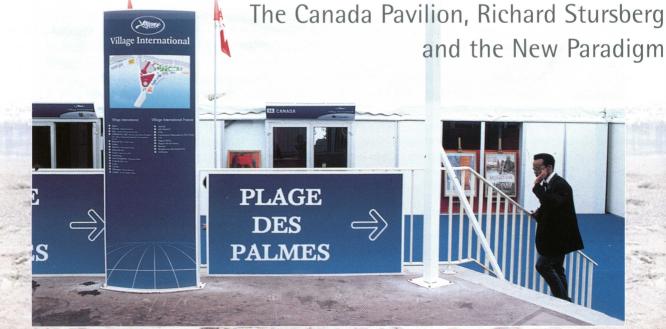
Managed by Telefilm Canada, the Canada Pavilion at this year's Cannes was located in the festival's International Village, a strip of tentlike structures between the Croisette and the beach. Neighbours with Switzerland, Germany and close to Quebec's entirely separate pavilion, Canada had a choice position facing the market's seaside entrance, just moments from the Palais. The installation—designed to focus international attention on Canadian movies, help seek foreign partners, set up meetings, offer information and so on—hosted 28 registered companies, including production companies that used it as a base of operations and a contact point.

The pavilion's red and white, rustic-looking interior offered a reception and information desk, a main area furnished with directors's chairs and computer terminals with Internet access. Naturally, the beach deck was a bonanza during a festival favoured by 10 days of crystalline blue skies-a convivial environment for talking co-productions, doing press, schmoozing or even chilling for a while before heading back into the fray. In its second year at the festival, the Canada Pavilion was developed and fine-tuned by two energetic women: Sheila de la Varende, head of Telefilm's European office and its director of International Development and Promotion, and Lise Corriveau, manager of Festivals and Markets. De la Varende told me that before the 2002 festival, the agency had a booth in the Riviera (the complex that houses the market), and then a hotel office. After setting up partnerships with provincial agencies and certain federal government departments, it became feasible for Telefilm to secure space that opened up in the International Village and build a more sophisticated operation.

# BUSINESS By Maurie Alioff on the BEACH



This year, the pavilion's special events included networking breakfasts with France and Australia; the launch of Immersion Europe: 2003, a four-day co-production forum

organized by de la Varende and slated for Paris in November; a discussion session with directors Jean–François Pouliot (La Grande séduction) and Bernard Émond (20 h 17, rue Darling); and a press conference called by the NFB to talk up the new World Documentary Fund it's backing with the U.K. Film Council and the BBC. Two major schmoozes celebrating Canadian moviemakers at the festival, a cocktail party and a packed gathering Telefilm called the "Canadian Bash" took place elsewhere on the Croisette.

One afternoon on the Croisette, as I plowed through festival types on cellphones and local kids on rollerblades, loudspeakers piped out a medley of Henry Mancini sound-track music. *Touch of Evil* seguéd into "Moon River" from *Breakfast at Tiffany's*, evoking screen images that ranged from Orson Welles's nightmare of corruption to Holly Golightly's candy-coloured Manhattan. On my way to interview Richard Stursberg, Telefilm's executive director, I flashed on the notion that the versatility suggested by Mancini's oeuvre was a pretty good metaphor for at least one of the policy goals being advocated by Telefilm: a greater variety of film projects.

When I talked to Stursberg in the courtyard of his relatively modest hotel, he made it clear he was having a better time at Cannes than he did in 2002. "Last year," he recalled in a style that is urbane and peppered with irony, "we had established new investment and new distribution rules that seemed to catch some of the producers a little off guard. When I arrived, we had to have some virile conversations. I had been on the job for about four months at that point, so there was a lot of talking to do with a lot of people." At this year's festival, Stursberg focused more on discussing issues such as co-productions with potential foreign partners, Canadians, and "international financiers of one variety or another. Everyone is here."

