

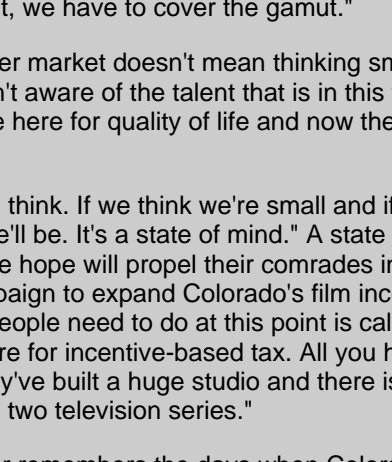


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The Electronic Newsletter of the  
Colorado Film and Video Association

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### CFVA Member Profile



"Power couples" in the film world come and go, but few have the chemistry and dedication that make Radical Artists Agency partners Kathey True and Patty Kingsbaker a force to be reckoned with among Colorado talent agencies.

"When we first got together and formed our business more than three years ago, we shook things up a little bit. But I think there will always be room in this market for someone to come in and do something really well," says Kingsbaker, whose love for negotiating complements True's affinity for working with the actors.

"It's about a win-win situation, especially in a market like this," says Kingsbaker. "If the actor and the producer are both happy, even if I think I could have gotten more money for my actor, I'm happy. That producer will feel like they got their man's worth, and the actor feels like they're being paid. We do everybody a disservice if we end up with a producer who doesn't want to hire our actors again. We want to make sure that producer comes back again and again, the actor gets to work again and again."

A philosophy that works, says Kingsbaker, because "we don't have 'up and coming' actors here. The actors we have are worth the money they get paid. And sometimes they're worth more than they get paid."

The two talent agency veterans met a few years ago while speaking at a conference in Denver. At the time, Kingsbaker had just accepted a job with an L.A. agency, and True was working at a Denver talent agency. "Kathey was asked, 'Would you ever come back to this market?' And I said I would if I was with my own agency. Three months later we opened Radical. I had a few meetings. It was just one of those times in your life when you know you're doing the right thing."

The partners pride themselves on professionalism, answering their own phones, and the ability to make deals over the phone. "That's how people work in this market," says Kingsbaker. "In 18 years working as an agent in this market, I have never had a problem with a local producer and a verbal agreement that I made over the phone."

True, who started out in L.A. as an actress herself, loves working with the talent. "My favorite part is when you get to say, 'We got it. We worked so hard and we got it.' And it's fun."

Regarding their current volume of work, Kingsbaker uses the word "grateful." "Some people see the glass as half-empty, some as half-full. I say it's three-quarters full. I'm grateful for what we've got." Braced for a slight downturn in 2008 due to the slowing economy, True and Kingsbaker have been pleasantly surprised. "I love this market. I adore this market. We're incredibly busy right now," says Kingsbaker.

With projects including everything from TV shows and commercials to feature films and corporate videos, the agency currently represents 250 actors and all types of talent ranging from television stars like DIV's Chris Grundy, whose show *Cool Tools* is reportedly number one on the network. "Because we're a small market, we have to be the gumshoe."

But being in a smaller market doesn't mean thinking small, says Kingsbaker. "A lot of people aren't aware of the talent that is in this town. Like a lot of people, actors move here for quality of life and now they're here and they're available."

"We create what we think. If we think we're small and if we call ourselves small, that's what we're. It's a state of mind." A state of mind that Kingsbaker and True hope will propel their comrades in the industry to get involved in the campaign to expand Colorado's film incentive program. "One of the main things people need to do at this point is call the governor's office and tell them they are for incentive-based tax. All you have to do is look south to New Mexico. They've built a huge studio and there is another studio being built now. There are two television series."

Although Kingsbaker remembers the days when "Colorado-based television series included Perry Mason, Father Dowling, and the Van Dyke Show, both True and Kingsbaker see the future of their agency and the local film community as being on its way up.

