Screenwriting Assistance Program 2004-05

Frequently Asked Questions

Please read the 2004-2005 Screenwriting Assistance Program Guidelines which can be accessed on the Telefilm Canada website <u>www.telefilm.gc.ca</u>. Application forms are also available at this website.

<u>Eligibility</u>

Q. Can I apply to the Screenwriting Assistance Program if I have received, or may receive, financing from other funding agencies?

A. Yes. Applying to Telefilm Canada does not preclude you from seeking out additional sources of financing your project.

Q. If I am just a few credits shy of the minimum eligibility requirements, can I still apply to the program?

A. No. Applicants whose credits fall outside the minimum credit requirements will not be considered for the program. The minimum credit requirements are in place to allow writers at various stages in their career to access the program, while at the same time ensuring a minimum level of professionalism is met.

Q. If I am successful at the outline to treatment phase, am I automatically considered eligible to receive financing at the treatment to first draft phase?

A. No. An application to the treatment to first draft phase is a separate application from the outline to treatment phase, and therefore you would have to prepare and submit an application.

Q. If I am successful at the outline to treatment phase, when can I apply for treatment to first draft financing on the same project?

A. Applicants whose projects were successful at Stage 1(outline to treatment) may resubmit the project for Stage 2 (treatment to first draft) financing **only** when all previously financed work related to that particular project has been delivered.

Q. Why are adaptations that <u>do not</u> originate with the applicant ineligible for assistance?

A. Given the volume of submissions Telefilm Canada receives at each deadline, it is not possible to compare the screenwriter's skill in an adapted work against the original. From an administrative standpoint, working from an adaptation

opens the door to legal issues surrounding options thereby slowing the evaluation process down considerably.

Moreover, adaptations of works that do not originate with the writer make it difficult to identify the screenwriter's contribution to the story, especially if the jury members are not familiar with the source material.

Q. Are adaptations of works that are considered public domain, like Shakespeare, news stories or fairytales, permissible?

A. Stories that take their <u>underlying premise</u> from a work in the public domain are permissible, with the caveat that they do not violate or infringe any copyright, moral rights, right to privacy or any other right of any person, or appropriate the personality of any person. The applicant must demonstrate that the characters, the dialogue, the action, and the story have been developed beyond the account presented in the original story and is not simply translated into a different form. For example, an adaptation of Romeo and Juliet that uses Shakespeare's prose and simply updates the setting to present day is not permissible. A story about a young Shakespeare who falls in love with a woman promised to another and is inspired to write the play Romeo and Juliet is permissible.

Optioning and sale or transfer of scripts

Q. What is the difference between optioning a script and selling or transferring a script?

A. Section 5.01 of the SAP agreement states that the following will trigger repayment of the advance:

- principal photography, or
- the sale, transfer, assignment or other disposition of the Production.

Contrary to what one might think, optioning a script or treatment ("Script") does not fit within any of the above descriptions. Technically, legally, optioning a script is <u>not</u> "a sale, transfer, assignment or other disposition of the Production". A script option provides for a <u>contractual right</u> to sell, transfer, assign or otherwise dispose of the script. The optioning is not a property disposition.

Consequently, the optioning of a SAP Script does not trigger repayment of the SAP advance(s) to Telefilm. It is only when the option is exercised, that the SAP writer's repayment obligation to Telefilm is triggered (and it is triggered such that the SAP writer is obligated to repay Telefilm the full amount of the Telefilm advance(s)).

Q. If a producer wants to take over a SAP project and apply for further development, should we use a Script Transfer Agreement?

A. Unfortunately, a Script Transfer Agreement is not applicable in these situations. The Script Transfer Agreement is set up for one *producer* to take over the obligations of another *producer* (as would be the case with our standard development agreement). In the case of a SAP project, we have a producer wishing to option the Script from a writer, not take over the writer's agreement with Telefilm.

Q. How should we deal with a producer who wants to take over a SAP project and apply for further development funding?

A. By far the simplest way for all parties to deal with this situation is for the producer to option the SAP Script and then apply to Telefilm for the next stage of development financing. The option becomes part of the chain of title for the producer's development application.

In this situation, the SAP agreement stays in place, with the writer remaining obligated to repay Telefilm upon the exercise of the option (the actual transfer of the Script), and the producer becomes obligated to repay the amount of the development advance under the terms of the development agreement (i.e. on first day or transfer).

Q. Why does Telefilm not require approval of an option contract?

A. As mentioned above, the optioning does not trigger repayment, and the SAP agreement remains in force. Consequently, and to streamline administrative costs, Telefilm will not require approval of an optioning agreement. However, in the SAP guidelines, Telefilm recommends that the SAP writer consult with Telefilm prior to executing any option agreement. The reason for this is that SAP writers may not understand that they remain obligated to repay Telefilm upon exercise of the option. The SAP writers should be advised to ensure that the option agreement provides for full repayment of the SAP advance(s) upon exercise of the option (i.e. sale, transfer, other disposition, first day of principal photography).

Q. Who is entitled to the option fee received by the SAP writer?

A. The SAP writer has already been paid by Telefilm for writing the Script. Option fees are thus payable to Telefilm. This is covered by section 5.02 of the SAP agreement:

5.02 The Applicant covenants that it shall not be reimbursed including any remuneration and fees, other than in accordance with the scriptwriting Budget, nor shall it permit or cause any other person, firm or corporation to be reimbursed in respect of the financing of the Production, until such time as Applicant has repaid the total Advance amount to Telefilm.

It should be kept in mind that option fees are sometimes deducted from the exercise / purchase price. In the event that Telefilm receives payment of an option fee from the SAP writer, such amount will reduce the total SAP amount(s) repayable to Telefilm upon exercise of the option. The Compliance and Collection department would keep track of any such amounts.

Format and Presentation

Q. Will my application be discounted if I don't follow the detailed page and formatting restrictions?

A. Yes. Applicants whose projects fall outside of these guidelines will be called and asked to resubmit their material within one to three days. If you cannot resubmit your material in the time frame given, or choose not to reformat your work, Telefilm will/may withdraw your project from the program. In order to work as effectively and efficiently as possible, jury members are asked to read approximately 158 projects in a five-week period. Consistent formatting helps to reach this deadline.

Competition Process and Timetable

Q. What is the process once an application is received?

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- Application deadline: Applications are accepted in each of Telefilm Canada's four regional offices. Applications must be delivered, in person or by mail, no later than 5 o'clock the day of the deadline. <u>Late applications will not be</u> <u>accepted</u>.
- A letter, confirming receipt of the application, is sent to each applicant approximately one week following the deadline.
- Approximately three to four weeks after the deadline, creative materials are forwarded to jury members. Jury members are given five to six weeks to read the material.
- Approximately nine weeks after the deadline, the jury meets for three days and decides on the successful projects.
- Decision letters are mailed to both successful and unsuccessful applicants the following Friday.
- Within two to three weeks, successful applicants can expect to receive a contract from their regional office.

Q. How many applications do you receive per deadline?

A. On average, Telefilm Canada receives 158 applications per deadline.

Q. How many applicants are successful?

A. On average, 32 applications are deemed eligible to receive financing per deadline.

Other questions

Q. What type of story is the jury looking for?

A. The Screenwriting Assistance Program is dedicated to fostering and developing strong, well-written, unique and marketable scripts. As experienced industry professionals, the jury members know how to evaluate the project submitted while ensuring the spirit and intent of the Program is maintained.

Q. If I am successful, which Telefilm office will I contract with?

A. As a successful applicant, you will contract with the Telefilm Canada office in your region.