*Pre-production finance*

***Crowd Funding***

*Crowd funding is raising small contributions of money from many different people to fund for a project such as a film. People have a target of the amount of money they need to raise and a time limit they need to raise it in and if they do not reach their target by that time they do not receive any of the contributions meaning they can’t make their film. Crowd funding means people do not have to pay back the investors, they offer them rewards such as merchandise or having their name put in the film, these rewards vary depending on how much money is contributed.*

 *People use the website ‘Kickstarter’ to show people their ideas for their film, who is involved and how much money they need to fund.*

|  |  |
| --- | --- |
|  ***Pros*** |  ***Cons*** |
| * *Are not in debt at the end*
 | * *Limits creativity*
 |
| * *It’s simple and easy*
 | * *Must give rewards to supporters*
 |
| * *Secures support from potential customers*
 | * *Idea could be stolen/copied by people who have the money before you*
 |
| * *Improvement if you fail first time*
 |  |

*I think it is a good financing method because at the end of the project you do not owe any supporters their money back, due to offering rewards such as merchandise for pledges in the beginning. Another reason I believe crowd funding is a good source is you can use your investor’s social media accounts to promote your project which may lead to more investors and pledges. Crowd funding is also good due to being able to receive feedback on your idea early on so you can improve or change it to make it more what people want.*

***Product placement***

*Product placement finance is a type of film finance which branded products and services are shown within a film production which is watched by large amounts of people. An example of product placement in a film is the car make Aston Martin in the film series James Bond. Having branded products in the film will help finance the making of the project due to the producer/group being paid to have the brands be placed into the film.*

|  |  |
| --- | --- |
| ***Pros***  | ***Cons*** |
| * *Enhances viewing experience*
 | * *Interfere with the film plot*
 |
| * *Increases profit margin*
 | * *Cluttered screen*
 |
| * *Film advertisement*
 | * *It is expensive*
 |
| * *Creates greater awareness to the brands*
 | * *Competitive brands can cancel each other out*
 |

[*https://brandongaille.com/8-pros-and-cons-of-product-placement/*](https://brandongaille.com/8-pros-and-cons-of-product-placement/)

*I think this is a good way of financing a film due to making the film cost cheaper due to the brands paying the film makers to include their products, this can cut a lot of the cost down due to the payment from the brands.*

***Private Funding***

*Private funding is money raised through donations. It does not entail public funds and may include both grants and gifts. Advantages of private funding include rewards being made faster due to fewer levels of review as private organisations have a set of schedule of reviews and awards. There are also fewer regulations than federal awards, meaning it can stretch from length and cost allowability. Disadvantages of private funding can include awards are likely to be smaller and there may be less money to cover all project costs. The areas of focus may also change quickly, so continual funding may be hard to predict.*

*West Midlands Production Fund was set up to invest in the production of feature-length films and high-end TV dramas from companies based in the West Midlands, as well as from producers looking to establish a base to film in the region. An example of a film they helped is ‘The Girl with all the Gifts’. The film was nominated for a BAFTA for Outstanding Debut, won a BIFA for Breakthrough Producer amongst its four nominations, won awards at Sitges, Fantastic Fest and Gerardmer, and was nominated for further awards by Locarno, Molins de Rei, London Critics Circle and Empire.*

***Public Funding***

*Public funding is when the government provides financial support for a project which the money comes from taxpayer contributions or public funds. The filmmaker will use money given to them from government such as like a grant or loan. This will most likely be paid back once the production is finished and makes profit.*

***Joint Financing***

*Joint financing is when more than company fund projects together. Filmmakers will most likely fund part of their production as well as getting other funds from places such as lottery funding and/or private funding companies in order to help with the funds. If the filmmakers are not confident that their production will be successful they will try to get as many companies to help them fund most of the cost so if their production isn’t successful, they won’t lose out on a lot of money they invested.*

***Lottery Funding***

*Lottery funding is a way in which films can be funded using money from the lottery. One company called BFI (British Film Industry) can use lottery funding in order to help filmmakers create their production. An example of a film that was enabled by lottery funding is Chalet Girl. BFI works with a variety of other funding partners such as British Film Commission which funded with rant-In Aid and Lottery by the BFI. This allows filmmakers to gain the funds they need in order to film. In order to decide who to fund, there are 5 steps BFI follow.*

1. *Talent development and progression – support during the early careers of a range of filmmakers*
2. *Impact – support for films with strong cultural or progressive impact*
3. *Risk – projects that take risk in form and content*
4. *Perspective – projects that recognise the quality of difference in perspective, talent and recruitment*
5. *UK-wide – An increase in the number of active projects and filmmakers outside London and the South East.*