"Absolutely. Why not? There is every reason it could happen. I just imagine the best for this community, the absolute best."

As for where the pair sees themselves five years from now? Right here, doing their agency thing, still answering their own phones, making deals over the phone, and "working with the clients that we love and trust and have worked with over the last 20 years."

"Plus all the features and television series that the incentives will bring in," says Kingsbaker. Three-quarters full indeed.

-Robin Bond

You can find Radical Artists Agency at 600 Ogden Street, Denver, CO 80218 and on the web at [www.radicalartistsagency.com](http://www.radicalartistsagency.com).

### Film Tax Incentives

#### A Glossary of Terms

The Colorado Film and Video Association is publishing a series of articles on tax incentives to help educate CFVA members, who, in turn, can educate their state representatives and state senators on this important economic development and jobs creation effort.

There are many terms swirling around the many film production tax incentive programs, proposals and legislation across the country. But if you're going to talk with your elected representatives to educate them on the benefits of expanding Colorado's film incentive program, then understanding the lingo is important.

Some of our eBulletin articles will be devoted to these terms. This is the first one of those pieces. As we find more tax incentive terms, we'll expand the glossary.

If you have questions about any terms, or have run across a few you don't understand, send them along to the eBulletin, and we'll sort them out for you.

These definitions come from a variety of sources, including various state film tax incentive programs and laws around the country. They are not meant to be the last word on any subject. Nor are they to be considered legal advice. Definitions vary from state to state.

#### General Definitions

**Film Production Incentive Program** -- A government program that provides a financial incentive to a production company to encourage the production of motion pictures, episodic television, documentaries, music videos, national spots, or national print advertising within its jurisdiction. States and countries fund these programs to encourage economic development, create jobs and gain visibility. The programs generally use tax credits or direct payments to provide the incentive.

**Tax Credit** -- A credit against future taxes owed to the state. The production company would receive a tax credit based on a percentage of qualified in-state expenditures for the production. In order for the production company to benefit from a tax credit, it must owe taxes.

**Transferable Tax Credit** -- Conversely, this is a tax credit that can be sold, assigned, exchanged, conveyed or otherwise transferred in whole or in part. This approach gives the production company much more financial flexibility because it can sell its tax credit for cash to another company or individual with a tax liability in the particular state involved. A number of states use this approach because outside production companies often do not have a high enough state tax bill to take full advantage of a production tax credit. The production company can discount the tax credit and sell it to a company that does owe taxes. A broker that specializes in tax credit transfers usually handles this sale. Most states impose a time limit during which the tax credit must be used. In some cases, if the production is sold and approved by the state, the production company can get its funds from a broker before the production begins.

**Rebate** -- A direct cash payment to the production company based on a percentage of qualified expenditures for an in-state film production. This is paid out after the production is completed and the books are closed. This is the system currently in use in Colorado.

**Motion Picture Production Company, or Production Company** -- Any person or business entity primarily engaged in the business of producing motion pictures. Some states require local business addresses and bank accounts.

**Qualified Expenditures** -- Film production incentives are generally based upon a group of expenditures made by a production company in connection with the types of productions covered by the incentive program. The expenditures must be directly related to the production and be incurred within the state. They should be reasonable, ordinary and not exceed fair market value.

**Qualified Expenditure Examples** -- Set construction and operation; wardrobe, make-up, accessories, and related services; photography and sound synchronization; lighting and related services and materials; editing and related services; facilities and equipment rental; vehicle leasing; food and lodging; digital or tape editing, film processing, film transfers sound mixing, special and visual effects; payroll for services performed within the particular state, including all salaries, wages, compensation, and related benefits provided for producers, directors, writers, actors, and other personnel that are directly attributable to services performed in the state; the use of local business for processing qualified payroll and related expenditures; music, if performed, composed, or recorded by an in-state musician; travel, if provided by an in-state business; insurance, if provided by an in-state insurance broker; the design, construction, improvement, or repair of a film, video, television, or digital production or postproduction facility or related property, infrastructure, or equipment; state or local taxes on vehicle rentals or lodging; and other expenses approved by the state film office.

