Wherever you put the treatment, be careful in your phrasing. Serious documentary workers know they will be surprised while they're out on the job, and they know that what they learn will modulate what they do from that moment on. It will influence the shooting, the filming, the interviewing, the cutting. Alfred Hitchcock said he planned every shot in his films before the first day of shooting, that he would tolerate no surprises, that when principal photography started his major work on his films was already over. That is antithetical to the way most modern documentarians work. Abiding no surprises means you are not prepared to see or listen. If there are competent documentary filmmakers on the panel reviewing your application, they will be as suspicious of a rigid vision as the non-filmmakers will be of a vague one. You must let them know that you know what you intend to do and what you intend to get, but that you are also open to the import of what you will learn.

So you write this brief description, this treatment or scenario. You write it to give a clear picture of what the film would be like if you went out right now and found the things you expect to find. After you do that, it is reasonable to write a statement letting the readers know that this is a tentative vision of the film, that what the film actually looks like and contains will depend on what happens once you're out there with your camera.

What is the tentative scenario? What might the film's first few minutes or high points look like? The answers do not include the word about. You describe scenes and sounds; you do not say, "This part of the film is about..." You can say what kinds of things might modify your scenario.

After that is done, there are a number of specifics you can detail in your Production Plans, a lot of questions you can answer:

--- What, exactly, are you going to do?
--- How many people in the crew, what shooting ratio, what equipment, what transportation logistics?
--- Where and by whom will the film be cut?
--- How long will the film be and why do you want it that long? (You may have answered that one earlier.)
--- Will you structure scenes, will it be direct cinema style?
--- Will your film look like a segment of 60 Minutes, like The Plow that Broke the Plains, like Apocalypse Now, like High School? Or will it be unlike anything yet done by anyone?
--- Will it be overtly partisan (like Harlan County or Paul Jacobs and the Nuclear Gang), will it be slick and melodramatic (like Scared Straight), will it be careful and subtle (like Kenya Boran)?
--- What format and stock will you use? If you will use black and white, why? If you are using Super-16, why aren't you shooting in 35mm in the first place? Why film and not video? Why video and not film?

This section of your proposal (as all the sections) should be direct and easy to understand. This section tells a potential checkwriter what you will do, what your production probably will look like, how you will do the work, what you will need to accomplish the task. You must explain in appropriate detail anything arcane or unusual—a high shooting ratio, a large travel budget, inordinate
equipment needs. We say "appropriate detail" because the amount of explaining you do may vary according to the filmmaking or subject expertise of any of the evaluating organizations. If, for example, you are applying to an organization that knows filmmaking well, you might explain why you will have to spend $1200 on gels, but you won't have to explain what gels are; if you are applying to an organization that almost never funds films, you might donate a paragraph that lets them know the difference between a filmmaker's gels and what some people have for dessert.

Three major sections of the application follow this section: Personnel, Distribution Plans, and Budget. The section on Production Plans should justify your personnel needs; it should clearly describe what you will be distributing; it should enable the readers to understand all major entries in your Budget.

Resist the temptation to give lectures on aesthetics. You'll bore some readers and you'll annoy the rest. Assume they are reasonable women and men who have a simple question: "Just what is it these people intend to accomplish and exactly how do they intend to accomplish it?"

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PERSONNEL

Who is going to do what? What are the qualifications of the primary crew? If you haven't yet identified the key personnel, why not? If you're applying for funds that won't be released for a year (had you applied in time to make NEA's September 1986 cycle, the earliest you would see a check would be August 1987), then you have a good excuse for not being able to name a specific camera- or soundperson. But you might offer specific examples: "Barbara Focus, if she is available when production begins, will be the film's cinematographer." It is useful and tactically helpful to have letters from such people saying they like the project and will be part of it if schedules can be worked out. (Don't lie. There may be panelists who know the people involved and the likelihood of their participation.)

Most federal and state grant application forms have tabular sections where you indicate the amount of time different people will spend on the project. If you're applying to a nongovernmental agency, you might note in this section the same kind of information: how much time will be spent by whom and in what capacity.

We usually include in this part of the application brief biographies of each of the key people--a long paragraph at most. If we feel we should say more, we put that in the appendix. We also include here a detailed statement about DRI, which is our film organization. You will include a statement about whatever organization will be the official sponsor of your grant. Funders want to know who will manage the money and what kind of support the filmmakers will get from the sponsor. If the organization itself is applying, they want to know as much about the organization's track record as they do about the director's track record. Funders are more likely to give film money to an organization that has made successful films than to a community group that has never done media work before. Sometimes there are exceptions: the community group might have in the
crew it will hire filmmakers of wonderful qualification, which would impress a funding committee considering documentary film proposals far more than a media group that offered for staff a group of skilled professionals all of whose work was devoted to highly-polished 30-second commercials.

The purpose of the personnel section of your application is to convince the reviewers that you can do the job well. A weak project won't be funded just because it has a good staff and a good project won't be funded if it has a weak staff. Remember that the case you make in this section complements the case you made for the film itself earlier.

CONSULTANTS AND ADVISERS

NEH Media, many of the state humanities councils, and some other government programs require you to have consultants. Sometimes you'll have these people involved only because of such requirements, and sometimes you'll have them because you really have need of their advice. You might subsume statements about the consultants elsewhere in your application; their work could be described in "Production Plans" or "Evaluation"; their biographical sketches could be included under "Personnel" or in the appendix.

If you have a boffo group of consultants, it is probably worthwhile to set your discussion of their work and their qualifications off from everything else. Who are they? Brief biographical sketches will do, usually. Some organizations prefer full vitas for consultants. These can make a proposal clumsy reading, so the usual procedure is to put short statements about the consultants in the body of the proposal and to collect the longer vitas in the appendix.

Having the right consultants listed in your proposal may increase significantly your chances of getting funded. If you're proposing a film about presidential decision-making and you have letters from Gerald Ford, Richard Nixon, Jimmy Carter and Ronald Reagan promising enthusiastic support and honest conversation, a granting agency may assume you'll have a good spectrum of advice coming in (though it may wonder what kind of story you could have told that would have gotten all four of those men to agree on anything). For the state and federal humanities agencies, that group of involved professionals wouldn't be enough: you would also have to have some sharp scholars who could critique the presidential utterances. If everyone on the film crew is a humanities professor, you still may need several independent humanities scholars who will have an influence on the filming and editing--or who will say they will have such influence.

The consultant panel you present is like the group of letters of recommendation you offer: it tells the reviewing panel something of the level of seriousness with which you may be regarded by respected figures in the field. But be careful whom you ask: some people turn up as consultants for nearly everything in their field, and it is clear to reviewers that they are simply saying, "Sure, put me down if it will help you get the grant." We have both been on reviewing panel where one scholar turned up as consultant in several separate proposals; that person's participation was not taken seriously by the panels.
A friend who worked for many years at the National Institutes for Health said to us, "In the 1960's, an applicant in the social sciences who needed consultants was often considered inadequately prepared to take on the project. If you needed that much help, you were a weak candidate. But that's changed. The world is very complex. People ask complex questions. Now we look at intelligent use of consultants as reasonable utilization of major resources.

An official at the National Endowment for the Humanities wrote:

NEH Media funds are not awarded simply for the purpose of making films, remember, but rather to make available to the public films about humanities issues. Most filmmakers are not familiar with the culture the way scholars are, and we don't expect them to be. We don't expect one person to be filmmaker, historian, folklorist, researcher, and we're suspicious of proposals in which one person claims to be all those things. And we don't expect to fund basic research that will let a filmmaker learn the humanities things needed to make the film. Even our planning grants don't usually allow preliminary research. The potential consultants, the experts in all those fields, have done that work already. But we look carefully at the description of the work of the consultants: they must be needed, their expertise must be appropriate to a project. We won't fund just because someone sends us an impressive list of names.

And the director of a state humanities council wrote:

Of all the requirements, the most difficult to explain to the novice is the role of the humanist in preparing a script or evaluating it or making contributions at differing stages in the production of the film. (________, in this respect, no novice as you well know, is something of a model grantee since she'll show the script, rough cuts, and so on to humanists and seriously entertain their criticism and suggestions.) Perhaps what needs to be said in the DRI funding guide is something to the effect that the Endowment and state councils are likely to place special importance on the role of humanists as consultants in scripting and producing the film and that a prospective applicant had better get a program officer to explain the role in detail.

DISTRIBUTION

Some filmmakers combine this section with their statement on the film's audience, but we prefer to separate the statements. Our budgets usually have a line entry for initial distribution expenses and we've found those make more sense to foundation executives not used to film work if the rationale for distribution was clearly defined in the prose section of the proposal.

We try to give a detailed picture of the steps we are going to take to make sure the film will be seen: Grant application reviewers take a filmmaker's plans for distribution very seriously: we know of otherwise excellent proposals that
were flunked because the applicants gave no evidence they had any plans for their work once they got satisfactory release prints back from the lab.

A film that isn't distributed might as well not have been made. Funding agencies know that many films are never distributed, that they are seen by so few people the total audience could have been given individual lectures by experts at a posh resort more economically. The head of one NEA program told us not long ago that someone in their office calculated that the average audience for most of the films they had funded was under 100 people. They were shaken by that bit of accounting and knew they would be hard-pressed to defend their record had any budget-cutting official gotten his hands on those numbers. With the present tightness in Federal funding and concomitant increase in competition for private funds, a good distribution plan is more important than ever. A lot of people want grant money, there isn't much of it, grantmakers want to be as sure as possible that their grants will be effective. Your description of your distribution plans lets the application evaluator know whether or not you appreciate the difficulties you will confront in getting your film shown. Like the budget, this is one of the places they look to see if you are at all realistic. You cannot adopt the "Maker of a Better Mousetrap" posture; you cannot assume that the film will be so wonderful the screening world will beat a path to your door. The world doesn't behave like that and grantors know it.

