



AUG-SEPTEMBER 2010 NEWSLETTER

The British Film Designers Guild

Promoting the
BRITISH ART DEPARTMENT



LATE SUMMER – An editorial

The Studios are full to the brim with a multitude of productions. The employment levels are at near record levels and it is at present quite difficult to put any sort of Art Dept. crew together yet alone find stage space in the UK.

Over the past month I have been to France – scouting for locations, Los Angeles for meetings and now am in Bucharest preparing a film for directors Nevelandine and Taylor, of “CRANK” and “GAMER” fame.

Unfortunately, the Guild has had to take a back seat in my thoughts whilst my time and energy have become refocused on the day to day business of making a movie and as importantly earning a crust.

Before I embarked on my World Journey, I had to inform the Committee that, unfortunately, Mary Krauss had given notice to me as to her desire to retire from her position as Guild Administrator, in the near future, and as soon as a worthy replacement can be found.

Mary has been in this position since 2003, and as well as magnificently looking after us all, she also manages and co ordinates the "Woman of the Year." This event continues to expand in scope, and together with the increasing demands of the Guild, the running of which has expanded enormously with the thrust of email and other online/media based communications.

I think she has done a fantastic job for us all over the years and we will have to think very hard about who is to replace her in this most vital of Guild positions, being the lynch pin, and public face to the entire organisation.

There has been some email correspondence over the past month, and we already have some thoughts of suitable candidates, but we are still looking for the perfect person.

As a brief job description...

Mary currently works an *average* of 2 hours a day, monitoring and replying to email and the occasional phone call (more emails these days) she has a phone line with an answering service. She has the mail sent to the Pinewood PO Box forwarded on to her, and arranges the monthly meetings, does the catering, writes and co-lates the minutes and organises the AGM. There is the monthly distribution of any notices and the Newsletter to the membership. The Administrator is also responsible for the membership list, payments of fees made into the Guild's online account and liaising with the treasurer as to who has paid what and when. There is some chasing up of unpaid or late fees. We like to print the Guild handbook annually, and updating this information, and getting the most current and accurate version to the printers is of vital importance.

Job description. cont...

There is the liaison with the insurance company for the yearly policy renewal and matters arising, and the collating of information for submission of our accounts to the Guild accountants.

She has been billing and average of approx. £2000 per quarter for her time, plus any expenses such as postage, phone bill, copying and the catering foodstuffs etc. Mary will give a full briefing and complete hand over to the chosen replacement, and will help with the transitional period.

The future is bright, and as an organisation we should be looking ahead.

So...who to ask? I favour a younger person, perhaps an ex art department member, such as a stay at home mummy, that could fit in the Guild work around their home based duties??? Someone completely technologically savvy, with good secretarial and IT skills. I would like to help Simon Bowles with the (temporary) website that he has created and transfer the running of that to the new administrator. Equally, the facebook page should be also co-managed by the new administrator. I would like the new person to become more pro active as to recruitment and in obtaining information and contributions to the Newsletter.

Thoughts??

The difficulty for me at present is being away from the UK, and realistically not being able to drive this recruitment process forward.

I would like to open up the idea to the entire membership, and to see if this provokes any suitable candidates being put forward.

Best wishes from a sunny Bucharest

Please email me with any good ideas!

KP

Stop press: We have just received an extremely promising applicant, which we are now trying to persuade to fill the vacancy. Press releases to follow as the story unfolds.

Memorial service for John Graysmark

At St Mary the Virgin, Denham village
On 9th November 2010,
The service begins At 11.00

Join us after the service at the Fat Cow, Cheapside Lane, Denham Village

Obituary to follow. Member comments and stories would be appreciated.

On the 10th Oct 2010 evening of, John Graysmark passed away. He was a legendary figure in the UK Art Dept, and truly a "larger than life" character. John was a man of huge talent, he was extravagant and generous and had an enormous thirst for life.

The end of an era to be sure.

With the Demise of the UK Film Council, announced in August, there was much in the media, arguing from all sides of the Political, Creative and financial spectrum as to the worth of such an organisation. Actors, directors, producers and other creative spirits wrote open letters to Editors in all of the broadsheets passionately arguing from their own (often quite narrow) point of view.