**Non-qualified Expenditures** -- These are expenses that a production company might incur but are not directly tied to the in-state production effort. They include such items as costs related to acquiring or using the tax credit, marketing and distribution, production financing, depreciation, amortization, or funds reimbursed later to lower production costs, such as advertising placement fees.

**Completion Bond** -- A written contract issued by an insurance company guaranteeing to the financiers of the project that it will be completed according to the terms of the preapproved application submitted by the production company in its application. Some states require bonds.

**Commercial Advertisement** -- A single medium or multimedia program, including a commercial advertisement, television series or music video that is created by production activities conducted by a whole or in part in the state, can be viewed or reproduced, and is intended for commercial distribution or licensing in the delivery medium used. Many states do not include advertising in their incentive program.

**Television Series** -- A group of productions created or adapted for television broadcast with a common series title, related to each other in subject or theme, which is produced seasonally for appearing at scheduled intervals, but subject to discretionary programming and scheduling decisions and be shown with or without a predetermined number of episodes. This can include a pilot production for the promotion or introduction of a television series.

**Music Video** -- A filmed or videotaped rendition of a song or songs portraying musicians performing the song or other visual images set to the lyrics of the song.

**Commercial Advertisement** -- An advertising message utilizing a motion picture film, video medium, or still photography in national or international print media to attract the attention of consumers or influence consumers' feelings toward a particular product, service, event or cause. Not all states provide incentives for commercials or print ads. Colorado does not.

**Ineligible Productions** -- This generally includes news, weather, or current events programming, game shows, talk shows, sporting events, award shows; a production produced primarily for internal use for industrial, corporate, or institutional purposes; an advertisement, infomercial, or any other production that solicits funds; a commercial advertisement; or a production that can be viewed by the state to be pornographic or not in the best interests of the state; and, in some states, commercials.

#### Colorado Definitions

**Film** -- Any visual or audiovisual work that contains a series of related images fixed on photographic film, videotape, computer disc, laser disc, or a similar delivery medium from which it can be viewed or reproduced, and be shown in theaters, licensed for television (or cable) broadcasting, or licensed for the home viewing market.

**Production Activities** -- The shooting of a film, support activities related to such shooting, and activities before or after the shoot that are necessary to produce a finished film.

**Production Company** -- A person, including a corporation or other business entity, which engages in production activities for the purpose of producing all or any portion of a film in Colorado.

**Qualified Local Expenditure** -- A payment made by a production company in the state to a Colorado business in connection with the production of a film being produced in the state.

**Qualified Payroll Expenditure** -- An expenditure made by a production company to pay the salaries of actors, management, and crew who participate in the film production activities and are Colorado residents.

-Dick Schneider

### The Colorado Film Incentive and The 800-Pound Gorilla

Colorado's film incentive program shares an uncomfortable space in its little state government's consciousness to demand a portion called TABOR, which stands for the Taxpayer Bill of Rights.

Passed by voters in 1992, TABOR imposes a constitutional limit on how much the state can increase its revenues -- to a small percentage increase each year based on population growth and inflation.

If the legislature decides to raise total state revenue to a level that exceeds the limit, it must go to a vote of the people for approval. The following is required to return any excess revenue to taxpayers the state also has:

It sounds reasonable -- Taxpayer Bill of Rights -- but, coupled with some other spending requirements added to the state constitution, it makes government budgeting a nightmare.

TABOR appeared to work during the booming 90s when the state's economy was fueled by seemingly unbridled internet and technology driven growth. But the subsequent Dot-Bomb, the bursting of the real estate bubble, the mortgage finance meltdown and \$4 a gallon gasoline shows that TABOR doesn't work too well during lean times.