No exhibitor or buyer or television programmer will commit his or her organization to purchase or lease a documentary film before seeing reviews of it. Grantors know that. But there is no reason you cannot involve those potential users of your film in your funding design. If you do a good job of describing your proposed film to potential users, they might write letters in support of your application--letters saying they know you and your previous work (if that is true), that they deliver films to X constituency, that they have seen a preliminary version of your proposal and are sure your film will interest the audience they serve. (One of DRI's recent proposals, for example, had letters from the directors of programming of three major television stations, the director of the film collection of a large public library system, and the heads of two organizations that distribute independent films to cable systems and to some European markets.)

Be sure your letters are realistic. New cable systems and more access to satellite transponders open new markets, but nothing yet in the development of most cable markets suggests there will be new outlets for documentaries, especially longer ones. The Movie Channel does no nonfiction films; Showtime and HBO both have policies against "down" subjects: they will broadcast a "documentary" about World War II Kamikaze pilots narrated by Hal Holbrook or historical puffpieces narrated by Dick Cavett, but they won't broadcast Salesman or Attica or Kenya Boran or The Wombles or Rosie the Riveter. HBO has in the past few years produced several slick documentaries itself, and some of these have been interesting; it is almost impossible for an outsider to crack that market, however. PBS will probably continue to be as conservative in its documentary purchase as it has been in the past decade, unless Herb Schmertz, Mobil's Media mavin, takes an interest in documentary. Currently, PBS is loathe to take on documentaries unless they fit into a series, and the only regular PBS series doing documentaries is Frontline, which is produced by a consortium of public television stations and isn't open to independents anyway.
Even though PBS is rough ground for independent producers, it is possible to deal with many public stations directly. Few of them have much money, but they offer an audience that ranges across the economic spectrum, one which consists of people seriously concerned with issues. Dealing with individual stations is time-consuming, it ties up your prints or videocassettes for a long while, but the audience is an important one. Some public television stations, like WNET in New York and WTTW in Chicago, have long maintained a willingness to purchase films not pre-selected for them by PBS. Others, like WNED in Buffalo, rarely broadcast anything that doesn't come off the network feed. (In 1981, access to individual stations for independents was made much easier by the Independent Film and Video Distribution Center, an ad hoc network based in Colorado, which rented time on PBS' Satcom transponder and was able to distribute a 15-week series of new documentary films to dozens of stations across the country. For a variety of economic and political reasons IFVDC collapsed.)

We said we include in our budgets line projections or initial distribution expenses. We don't always get it, but we usually ask. We're happy if we get enough money to make the film. Sometimes a funder who helped you with production will later help with distribution expenses. When WNET decided they wanted to broadcast Death Row, they found their acquisition budget for the year had been fully committed. We said we would let them use the film immediately and they could pay us when next year's budget opened up. "We can't do that," the programmer said, "because that will cause problems with our acquisitions then. We'll just have to hold off and consider the film next year." We suggested she contact a foundation that had helped us fund the film's production: "Maybe they'll be willing to go for a little more to make sure the film gets seen in New York now." She contacted the foundation and got a grant to cover WNET's acquisition costs. That meant the film was seen in New York at least eight months earlier than it would have been seen otherwise, and DRI got a check for $2700 that helped pay off some of the production debts.

Learn which film festivals will be appropriate for your film. Don't just list the major festivals ("We plan to enter Hubert's Agape in the Academy Awards and Cannes competitions. . ."). Some festivals will help bring your film to a wider audience. You might say a few words about why your film would be a good candidate for Locarno, Sinking Creek, Melbourne, Cinéma du Réel, Festival dei Popoli and Mannheim. Don't make it up—find out what those festivals do these days. (For more information on festivals, use Gadeney's Guide, Reichert's Doing it Yourself, and especially recent issues of the Independent.)

No funder expects you to get promises of distribution or broadcast, or assurances of inclusion or awards at film festivals before your film is actually completed. But many do expect you to show that you are aware of the potential markets for your film, that you have given thought to how you will reach those markets, and that some people responsible for distribution and presentation of documentary films are willing to type a note on their letterhead saying they take you and what you plan to do seriously.

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EVALUATION

Most funding agencies expect grant designs will include some form of evaluation. Few agencies are set up for film exclusively, so you must be aware that the absence of an evaluation statement in your application may put you at a disadvantage with applications for other kinds of projects being considered by the same group of evaluators.

Evaluation of a film-in-progress is a difficult matter. By the time there is something visual to evaluate, the money is spent, the thing is in the can, the crew is dispersed. Formally, reviews can perhaps serve the need, but they come long after everything is finished; nonetheless, there are some things you can offer the potential funder.

You might describe how the sponsoring agency (the 501(c)3 organization) will monitor the work done and the spending. Will they just be writing checks on your demand or will they be involved in helping you stay on budget? If the latter, say so. If you will have active consultants working with you, you might describe in more detail than you did earlier how their consultations will help you make decisions as you go along. Will you talk to one about technical problems? Will another help with conceptual questions or reorganization? Will you gather some of them together to discuss the film's progress? Will you have a detailed timeline with expected dates for getting certain portions of the work done that can serve as an indicator of how well things are progressing?

For some funders, this sort of information is unnecessary. They won't fund you unless they have complete confidence in your vision of the film to be made and in your competence as a filmmaker. Others may be reassured if they know you will touch base with competent professionals along the way.

The most important evaluation of a film, the only evaluation that really matters, comes when it is completed and is seen by its intended audience. You should mention that. You should also say that you intend to include as part of your final report (almost all agencies, foundations and corporate funders require a report on how things went and how the money was spent) information on bookings, sales, television screenings, reviews, appearances in film festivals and competitions, and awards won.

THE BUDGET

The budget is so important we shall treat it separately in the next chapter.

APPENDIX AND LETTERS OF RECOMMENDATION

The appendix warehouses more information on points you've already made. It is not a place to say anything new, nor is it a place to say anything of major importance. Most documents in the appendix will have been referred to earlier in your application. If, say, you intend to include in the appendix an expanded vita
for one or all of the personnel, you would have a note saying, "Please see appendix for further details," or something like that.

Many foundations require as part of all applications a letter from the directors of the sponsoring organization attesting to the organization's letter of tax-exempt status from the IRS, a copy of the organization's most recent audited financial statements, and, sometimes, a copy of the organization's most recent annual report. These could all be collected in the appendix. You would have alerted the reader earlier of their presence—probably in the section of your introduction or summary in which you describe the proposal's organization.

Other things that might go into an appendix:

--Biographical statements on primary film workers, more detail on people who will be subjects of the film, more information or detailed vitae for the consultants. Be cautious with these. Some people prepare their vita with extreme care; other don't take them seriously. If you get a vita that looks awful, you should retype it yourself; if you get one that is years out of date and you know the subject has done interesting and important things in the interim, ask for an update.

--Detailed breakdowns on parts of the budget. If you think the readers might not understand how you are deriving your cost sharing and you think they should know it, you might give details here rather than take up space in the body of the application. You would, of course, have put a note at the appropriate place in the budget section, such as, "A breakdown of cost sharing sources and methods of calculating in-kind contributions will be found in the Appendix, p. ______."

--Are there reviews of your previous work, especially reviews that give an evaluation of work similar to what you propose now? If your last documentary film got superb reviews in professional journals and the popular press, include a few samples of both. But make sure the reviews serve your cause. We saw one proposal that had two reviews attached, one of them very close to a pan. The proposer included it to show that the New York Times took her work seriously. Having your work taken seriously by the New York Times is indeed impressive—but not useful when the serious view is a negative one.

--If you have letters from media librarians, television programmers, school film bookers or independent distributors who are enthusiastic about your proposed film, you could put their letters here. If you have a lot of letters, don't include them all—remember the museum with the 145-page appendix. You could introduce the letters you photocopy in the appendix with a note saying something like, "We have received letters from many potential users of the film, among which are . . . ." You can list a number of the more important letter writers, then you can say, "Four of those letters are included here." The readers will get the point. We assume that you would have included a few quotations from these letters when you discussed distribution earlier. Be sure the letters help your case. One recent applicant for NEH production funding included a letter from a PBS station programmer saying the producer should apply for a grant to make the proposal "less predictable and more interesting." The proposer didn't understand that the letter was a negative judgment on the proposal, or he underestimated the care with which the panel read the proposal's supplementary materials.
--If you are using consultants and if you have gotten from some of them letters that say interesting things about the film or about your work, you might include copies of those letters here. Again, you would have quoted important sections from these letters in the body of the proposal. The full letters might be included because they contain more information you would like the reviewers to see and because you want to get the impact of several impressive letterheads in a row. Some agencies require that your proposal include letters from consultants agreeing to work on your project. Panelists sometimes read those participation letters carefully, so even if all you and Charlie need is a conversation and a handshake, get Charlie to write you a letter anyway. (And be sure that your budget reflects the participation claimed in these letters and in your project description. We've seen proposals in which the claimed consultant contribution was dismissed by panels because no provision was made for them in the budget, so the panel knew they were in the proposal only for rhetorical purposes.)

Be sure that whatever letters you include are specific to your film and that they are cogent. If someone writes a letter for use in your application and it doesn't do what you think really useful, throw it out or ask for a revision. An inadequate letter will do you no good. You can, when asking for letters of support, suggest specific things the letter writer might say. No one will think you're usurping his or her authority; most people will appreciate your taking the time to save some of their time. But remember not to send the same sample statement to everyone: the reviewers will realize that you wrote the letters and merely got other people to type them on their letterheads and over their own signatures.

You may need letters of recommendation. Some agencies and foundations want to receive these directly, others want them submitted by you as part of your application. Be very careful who you get to write your letters of recommendation. Many good proposals are killed by putative recommenders. Some writers of letters of recommendation are utterly promiscuous: they will do it for nearly anyone. Reviewers who serve on a lot of panels become aware of such people. There is, for example, a famous Harvard professor who is notorious in the grant and academic communities for his enthusiastic (but rarely specific) letters in support of people seeking jobs and grants. He writes a lot of letters. Almost every one of them says the applicant is "undoubtedly the most brilliant student I have taught in my ___ years at Harvard." We ignore his letters. The applicants would have been far better served had they gotten themselves letters from people who could have commented on them and their work.