For those that may of missed it, director Matthew Vaughn has written a paper where he begins to propose an organisation to replace the Film Council.

Matthew Vaughn's UK - Hollywood Film Plan

Director Matthew Vaughn Pitches Film Fund That's "Win/Win For Britain And Hollywood" :

PROPOSAL FOR A UK GOVERNMENT FILM FUND

Introduction

This paper sets out the rationale for creating a UK Government film fund using the proceeds from the film tax credit ceasing to be free and instead becoming recoupable and entitled to a profit share.

Background

Film is the flagship of the UK's creative industries, but suffers from deep rooted market failure due primarily to lack of scale in its home market (only the US, Indian and Chinese markets have sufficient scale to support their film industries). Nevertheless, the UK has two major competitive advantages in its language and the renowned quality of its filmmakers, cast, crew and service providers.

Broadly, the film industry consists of two sectors: (a) the service providers such as post production facilities, physical studios, visual effect houses etc. and (b) the independent producer community. The first group is part of a global market competing for work on U.S. studio productions and currently much in demand because of its quality and the film tax credit incentivising the studios to base their films here; the second group is a fragmented cottage industry consisting of producers of vastly differing ability, all competing to find money to finance their individual film projects.

Most of this finance comes from offshore (typically a US studio or other foreign distributor) so any profits arising from exploitation of UK films return to the origin of the finance and are taxed in that jurisdiction - none of the upside remains in the UK. The erstwhile aim of creating a sustainable and thriving home grown production business to sit alongside the buoyant services sector therefore remains illusive.

In section 48 of the Finance Act (No. 2) 1997, the Chancellor introduced the ability for a private investor to deduct the cost of acquiring a British film from his individual tax liability, via a so-called sale and leaseback. A similar piece of legislation (section 42 of the Finance Act (No. 2) 1992) already existed but the deduction could only be claimed on a

straight line basis over 3 years. Section 48 however allowed the deduction to be claimed in year one (but only on films below £15m). This stimulated a wave of private investment into the UK film business through partnerships of individuals, but was in fact a false dawn. Notwithstanding the benefit to the services sector from increased levels of production, the sale and leaseback mechanism was inefficient, complex and open to abuse. Moreover, the investors did not take performance risk on the films. Success or failure was irrelevant because investors simply received a tax deferral, to be paid back over the life of the film lease irrespective of film performance, while the producer used his benefit from the transaction to defray the cost of production. It was a purely financial arrangement which did not achieve the policy aim of creating a sustainable business.

It did however set the scene for investors to move further up the risk curve and the next generation of film partnerships did take performance risk, while using sideways loss relief ("SLR") to protect the downside. The quid pro quo was that the partnerships' income from film exploitation was taxable in UK, so that in success the Treasury would be better off because the tax paid on income would exceed the initial tax relief. In the long run, this could have made a lasting difference to UK producers, but was also open to abuse and despite Conservative-supported attempts to preserve SLR by introducing a purpose

test and a pre-clearance procedure, SLR was eventually restricted to "active" investors. In 2007, the film tax credit was introduced in place of s.42 and s48 and in contrast offered a cleaner, simpler mechanism delivering greater value to producers with fewer professional fees to pay along the way.

Combined with the current \$/£ exchange rate and the quality of UK service providers, the tax credit makes the UK an attractive and compelling destination for US productions (for which there is global competition). However the vast majority of UK independent producers continue to struggle, because despite the value of the tax credit, the balance of their film budgets is harder to raise than ever. Therefore the UK remains in essence a glorified service provider, with nothing to fall back on if the US studios shift their business elsewhere.

The Proposal

The film tax credit is currently non-recoupable and non-profit sharing but there is no reason why this should be so. It helps protect the downside for a film's financiers and leverage their returns – in simple terms, a 16% tax credit means that a film costing £100 only needs to find £84 in risk capital, so its backers are reducing their risk by £16 at no cost (they do not share any upside with the provider of that £16).

In the commercial world and in any other walk of life, that £16 would command a return and the project would expect to pay it. There is no convincing reason for film to be any different. Instead, there is an expectation formed by years of habit that government support should be free to the film industry, but this must change.