The policy behind the new Telefilm rules was already in place when Stursberg joined the agency but few in the industry, he says, took it seriously. Basically, when Telefilm invests more than a million dollars of taxpayers' money in a film, "we want to know that there's some reasonable chance it makes a million dollars at the box office, which is not a lot," he said. Naturally, the only way to get more bums in seats and eventually hit the stated target of five per cent



of the domestic box office, is for Telefilm to invest in a more varied and accessible slate of films.

As producers backed by Telefilm try to find ways to reach their target audience, distributors

have been asked to commit themselves more fully to projects they believe in. Telefilm wants them to "step-up with a guarantee at the back end to spend money for prints and promotion." These are reasonable requests, as Stursberg genially points out, but when he first raised the issue, some filmmakers thought he was asking them to walk on water. "It took people a while to get their heads around the new arrangement," he said, "and I understand completely. They had certain kinds of projects in development that no longer reflected the kind of direction we were going in." But a lot has changed in a year. "My impression is that people are reasonably comfortable with where we're going now and are moving forward to it."

#### "The question is:

can we take the next step and actually make stuff that people really want to watch?"

- Richard Stursberg

Stursberg, who once chaired the Canadian Television Fund (CTF), has nothing but sympathy for those who got burnt by the recent crisis in funding cuts. Apart from the CTF's structural confusions and "gigantic governance problems," the Canadian television industry needs to think about audience as much as the film industry does. Stursberg compared the CTF's focus on "how much we make" to the old Soviet Union's manufacturing industries that congratulated themselves for meeting state quotas without worrying about whether anybody would actually buy its products. "This might have been all right in the early days when you were preoccupied with building an industry," Stursberg continued, "but the industry is developed now. The question is: can we take the next step and actually make stuff that people really want to watch? The audience numbers for Canadian television are probably the worst in the industrial world."

As for the kind of films Stursberg thinks the industry should produce, he rejects the emulation of Hollywood at its most standardized, particularly the megaplex blockbusters. "We're never going to make those kind of movies," he said, "and if we told ourselves we're going to compete against the studios, that would be crazy. We're in the independent–cinema market and that's what we've got to be preoccupied with." Stursberg also believes that original, distinctively Canadian work doesn't mean pictures that are "festooned with beavers." They are Canadian because "they derive from a certain world view, a certain wry-

ness, a sensibility that is a result of how we live." As for the "Great Canadian Search for

grabbing big numbers with anonymous mediocrity and agrees that sometimes the so-called art-house picture can be the one that earns the bucks. Denys Arcand's *Le Déclin de l'empire américain* demonstrated this in 1986, and his *Les Invasions barbares* has done it again in 2003.

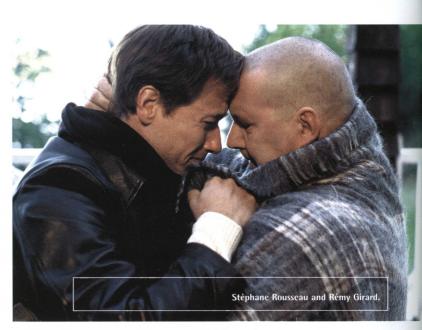
Telefilm couldn't ask for a better film than *Les Invasions* as a model of what it says Canadian producers and directors can achieve. It's an intelligent movie expressing deeply personal emotions (Arcand's portrayal of a hospital reflects the nightmare his own parents endured), and audiences eat

# Telefilm couldn't ask for a better film than Les Invasions barbares as a model.

Identity": "We know perfectly well who we are. Surely we're too mature as a country, too sophisticated to worry about that sort of stuff. That's for teenagers."