And some letter writers will torpedo you. You might not realize it even if they give you a xerox copy. It doesn't take much: a turn of the phrase can do it. The person might be writing for someone else applying to the same agency in the same cycle. A sentence here, a modifier there, and the person has discriminated between the two candidates. Some people will agree to write a letter even though they don't think much of you or your project, but they don't want to offend you by saying no. Force the issue, if you can. It isn't enough just to get someone to write a letter to an agency or a letter to be included in your application. Be sure the letter says something relevant, that it isn't full of ambiguities and qualifications, that it will do you some good. Don't be afraid to say, "I would very much appreciate a letter from you in support of our film, but only if you
feel you can honestly support the film and those of us working on it. If you can't support it, you don't have to tell me the reasons. I won't be mad or hurt; I'll understand." (So you lie a little.) Most people, when confronted by that sort of direct statement, will respond to you directly. (A few won't; they'll smile and shoot you down anyway; a few people are rats.)

When you ask, "Will you write a letter to ________ about my project?" and don't bother to ask if the letter will be enthusiastic, you give people a chance to waffle. The reason applicants don't ask that kind of question is they don't want to embarrass a potential letter writer and they don't want to be embarrassed themselves. Someone who is dealing with you forthrightly won't be embarrassed—and someone who isn't dealing with you forthrightly deserves to be embarrassed. Most people planning on writing a severely qualified letter will admit it at this point because they don't want to risk you finding out what they did and telling everyone what liars and scoundrels they are.

After you have finished putting in the appendix everything you think belongs there, examine those documents carefully. Be sure the appendix contains nothing that doesn't support something in the body of the application. The appendix is not a place for essential points made nowhere else. Also be sure the application justifies each document in the appendix: if you have letters from ten consultants, the application should have already told us who they are and why they are necessary.

* * * * *

READ BEFORE MAILING

After you finish typing the proposal, don't look at it for a few days. The temptation is to pop it into the envelope and have it go do good work on your behalf. Resist such temptation at all costs.

Most people who work very hard on a manuscript become temporarily blind to holes. If you've rewritten a paragraph several times, you may become used to phrasings that are dreadful; if you've done some cutting you may think something is in there that is now discarded; you may have written the same thing two or three times inappropriately. Reading your own prose with proofreader's objectivity is enormously difficult, especially without a bit of time to forget the rhythms.

Re-read the funding agency's guidelines and ask: Have I supplied all the information they want in the format they demand?

Go through all the points you wanted to make and ask: Have I found a place to say all the things I thought important?

Be sure everything is consistent: the abstract, summary, prose narrative and budget must tell the same story.

Then get a few friends who know something about film and who know how to spell and get them to read the application. Tell them to mark anything they think wrong, any aspect of the proposal they find at all confusing or inconsistent. Tell them they'll be doing you no favor if they give you back the manuscript and
say, "Swell job, pal," unless they really did find nothing with which they might quibble, nothing they might question, nothing they might correct. (If your friends regularly find nothing wrong with your applications, either you're a prose genius or you're in desperate need of friends who have achieved a higher level of literacy.) It is far better for you and your friends to find and correct errors before the application goes out than it is for grant evaluators to find them after the application is out of your hands.

And beware of Deadline Fever, a self-induced condition that develops when you are so sloppy in your planning that you find yourself typing the final version of the application a few hours before the midnight postmark it must have in order to qualify for consideration. You can get hysterical. You are anxious that the thing be perfect, because you know there isn't time to rewrite. You're tired. Heart-pumping, you give the pages a last scan, find them perfect, you put them into the envelope and rush to the only post office branch in town which has a clerk who will postmark the envelope before he goes off duty at midnight. And you go home, have a toddy, and with the lucidity of your new calm you re-read your golden prose and find maybe five typographical errors in three pages. (Sure: we've done it. We've put off typing the final version until the last possible moment. And we have read with horror one, two, three, four clumsy typos. And we told ourselves the same thing we tell anyone who lets a self-induced case of Deadline Fever weaken an otherwise good application: You're as much a fool as you think you are when you see those errors.)

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SHORT-FORM PROPOSALS

Some foundations say, "Send us a brief letter describing your project and we will let you know if we will consider a formal application." For most corporations and a few foundations, the short letter is the formal application; they may ask for details later, but that first letter may have won you the grant. For other corporations and foundations, a positive response to an initial letter means only that they agree to read seriously a longer proposal.

You must treat every letter you send a corporation or foundation as the document on the basis of which the decision will be made. You don't know where in the process the decision is actually made and you cannot afford any risk.

One of us chaired the grant committee of a small foundation a few years ago. Our foundation had no set form for applications. We asked applicants to write a brief letter telling us what they wanted to do and how much money they needed. We said that if we wanted more information we would request it. Many projects were funded simply on the basis of that first letter. The projects seemed reasonable, the budgets made sense, the proposers seemed competent. Our job was simple. Sometimes we had to know more; we would ask for what we needed and then we made the decision. But some people complicated our work: they sent us enormous bundles of material we hadn't requested. Applications that made our job difficult were put aside for later. Often later never came.

If they ask for a two-page letter describing your project, they want a tightly-written statement that lets them know the need, what you want to do,
what good your work will do, who you are, how much you want and why they should support you. If that sounds like a lot to put in a couple of pages, you're right. Corporations and foundations that request a brief letter often want the same information wanted by foundations and government agencies having a long-format application. They just don't want so many details.

If we were given the option of writing a two-page or twenty-page proposal for a film project, we would select the twenty-page proposal. It would be far easier a writing job.

There are two kinds of short letters you may have to send foundations or corporations. One is an actual application; the other is (nominally) preliminary to an application—-it is really a request for the consideration of more extensive information.

"Approaching Business for Support of the Arts," a pamphlet available free from the Business Committee for the Arts, Inc. (Suite 2600, 1501 Broadway, New York, NY 10036), offers good suggestions for making your first approach to a business for help. The pamphlet suggests a way to organize your preliminary application:

Most potential donors prefer a short, concise introductory letter containing basic information on the arts organization. Other material may be attached. The letter should be tailored to the company you are approaching. Never use form letters, or letters that could be construed as such. The letter should include:

---A brief statement of the proposal
---The reason for approaching the corporation
---The total sum needed, with a breakdown of the percentages anticipated from the business community and from government, individuals and foundations
---A list of established corporate sponsors
---The suggested contribution
---The background of the arts organization
---A concluding statement asking for an appointment with either the addressee or an executive he might designate.

Attachments should include:

---A summary statement of the organization's main activities, its value to the community, its audience and potential audience, its work with the other institutions and if appropriate, how it benefits and serves the corporation's employees
---A budget for the preceding, current and succeeding years, together with audited financial statements, if available
---A list of board members and salaried staff, with background information on each
---Copies of the Internal Revenue Service forms indicating tax exemption status and whether the organization is a public or private foundation.
Some of the BCA suggestions would have to be modified according to your particular relationship to a sponsoring organization. If you are applying as a member of the staff (that is, the organization is also the applicant and not just a financial manager for the applicant's project) you could follow their guidelines closely; if you are working through the organization (they are handling the finances and management of your project), you would detail that relationship briefly.

Most letters to corporations requesting help are not answered at all. That is because you and your project don't interest the recipient and he or she doesn't want to waste time or postage responding, or because your letter got lost in the corporate bureaucracy. If you think the silence resulted from the latter, send another letter or make a telephone call. Things do get lost, people are busy.

The responses that do come contain one of three messages:
--No.
--Send us more information.
--Let's get together to discuss this.

If you send more information and don't hear again, pursue the matter. Give it a reasonable amount of time, then call and ask for an appointment to discuss the proposal. Some executives will have misplaced your letter or will have put it in a pile of things to attend to when there is time. You lose nothing by such a call and you may get an opportunity to expand your case. If you do get an audience, apply the same principles to the conversation that you apply when you are writing an application: have at your disposal all the facts you will need, make no claims you can't back up, be brief. These are not social visits. Time is money to business executives, just as it is to anyone else. If you don't know the answer to something, don't lie and don't waffle--say, "I don't know, but I'll find out and will let you know." Ignorance of some facts is forgivable, lying about them isn't.

After your visit, write a letter. The letter should recapitulate the subject of the visit. It should be brief. It should thank the executive for his or her time. It should again offer to supply any further information the corporation might need before making a final determination. It should include anything really important that you forgot to mention earlier, but it shouldn't open up massive new areas of information (because that may suggest you weren't really prepared during the meeting). If you did promise to send further information about some aspects of the proposal, use that as the rationale for the letter--but include everything else suggested in this paragraph.

If you get this far and you get a negative response, write a nice letter thanking the people with whom you dealt for their time and their consideration. Sometimes it takes a corporation a while to decide you're valuable and you might very well come back to them for help on another project upon which they will look more favorably. You might even come back to them on this one. Say you get most of the funding you need elsewhere, you're short only a small amount for a specific purpose--that might be worth another approach to an organization whose rejection was friendly.

Sometimes your work will just get a small contribution, far less than you had requested. The BCA pamphlet advises that, "A small grant should not be
discouraging. Any corporate gift is an indication that the company has researched your organization and found it worthy of support. To help small grants lead to large ones, immediately thank the donor in a personal letter and later report precisely how the grant was used. Keeping the donor informed is one of the best ways to assure that your group will be given serious consideration when you apply for another grant.

If you are applying to a foundation that requests a brief letter, you might not include all the documents the BCA recommends sending a corporation. If you have doubt about how many supporting documents you can safely send or how many are really wanted, call up and ask.

A two-page letter to a foundation is probably the most difficult grant application genre. We begin such letters only after careful reading of the foundation's guidelines. If the foundation says, "We want details on _______, and ________," then the form of the letter is pretty much blocked out. Our task is to give them that information and to find ways to squeeze in important points not obviously included but which we think are absolutely necessary to our case. If the foundation simply says, "Make your case in two pages or less," we begin by listing all the points we think essential for them to know. That usually consists of barebones answers to the six questions on page 47. It is usually longer than two pages, so we then begin rewriting. In so short an application you don't get to explain much—you just have space to say things. You will be tempted to write, "The reason we are going to . . ." but you won't have space for much of that. Most of the space will be devoted to telling them what rather than why.