The US majors have enjoyed the benefit of our tax credit on some hugely successful films. They would argue that in return they have contributed millions of pounds to the UK economy, which is true but the world has changed, for everyone.

The major studios (Fox, Disney, Sony, Warner & Universal) are all part of larger media conglomerates and have corporate parents with a keen eye for fiscal responsibility and the bottom line.

Film production is a hit-driven, capital intensive business with volatile and unpredictable returns. Were it not for the need to feed their distribution networks and keep their libraries refreshed, some studios would happily avoid the risk inherent in production altogether, but the stellar returns from new hits together with library cash flow cover the misses.

These returns (and the perceived glamour of film) have attracted investors from time immemorial but outside investment in studio films went into overdrive in the boom decade as excess liquidity in the market sought a home and investors became sold on film as an attractive alternative investment (it's recession resistant and uncorrelated to the stock market). For their part, the studios (and in particular their parents) welcomed this influx of co-finance because it allowed them to lay off risk and spread their own capital across a larger number of films, thereby creating more product for their distribution networks and increasing the chances of a hit (the portfolio approach at work).

As a result of the credit crunch however, the studios will not have access to the same level of co-finance going forward, but have become dependent on it and their parents

expect it. They have reduced their output but their films are now more expensive than ever, as they seek to deliver a technology driven entertainment experience that audiences cannot find anywhere else (e.g. TV, online, mobile, video games etc).

We are not proposing that the UK Government should position itself alongside professional investors. Rather, the point is that the studios need capital and will pay for it, so the tax credit does not have to be free. The studios will argue that asking for any kind of return will undermine the UK's appeal as a location. We disagree. Certainly there are other jurisdictions with attractive incentives, but every incentive programme has its limits. Looking at the UK's position as a production centre, the country has a strong hand and should play to it. In today's cash-strapped world, "soft equity" is a valuable commodity for studios and producers alike.

For the studios, we would propose recouping the tax credit after the studio has recovered its own outlay and then also receiving a profit share. This type of "second position" deal will still be attractive to the studios and gives HM Treasury a chance of recovering sizeable amounts. A similar arrangement could be applied to independent films although the multiparty nature of their financing structure will generally necessitate last position for recoupment (but still with a profit share). These arrangements should be overseen by a professional investment house.

The Fund

With these returns, UK Government could offer additional support to UK independent producers in the form of a matching fund intended to help producers of successful films grow their businesses and strengthen the creative sector.

Simply put, the fund would provide producers of eligible films with matching equity finance on terms that help them both finance their films and participate in a greater share of upside.

By way of example, if the producer of a film costing £100 has a private investor who is willing to invest 30% of the budget in consideration for a recoupment position and profit share, the fund would contribute the same amount of equity on the same terms, such

that both parties are treated equally. Once the fund has recouped its investment, it would split its profit share with the producer, thereby providing the producer with additional capital to reinvest in his business.

In order to make sure that the fund is not wasted on films with little or prospect of profit, a strict set of eligibility criteria will be necessary and should include the following in order to direct the fund's support to British films with commercial appeal:

The film must satisfy the same cultural test as the UK tax credit; . The film must have a UK pre-sale to demonstrate appeal in its home market; and . The film must have international distribution in place either with a US studio, or with a 1st class international sales company who has pre-sold the film to at least two major territories in order to demonstrate appeal to the international market.

No set of criteria will be perfect, so the fund will inevitably require discretion to reject films in certain cases in order to prevent abuse.

As with the recoupability of the tax credit, the fund should be managed by a professional investment house with experience in the sector.

Issues

The UK film industry is hard to please, so despite the economic imperative and the obvious benefits to commercially minded producers, there will be objections, such as:

Objection: The previous government's constant tinkering created uncertainty, prevented confident forward planning and made the UK less attractive as a film-making destination. The tax credit is bedded in and is working well, so why change it? Answer: we are now in a completely different fiscal environment and the tax credit in its current form does not represent good value for taxpayers. Furthermore the creative industries are a highlight of the UK economy and this innovative additional financial support at no further cost to the taxpayer will help under-resourced UK filmmakers develop their commercial potential and promote further growth in this key sector of our economy.

