

Coventures

To overcome these types of problems, producers employed the presale or coventure method of financing pictures. Coventures are international coproductions not covered by an existing coproduction treaty or with producers in countries where no treaties exist. As the U.S. government does not have coproduction treaties, equity partnerships with American companies are usually called coventures. The objective, as in coproduction, is to gain market access as well as minimize risk for all investors involved. Harold Greenberg's hit feature *Porky's* (1982), budgeted at \$6 million, is an example of how equity participation was used by Canadian producers to minimize risk. It was financed by Mel Simon Productions (an American company), Astral Films (Greenberg's Canadian-owned firm), and Twentieth Century-Fox. The picture was distributed by Fox without cross-collateralization of revenues across various territories. Greenberg stated that the coventure method allowed him to minimize financial participation from Fox. He explained the reasons for such a policy this way:

With the majors, the more money you ask them for the more rights they take. As equity participants, when we minimized the investment of the U.S. majors, we were able to construct a deal which didn't tie up the ancillary rights. Again it goes down to the point that the majors, when they get involved with a film, they look at their expenditures and what is their down-side protection. The lower the risk factor, the more you can negotiate on the up side.³⁵

Valérie
Initiation
L'Amour Humain

Despite such useful tactics to profit from international distribution of films, the fact remained that Canadians had to produce films such as *Porky's* which fit the mass-marketing objectives of the American majors. Denis Heroux and Johnny Kemeny produced three feature films—*Louisiana*, *Le crime d'Ovide Plouffe*, and *Le sand des autres*—and a six-hour television miniseries, all of which had a combined budget of approximately \$46 million. These were joint ventures with European, American, and Canadian television companies, coupled with theatrical rights presale wherever possible. One important omission in this package was the U.S. theatrical market sale. Heroux claimed that one-third of the budget came from French television, another third from HBO in the United States, and the other third from Canadian pay television, broadcast television, and theatrical rights combined. He also generated a fourth third, as he called it, from a sales agent who presold the package at different film and television festivals around the world.

Heroux claimed that he did not target the U.S. market because his films were not typically mass-market-oriented as Greenberg's films were:

I think we can only survive through the other ancillary rights—pay TV, conventional TV, and syndication. Forget the U.S. [theatrical] as a main market. For us, the main marketing comes from Europe. We finance our films with 50 percent European, 25 percent Canadian, and 25 percent American capital. So then if it works in the U.S. theatrical market, it's extra icing on the cake. We don't target the U.S. Well, I'm not saying everybody must do that, that's their problem. But that's not what we're doing.³⁶

One of the producers, John Dunning, was able to sell an idea to a major to finance a small-budget science-fiction film. He discovered how his modest film concept became an industrial monstrosity given the dynamics of Hollywood studio production. Dunning's insights gained from the production of *Space Hunter* (1983) for Columbia Pictures are worth quoting in full:

Ivan Reitman had a big development deal with Columbia. We showed him this *Road Warrior*, sci-fi type of thing we wanted to do for \$4 million. A nice little low-budget film. I had a Canadian director and everything was set. Ivan liked it and said, "I'll get you a distribution deal." . . . So he takes it to Columbia and it starts. "You have to fix this, you have to fix that." So, we fix this and that. "You have to take it off the world, it's too depressing. Take it to another planet." The costs are starting to run, but they say, "OK. We're going to do it. Get a budget." So by this time, the budget had gone from four to six million. Now we have to create a whole new planet. They say, "OK, we'll do it in 3-D," because the big 3-D market was coming in. They said, "Everybody is doing a 3-D and Columbia doesn't have one." They felt they could beat everyone else out, including *Jaws 3-D*, by getting it out quickly. We're known for doing films quickly. We're not too happy about 3-D, because it's scary. I'd never seen 3-D that worked really well. Then another million and a half is added to the budget, because it's double camera, you can't shoot as fast, etc. Suddenly we're at 7.5 million, and it keeps going, and then we'd like to reshoot. In the decision making, we lost, because the studio took it over. The completion guarantor was in only one day, because he took one look at the mess and ran, and Columbia took over the whole thing. We just sort of stood by and watched this film take off. . . . It's a typical evolution of the Hollywood-style film, and this was our only experience with a Hollywood-style film, one shot and controlled by the studio. . . . Our Canadian director just went under, around the 3-D part. It just became too much for him.³⁷

The film was finally directed by an American, Lamont Johnson. While Dunning's experience with Hollywood-style filmmaking came close to being a nightmare, *Space Hunter*, as a profit-making venture, was dubious at best. Dunning remarked, "We probably see less out of a \$12 million film than we see out of David Cronenberg's early stuff, even with the ancillary rights."

Shivers
Rabid

Priming the Pump

Diabie est Parmi
Nous

The trend to denationalize Canadian cinema by producing pseudo-American films continued into the mid-1980s. Some Quebec directors, however, made films that were true to their backgrounds and spirit. *L'Affaire Coffin* by Jean Claude Labrecque, *Les bons Debarras* by Francis Mankiewicz, *Fantastica* by Gilles Carle, *Cordelia* by Jean Beaudin, and *L'homme a tout faire* by Micheline Lanctot were films that represented Canadian cinema at Cannes and other film festivals. The debate in the film industry regarding an indigenous cinema versus a capitalist film production sector raged.

Economic entanglement with the American film industry by Canadian producers looking for markets was seen by many as a process that would perpetuate Canada's cultural dependency on the United States rather than help build a national cinema. Maurice Leblanc, president of Quebec's Syndicat National du Cinéma, summed up the feeling of national expropriation that many unions felt about the international orientation of the Canadian film industry: "Coproductions are nothing but shit. All the energy we've wasted, all the money we've spent, it's always been on coproductions. It's always there that we've had problems: lower salaries for instance. It's like Mexico or Spain used to be: they come over here to film the natives."³⁸

Francis Fox, Canada's minister of communications at the time, pointed to the international pressures on the creative people: "When Canadian producers and other key creators in film feel constrained to mold their productions into U.S. facsimiles because they are given to believe that unless they do this, the majors will not consider distributing them in Canada or anywhere else. This is appalling."³⁹ The leading producers in Canada's emerging capitalist cinema willingly participated in the process of molding their productions to fit American market needs in order to maximize profits. They had no trouble in internalizing what was considered acceptable in the mainstream cinema of Hollywood.