Communications down at SOGIC

MONTREAL – After several failed attempts to convene a meeting with the president of SOGIC, four members of the directorial staff of the film division of Société générale des industries culturelles québec (SOGIC-Film) have resigned.

Marie-Noël Pichelin (director of communications), Vincent Leduc (assistant director of marketing), René Chénier (assistant director of business affairs), Lucette Lupien (director of production development) and three secretaries have resigned as of the last week in July.

Former staff members choosing to go on record and remain anonymous say the daily operation of SOGIC, the Quebec government's funding agency for television, film and video, has become mired in bureaucratic red tape with virtually no direct communication between Charles Denis, president of SOGIC and the consultative staff of SOGIC-Film.

Denis declined to be interviewed by *Cinema Canada* and Robert Brisbois, vice-president (SOGIC), was on vacation at press time.

Former staff members say that following the 1988 merger of the film, television and video agency with a larger provincial organization dealing with all cultural industries, it became increasingly more difficult for staff to do their jobs according to the guidelines set down by the Institut Québécois du Cinéma. The resignations were the only recourse they had, they say, after it became apparent that Denis would not discuss grievances.

As one former staff member says: "The tragedy is not so much what is happening to well-intended employees who want to work for the industry, but the impact that the SOGIC-Film in disarray will have on the industry."

In December 1987 it was announced by Quebec Cultural minister Lise Bacon that the Société générale du cinéma du Québec (formed in 1983) would become SOGIC-Film (effective April 1988) upon integration with the larger Société de développement des industries de la culture et des communications (SODICC), which was created in 1977 to promote the development of cultural industries in Quebec. The integration which created SOGIC was intended to rationalize costs, according to the Quebec government.

Denis, a former aide to Robert Bourassa and the former director of the department of cultural industries, external affairs, trade and technological development, which was also folded into SOGIC, was appointed president in December.

Communication problems at SOGIC-Film began as early as April when, according to former staff, the new president failed to appear and introduce himself at the weekly consultative committee meeting where projects are recommended for later approval by the administrative council. Memos followed indicating that project recommendations lacked sufficient financial analysis.

"It appeared as though the new administration was modifying financial criteria. We had not been informed that this was happening and we felt strongly that if the goal was now to invest on more of a financial basis, this would be the end of the more risky projects that we had been shepherding," says a former staffer.

This perceived shift of criteria, says a former staffer, created resentment among the staff because arbitrary decisions were being taken by persons "unknown by the film and television industry."

"The right people are not being hired", says a former staff member.

"In order to make sound decisions you must have people in place who are close to the milieux."

Former staff members say they fear that SOGIC-Film is evolving into a bureaucracy more concerned with commercially viable films vs cultural or artistic properties during a time when the level of funding has not realistically increased since 1984 to keep pace with rising costs.

SOGIC-Film production funding budget (1988/1989) of approximately $6 million is still in place but very close to depletion, says André Théberge, director-general of SOGIC-Films, who would not comment on the resignations.

Théberge is hopeful that the next provincial budget will provide an additional $5 million television fund as is Rock Demers, president of the Associations des producteurs de films et de vidéo du Québec (APFVQ).

Demers and several producers met, earlier this summer, with Denis who has been invited to attend the general assembly of the APFVQ on August 26.

Although, according to Demers, financial criteria have not changed at SOGIC-Film, producers are eager to win assurances that SOGIC will become less bureaucratic and that the current staff is maintained.

"We want to see a less bureaucratic process and we feel that all SOGIC (Film) staff must stay. There are very good people working there," says Demers. He admits there have been a significant number of resignations but he adds that resignations are not unusual following any large-scale merger.

He says the proposed move by SOGIC-Film into the Teleport building with the rest of the SOGIC organization in downtown Montreal could facilitate better communications.

The APFVQ anticipated the problems of an expanding bureaucracy after the merger was announced last year and quickly called a press conference to state their own conditions for the merger. The three conditions were: increased production funding, a television fund and that the new SOGIC president be formerly employed in the film and television industry.