When you finish your two-page application, go through the same operation we recommended for revision of long-form applications: hide it for a while, get some competent people to read it critically, re-read it yourself. A two-page document has no room for error. The content should be exact and relevant, the prose should be precise and taut. If you can't do that yourself, get help. Don't expect to knock one of these out in a few hours merely because you have all the information rattling around in your head. Some of us at DRI are professional writers and we have spent as much as a full week on some of these short applications—and still not been satisfied with them.

If you resent the time you must spend on so short a document, you've got your vision focused in the wrong place. It's not that you're spending X hours on two pages, but that you're expecting two pages to get you X thousand dollars. If you're asking for $10,000, that's $5,000 per page. At those rates, the pages should fairly glow.
BUDGETS

THE BUDGET'S JOB

The detailed budget breakdown in your application shows reviewers exactly what you will be doing with the money and it helps them decide if you really understand the complexities of your project. For many grant evaluators, the budget is the key to the quality of the proposal: the budget displays how well you appreciate the minutiae of your task.

Some agencies will tell you, "Your application won't be rejected because of the budget. If the panel approves your project and feels your budget is out of line, we'll negotiate that." All true, but note the beginning of the second sentence: "If the panel approves your project...." Some panelists will reject a proposal because the budget is too far out of line; that causes them to disbelieve things they read earlier, or to lose confidence in you they acquired earlier.

When the prose portion of an application is discrepant with the budget, the result might be rejection. We read one proposal for a dance program that seemed very good until we reached the budget page. The jobs of the people being hired were not in accord with the goals described a few pages earlier. "If they're hiring people to do that," one reader said, "they can't be doing what they say they're doing." Or they don't know what they're doing," another reader said. The program was not funded.

You may have to get someone to prepare your budget for you, someone who understands such things better than you do. There is no shame in this. You're willing to hire people to do sound or camera or negative cutting. If a panel found out you had help preparing your budget (or any other part of your application, for that matter) they wouldn't think less well of you. Some might think you had good sense. If you know enough to know you need help in writing or budgeting and are smart enough to go get it, you will probably also know enough to accept and get help in filming, editing, bookkeeping, or promoting the film you want them to pay for. Remember that their interest is in seeing that the job is done well; who does what parts is relatively unimportant.

The level of detail should be appropriate to the importance of an item. It is possible to dilute the effectiveness of a carefully-considered budget by going into so much detail all impact is lost. You might, for example, have an entry that reads: "Editing supplies (white and black film and plastic leader, splicing tape, replacement lamps for Steenbeck, plastic cores, film cleaner, etc.)--$750." Generally that would be adequate; sometimes you can get by with just the first two words and the amount. We don't know any case in which it is necessary to break down every item, predict exactly how many feet of leader or how many replacement lamps you will need. If you get too exact with such items, people will know you're making the numbers up. Grant readers want only that your estimates
be reasonable. If you are doing a one-hour film based on 20 hours of location footage, the readers will think you are unreasonable if you estimate $100 or $10,000 for editing supplies.

Grant application evaluators and funding agents want to see a budget that lets them know where the money is going. They are all aware that the real world is not fully predictable. They know that three lamps might burn out in a row or none might burn out at all; they know you might get the footage you need in less or more time than you thought it would take; they know there might be unexpected price increases; they know you might be surprised by things for which you could not reasonably have planned. The budget they want from you must let them know that you plan to spend their money on likely things—so much for stock, so much for people, so much for this and so much for that—and that you understand the technical complexities of your job as well as they do.

Your job, in preparing a budget, is to show that your estimate of your film's cost is reasonable. If you succeed, and if you have presented a prose description of your film that is reasonable, the evaluators will assume that you know what you are doing. Never treat a budget section—whether it is a paragraph, a page, five pages or twenty-five pages—as merely a mechanical statement. A well-prepared budget is as important a statement as a well-prepared program narrative; often it supplies the justification for things the verbal part of an application cannot supply. Your budget should instill in the readers of your proposal the kind of confidence in your knowledge of the nuts and bolts of your profession that would let one pilot say to another, "You take it, I'm going to take a nap. Wake me after we've landed." That's the sort of thing you want these grant-givers to say to you: "You take it, here's the money, let's hear from you when the money is spent and the job is done."

HOW MUCH DO THINGS COST?

Underbudgeting by as little as 10% can be disastrous for a film project. The last bill you pay before you begin distribution is the lab's for the intermediate or internegative and your release prints. If you don't have that money you don't get any prints, which means you've got nothing for your labors but bitten fingernails, indigestion and a lot of receipts. It behooves you to be as accurate as possible in your predictions of costs.

Manufacturers of military hardware have a wonderful concept they invented to keep themselves in the black when their original bids turn out to have been absurdly out of line—the "cost overrun." That's what they call it when an aircraft budgeted at $100 million actually costs $185 million. Usually, the government says, "Oh, sorry about that," and pays the tab, including reasonable profit for the manufacturer.

In the grant world, a significant "cost overrun" can put you in the sewer. You can't count on some angel leaping to bail you out. The angels are just as likely to say, "Sink. You blew it."
The easiest way to cover yourself would be to estimate as accurately as possible the total costs of your proposed film, then add a neat little bundle marked "Contingency" or something equally vague. Grant evaluators read "contingency" as "poor planning." Only rarely does a foundation, government agency, or corporate grant giver will permit you to budget for contingency. (We'll say more about this later.)

If you are preparing applications to fund a film you expect to put into production six months or a year from now (a minimum lead time for almost any government funding program), ask all your probable suppliers what cost increases they expect. Rental houses may say, "we've got a 6% increase scheduled for next September." Our labs have always been able to advise us several months in advance when a new union contract lead to an increase in lab rates. You can't budget for the truly weird--such as the transitory but still spectacular increase in film prices that accompanied the 1979 silver shortage created by the Hunt brothers. (Many funding agencies will help you out if that sort of disaster strikes.)

You should calculate the likely real cost of everything that will contribute to the total cost of your film, even though you aren't asking the grant agency to cover all those costs. It is often useful to show the agency or corporation or foundation that some of the support--cash or in-kind--is coming from other places. An organization that might be put off by a $30,000 budget for a 30-minute film might be less put off if you show them that the 30-minute film really cost $90,000.

What is a reasonable amount for a film? It depends on the film you want to make. In 1984, NEH granted Metropolitan Pittsburgh Public Broadcasting $450,000 to make a 60-minute documentary film, "The Bill of Rights in the Streets, The Courts, and the Jails." That is $7500 per finished minute, which is extremely high for a documentary. In the same funding cycle, NEH awarded $238,650 for a 60-minute documentary presenting a history of the Bryn Mawr Summer School for Woman Workers and $185,500 for a 60-minute film on the life and political career of Huey P. Long--$3977 and $3092 per minute. (Those were the grants--the actual costs may have been greater.) A film consisting of unscripted footage of simple interviews can be done relatively cheaply; a film requiring archival footage, opticals, extensive location travel, music rights and other permissions, can be relatively expensive.

Many documentaries don't begin to receive funding support until much of the pre-production work has already been done. Research and interviewing that would be part of the budget for a network team or a sponsored film crew are often part of the work you must do before you can begin to make an application for foundation or corporate or government support.

Even if you own your own camera and sound rig and if everyone works for free, there are barebones expenses: stock, audiotape, mag tape, batteries, gaffer tape, developing, workprints, transfers, shipping, editing equipment, editing supplies, optical transfer, conforming, titles and credits, answer print, CRI, check print. . . . For a 60-minute film shot at a miserly 5:1 you'll need at least $25,000
with nothing for the camera, editor, sound, director, nothing for postage or telephone, nothing for transportation or location equipment rentals, nothing for space rental, nothing for any margins of error. No insurance. No release prints or video transfers or location lunches at Burger King.

As soon as you begin paying people even a portion of what they're worth, adding realistic estimates of rentals for decent equipment (or amortizing equipment you own), paying for services you shouldn't have to do without, allowing for blunders and strokes of fortune and scratches on the negative and a few changes of mind--the budget soars. (Soars in terms of what documentarians can usually get, not in terms of what other kinds of filmmakers usually spend. It is not unusual for a 30-second commercial to cost $50,000 or for a Hollywood film to cost over $100,000 per minute.)

Your budget must appear reasonable, and "reasonable" is usually defined in terms of what documentarians have managed to get by with and not what commercial filmmakers assume as a minimum. Documentarians have been working on the cheap for years, and you're stuck with that history. If you are obviously overbudgeting to cover yourself for contingency, someone on the panel may just spot your gambit and you may be hurt badly for it. Many panelists look for padding designed to recoup costs already incurred. (One of us was on an NEH panel that considered a complex proposal, one aspect of which was the production of an LP phonograph record. The record was a reasonable component of the larger program and the panel liked the whole idea. Things looked good until one member of the panel said he had recently done some private record production on a scale similar to that proposed and he thought the proposer's estimated pressing cost was at least double what it should have been. That meant, the panelist said, the proposer was guessing or he was padding. The result was a much closer scrutiny of the entire budget, and finally a rejection of the proposal.)

No one on a panel considering film is likely to reject a proposal because you budget for a 20:1 ratio than a 15:1 ratio, or because you budget for a 15:1 rather than 12:1 or 10:1. If there is enormous overshooting indicated--you project 30:1 on something with few variables that should work out well at 5:1 even with some blunders--then you'll have trouble. If the funding agency permits intercategory shifts (from supplies to travel, from personnel to services, etc.--most of them do, up to a point), and if you can control some slack in your shooting ratio, that can easily give you the margin you need. Say you're planning to shoot 40,000' of film, but you run into a problem on location. Cutting back just 1600' of location footage--four rolls--saves you about $650 on film and processing costs. The same cutback also saves you money on transfer costs (less soundtrack to transfer), editing time (less workprint to log, evaluate, work with), and perhaps rental costs (since you may need your location time, you'll save on crew costs--wages and per diem.