That may be why 49 other states still let their elected legislators set tax policy rather than enshrine it in the state's constitution as we seem more than happy to do in Colorado.

The bottom line is that Colorado state legislators have so little leeway in how limited tax dollars are spent, funding new programs like a substantial expansion of the film production incentive plan makes life real tough down at the Statehouse.

Any funds allocated to the film incentive program must be taken away from some other program in the state budget, and competition for dwindling state financial resources is getting fierce.

Currently, Colorado takes a small amount of money each year from state gambling tax revenues to fund the film incentive program. But the gambling revenues are estimated to decline as the state cannot drastically increase the amount designated for film incentives.

Film industry and tax incentive experts agree that Colorado's incentive program is too modest to compete with incentives offered by film producers by many other states.

So, to confront the limitations of TABOR, film incentive proponents must present a compelling business case to the legislature to justify an expansion of the program. During the last legislative session, a bill to increase the state's film incentive by a factor of nearly 50 -- to \$26 million a year -- died in committee largely because of the budgeting limits caused by TABOR.

Several years ago, state voters approved a temporary relaxation of TABOR and other constitutional budgeting requirements to help the state re-stabilize its faltering economy. Each state must deal with the budgeting issues. House Speaker Andrew Romo is proposing a tax initiative designed to fix some of the more serious TABOR-related problems. Voters will have to approve the measure.

For now, the University of Colorado's Leeds School of Business, working with the Colorado Film Commission, is beginning work on a study of film production and Colorado's proposals to make that solid business case to state legislators for expanding the current program. That study is expected to be completed sometime in the fall.

In the meantime, Colorado's film incentive program has to share its little room with that 800-pound gorilla.

-Dick Schneider

### Incentives Call-to-Action

The Colorado Film Commission has requested supportive assistance from the CFVA Membership regarding the 2008 Incentive Program (Performance Based Tax Credits for the Film Industry.)

The most important action is to contact the Governor's Office directly.

Contact the Governor's Office today at **303.866.2421**

When you call, you will speak to the Governor's representative. Be brief and simple state: "I am calling to ask the Governor to support Performance Based Tax Credits for the Film Industry"

The receptionist will make a note and pass along your wishes. That's it!

Look for more information available soon under the:

#### About / Production Incentives



### CFVA Showcase Deadline is August 1st!

Show Everyone that Voodoo that You Do!

The CFVA Showcase will be held on **September 17th, 2008** from 6PM to 9PM at the **Starz Film Center** at the TiVo!

Video submissions are open to all CFVA members or member companies. (1 entry per person or company up to 5 minutes in length. See the "Technical Details" note below about formats).

Each piece will be edited into the presentation to be shown at the Showcase Event.

**DEADLINE** for entries: **Friday, August 1st, 2008.**

Our thanks to our friends at the **Denver Film Society** for co-sponsoring this event with the CFVA!

#### Technical Details

A total of **5 minutes** per individual or corporate member may be submitted on **Beta SP** or **DV** tape, or on **DVD**. Multiple pieces totaling 5 minutes may be submitted.

**Standard Def entries only** (in either 16:9 or 4:3 format).

The CFVA Showcase will be projected in **widescreen**.

If you are submitting a 16:9 entry on tape, it will fill more of the theater screen if it is *anamorphic* on the tape, rather than being letterboxed to fit 4:3 playback.

For the same reason, 16:9 entries submitted on DVD should be encoded for widescreen, not letterboxed.

4:3 entries may be submitted in any format and they will appear "barndoorred" when presented on the theatrical screen at Starz.

If you have a **High Def** entry, it must be down-converted and encoded to standard def, widescreen DVD. The film center does not have the ability to project HD.

If you have questions, email [bob@cfva.com](mailto:bob@cfva.com)

### Exclusively for CFVA Members!

(Non-members don't see this box in their eBulletin!)

Print out this ticket and bring it with you to the Schmooser on July 16th to speed past the name lookup!



