

Guidelines and regulations for the co-production activities of Film i Väst

These guidelines and regulations apply to the coproduction activities of Film i Väst AB for feature film production, and in certain circumstances for the production of drama for television. Film i Väst is a company wholly owned by Västra Götalandsregionen, the Regional Authority of Västra Götaland. The Regional Authority's intention is that the work of Film i Väst [FiV] will make a substantial contribution to establishing Västra Götaland as the foremost film production region in northern Europe.

1 Aim

- 1.1 To encourage film production and develop an infrastructure for the film and media industries.
- 1.2 To work towards widening and innovating the form, content, and financing of Swedish film.
- 1.3 To provide film workers in Västra Götaland Region with development possibilities, and to substantially increase the numbers of job opportunities and audio-visual establishments in the region.
- 1.4 To promote high quality film production in Västra Götaland Region.
- 1.5 To encourage wide public exposure for films co-produced by FiV.
- 1.6 To support and strengthen companies, networks and alliances in the film and media industries in the Västra Götaland Region.

2 Activities

- 2.1 In accordance with the aims of the enterprise, FiV shall initiate and participate in the financing of film production for the cinema and other channels. FiV may also co-produce TV drama which is produced in film-like forms and/or which may result in increased employment opportunities. However, a broadcasting company may not act as the main producer.
- 2.2 FiV shall actively strive to create a beneficial climate and advantageous conditions for film production in the region.
- 2.3 FiV shall vigorously enhance opportunities for film and media companies in the region to develop the quality and growth of their operations.

3 Administration, organisation, finance

- 3.1 The coproduction activities are conducted and administered within FiV.
- 3.2 The Managing Director of FiV decides which film and TV productions shall be co-produced. The decisions are reported to the Board of Directors of FiV.
- 3.3 FiV receives support from the European Union Regional Development Funds. Special conditions apply for productions in receipt of coproduction finance from these funds.

4 General Regulations

- 4.1 In order to qualify for coproduction finance from FiV a production must be chiefly located in Västra Götaland.
- 4.2 The main producer, or a significant coproduction partner must have an established, permanently manned office in one of the regions defined in §1 above, and must have a well developed business plan for future operations in the region.



4.3 FiV acts as co-producer. A contract is signed by FiV, other co-producers and the production's main producer. The main producer bears full responsibility for the economic and executive management of the production, and must guarantee its completion with some kind of completion guarantee.

4.4 The production must be executed in accordance with the description of the project which was the basis for FiV's involvement. All departures from the description must, without exception, be approved in advance by FiV. If any departures occur and they are not approved by FiV, then FiV retains the right to withdraw from the production and reclaim reasonable compensation for all losses incurred.

4.5 In exceptional circumstances, FiV may co-produce films in which less than half of the production is localised in Västra Götaland. In these cases, the involvement of FiV shall be decided on solely commercial considerations. The probability of recovering at least its coproduction investment must be judged to be very high.

4.6 In exceptional circumstances, FiV may co-produce feature length documentary films. In these cases FiV's coproduction investment shall be less than 10% of the total budget and a clear justification of how the project satisfies the aims of FiV's coproduction activities must be attached to the approval decision.

4.7 FiV shall not give coproduction cash investments to sub-contracted productions for television, unless very substantial rights are acquired by the production.

4.8 Feature films co-produced by FiV shall have a special cinema premiere in the Västra Götaland Region as a rule in the local authority in which it was made. This special showing must be held before the official premiere of the film. The main producer of the film shall participate actively in the planning and implementation of the special premiere and, alone or together with the distributor of the film, meet its basic costs - cinema hire and invitation costs.

4.9 FiV requires the preparation of an ambitious plan for international distribution, to be presented as part of the marketing plan.

4.10 FiV shall not co-produce films which have started shooting, unless very substantial rights are acquired. The involvement of FiV in such productions shall be decided on solely commercial considerations.

4.11 FiV's involvement as co-producer shall be clearly stated in the main titles of any film co-produced by FiV. If the film is partly financed by European Union Regional Development Funds administered by FiV, this shall be acknowledged in accordance with EU regulations. FiV shall be credited in the same places, times and forms as those of other co-producers. The managing director of FiV shall be credited as co-producer or executive producer if any other co-producer is so credited.

4.12 Foreign producers seeking coproduction finance from FiV must have a Swedish co-producer. The Swedish co-producer must be a privately owned company (see § 2). Sveriges Television and TV4 do not qualify as Swedish co-producers for this purpose. FiV will pay coproduction finance to the Swedish co-producer as defined above. FiV requires the Swedish co-producer to use the coproduction finance to cover costs of production arising in Västra Götaland. The Swedish co-producer bears the economic responsibility for the production's implementation in Västra Götaland.

4.13 FiV must be allowed continuous insight into the progress of the production. This includes all phases of its implementation. FiV must be provided with reports illustrating the current financial position of the production on demand at any time, free of charge. If part of the coproduction finance is from European Union Development Funds administered by FiV, then the financial accounts general ledger shall be submitted to FiV continuously, free of charge.

