which took the Director's Fortnight by storm in 1986.

Rofekamp says that the Official Competition has "taken a new course" with more independent films once the exclusive property of the Director's Fortnight.

Elsewhere, the Cannes Market was less hectic than in past years and somewhat depressed.

"It was a very curious Cannes Market," says Rofekamp, who in 1987-1988 sold I've Heard the Mermaids Singing in all territories after a strong reception in the Director's Fortnight.

"The cost of launching a film in Europe has become so high that everyone is going after a few films. It is getting to the point that if you don't have a film in one of the programs (Official Competition, Director's Fortnight) you're going to have a very hard time, "says Rofekamp.

Latour agrees that a trend exists towards buying fewer pictures of exceptional quality.

"Of course," he says, "it is an exceptional thing when you have a good film on your hands."

Publicity for How to Make Love to a Negro drew a lot of attention at Cannes. Montreal-based Aska Films reports \$1 million (Cdn.) in sales to Israel, Spain, Italy, Sweden, Finland, Switzerland, Belgium, Germany and Holland. The Kid Brother, a hit at MIFED in 1987, continued to sell in Italy and Spain.

Rock Demers of Productions La Fete, premiered two films at Cannes. Bye-Bye Red Ridinghood and Summer of the Colt, are the ninth and 10th films in the Tales For All series of family/oriented films. Productions La Fete reports total sales of over \$2 million.

"It felt a lot better to be there this year," says Kevin Tierney of Productions La Fete, commenting on the the effects of Jésus de Montréal on Canadians at Cannes.

This year's market, lasting only five days, was shorter than in previous years.

"Everyone just closed up and went home," explains Orvil Fruitman, president of Brightstar Films Distribution Inc.

"Between the high cost of the hotels and the food and everything else a lot of the people didn't think the market was worth going to," says Fruitman.

"As far as buying product was concerned, there were so many Canadians running after the same picture it became a little ridiculous," says Fruitman.

"Everybody thinks that because they are getting money from Telefilm (the Distribution Film Fund) it is open season. I know the prices are way up over what they should be and some of the distributors are fueling it." The absence of Simcom/Norstar and Sullivan Films was noticed at Cannes but neither company would comment to Cinema Canada.

Louise Clark of the Ontario Film Development Corporation observed the market winding-down from day to day.

"The place emptied out throughout the middle week of the festival. Business was bad...it was very, very slow year."

However, Robert Lantos, chairman and CEO of Alliance Entertainment Corp. had a contrary view of the market. He says the market was "bursting with European financial partners."

"I did not find business to be down," says Lantos. "I think the American B pictures were having a tough time but that doesn't really affect what we do."

Ron Emilio, executive vice-president of Famous Players Ltd., says there were new releases this year but of much higher quality.

"The market was softer," says Emilio.

# Cineplex takeover battle continues

TORONTO – In the latest twist in the battle for control of Cineplex Odeon, the company that Garth Drabinsky built but does not control, it was announced that an office of Chairman has been created. Drabinsky, formerly chairman (and still CEO), is now sharing those duties with James Raymond and Charles Paul.

Raymond is president of Claridge Investments Ltd., a company controlled by Charles Bronfman of Montreal. The Bronfman group owns 29 per cent of Cineplex. Paul is vice-president of MCA Inc., the Hollywood entertainment giant that owns 48 per cent of the company. Both men were already board members and form part of a six-person committee set up to examine takeover offers for Cineplex by Drabinsky or any third party. These events follow Drabinsky's attempt to purchase the Bronfman shares and make the company private, a move blocked by MCA after a bitter three-week struggle in April.

In other developments, Drabinsky and Cineplex vice-chairman Myron Gottlieb have negotiated "golden parachutes" amounting to over \$8 million if their employment contracts are terminated. Under the agreement, their contracts can be terminated after this September 30. This would provide some compensation for Drabinsky and Gottlieb if their bid to take over Cineplex fails. A general shareholders meeting has been put off again until June 30, when it is expected that Drabinsky will let his plans be known.

Robin Jackson, Senior Film and Video Policy Officer with the Department of Communications, told Cinema Canada that her department is watching developments "because nobody knows what's going on. Any attempt by MCA to take over Cineplex would be counter to the regulations of Investment Canada policy." The DOC doesn't have a policy on foreign control over Canadian exhibitors or producers and their distribution policy has yet to be passed through Parliament. Jackson said the Cineplex developments are of a "particular interest to us, depending on what happens."

Cineplex announced first quarter figures that showed higher revenue and profits. Net profit rose 34 per cent to \$10.7 (U.S.) million on revenue of \$188.2 (U.S.) million, which is 39.5 per cent better than last year. As of March 31, Cineplex's longterm bank debt totalled \$625.6 million, down from \$663.9 million at the end of 1988.

## Broadcasting Bill delayed

OTTAWA – The long-awaited revised Broadcasting legislation, which failed to pass first reading when the Conservatives called the election last year, will be delayed even longer. Michael Helm, acting director general of Broadcasting Policy with the Department of Communications, said when contacted by Cinema Canada that, "The bill is going ahead, we are working on it, but there is a delay. The Minister (Marcel Masse) wanted it in the house

Whether the delay will be a few months or a matter of weeks, Helm would not say. "The Minister is discussing changes, but nothing has been decided yet," he said. "He's not talking about rewriting the bill. Most people felt it wasn't far off the last time. However, there have been a number of representations made since last fall, and there continue to be representations made. We will consider them and there very well may be some changes."

#### Production in Ontario declines

TORONTO – Film and television production has declined in Toronto over the first four months of the year, confirming expectations of industry analysts. However, no one is quite sure if this is part of a long-term trend or only a short-term decline. Most people contacted by Cinema Canada seem to think it is still too early to tell.

Naish McHugh, Film Liaison Officer for the City of Toronto, said that, "It's nice to be busy for a change instead of frantic." He viewed the overheated pace of the past two years as being

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