Objection: Managing both the recoupment aspect of the tax credit and a fund of this size is considerable additional work. Who will do it? Are UKFC properly equipped? Answer: An experienced professional investor would be appointed after a tender process. There will be a cost to this, but it will be covered by the revenues generated from the tax credit and the fund, so as above, there is no additional cost to the taxpayer.

Objection: The service providers are heavily dependent on US studios and will suffer if the studios desert the UK as a result of this. Why would they stay? Answer: Although the tax credit will no longer be free, it is still a cheap source of co-finance compared to the studios' usual co-investors, who in any case have less appetite today as a result of the downturn. Furthermore, we have to change the dynamic here and wean our film industry off its dependency on the US studios if it is ever to become self-sustaining. The UK has a huge talent base which it currently either exports or rents out to the US. This would change if UK film makers could strengthen their capital base through our proposed fund and sustainability might then become a reality instead of an illusion.

Other business...

AGM details to follow, currently scheduled for Jan 2011.

BFDG Awards to be announced then.

Award voting committee early Nov 2010.

A huge vote of thanks to Sonja Klaus and team for the Peter Lamont evening coming soon. Further details to be sent to an inbox near you!



BRITISH FILM DESIGNERS GUILD

An evening with

PETER LAMONT



The committee of the British Film Designers Guild would like to invite you to an evening drinks reception in celebration of the Production Designer Peter Lamont

6.30 - 8.30PM WEDNESDAY 1ST DECEMBER

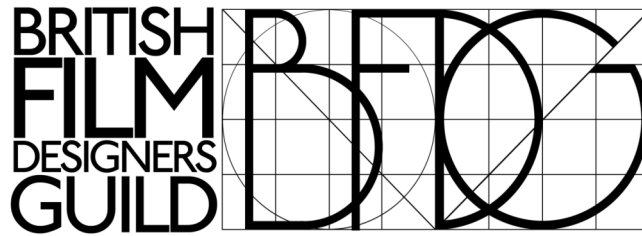
FARLEY 1-17 BRUNEL ROAD LONDON W3 7XR

R.S.V.P. ghislaine@hotmail.com

Titanic image courtesy of Twentieth Century Fox Films

Like many quality monthly publications, The BFDG Newsletter publishing a special summer edition. With the excitement of the English summer season, and all of the activities involved, it will provide the membership some quality reading for those cool Autumnal evenings.

The Chair and Board Members are delighted to announce the inaugural BFDG Awards 2010. The awards are deliberately being launched as a small scale "Internal" event, with the hope that from humble beginnings, we will be able to develop and widen the categories in future years. Heather Noble will be coordinating the event, and has written the summary below of the terms and conditions, for entry and eligibility. **KP**



THE 2010 BFDG AWARDS

THE VOTING COMMITTEE

We are looking for approximately six Guild members spanning the many Art Department disciplines to act as our Voting Committee – please email me at bfdg.awards@gmail.com if you'd like to be involved. You will need to be available to consider the nominations (in your own time) during October, and to debate them (in a round-table discussion with the full Voting Committee) in early November 2010.

THE FUTURE OF THE AWARDS

We are aware, of course, that many members of the Guild will not be represented by these three categories. However, should the Awards prove a success this year, we hope to expand them to embrace all of our members in the future. Please feel free to give us your thoughts.

Thank you,
Heather Noble, Summer 2010



AWARDS

Congratulations to the WINNERS of the 2010 EMMY awards...

The Pacific

HBO Playtone and Dreamworks in association with
HBO Miniseries

Anthony Pratt, *Production Designer*;

Dominic Hyman, Supervising Art Director; Richard Hobbs, Supervising Art Director; Scott Bird, Art Director; Jim Millett, Ship & Plane Art Director; Rolland Pike, Set Decorator Military; Lisa Thompson, Set Decorator



The Tudors

Showtime Presents in association with Peace Arch Entertainment and Take 5 Productions

Tom Conroy, *Production Designer*; Colman Corish, *Art Director*;

Crispian Sallis, *Set Decorator*



The British Film Designers Facebook page membership currently stands at 50. In the 9 months that it has been active there have been 65 applications to join the Facebook group from other users that are non-Guild members. All potential applicants are replied to and invited to

seek further information as to the Guild and its potential membership.