### Job Listings

There are no job listings at this time.

### News and Events

#### Boulder International Film Festival Call for Entries - Regular Deadline July 25th

##### BOULDER INTERNATIONAL FILM FESTIVAL

Our big idea?

Provide filmmakers with huge, film-savvy audiences along with generous filmmaker hospitality, and open the festival to gifted film artists worldwide. This has made BIFF into one of the most popular young festivals in the US.

Chris Gore, the author of "The Ultimate Film Festival Survival Guide" and the founder of "Film Thrust", says "The staff's dedication to championing the Indies, the amazing hospitality along with a classic theater (with a full bar), make this a festival that should be on the top of every filmmaker's list". Submit today...you'll love it here.

Regular Deadline July 25.

The 5th annual Boulder International Film Festival is Presidents Day Weekend, February 12-15, 2009. Visit [www.biff1.com](http://www.biff1.com) for more information.

Student -- \$35 (\$30 with \$5 discount through Withoutabox)

Short -- \$40 (\$35 with \$5 discount through Withoutabox)

Feature -- \$45 (\$40 with \$5 discount through Withoutabox)

#### "Patchwork" Project Grant Seeks Applications

Deproduction is Producing a revolutionary new open-source HD Feature Film project during the 2008 Democratic National Convention.

Following on the vision of Haskell Wexler's 1968 film, Medium Cool, the HD film will be set in variable settings in and around the DNC.

In a unique, participatory "Patchwork Production" approach, several teams will produce independent shorts ranging from 5 to 25 minutes in length, all relating to a shared theme, and with a number of shared storytelling devices. Some or all of the shorts will then be woven together to comprise a feature-length film, which will be submitted to film festivals across the country.

#### How to Participate:

Independent producers are invited to participate in the project at any level, or to propose a short story of their choosing. All shorts must be shot and edited in HD, and while teams are encouraged to use their own equipment, at least 5 teams will be selected to receive equipment and crew support from Deproduction, including HD cameras, lighting, audio, editing resources, and more.

#### Independent Production Grant:

Independent producers interested in participating in this project and seeking creative and technical support are invited to complete the application form at [Deproduction.org](http://Deproduction.org) by July 18th. At least 5 teams will be selected to receive crew and production support, as well as additional production HD production and post-production equipment for the production of their short.

#### Script Guidelines:

Script treatments should be submitted and will be reviewed at the Production Team Meetings on July 20 and August 3rd. Each script must deal with the simple, primary theme of right & wrong, and the concept that life is not clearly divided into good and evil; black and white (or red and blue) and that a society which expects 100% alignment robs its members of any freedom to express themselves or grow. The resulting feature-length film will itself represent a variety of diverse approaches to conveying this point.

For more information, contact Shea at [Deproduction.org](mailto:Deproduction.org).

#### 48 Hour Film Project - Denver/Colorado

The Denver/Colorado 48 Hour Film Project is taking place August 1st-3rd.

In addition to being a genuinely good time, the event is the perfect opportunity to meet the film/video professionals in the community while you sweat it out writing, shooting, editing and scoring a 4-7 minute film under heavy time constraints.

Films will be publicly screened at the Gothic Theatre on Sunday, August 10th.

The overall winner from Denver will be included in the 29 Hour Film Project's national screening, which it will compete for additional prizes among national and international participants from over 70 cities.

Registration for the event is open and the discounted early bird rate of \$135 runs through Friday, July 11th. After that time, the registration fee is \$155.

Registration is first come, first serve. Capacity was reached in the event last year. Don't wait until the last minute!

For more information and to register: <http://www.48hourfilm.com>

If you are looking to join a team: <http://www.48hourfilm.com/join>

You are subscribed to bob@cityedge.tv

If you are a new subscriber or having a trouble with your e-mail address by logging onto the [CFVA home page](http://cfva.com) on using this email address. You can recover a lost or missing password from that page as well.