Some economies aren't worth it. You don't cut into the ratio if the cut will seriously reduce the likelihood you'll get what you need. Going back for something you missed is always more expensive than staying a little longer and getting it the first time. But you shouldn't be planning at so marginal a level. (You may wind up having to shoot at so marginal a level, but that shouldn't be your goal when you're seeking funding.)
There are limits beneath which one cannot go in film production, but there
seem to be no limit above which one cannot go. Clint Eastwood, who doesn’t
overshoot or overstaff his films and he usually comes in under budget, had a crew
of 200 people on location in Las Vegas for The Gauntlet. That included
cameramen, still photographers, sound people, carpenters, cooks, gaffers, assistant
directors, accountants, drivers, medics, stuntmen, mechanics, gofers and others. A
list of the people who worked on Heaven’s Gate would probably stagger the
imagination. We know the film’s backers still haven’t recovered their balance.

Documentary is a world away from that. If you’re a serious watcher of film
credits, you’ve noticed that all films, even documentaries, name a lot of people
who helped in one way or another. But if you talk with documentary filmmakers,
you will learn that most of them work with very small crews—a crew with five
people in it is very rare. Many documentarians work with a two- or three-person
crew: one does camera, one does sound, and the third, if there is a third, is
magazine loader, grip and gofer.

If you’re going to film using a hand-held mike, no lights other than natural
or practicals, and a hand-held camera, it is possible for two of you to do the
location work. As soon as you introduce other equipment, you start needing help.
If you will be lighting and using a tripod and radio mikes, you will have more
boxes that must be lugged. A grip may not be absolutely necessary, but one will
preserve your sanity and your back. Setting up and striking lights takes a lot of
time; it is delightful if someone else does all that while you’re deciding what you
shall do next. If you’re working in a rough part of town, you might need someone
just to watch your back. If you’re doing sensitive interviews you might dispense
with a third person in the crew, even though you have need of the help, because
the additional presence would make the conversation more difficult.

Your narrative of your plan of work should justify the crew you will be
budgeting for. Assume the readers have common sense about these things, but
give them enough information in both segments of the application to understand
how they are commensurate with one another.

If there is slack in your budget, be sure it is legitimate slack, not padding.
There is a difference. You may get nailed for padding: building into the crew
workers you obviously don’t need, estimating costs at rates higher than you can
reasonably expect them to be, budgeting for equipment you obviously won’t need.
We’ve both been on panels where panelists have noticed when filmstock was
budgeted only a few dollars above the going price. But the filmmakers who are
part of many grant reviewing panels understand that you need some room to
maneuver. They know every shot doesn’t work out as you planned it, that
sometimes the sound is screwed up or you forget to stop down the lens after
focusing or the rains come when they’re not expected. They won’t object to a
more than the minimum location time, nor will they object to a shooting ratio
that covers you for a few blunders, lets you experiment a little, and gives you
enough to capture the varieties of the event. They’ll give you that slack if the
narrative portion of your proposal and the budget make sense internally.

Several years ago, we submitted an application in which we mistyped 7241 (a
Kodak reversal film balanced for daylight) for 7247 (a Kodak negative film
balanced for tungsten). It was a dumb mistake; we made it early on in the
proposal and continued the mistyping throughout, and we missed it entirely on proofreading. 7247 cost about 50% more than 7241. Reversal was not an appropriate film for what we wanted to do. One reviewer was distressed at what he thought our ignorance of current pricing and our error in budgeting for a CRI (which you use to make prints from negative) rather than an interpositive (which you use to make prints from reversal). He thought we had overbudgeted and didn't know anything about filmstock, so he was going to recommend against support. Fortunately, another member of the panel noticed that our references to film in the prose part of the proposal were all references to negative and that we had budgeted for a negative cutter. The panel assumed we had mistyped and we got the grant--barely. We were lucky. Panelists may pay attention to your numbers and you should make sure you're putting the right numbers on those pages.

Deliberate underbudgeting is as dysfunctional as deliberate overbudgeting. If you underbudget, you take two risks: that you'll be rejected (because someone on the panel knows the business well enough to know you won't be able to finish with that amount of money) or that you will be funded (and won't be able to finish). Under budgeting is often perceived by reviewers as evidence of lack of expertise: they think you don't know what it costs to make a movie. It does your film no good if you go after less money than you really need in order to make your grant more competitive. It rarely makes your grant more competitive, anyway. (We have been on some panels where a panelist noticed an inadvertent admirable proposal and the panel voted to increase the award beyond the amount requested. That happens, but don't count on it. They sometimes do the opposite: cut the budget to encourage leanness.)

If you are tempted to present a budget you know is too low because you think the real cost is far beyond what an agency or foundation or corporation will support, resist the temptation. Why risk being thought a fool or liar by anyone on the reviewing staff who knows something about filmmaking? Why not tell the truth and say you intend to get the rest of the money elsewhere? It's not like a sexual relationship--they won't be offended to learn you're spreading it around.

Many films are funded in bits and pieces. Some foundations and many corporations are happier if other organizations are giving money, too. Some will give you money to use as leverage: if you need $100,000 and all they can afford is $5,000, tell them you'll take the $5,000 only if you can raise the rest of what you need and that having their promise of $5,000 will help you raise the rest. That gives them a double incentive: they can be part of a project otherwise beyond their means and they can have the secure feeling of knowing that their involvement will be shared and ratified by other organizations.

BUDGET FORMATS

Film budgets have two basic formats: PPP and categorical.

PPP is based on the stages of a film's development: Pre-production (before shooting starts), Production (while shooting is going on), and Post-Production.
(between shooting and distribution). PPP is generally used by agencies that understand the mechanics of film production; it is the format used by commercial film and television producers, and by organizations that fund a lot of films. (They have other categories—things like "above the line" and "below the line"—but these don't concern us here.)

The categorical format is based on categories of expenditure: personnel, travel, supplies, rentals, publicity, indirect costs, services, other. It is the format used for most government grants and for foundations and other funders that do not know film well or do not work in film primarily. (The New York Council for the Humanities asks for both kind of budget for film and video projects—categorical in the body of the proposal and PPP in the supplementary documents.)

The PPP format is diachronic: it looks at the budget in terms of a sequence in time. The categorical format is synchronic: it looks at the budget in terms of categories of expenditures, no matter when they occur. "The Alexander Jefferson Film" chapter gives samples of both budget formats.

If the agency guidelines permit it, we use the categorical format, which seems to us to make more sense for people doing documentary work. By the time we know enough to submit a grant application, most of the pre-production work is usually done. And we find it clumsy to break among the three categories continuing expenses such as telephone, postage and liability insurance. Some people put in the three PPP sections entries that are obvious to each of them, then have a fourth section in which they list costs general to the entire production. Their distribution of costs would go something like this:

**Pre-production:** location scouting, shooting tests, hiring, research; some documentaries—not very many anymore—might have an entry for a scriptwriter (few noncommercialdocumentarians work like that)

**Production:** film, audiotape, batteries, lights, gels, transportation, location equipment rentals, location crew fees, subsistence, shipping, developing and workprint, fees and permits, location insurance

**Post-production:** editing equipment rental, editorial fees, mag tape, transfers, editing supplies, editing space, titles and credits, music releases, opticals, lab (optical soundtrack, answer prints, CRI or internegative, release prints, cans, reels and mailers), E&O insurance, distribution

**General:** worker’s compensation, overhead and indirect, secretarial, project administration and accounting, any specific expenses not included in overhead and indirect

You will have to decide which format is most appropriate for your funding source. The sections that follow are based on the categorical format. The kinds of information can be translated to the PPP format easily enough. The bottom line—the total cost of the film—will, of course, be the same in both formats.

* * * * *
SALARIES, WAGES AND FRINGE (or PERSONNEL)

Salaries and wages are what people get in their checks (except for what goes to IRS and places like that), fringe is everything else—the employer's portion of FICA, health insurance, retirement, whatever goodies you've promised them.

Some workers on a film are salaried employees (so much per week or month), some are wage-workers (so much per hour); both usually get certain fringe benefits. Other workers are independent contractors: they receive their day rates and take care of their own FICA, retirement, general health plans. You pay FICA for and withhold Federal and state taxes from the salary and wage employees; you do not withhold taxes from the independent contractors.

Most budget forms calculate fringe benefits separately from salaries, wages and payments to independent contractors. It may be that some employees get different fringe rates; the day-rate people, the independent contractors, get nothing at all in fringe. You might have a salary and wage total of $42,000, but may have to calculate fringe on only $34,000 of that, for example. Some film workers prefer to sign on as employees, others prefer to sign on as independent contractors. Bookkeeping and paperwork are far simpler with the contractors. Some of these decisions aren't just between you and the worker—they may also involve the sponsoring organizations, which are legally charged with filing of proper reports and forms and delivering appropriate tax and other payments.

If everyone isn't going to be working full time (which is very often the case), you indicate each worker's base pay, the percentage of time the worker will spend on this film or the total amount of time the worker will spend on this film, and then the total amount the worker will be paid for this film. If you don't yet know who will fill a particular job, you simply list that function and a fair wage for that work. You might have entries that look like this:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Rate</th>
<th>% of time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lynn Brown</td>
<td>Director</td>
<td>700/wk</td>
<td>10 wks @ 50%</td>
<td>3500</td>
</tr>
<tr>
<td>Ed Green</td>
<td>Camera</td>
<td>600/wk</td>
<td>8 wks @ 50%</td>
<td>2400</td>
</tr>
<tr>
<td>Ty Purple</td>
<td>Grip</td>
<td>95/day</td>
<td>24 days</td>
<td>2280</td>
</tr>
<tr>
<td>-----</td>
<td>driver</td>
<td>75/day</td>
<td>24 days</td>
<td>1800</td>
</tr>
</tbody>
</table>

How do you set salaries, wages and day or contractor rates? In part, it depends on how much money you think you can raise. If the most you can get is $20,000, the question is nearly pointless, since the money will be going for film, supplies and the lab. But you may have a chance to get more money and you may want to put up labor as part of the match, so it is useful to be able to calculate the highest fair rate for employee time. If you are going to be showing cost sharing, your Personnel entry might have three more columns: one would show how much of the time would be contributed, one would show the source of the contribution (the person doing the work or another organization paying for a portion of that person's time) and the third would show how much you expect the grant to cover.