It is possible to sign up to Facebook and provide the absolute minimum of personal information, even using an alias with an active email address set up solely to open a Facebook account.

Jonathan McKinstry Anybody know anything about the Roman Polanski movie 'Pompeii' now being made as a TV mini series?

Darren Tubby I recently joined "LinkedIn" and just wondered if it would be worth the Guild having a presence on this site.

Warren Lever On a different tack, does anyone know of a half modern plane interior anywhere?.. first class cabins if poss. The one at the top gear track has been rejected, and the aeroflot hire version is only good for period now I reckon!
30 July at 14:14

Susan Whitaker Interesting move. Disney are very pro-active and have good takings at present. More than meets the eye?

Disney sells Miramax film studios
www.bbc.co.uk

Walt Disney announces the sale of its Miramax film division for about \$660m to a group of private equity investors.

Kevin Phipps UK production is busy with sequels, prequels and comic book adaptations. The noise coming from over the pond is that the studios have the money, generated from record box office receipts, but don't actually know what to make next?????

June Gloom Consumes Hollywood: The Week That Studios Sought Out Agents – Deadline.com
www.deadline.com

Intensively over the next few days, extending even for the next few weeks, a gaggle of studio moguls and/or their executives have scheduled a series of meetings with top agencies in Hollywood. Yes, the ...

Please join the Face book group for a fast and interactive interchange of views and comments. This month there have been some enquiries about member's availability and other "cries for help!" KP

PRODUCTION NEWS

Captain America: The First Avenger / Shepperton

PD Rick Heinrichs / SAD Chris Lowe / AD Paul Kirby, Phil Simms, Jason Knox-Johnson, Dean Clegg / AAD Richard Selway, Charles Leatherland / D Andrew Bennett, Mary Mackenzie, Gregory Fangeaux, Jim Barr / ADA Liam Georgesen, Co-ord Katie Gabriel / CA Paul Catling, Adam Brockbank / CM John Bohan

The Invention of Hugo Cabret / Shepperton, Martin Scorsese's Independently financed film

PD Dante Ferretti / SAD Dave Warren / AD Stuart Rose, Christian Huband, Luca Tranchino / JD Rhys Ifan / ADA Sarah Ginn / SD Mrs Francesca Lo Schiavo-Ferretti / CA Dominic Lavery

Pirates of the Caribbean 4 - On Stranger Tides / Pinewood, locations in Hawaii

PD John Myhre / SAD Gary Freeman / Snr AD David Allday / AD Rob Cowper, Gavin Fitch, Patsy Johnston, Gary Jopling / CA Simon McGuire / D Olly Carroll, Oli Goodier, Bethan Jones,, Charlotte Malynn / Co-ord Jennifer Lewicki / SD Gordon Sim, Asst SD Sarah Whittle / CD Penny Rose

War horse / Longcross

PD Rick Carter / SAD Neil Lamont / Snr AD Andrew Ackland -Snow / AD Gary Tomkins, Al Bullock, Molly Hughes / AAD Hattie Storey, James Collins, / Co-ord Jodie Jackman

Salmon Fishing in Yemen / Ealing

PD Micheal Carlin / AD Steve Carter / GA Kathy Heaser

X-men: First Class / Pinewood , Mathew Vaughn directing

PD Chris Seagers / Visual Consultant Russell De Rozario / SAD John Frankish / AD Les Tomkins, James Hambidge, Alan Gilmore, Grant Armstrong, Joe Howard, Su Whitaker / SD Sonja Klaus / AD Alex Cameron / AAD Anthony Caron Delion / D Tom Weaving, Richard Usher / CM Leigh Gilbert

Untitled Sherlock Holmes sequel

PD Sarah Greenwood / SAD Niall Moroney / AD Matt Gray, James Foster / AAD Toby Britton, Ben Collins, Tom Still / D Lotta Wolgers, Nic Henderson / CA David Allcock

Woman in Black / UK / Starring Daniel Radcliffe / AAD Andrew Palmer / GA Alan Payne

Untitled Alien Prequel 1 & 2 / PD Arthur Max / SAD John King / AD Adam O'Neil, Marc Homes / AAD Peter Dorme / D Helen Xenopoulos, Kate Grimble

Jack Giant Killer / Longcross - shoot Mar 2011?