As Stursberg pushes for an audience–oriented consciousness that will move Canadian moviemaking "into a different sort of paradigm," he also reaffirms Telefilm's commitment to personal moviemaking and youthful experiments. For instance, while the agency has backed crowd–pleasers like *Mambo Italiano* and the *Ginger Snaps* films, Telefilm is "perfectly happy" with Guy Maddin's *The Saddest Music in the World*. Moreover, it has "sliced out a piece of money reserved for films whose prospects may not be as strong commercially but that are important. We're putting almost 20 per cent of the money aside for smaller films."

Smart film projects with commercial potential are tricky to identify and to produce. Alfred Hitchcock, who mastered the commerce of film as brilliantly as he did the art, is one kind of model. Hacks cranking out dumb comedies and glorified soap operas are another. Clearly, Stursberg wants to avoid



it up. A strategic co-production with a foreign partner, *Les Invasions* came close to winning the Palme d'Or and did take home two awards, indicating that a movie rooted in a particular Canadian place can have universal appeal.

Stursberg, whose background is in the cable and satellite industries, is a realist. Though confident about the future, he doesn't claim success is guaranteed. "The jury is out," he says, "and we'll see." Meanwhile, he is getting a big kick out of the ride he's on. "The film industry's financial structures are exceptionally complicated and its judgments are exceptionally sophisticated. It's a hard way to make a living, so the people who are involved in it tend to be exceptionally dedicated and very clever." Above all, the industry is "fundamentally about imagination" and that's exciting to a man who was once involved in businesses that were more about hardware than celluloid dreaming.

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For the Canadians at Cannes, the festival unspooled at a moment that no doubt made it easier to resist the Riviera's many temptations and focus on the work at hand. Back home, the industry had been shaken by a series of upheavals and crises like The Incredible Expanding Loonie that, according to many alarmed players, would stomp all over lucrative foreign production. As for the Canadian Television Fund debacle, some agonized that it pointed toward a future of slow starvation and began wondering if they should, after years of resisting the call of Hollywood, rethink

Films, Cannes was mostly about the No. 1 item on his company's slate, Émile Gaudreault's *Mambo Italiano*. After selling well at the American Film Market and then being guaranteed U.S. distribution by the Samuel Goldwyn Company, the picture opened in Quebec on 100 screens, earning over \$2 million between its June release and late July. Dion told me Equinoxe was eagerly anticipating the Canada–wide and American launches of *Mambo*, following a gala presentation at the Toronto International Film Festival. Test screenings have indicated that the movie will

### "If Telefilm wants to increase the box office of Canadian films, we agree." - YVES DION, EQUINOXE

their position. The sense of uncertainty was elevated by loose lips in Ottawa blurting out that the film and television industry has reached such a level of maturity, maybe it could survive without assistance from taxpayers. As Alliance Atlantis Vivafilm's Patrick Roy put it to me in Cannes, "I hope what I'm seeing in the Television Fund won't happen with movies. We're starting to do well with them."

Despite all the items on their worry agenda, the Canadian buyers and sellers I spoke to in Cannes cheerfully went about their business in hotel suites, apartments rented on side streets off the Croisette, restaurants facing the Old Port and the Canada Pavilion. On second thought, maybe they didn't resist all those temptations. Or maybe Canada's high-profile at the festival, the support system offered by Telefilm and a confidence in their own know-how gave them lift and momentum. After all, Canadians have been playing the Cannes game since 1946 and are skilled at navigating the humongous event that draws thousands of participants, all of them living their own version of it.

For Yves Dion, vice-president of distribution at Equinoxe

play well, and Goldwyn president Meyer Gottlieb believes in the picture's good-natured comedy. When I met Dion in Equinoxe's airy office, he said that sales of the film were up to about 22 countries, counting the business he and associate Lina Marrone had done in Cannes. *Mambo*'s budget was covered and the market still had a few days to go. "We'll probably sell the rest of the world in Toronto," he forecast, offering me a *Mambo* T-shirt.

