

Te Tumu Whakaata Taonga

Distributor & Sales Agent – information sheet

Distribution deal requirements

All films which receive NZFC discretionary funding require a theatrical release in New Zealand by an established theatrical distributor. The distributors letter of offer, deal memo or distribution agreement must include:

- The distribution territory that is New Zealand or New Zealand and Australia,
- The key commercial terms of the deal including the Minimum Guarantee (MG) amount if applicable, licensed rights, license period as well as any essential elements (for example, cast, director, etc)
- Market partner endorsement of the producer's audience engagement plan submitted with the funding application
- An outline of the film's anticipated distribution release plan including the anticipated number of screens on release

Whilst it is the producer's responsibility to attach a distributor to their project, the agreement and terms are subject to the NZFC's approval as an investor. For this reason, a letter of offer is recommended at application stage. NZFC staff are available to discuss with you any offers you are considering, at any stage of your conversations with distributors.

Please also refer to the NZFC's COVID-19 Policy which varies the Terms of Trade.

Film distribution grants

The Film Distribution Grants are designed to elevate the theatrical release of feature films in New Zealand that have received NZFC discretionary funding. The fund is only open to applications from established distributors attached to films that have received NZFC production financing, post-production funding or the Feature Film Finishing Grant https://www.nzfilm.co.nz/funds/distribution-fund



Sales agent

It is mandatory for all projects with budgets over \$1,000,000 to have a sales agent attached. A letter of offer or deal memo must be submitted with the funding application and must include the following:

- The sales territory
- The key commercial terms of the deal including the Minimum Guarantee (MG) amount if applicable, licensed rights, license period as well as any essential elements (for example, cast, director, etc)
- Ask and take estimates

It is the producer's responsibility to attach a sales agent, but the NZFC requires, as a condition of financing, that it approves the terms of the sales agency agreement. The sales agent should demonstrate genuine market confidence in the project and have terms which are acceptable to investors. NZFC staff will engage with you and the chosen sales agent to negotiate terms that are appropriate and acceptable for the particular project.

It is strongly recommended you discuss potential sales agents who might be a good fit for your film with the Head of Marketing.

Please refer to the Terms of Trade document for more information on sales agents.

For further information about distribution deals, film distribution grants and sales agents, contact the Head of Marketing. Email <u>marketing@nzfilm.co.nz</u>.