PD Gavin Bocquet / SAD Peter Russell / AD Mark Harris

Clash of the Titans 2 / Longcross

PD Charles Woods / SAD Ray Chan / AD Stuart Kearns / D Andy Procter / ADA Camise Oldfield

Pre-Production...

Gravity / Currently working out of Framestore in the West End / Alfonso Cuarón directing

PD Andy Nicholson / AD Mark Scruton / Co-ord Heather Noble / CA Jim Cornish

The Very Best Exotic Marigold Hotel / India / PD Alan MacDonald / SAD Peter Francis

Penciled Productions...

Dark Shadow Tim Burton directing 2011

Astro City / Working Title

Life of Pi / Location Taiwan & India / CM Malcolm Roberts

Mission Impossible IV / Canada

Judge Dredd / South Africa

Avatar 2 / USA

Dracula:Year Zero / Australia

Post-Production...

One Day / Ealing

PD Mark Tildesley / SAD Denis Schnegg / AD Katrina Dunn / AAD Will Newton, CM John O Connor

W.E. - About Edward and Mrs Simpson, Madonna directing

PD Martin Childs / SAD Mark Raggett / AD Sarah Stuart / SD Celia Bobak / GA Carol Kupisz

Johnny English Reborn / Ealing

PD Jim Clay / SAD Dominic Masters / AD Steve Swain

FROM THE RUMOUR MILL... And some of this info has to be considered just so.....If any Guild members have any more definitive information then please let the office know immediately!.....Please check with any individuals mentioned regarding availability... And do not quote or rely on any of this information!...

Rumours are published for the benefit of the membership only! Please let us know if anything is wrong, and it can be corrected.

Some enquiries the Guild has received have asked us not to publish information but would like to know available crew. So please keep us informed as this happens fairly frequently but we always respect privacy.

News from JOHN WEST

"I have been asked to Art Direct my first feature film. I am a member of the Producer's Forum. A member company sent out an email asking for an Art Director, so I responded and got the job. The film is a comedy entitled "Pulp" and is about a producer of pulp magazines and his involvement with assisting a Police investigation. It is being shot in Millennium Point, Birmingham and other Midlands locations. Two popular rock stars will be playing the lead roles."

Regards
John West

A Message from Marcia Doyle – Affiliate member

"A new affiliate member of the BFDG is available for work. My name is Marcia and I am a recent graduate from Central St Martin's University of the Arts, Theatre Design for Performance. This past year I have worked successfully as a set designer/concept artist in theatre and film (shorts & features). I am endeavouring to build up my credits and experience as a designer so please consider me for any potential vacancies".

You can contact me at: maddesigns2001@aol.com Mobile: 07734 254 125

Thanks Marcia

What else is new?

What else is new?

And Finally,

Do please, feel free to contribute to the newsletter, by way of comment, with some copy material, news or any info for the RUMOUR MILL....anything that is seriously wrong then please post on Facebook!

**Please send contributions via Mary in the office or to me directly by email.
All submissions gratefully received.**

I am aware that many people, other than members of the Guild, have sight of, and read this Newsletter each month. If you would like to apply to become a member, or express a point of view to the wider membership then please do sign up and get involved.

Kevin Phipps
Chair
BFDG
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Fame, glory, cold hard cash ...

This year, the British Film Designers Guild would like to acknowledge and congratulate three of its most talented members in a small way by presenting them with an award at the AGM in December.

To that end we are inviting submissions for the very first BFDG Awards ...

Most Promising Newcomer Award

For Affiliate members and those in the first 3 years of their careers

Win £150* by simply submitting 3 images of your work

Best Drawing

£100* is up for grabs for the best single drawing

Anyone can enter

Excellence in Production Design

Nominate your own project or another member's

Films, TV projects, commercials, shorts ... they're all eligible

All three awards have their closing dates in October

For more information about how to enter, please visit the Guild website (www.filmdesigners.co.uk) or email bfdg.awards@gmail.com

* NB: both prizes are in the form of gift vouchers to be spent at A Boville Wrights art shop in Uxbridge

... What are you waiting for?