The enthusiastic vice–president, once the right–hand man of legendary Quebec producer and distributor René Malo, joined Equinoxe just before the company skyrocketed into distribution heaven with the Canadian release of *My Big Fat Greek Wedding*. Despite this phenomenal success, the firm, which derives from Canada's oldest distribution company, France Films, has relatively modest goals. "We don't want to release 40 pictures a year," Dion explained. "We will acquire about 10 that we fall in love with and give them a good distribution pattern." For the moment, Equinoxe is smitten by comedies and its upcoming releases include Martin Short's Jiminy Glick movie, *La La Wood*.

Mambo Italiano, the first English-language film made under Telefilm Canada's new audience-driven policy, exemplifies the kind of serious prints and advertising commitment the funding agency is asking distributors to make. Dion, like many of his colleagues, has faith in the new paradigm Richard Stursberg is promoting. "I'm not saying Canadian films were boring, but we made a lot that made nothing at the box office. I think we'll have a better balance between commercial films and art films." Dion has one recommendation: money that's cut from any particular fund as a result of poor performance should be "transferred into the marketing fund because this is what we need, big time. If Telefilm wants to increase the box office on Canadian films, we agree. But if you don't have marketing money, it's very hard."

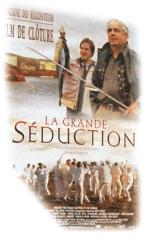
year. "We had *Bowling for Columbine* and it was an extraordinary phenomenon." (To date Michael Moore's anti–gun documentary has earned \$50 million US worldwide.) This year, the Alliance Atlantis lineup featured some Canadian highlights such as Léa Pool's *The Blue Butterfly*, William Phillips's *Foolproof* and Charles Binamé's *Séraphin: Heart of Stone*, and U.S. pictures including Tom McCarthy's *The Station Agent* and Rebecca Miller's *Personal Velocity* (both Sundance Festival winners).

At Cannes, one of the pictures Mickie acquired was a Canada–U.K. co–production called *That Touch of Pink*. To generate pre–sales on it (the movie was still in production), Mickie showed footage to prospective buyers, many of whom immediately wanted to read the script. Written and

#### Sometimes a film is so hot, people line up on the stairs.

A few blocks away from Dion's office, long-time Alliance Atlantis executive Charlotte Mickie sat in hers, agreeing with the Equinoxe vice-president's positive take on the new Telefilm policy. However, although Mickie works for one of the country's biggest media conglomerates, she defended the value of art that is at least partly for art's sake. "For a long time there was this feeling that Canadian movies should be more commercial, but I think we should congratulate ourselves on how well received Canadian films are at festivals like Cannes, and how this leads to international distribution and great reviews everywhere. I think we never publicize this enough in Canada. We have never patted ourselves on the back enough." Mickie believes that the industry needs more audience-friendly moviemaking "for political reasons if nothing else," but she also "hopes there will be some efforts made not to throw out the baby with the bath water."

As managing director of the Alliance Atlantis Entertainment Group's international sales division, Mickie took her Cannes meetings at "half-hour intervals, or when it's really heavy, every 15 minutes." Sometimes a film is so hot, people line up on the stairs. Mickie recalled that one year at Cannes she worried about the fate of a corpulent European distributor who got packed into a sweltering, stinky theatre on rue d'Antibes to watch an Alliance offering. "He came back to my office after the screening and told me that I had to close the door." Expecting anything, she was relieved when "he offered me so much money, I was horrified and thrilled and we did a deal right away." Mickie was doing "quite well" at the festival but in no way were sales comparable to last



directed by lan Rashid, the film, said Mickie, is "for a rather sophisticated audience. It's about a gay Indian guy in England who has internalized the character of Cary Grant," and communes with the Hollywood icon of debonair charm. "It's a bit of Play It Again, Sam, a bit of Cage aux folles, a bit of My Big Fat Gay Indian Wedding in Toronto," she joked.