4.14 FiV reserves the right to require that producer/s and, as far as possible, other significant participants in the production take part in marketing schemes in the region. In all press and media contacts representatives of the production shall, as far as possible, emphasize the role of FiV in the initiation and realisation of the film. In all printed material presenting the film, FiV shall be credited as co-producer as shall the European Union where relevant. If any other co-producer's logo appears in the main credits or printed material then the logo of FiV shall also be displayed.

4.15 Information on the development of the film, in both production and post-production stages, must be provided upon request. Special showings for FiV must be arranged on at least two, but normally on three occasions. FiV shall see the proposed final version of the film, and shall have the opportunity to comment on it, before the final cut is approved.

4.16 As a rule, 50% of those employed on the production shall be recruited from the Västra Götaland Region (ie. from those paying tax to Västra Götalandsregion in the year in which shooting commences). The producer shall, without being prompted, supply FiV with a list of employees and actors and their places of residence.

4.17 The producer shall supply 10 DVD copies of the film to FiV free of charge.

5 Applications

5.1 An application must be accompanied by two copies of the completed screenplay, budget, production schedule, and distribution plan. A separate document explaining how the applicant's financial contribution is calculated shall be included.

5.2 The budget shall be drawn up in accordance with current practice in the European film industry.

5.3 The applicant must give an account of how production finances will be used in Västra Götaland. Items of expenditure which are proposed to be spent in Västra Götaland must be clearly marked in the budget.

5.4 If the application fails to meet these requirements it will not be considered. The application material will be returned to the applicant.

6 Criteria

6.1 Coproduction finance is given to film productions considered to have artistic quality and public appeal. It must also be likely that the coproduction's finances will be recovered.

6.2 The project must be considered to have a significant positive impact on the infrastructure of the film industry and employment in the region.

6.3 Films with significant cultural links to the Västra Götaland Region, or films in which most of the production expenditure occurs in the region, will be given priority.

6.4 Films for children and young people will be given priority.

6.5 The producer's ability to implement the production successfully will be carefully examined. The film's producer must have documented experience of feature film production.

6.6 Films for which the main producer maintains a manned office in the four towns region have absolute priority.

7 Definitions for, and Forms of, FiV Co-production Financial Input

7.1 The maximum FiV coproduction financial input for feature films is one fifth of the total budget. However only in special circumstances may the input exceed SEK 3 million.

7.2 FiV may participate in the development of a series of projects. In this case, FiV will be, to a mutually agreed degree, a co-owner of the projects. If the projects are implemented, FiV's financial input in the development will be redeemed when a coproduction contract is negotiated.

8 Requirements and Routines Concerning FiV Coproduction Input

8.1 In order for a coproduction contract to be signed, the main producer must produce written evidence that finance for the entire project has been secured. Final versions of the screenplay, the budget, the distribution agreement and other agreements regulating the production, distribution, and sales of the film must also be presented to FiV. The Guidelines and Regulations for Coproduction Activities of FiV must be approved and signed by all co-producers.

8.2 It is the responsibility of the main producer to draw up proposals for a coproduction contract. The contract may be negotiated once, or on several occasions. Otherwise, FiV reserves the right to withdraw from the project. The contract must be signed by all co-producers before FiV's coproduction financing can

be paid.

8.3 Coproduction financing is normally paid in four stages: the first day of principal photography, completion of shooting, completion of A-copy and at the presentation of final account. All documents listed in § 1, signed where appropriate, shall be presented to FiV before any payment of FiV coproduction monies can be made.

8.4 Copies of financial accounts shall be sent to FiV continuously, without prompting and free of charge. The accounts shall clearly show what expenditure is spent in Västra Götaland Region. Employee costs may be included only for employees paying tax in the region. Company costs may be included only for companies established in the region.

8.5 FiV reserves the right to place students/trainees from film and media courses in the region within films it co-produces. Students/trainees participate in productions within the framework of Lärande i Arbete [On the Job Training] and they must have a mentor/supervisor. They may not replace regular personnel. FiV expects feature film producers receiving coproduction finance to participate generously in film education initiatives in the region.

9 FiV's rights to receipts from coproductions

9.1 Acknowledging the importance of protecting the income of the production company from its investment, FiV shall share this income from the first returns. The size of these proceeds will be regulated, and paid at intervals, in accordance with the coproduction contract. The basic rule is that FiV's share of the proceeds will be in direct proportion to its share of coproduction finances. FiV shall receive its due share during the same time intervals as all other co-producers. FiV will not approve negative or discriminative treatment, and reserves the right to withdraw from the project if this occurs. FiV may accept that an upper limit for income from a coproduction is set when all rights pass to the main producer, on condition that all co-producers agree.

9.2 If FiV's grounds for participation in a production are strictly commercial then FiV shall receive its due share of receipts from the start. FiV shall receive its share of all the receipts of the production.

9.3 If the requirement for expenditure in the region is not fulfilled, either a sum equal to the shortfall must be returned to FiV, or FiV must be given the opportunity to acquire all the first production receipts from the film until the difference, as defined below, is covered. The formula to be used in calculating the repayment obligation is: required expenditure according to the coproduction contract minus actual expenditure divided by 1.5 - 2.5.