If you will be hiring or getting contributed services from union or guild members, the answer is simple: call the appropriate union or guild and get the current scale. The worker will be able to tell you what union or guild to call. If
you are using someone who has a regular salary for similar work, use that. If there are people in your part of the country who get paid for that kind of work, find out what they get and use those numbers: make a few calls and find out what grips or typists get in your neighborhood.

Many teachers underpay themselves on grants because they divide their annual school or university salaries by 12 and use that for their monthly salaries in a grant proposal. Don't make that mistake. A teacher on a 9-month salary of $27,000 per year has an annual salary rate of $36,000 per year, so the monthly salary on the grant should be $3000. Union increases are often negotiated long before the increases actually take effect. If you know that your industry or school will be having an across-the-board pay increase for all employees before the grant period begins, be sure to include that in the salaries you project; if the raise will occur partway through the grant period, pro-rate the increase.

DRI is a volunteer organization. No one is paid for working on it. Individuals are paid for working on funded projects. When we are using grant funds for people normally employed elsewhere, we try to match the fringe package they are temporarily leaving so they can work on our films. For university workers, we match the amount the university pays into TIAA and insurance programs. That sometimes creates several different fringe rates in one grant proposal. We usually match the salaries of people ordinarily paid on a 12-month basis and we annualize the salaries of people paid on a 9- or 10-month basis.

We haven't found any granting agencies that object to those methods of setting salary levels or fringe benefits. If you budget yourself for $500 per day and everyone else for $75 per day, you'll run into trouble; if you budget everyone at $500 per day your application won't get very far. If you're reasonable, you'll have few problems. Sometimes you encounter readers of limited sense and less experience. One time we applied to the Law Enforcement Assistance Administration for a grant and we hit a panel all the members of which were probably from low-paying schools. Two of the three readers reacted with what seemed to be anger to a year-long salary for a project worker who was a full professor at a major university. One reader wrote in his report, "College teachers aren't paid that much. I've taught in five colleges and I ought to know." The person whose salary was being questioned was just in the middle of the range for his category of school in the most recent AAUP reports. After that fiasco, we were careful to detail, in footnotes to the budget or in a note in the appendix, exactly how we calculated any salaries that might seem high to someone with low pay. None of our proposed salaries has ever seemed high to anyone in the film business--quite the contrary.)

Almost always, some of us are working for nothing. It may be that only a portion of the film's work time is funded, that we spend six months on the film but can get grant support for only three months. Sometimes we have student interns working with us for college credit but no salary. We calculate the entire amount for such work in our budgets, then break down the totals into the "From Grant" and "Match" columns, as we noted above. That way we can show our funders that we are helping the film happen too--and it gives a more realistic picture of the work we do when we prepare our annual reports for our board.
The amount of detail you need depends on the kind of information the grant agencies require of you. When we are first planning a film, before we begin preparing specific proposals for specific funding organizations, we try to break things down into as much detail as we can. It is easy enough to lump them into rougher categories later.

CONSULTANTS

Some funding organizations demand consultants (NEH and most state humanities councils), some demand them only if the project seems to need them (NEA Media and most state arts councils), and some don't give a hoot whether you have consultants or not (most foundations).

If you really will be having consultants and if they'll be working free, you might want to include them in the budget just to show them as part of your cost sharing. Some agencies have recommended rates for consultants. NEH suggests $100 per day (they're soon to raise that to $150), but they'll accept more in match if you show them that the consultant really makes more. If you're doing a film on surgery and you have a working surgeon who takes off a week to work with you (not on you), you should be able to put him into the grant for far more than $100 per day. We had a surgeon working with us on one grant and paid him $100 per day and tallied another $300 each day for in-kind contributions. If someone is incurring a real income loss to take part in your film, few funding agencies will object to your compensating that person for the loss, and no funding agency will object to your including the uncompensated lost income as part of your matching or in-kind contribution.

In government grants, consultants' fees are usually listed separately from personnel costs. Consultants' travel, however, is included in your general travel budget. For foundation or corporate grants, you can place consultant payment and expenses wherever seems most reasonable. Sometimes you might decide to have a category of "Consultant Expenses," in which you include their fees, travel, per diem, and costs of any work they might do for you.

TRAVEL

NEH expects you to describe the travel you plan in the body of your application. In the budget, they ask only for categorical breakdowns by destination. The headings in the Travel section of their application form are: from/to, no. of persons, total travel days, subsistence costs + transportation costs = NEH Funds Cost Sharing, Total. They don't ask you to name which people will be going where for how many days, nor do they ask you to detail what portion of the expense will be covered by the cost sharing. They don't even require that the cost-sharing column be filled in.

Say you will be making two trips to New York, each of them four days in length; three of you will be going on one trip and five will be going on the other. The airfares and ground transportation will be $200 per person per trip, and you estimate subsistence at $85 per day per person. You will also be making a
four-day trip to Boston with a crew of three. Travel for the Boston trip will be $300 per person. You'll save a bit because Stanley will be staying with his sister in the South End—you estimate the value of the free digs at $300. Your travel entry for those trips would read:

<table>
<thead>
<tr>
<th>from/to</th>
<th>no. of persons</th>
<th>total travel days</th>
<th>subsistence costs +</th>
<th>transportation costs =</th>
<th>NEH funds</th>
<th>Cost Sharing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NYC</td>
<td>3</td>
<td>4</td>
<td>1020</td>
<td>600</td>
<td>1620</td>
<td>300</td>
<td>1920</td>
</tr>
<tr>
<td>NYC</td>
<td>5</td>
<td>4</td>
<td>1700</td>
<td>1000</td>
<td>2700</td>
<td>2700</td>
<td>5400</td>
</tr>
<tr>
<td>Boston</td>
<td>3</td>
<td>4</td>
<td>1020</td>
<td>900</td>
<td>1620</td>
<td>300</td>
<td>1920</td>
</tr>
</tbody>
</table>

If you had the same number of people traveling to the same location on different occasions, those trips could be combined into a single entry. The New York travel entry, for example, could have shown three people traveling for eight days and two people traveling for two days.

This kind of budget notation gives NEH a fair idea of what you expect to spend on travel, but it doesn't restrict you too much. You might have an expensive meal one day and a cheaper one the next, you might have to drive rather than fly, you might have to bring an extra person along on one of the trips and leave someone home on another.

If you really know exactly who will be going, fine; say it that way. We have found that in documentary production, especially when all the location shooting can be done in one trip, many things are really impossible to predict exactly. Sometimes you discover footage you thought you had in the can is a blank or a blur and you must return to the location for a pickup. If you prepare your travel budget so it reflects your likely expenses but doesn't lock you into too many specifics, you won't get into difficulties.

You may have planned to do your location work in New York, San Francisco and Houston, but by the time you actually go into production the things you have to film are in Boston, Seattle and Chicago. That's rarely a problem. So long as you stay within your original travel budget and the changes make sense within terms of the production proposal, few funding officers will object. Most don't even require you to notify them of that kind of change.

The people who handle budgets at the Endowments, foundations and corporations are fully aware of the tricks the real world can play upon a hypothesis. All they really want in this category is a spending plan that is reasonable for the work you want to do. We have never heard of a grantee who was hassled because travel plans changed for reasons that made sense.

SUPPLIES AND MATERIALS

If you have made films previously, look through your receipts from last time before you project your expenses for the new film. We have found that many
people prepare film budgets and leave out little items. Little items add up to a
great deal of money and if they're not paid by the grant money they'll have to
be paid by you.

Every film is different, of course, and you must think the work through
carefully. If you'll be shooting entirely with a hand-held mike phantom powered
by your Nagra, you'll just need the Nagra's power supply. If you'll be using
different mikes for different situations, you may need a lot of batteries to power
those mikes and more batteries for a mixer.

We blundered in Out of Order budgeting by not thinking through carefully
enough our battery needs. We decided to save money by using rechargeable
batteries for the radio microphones and receivers, so we bought chargers and 30
nine-volt batteries, more than enough. But as soon as we started shooting, we
learned why the Vega Corporation recommends alkaline cells: an alkaline nine-volt
powers a Vega transmitter for more than five hours of continuous use; a
rechargeable fades after 90 minutes. The sound person had to monitor battery
status constantly, and she had to call the attention of the person we were filming
to the technical aspect of what we were doing, which is never a good idea. So we
dumped the rechargeables and went back to using alkaline cells—which cost $1.38
each. Over the course of the film we spent over $400 for batteries, far more than
we had planned. Next time, we'll include a better estimate of battery costs.

You will have to determine your shooting ratio. These vary enormously. If
you know what is going to happen before you set up your camera, you can work
with a very tight ratio. If you are going to do direct cinema, where you can't
know what you will have until after it happens, you will need a lot of film.
Barbara Kopple and Hart Perry shot about 50 hours for Harlan County, remarkably
little given that they did the shooting over a three-year period. Roger Graef's
series, The Space Between Words, done for KCET in Los Angeles and the BBC,
was shot at 33:1. Jill Godmilow shot Antonia at 10:1, which she considered low.
We did Death Row at 10:1. Frederick Wiseman’s ratios vary, but they are usually
above 25:1. John Cohen did High Lonesome Sound at 3:1, the most parsimonious
ratio we've encountered in a long time.

