

"Enhancement" key to Joshua controversy

TORONTO - *Joshua Then and Now* is to have its world premiere at the Cannes film festival. The \$11 million film has been the subject of a protracted dispute between producers RSL Entertainment and completion guarantors, Motion Picture Guarantors, over \$2 million in budget overruns. A refinancing agreement was finally signed on April 10. Under the terms of the agreement MPG, MPG's reinsurer Lloyds of London, RSL, CBC, the banks, and Telefilm Canada contributed additional monies to ensure completion of the film.

In an interview with Cinema Canada, Robert Lantos, president of RSL, said that RSL has paid out \$950,000 and expects to incur a further \$50,000 in costs by the time the film is completed. He noted that that includes "reinvestment of all our fees plus additional cash."

At the heart of the dispute between RSL and MPG is the question of enhancement. MPG argued that RSL had made a film different from the one it had originally agreed to guarantee. Robert Lantos emphatically denied that this was the case. He said in "*Joshua* we made the script that was written and read by everybody. In fact, we cut in excess of 20 pages off the original script on which the completion bond was issued while we were shooting. We reduced the scope of the film."

Lantos argued that if RSL had erred it was in miscalculating the true costs of the film. "What became evident was, given the complexities of making this film, given the film we had set out to make, the film MPG guaranteed and that all the parties had financed, it would cost more money than we had expected or budgeted for." He said

that this had never happened to RSL in its 10-year, 16-film history. He added that all the parties involved had underestimated the costs of doing the original film.

"MPG studied the project," he said. "You don't put yourself at such risk without evaluating what it is going to cost based on data such as script, shooting schedule, budget and lengthy talks with the producer, director, etc. He looks at all of this and decides, yes this is realistic. This reflects what it's going to cost. Yes, I will guarantee it. We all evaluated it. We all had information available to us and the costs had not been anticipated."

Douglas Leiterman, executive officer of MPG, disagreed. In a written statement to Cinema Canada he noted that "under our agreements a big chunk of the overages are the obligation of the producers. They deferred \$200,000 of their fees on this account and also pledged \$300,000 in rebates."

Leiterman also noted that "the essence of all completion agreements is that the producer warrants his budget and agrees to shoot and edit the film within

the budgeted allowances. In addition the producer signs an inducement letter under which he is personally liable for over-budget living costs, music, cast, finance, legal and the like. The guarantor does not pay for enhancement of the film."

Both Lantos and Leiterman agreed that had it not been for Lloyds adjustor David Taylor a final agreement may not have been reached. Lantos said that "if Lloyds had not been involved things would not have worked out the way they did. We all perceived in Lloyds a greater desire to settle this to everybody's comfort than we perceived in MPG."

Leiterman said "there was a hero, a Lloyds adjustor named David Taylor who persisted until he achieved a settlement."

Whatever the wrongs and rights of the case, it will have reverberations in the industry for some time to come. John Ross, head of Linpar completion guarantors, told Cinema Canada one immediate effect of *Joshua* would be an increase in the cost of completion guarantees. He noted that CBC and Telefilm have added new clauses to their agreements.

Dutch to highlight CBC

TORONTO - The Dutch national television service, Nederlandse Omroep Stichting (NOS), will feature 10 hours of CBC programming on June 2 in a Canada Day special. The marathon program, beginning at two in the afternoon and running through until 11 at night will be hosted in Dutch by veteran CBC radio announcer Ken Haslam.

CBC programs featured include: *Oscar Peterson*; *War Brides*; *Strawberry Ice with Toller Cranston*; *Montréal en Fête*, a documentary on the cultural life of Montreal; *Air Wars*, a TV documentary by George Robertson; five *Cityscapes* - Vancouver, Winnipeg, Toronto, Quebec City and St. John's; and three episodes from the *This Land* series.

Funding in place for 1985 celebration of National Film Day

VANCOUVER - National Film Day '85, the city's fourth annual celebration of Canadian cinema, is taking place at Robson Square on June 22 from 2 p.m. to midnight. A number of new films, all Canadian productions, will be shown for the first time in Vancouver, and some for the first time anywhere in Canada.

The aim of the event - presenting a full day of historic and contemporary Canadian films - is not only to honor the art and industry of filmmaking in Canada, but also to heighten public awareness of the quality of filmmaking in this country. Titles include David Hauka's *Solus*, Peeter Prince's *Rediscovery: The Eagle's Gift*, Jeremy Podeswa's *David Roche Talks To You About Love*, Janis Lundman's *Las Aradas*, documentary Peter Smilsky's *Wall*

to *Wall*, and, from the NFB, documentaries *Muscle* and *Street Kids*, drama *Thanks For The Ride*. As well the event will screen Micheline Lanctôt's award-winning feature, *Sonatine*.

The event will be placing special emphasis on the fact that 1985 is international youth year. So programming reflects many concerns and attitudes of the 15-to-24 age-group usually neglected in more commercial, youth-oriented films.

Funding comes from various levels of government as well as donations from the film community, including Simon Fraser University's Center For The Arts, Community Arts Council of Vancouver, ACTRA, IATSE, BCFIA, NFB and Telefilm Canada.

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TORONTO'S 10TH FESTIVAL OF FESTIVALS

September 5-14, 1985

PRE-SELECTION SCREENINGS FOR CANADIAN FILMS

Pre-selection screenings of Canadian films for the 1985 Festival of Festivals will be held in Toronto June 24-28, 1985. Please call or write to the Festival office for entry forms or if you require further information.

ELIGIBILITY:

1. Any Canadian film (except sponsored or industrial film) is eligible - feature, short, documentary, animated and experimental.
2. Films must be certified Canadian productions or co-productions.
3. Films must have been completed after September 15, 1984.
4. Preference will be given to Canadian premieres.
5. Films for preview screenings may be submitted in 16mm, 35mm, 3/4" or 1/2" video.
6. Films will be presented in the Festival in 16mm and 35mm only (optical sound) and in their original language with English subtitles.
7. Deadline for receipt of entry forms is Monday, June 17, 1985.
8. Deadline for receiving prints or cassettes for preview is Friday, June 21, 1985.

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LE 10ÈME FESTIVAL DES FESTIVALS DE TORONTO

du 5 au 14 septembre 1985

VISIONNEMENTS DE PRÉ-SÉLECTION DE FILMS CANADIENS

Les visionnements de pré-sélection de films canadiens pour le Festival des Festivals auront lieu à Toronto du 24 au 28 juin 1985. Veuillez écrire au bureau du Festival ou communiquer avec lui si vous désirez obtenir des formulaires d'inscription ou avoir de plus amples renseignements.

ADMISSIBILITÉ:

1. Tout film canadien (sauf les films industriels ou commandités) est admissible, qu'il s'agisse d'un long métrage, d'un court métrage, d'un documentaire, d'un film d'animation ou expérimental.
2. Les films doivent être certifiés comme étant des productions ou des co-productions canadiennes.
3. Les films doivent avoir été terminés après le 15 septembre 1984.
4. La préférence sera donnée aux premières canadiennes.
5. Les films, pour les visionnements préalables, peuvent être soumis en 16 ou 35 mm, ou en bande vidéo de 3/4 ou de 1/2 po.
6. Les films seront présentés, pendant le Festival, en 16 et 35 mm seulement (son optique), dans leur vision originale avec sous-titres anglais.
7. La date limite pour la réception des formulaires d'inscription est le lundi 17 juin 1985.
8. La date limite pour la réception des copies ou des cassettes pour les visionnements préalables, est le vendredi 21 juin 1985.

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