To date, none of these conditions have been met. Demers explains that although there remains concern about the future of SOGIC-Film, a substantial increase (May 12) in Quebec's capital cost allowance from 133.3 per cent to 166.6 per cent has subdued any outcry of betrayal.

New export policy creates controversy

MONTREAL – A glut of low-grade Canadian films in the foreign marketplace is the anticipated result of a Telefilm decision in June to lower the eligibility criteria for export assistance programs, say Canadian film exporters.

"We already see people going around with unusable Canadian films. Our answer to the buyers who are complaining is that this is an example of the Canadian government handing out money," says Jan Rofekamp, president of Films Transit Inc.

Micheline Charest, president of Cinar Films, calls the decision "ludicrous." A crowd of exporters with minimal product will not reflect the level of film production in Canada. Rather, she says, "It will leave a bad impression of a fragmented industry, the furthest thing from an impression of a strong Canadian inventory."

Film exporters were informed in late June that the eligibility criteria for Telefilm marketing assistance had been lowered from 15 hours of Canadian productions with proven marketing experience to a requirement of holding rights to three Canadian films.

Noël Cormier, director of planning and policies at Telefilm Canada, says the new policy is temporary and will apply long enough to allow companies (that would otherwise not qualify for assistance status) to enter the field and develop a "normal portfolio."

Declining to say for how long the policy will be in effect, Cormier explained, "This is a permanent policy and it is not intended to support proliferation. On the other hand, film export should not be a private club."

He says the policy represents one way in which Telefilm can get a return on its film investments by assisting in the development of a greater number of viable sales companies.

Rofekamp, who has been working in the major markets since the early 1980s, says Canadians enjoy a reputation for quality productions among foreign buyers.

His concern is that this carefully rebuilt reputation (following the dark days of the mid-1970s when American companies exported second-rate Canadian tax shelter films) will collapse with too many untutored agents in the marketplace carrying films without commercial value. Ultimately, he says, market forces will prevail and many of these agents will face the hard fact that only 20 to 25 per cent of all Canadian films and television product are saleable in the foreign marketplace.

They will also learn, says Rofekamp, that Telefilm's 50 per cent reimbursement of promotional costs will not touch the private costs of sales abroad. Film Transit budgets $75,000 annually (for markets) not covered by Telefilm.

The anticipated rush to the marketplace will be shortlived, lasting two or three years, but the damage caused will have long-term effects, says Rofekamp.

Buyers, already overworked and increasingly more selective, will have seen one too many bad Canadian films. At home, a bidding war among Canadian exporters, offering inflated minimum guarantees, will hurt producers.

Pascal Hébert, of Cinema Plus International, the foreign sales arm of Cinema Plus Productions Inc. established in 1987, says Cinema Plus asked Telefilm for a change of policy in January.

"We pressured them for our own films. I don't know who else might have done the same," says Hébert, not entirely satisfied with the decision.

"It goes too far," she says. "It should have been lowered to 10 hours from 15. We also suggested criteria for the quality of the project. It's true that everyone should have the right to sell but there is some horrible stuff in the marketplace. And, after all, Telefilm is representing Canada."

She adds, "If Telefilm was an unlimited financial source, it (the new criteria) would not be a problem."

Pierre Latour, who with partners Roger Frappier and Pierre Gendron (formerly of Cinema Plus) have formed Max Films Inc. (see story), is in agreement with the Telefilm decision.

Like Rofekamp, Latour is confident that market forces will win out and separate the real contenders from the rank amateurs. He goes a step further, explaining that the Canadian film industry is maturing to a point where there is a narrowing financial distinction between production, distribution and sales.

"It is obvious that the future of the Canadian industry lies in more integrated companies," says Latour, formerly of the Malofilm Group. "Production is linked to pre-sales. This is the key to financing a feature film. So you must be able to manage all aspects of filmmaking including sales."

Cormier agrees. He observes that the industry is going through a period of mergers and diversification and that this will likely be the trend of the future.