Some problems are so likely to occur they should be budgeted for. Say you'll
be spending several sessions shooting in a house and you know several of the
windows will be in your shots. You want to use your tungstens without blue
filters (which cut out a lot of the light they emit) and you want to take
advantage of some practicals (you'll replace the 100 watt bulbs in the table lamp
with 250 watt daylight balanced bulbs). If you don't want the world outside to be
bright blue, you've got to gel the windows. One roll of Roscosun 85N6 ($85 or so)
should do it, right? Wrong. What if one day is bright and sunny and another is
flat and dull? If you intercut any of that footage, the windows will pop in and
out like electric signs. So you cover yourself: you order the 85N6 you know you'll
need and a roll of 85 that you'll maybe need. Even if you're shooting in natural
light, you may have to cover yourself for exterior changes. Radical changes in
part of the scene draw an audience's attention to film technique, anathema to
most filmmakers. If the exterior is bright one shooting day and dull the next,
you'll have a window with almost no external detail in one shot and a great deal
of external detail in the next. The solution is simple: have some neutral density
gels on hand, just in case.
No funding agency expects you to use every bit of everything you buy. Spending a few hundred dollars for items you might need is a lot cheaper than having a shot ruined because you weren't ready for a change in the ambience.

Under Supplies and Materials you will budget for such items as: film stock, batteries, location audiotape, gels, 35mm film and processing for stills, quartz lamps for location lights, mag film, white and clear splicing tape, projection lamps for the 16mm projector, quartz lamps for the flatbed, tungsten lamps for the Moviscop, white and black plastic and film leader, sound head cleaning sprays and swabs, three-inch plastic cores (if you're doing a film with a lot of location footage that you'll be breaking down into separate synch shots, you'll need hundreds of these), glue and white lint-free gloves (if you're cutting your own negative or positive original), office supplies (shipping envelopes, wrapping tape, stationery, paper clips, pens, etc.), yellow grease pencils for marking workprint, clear sheets for holding 35mm slides, gaffer tape, daylight or tungsten bulbs for using in practicals, etc.

You will need to acquire, some time in your filming career, a number of small tools for use on location and around your editing room: slotted and Phillips head screwdrivers, jewelers' screwdrivers, Allen wrenches, wirecutters, scissors, current tester, hammer, etc. If you will be using location lights, you'll need extension cords and multiple outlet strips. Most grants treat purchases of such inexpensive items as supplies because the bookkeeping work of treating them as equipment purchases would be more costly than it is worth, and grantmakers know you must have that stuff if you are to perform properly.

You won't list all these things in the budget that goes into your application. You'll summarize by categories. But you can't know how much you'll really need if you don't spend some time adding it all up. The total will probably surprise you.

* * * * *

RENTALS

NEH budget forms include rentals under "Services." Most agencies prefer a separate entry for rentals if there are going to be a fair number of them, and in film work there is a lot of renting going on—or rental equivalents that should be shown in the matching column.

Few filmmakers own all the equipment they need to make movies. People who shoot and edit every day often own everything they need (makers of commercials are the only people we know in this category), but few others do. Clint Eastwood, who does about a film a year, rents everything. Few independents do one film a year. For most filmmakers, having all that capital tied up in equipment just doesn't make sense.

If you did a film a year and had a 20-day shooting schedule for each film, you would need about seven years to amortize an Aaton with basic accessories and one lens; a modest CP would take four years. As an owner, you're responsible
for insurance (which you pay even when you’re not in production) and maintenance.

If you are doing a great deal of filmwork or if there are several of you sharing the same equipment or if your films will take an enormous amount of location and editing time, then owning makes sense. For most independents, the question is academic anyway; few of them have the $50,000 or so needed to set themselves up with what they need for location and editing work.

When you plan your film budget, be careful to plan for everything you will probably need. If you’ll be shooting outdoors during the day, you might do fine with your workhorse Angenieux 12-120, but if you’ll be doing a lot of low-light work and you won’t be able to set up lights, you might need some ultra-fast lenses. You forget an item like that when you plan your rental budget, you will be singularly depressed during the location days—when you find you can’t afford it yourself or you have to pay for it yourself: a month’s rental for the Zeiss 9.5mm is over $1000.

In some cities, there are alternatives to owning your own equipment and dealing with commercial rental houses. Film/Video Arts (817 Broadway, New York, NY 10003, [212]673-9361), for example, provides equipment and space rentals for independents at up to 75% off commercial rates. (Film/Video Arts used to be Young Filmmakers/Video Arts). Before it ran into major financial problems in 1984, Media Studies/Buffalo provided video and film equipment and access to film and video editing suites to local artists at minimal cost. These organizations are usually funded at least in part by city and state arts councils, so the best way to find out about them is by telephoning the film or video program officer at the appropriate council and asking what might be available in your area.

Such community access organizations usually have far more demand than they have supply, so you can’t be confident that their equipment will be available when you need it, especially if you are planning far in advance, which you will be doing if you are working on grant money. Some community access centers are notoriously unreliable. During its last year or two of operation, video equipment out of Media Study/Buffalo was often inoperative on promised days: you arrive, they give you the machine, you notice it doesn’t work, someone says, "Sorry," and you go off to mope. The whole operation closes down in the summer. If you have limited funds these community access places may be a good bet. But be very careful: you may wind up with a film crew, a subject to be filmed, and no camera or tape recorder with which to do the work.

Rental rates for film equipment vary enormously, so do your homework before you fix this portion of your budget. There are three major points of difference in rental rates: daily prices, how many days constitute a rental week, and how many free shipping days you get. Some rental houses have a weekly rate that is four times the daily rate; others charge at seven times the daily rate, day-for-day. Some renters give you a shipping day in each direction for out-of-town rentals; others give you a shipping day out, but none coming back.

When we did the first edition of this book we checked two rental catalogs to compare costs for renting an Arri 35III and a Zeiss 12mm T/1.3 lens. For the Arri rental, both offered the same complement of accessories, except that
company A, which charged $175/day on a seven-day week, shipped the camera with three lenses, while company B, which charged $99/day on a four-day week, shipped the camera with four lenses. Company A allowed two days for travel; company B allowed one. If you rented the equipment for seven days (from when it left their hands to when they got it back), the rental from A would have been $875. The rental from B would have been $693—and you could have kept the camera and lenses for an eighth day at no additional cost.

The differences for the Zeiss lens weren't so obvious. A, with its seven-day week, charged $45/day; B, with the four-day week, charged $53/day. Which rental would be actually cheaper? It would depend on how many days you needed the lens and how many shipping days you needed. If the lens were in your possession eight days, including shipping time, the place with the higher daily rate would bill you $270. If you needed the lens for only seven days, again including shipping time, the lower rate place would cost you $225, the higher rate place would cost you $212. But if you needed the lens for only four working days, you'd be better off with the lower rate place—$180 versus the higher rate place's $202.

When you estimate your rental costs, be sure to call the rental houses to find out if they expect an increase in the near future. With the long delay between application deadline and dollar availability common to government grants, you may seriously underbudget if you don't include inflationary increases. (You can't budget for inflation; you can't simply add 8% to the budget because you know the cost of film supplies and equipment have tended to go up that much in recent two-year periods. But you can add a percentage to current rates if a supplier tells you an increase is in the works.)

Whatever the rates, you want to be sure that the equipment you get is in perfect operating condition. We have never heard anyone complain about equipment they have rented from Camera Mart in New York or any of the Victor Duncan locations. You can check the rental ads in a current issue of American Cinematographer. Journals like the Independent sometimes carry ads for equipment rentals at bargain rates. Booking bargain rate equipment far in advance is difficult: you can't promise them that you will have your grant and that you will be shooting on a certain day. They won't want to promise their equipment so far ahead of time. You can work out whatever rentals make the most sense when you actually go into production, but when planning your budget you should get the price estimates from the big rental houses and you should plan on having to spend that much money. If you are able to get reliable equipment for less, wonderful; pay the money back to the foundation or use it to reshoot the scenes that didn't work out as you thought they would.

It sometimes happens that the rental cost is very close to or even above the actual purchase price. What do you do then?

Almost all federal and state granting agencies will authorize purchase of equipment if rental is more than purchase cost. The funding agency has a reversionary interest in such equipment—when the grant period is over they can take it back and sell it or give it to someone else, or they can calculate the current value and give you the opportunity of buying it. In practice, the equipment will usually be left in place if the funding agency believes the equipment will continue to be used for the same purposes it was purchased under
the grant. The funding agencies don't want to become managers of a lot of hardware. But leaving it in place doesn't mean leaving it with you; it is more likely to mean leaving it with the organization that was the fiscal sponsor for your grant. If that organization does other films, it will probably want to keep it so other filmmakers can use it; if that organization never did a film before this one and doesn't expect to do another, it will probably be happy to put the equipment in your custody for as long as you want it. This is another of those points that should be worked out between you and the sponsor before you are arguing over a piece of hardware bought six months ago for a film just finished.

The terms of what you can buy, what you can buy with permission, and what you can keep vary from grant to grant and agency to agency, so don't plan on owning any nice machines until you've seen your grant contract and discussed the disposition of any large purchases with the program officer. Before you have that conversation, read carefully OMB circular A-122, which details the basic cost principles for the kind of Federal grant you'll be getting. Some agencies may have provisions less lenient than A-122, in which case their rules apply.

Some foundations have a flat, no-exceptions policy against any purchase with grant funds for anything over a certain amount---$200, $500, whatever. There is no point arguing with people like that; if it's their policy, it's their policy. Put the legitimate rental cost in your budget and, after you get funded, visit a decent supplier and say, "I've got $6300 in my grant to rent a Nagra 4.2 with this list of accessories." If the supplier is any sort of sensible fellow, he will say, "But you can buy it for only $6100 with those accessories." You sigh and say, "Alas, my grant permits only rental, no purchase." Whereupon he nods understandingly and says, "I understand. But tell me this: you work for a nonprofit corporation. Would they be happy if I contributed this Nagra to them after you're done renting it?"
You tell him the organization would be ecstatic. You might even point out to him that since the Nagra would still have considerable value, the organization would probably send him a letter acknowledging his contribution, which would be a legitimate tax deduction for him.

If you deliberately boost the rental days on something in your grant in order to be able to get a dealer to sell an item to you for nearly nothing, you can go directly to jail without passing Go. If a nonprofit agency buys equipment and fraudulently creates paper to present it as a rental so as to give a dealer a tax deduction he doesn't deserve, the agency can lose its tax exempt status. The rental must be a legitimate rental; the donation must be a separate event.