Astral Media, which tags itself a "pure play" media company, was one of the first serious backers

of the Canadian film and television production industry. Michelle Marion, the director of Canadian Independent Production for Astral's The Movie Network, commissions, pre-licenses and invests in films and television series. On the deck of the Canada Pavilion, she told me she was in Cannes to "celebrate the projects that we've been involved with. It's exciting to see them coming into the world." Among other pictures, Astral played a role in *Mambo Italiano*, *Les Invasions barbares* and Wiebke von Carolsfeld's *Marion Bridge*, which screened in the market.

## "We must deliver films that actually appeal to audiences. The rest is just chatter." – JEFF SACKMAN, THINKFILM

Marion said she was also at the festival "to have face-to-face meetings with provincial and European co-production funders. As things become more difficult to finance, and public funding is tenuous at the moment, I'm looking for other ways to help." A supporter of Telefilm's new paradigm, Marion rejects the idea that wanting to please viewers is an abdication of creativity. "Your story can hit certain points that an audience needs without selling out your vision. It's about finding the right balance, which doesn't mean giving up uniqueness, originality and freshness if that is what is going to make your film work. We're happy to get behind key pictures with more money, larger licences and larger investments." But Marion also thinks there must be a place for small, perhaps less commercial pictures. "Interesting, valuable stories still exist at that budget level."

On the terrace of a café near the Majestic hotel, Jeff Sackman, CEO and president of the hot new distribution company, ThinkFilm, also talked about the policy shifts at Telefilm. Affable and relaxed, Sackman told me, "It's extraordinarily refreshing to have Stursberg, who has a business head, at the helm. Last year in Cannes, when he was introduced to the community, they were slinging arrows at him." A year later, Sackman points out, attitudes have changed drastically. "From the conversations I have had with people, the policy seems to create a consensus of support. We must deliver films that actually appeal to audiences. The rest is just chatter."



Sackman, former president of Lions Gate Films where he executive produced hot-button pictures like American Psycho, emphasized that ThinkFilm is a North American distributor with a well-staffed New York City office. This positioning reflects an opposition to parochial attitudes restricting scope of operation, and it's also a response to a Canadian distribution industry dominated by a single powerful company, Alliance Atlantis. "One area where I differ from the Telefilm policies," Sackman contended, "is that they seem very limited to Canada. It's worthwhile to have a goal, but the goal should be five per cent of the box office within a context of reason. If we can make Canadian films that appeal to the U.S. box office before being released at home, there's nothing wrong with that. If a film works in the States, it has a much better chance of working in Canada. There's nothing wrong with a movie funded by Telefilm going out and grossing \$4 million in the United States."

As for ThinkFilm's Cannes schedule, four people from the outfit "screened movies day and night. And the odds are pretty good that I won't see the inside of a theatre because I'm taking meetings morning to night. Our mandate is to find films for North America. And if North America's not available, we'll find films for the U.S. only." As for content, "We'll handle the films the studios can't. And there's a couple here that might fit that bill. But Miramax, New Line and Sony Classics are all going to be there, looking as eager as us."

Distributor of the crowd-pleasing, Oscar-nominated documentary, Jeffrey Blitz's Spellbound, Peter O'Brian's Hollywood North and Sudz Sutherland's Love, Sex and Eating the Bones (both of which will have their Canadian debut at TIFF), ThinkFilm will also release Norman Jewison's picture, The Statement, which is being co-produced by Sackman's new partner, Robert Lantos. Naturally, Sackman grins, people are curious about how the Lantos relationship is working out because "there are personalities involved. So far it couldn't be better. He's the No. 1 guy who's ever played the game in Canada. Bringing Robert in will accelerate growth, the activity level and profile of the company. The deal is that he's the chairman and not involved in day-to-day details. If that's what he wanted, he would have stayed at Alliance." Sackman could have been talking about the entire Canadian industry when he said from his vantage point at Cannes 2003, "It's always interesting, the great unknown about the future. But we're very excited. I think we're very well-positioned to make our mark."