What if the item costs $2000 and you are renting it for $1000 during your grant? That varies, depending on who is funding you. Some government agencies will let you buy the item (you pay off the balance with your own money), but the purchase price should be reasonable for that kind of equipment in that kind of condition. If you're "buying" a Nagra for $250 after you've rented it for six months, an auditor may get aroused. Some grant contracts specify that if your organization gets to purchase equipment at radically reduced costs as a result of rentals paid out of the grant, then some reimbursement might be due the funding agency.

Be careful if with this sort of thing. Many times the granting agency will give you permission to do what you want to do if you explain the rationale to
them beforehand. If you get caught running a scam you might not get any more grant funds. Make sure that what you’re doing is legal and make sure you won’t antagonize the agency so much that you lose more than you gain in the long run. Our assumption is always that we will be coming back to this well again.

The government and foundations don’t want you using grant money to build up a warehouse of equipment with which you will go out and make money in non-grant-approved ways, such as by renting the equipment to others or selling it. They don’t want to be cops after the grant period is over, so they try to avoid the problem by saying, "This won’t happen."

If the equipment is legitimately billed (which means the renter really did own it during the rental period—he could come in and take it back if he wanted to), they won’t have much to complain about, especially if the equipment is being used for the kind of work the agency was created to foster. Among other things, it means your next grant request might not have so high a rental bill.

The government applies different cost principles to different kinds of institutions: the rules for state institutions differ from the rules for nonprofit corporations. The kinds of liability a grant recipient has with a government grant is very different from the kind of liability the recipient has with a private grant. If ARCO gives you a grant to make a film, they have a right to see the receipts and cancelled checks that back up your report of how you spent their money, but that’s about it. If the government gives your organization a grant to make a film, its auditors have a right to come in and look at all the organization's books, contracts, agreements, minutes, the physical property in the building, etc.

Your primary concern when planning rentals for your film budget should be what you must have for this film. If you modulate those decisions in terms of plots to acquire equipment not appropriate to this film, you may be inviting trouble. Remember that some of the proposal evaluators will probably be experienced filmmakers. They know how to read the numbers and how to number the needs. Don’t give them a reason for saying, "These guys are running a game on us here."

If you have any doubts about what you’re planning to do, get advice: from the funding agency, from the sponsoring agency, from someone who knows the business well. If you get the advice and you still have doubts, don’t do it.

* * * * *

SERVICES

This is everything you pay someone else to do, except for the people who work for you directly (location crew, editing team, office staff). Here you might put your estimated costs for the lab (develop and workprint, optical transfer, CRI or internegative, release prints, video transfers, lab shipping), preparation of titles and credits (even if you’re doing titles and credits yourself, be sure to include somewhere in the budget the costs of the boards, high contrast film, etc.), mag transfers, sound mixing, negative cutting, etc. If you'll be having a brochure printed to help with distribution and if you are including distribution costs in your application, you might include the printer's estimate here.
OTHER

Everything that doesn’t fit somewhere else: equipment rentals (if you haven’t devoted a separate section to that), insurance, distribution expenses, equipment maintenance, postage, etc. NEH now includes rentals and postage under Services in its budget form; a few years ago both went into the Other category.

We'll consider several categories of expenses that might go into "Other" (or might get their own categories if you prefer) in some detail:

OTHER: EQUIPMENT MAINTENANCE

We rarely see this in grant proposals, but if you don't expect to get a fair amount of money for indirect costs, equipment maintenance is a legitimate expense category. You can, if necessary, document it on the basis of past experience. If you are using equipment you or your sponsoring agency owns and you can show that in the course of the past three projects you had to spend $1500 for equipment maintenance and repairs (getting the lens collimated, the camera cleaned and checked, the expense the time your assistant dropped the light meter, etc.), then you should enter as a line item some money for equipment maintenance. If you don’t have any equipment problems you can return the money or use it for a category you underestimated.

While filming Out of Order, we developed a synch problem: everything sounded and looked okay, but we were losing about a frame a minute. Since we had some twenty-minute takes, that was horrendous. We live in Buffalo; there are no repair services here. We could have shipped the tape recorder and camera out for checkups, but what if the problem was in the flatbed or the mag recorder? If we did ship everything out, there was no telling how long it would be before everything came back, or what new damage would occur in shipping. And shipping is expensive. We called Victor Duncan and got an IDI Sync Gun, just like the timing light you use in your car, except it cost $490 rather than $45. A lot of money, but it would let us know immediately where the problem was. If the problem was in the mag recorder or flatbed, we wouldn't edit for a while, but we could continue with location shooting; if the problem was in the camera or tape recorder, we could edit, but we couldn't go on location. The Sync Gun could check out every piece of equipment but the tape recorder, so we could know if that was the culprit by elimination. The gun arrived the next morning via Federal Express and by that afternoon the camera was on its way to the factory. We were able to type a properly injured note to the manufacturer, rather than a note that began, "Would you check this out..." We had the camera back within the week.

We didn't have a line for equipment maintenance in our budget. That meant we had to take money for the Sync Gun purchase from something else. The shift was permissible under our grant contract, but it meant our flexibility was decreased because there was a dollar limit on the amount we could shift without previous authorization. We were lucky in that we had money available and hadn’t yet exceeded the shift amount. Our subsequent production grant applications had
line entries for maintenance and repairs in any grant unless there was enough overhead or indirect to cover us for that kind of problem.

OTHER: INSURANCE

You’ll find a good rundown on the kinds of insurance an independent filmmaker should consider by Dennis R. Reiff, "Insurance: How Much Does an Independent Producer Need?" in the Independent 4:3 (Summer 1981), pp. 5-6. Cohen Insurance (225 West 34th St., New York, NY 10001) may still have copies of their useful free booklet, "What You Should Know about Production Insurance"—it’s worth a postcard to find out.

Most filmmakers are aware of the need for equipment insurance. If you’ve ever dropped your Angenieux or had someone walk off with one of your equipment cases, the lesson is unforgettable. Other kinds of insurance needs might not be so obvious.

One of our first films was shot in San Francisco. We had a small grant, not really enough to do the film (we had made the mistake we warned you about earlier: we underbudgeted in the hope it would help us get funded), but we figured we’d shave her and there, put in a little of our own money, then pick up the loss when we finished the film and had some income from rentals and sales. During the shooting and totally unknown to us, the camera developed a shutter problem. Half our footage was garbage. We hadn’t invested in negative or extra expense insurance—one of which would have paid for fresh film and the additional lab bill, the other for a return trip to California. We saved a few hundred bucks on insurance—and got to pay for the next trip to California ourselves.

You may very well need the following kinds of insurance (depending on what you’re doing and who’s working for or with you): worker’s compensation, disability, negative film or videotape, faulty camera stock and processing, extra expense, general liability, equipment, errors and omissions (E&O), and cast insurance.

We learned about E&O insurance from Fred Wiseman. It was after we had completed Death Row. While working on that film, we had talked on occasion with a half-dozen other filmmakers and not one of them had mentioned it—either because they didn’t know about it or because they thought it unimportant. It isn’t unimportant. Errors and Omissions covers you against suits for nearly everything your film can get you sued for: libel and slander, defamation of character, invasion of privacy, theft of title or format, breach of contract and more. (Until a few years ago you didn’t have to worry about people suing you unless you broke something they owned or caused them physical injury. When we read about the case in which a kid sued the Cracker-Jacks company because there was no prize in his box we knew times had changed.)

Ron Cohen’s producer’s insurance booklet says their negative insurance policy covers “for all risks of direct physical loss or damage to all negative and videotape elements. This includes work prints, cutting copies, fine grain prints, sound tracks, audio tapes, video tapes and cassettes. In addition, coverage is included for accidental magnetic erasure on videotape production.... The faulty endorsement provides coverage for all additional expenses resulting from faulty
raw stock, malfunction of equipment or faulty development or processing. Negative and videotape insurance also includes coverage on all property while in transit."

(Did you know you had so many things to worry about? Neither did we.)

Since negative and E&O insurance are issued for a specific film, they should be included as line items in grant applications and should not be subsumed into organizational overhead (as is generally the case with equipment and some other kinds of insurance). Cohen says you can get a policy that will cover worker's comp, negative insurance and faulty coverage for about 2-2 1/2% of your total budget. E&O rates vary.

We had a difficult time finding someone who could sell us E&O and negative insurance. The agents who handled our equipment and vehicle and fire policies didn't know what we were talking about. Fred Wiseman's office told us what company they used. We called that company's New York office four times, but never got a call back--perhaps because we're not MGM or Paramount. Two percent of a $10 million budget is so much more interesting than 2% of a $200,000 budget. Then someone told us about Cohen Insurance, which specializes in film production. You might ask around: there are probably some other agents sensitive to a filmmaker's specialized needs.

You may have a difficult time if you're trying to get workers' compensation insurance for your film crew if you go through regular agencies. They don't have categories for the kind of work we do, so they don't know how to set the rates. We spent an hour on the phone with one trying to explain what a grip did. When we got their form, they had put the grip down as "office worker."

If you are applying to a funding agency that doesn't usually do films, you should explain somewhere in your notes what an E&O policy is: let the funder know that it is standard in the industry, that it isn't a policy you're getting because you expect to omit things and make expensive errors.

OTHER: DISTRIBUTION

Filmmakers often leave out of the grant application budgets money for distribution. Some assume the film will make enough money once they release it to cover its own distribution costs; some assume that distribution is not part of production costs, so a grant agency wouldn't consider that part of the total project cost.

We disagree. All funders want to see the film distributed. They all know that distribution of anything costs money. Business grantors particularly are aware that you don't just put a product out in the world and expect it to support itself.

Distribution can be very expensive and very time-consuming. The market is tough. If you're planning on getting an effective distribution organization to take that job off your hands, you still must do something to make the film interesting to them--have it win some awards, get it shown on television, place it in important festivals. You need several prints for that, you need time to get the print in and out and check it while it's home, you need money for the entry fees.