



US-based financier Film Production Capital taps into Australia

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Will French's tax credit-based financier Film Production Capital (FPC) is opening offices in Australia to capitalise on growing government tax incentives behind the boom in Australian film and television production.

French has begun the search to hire a local head of operations and is finalising plans for a syndicate of US and Australian banks to provide a credit facility that FPC will then use to lend against two schemes.

The schemes are the Producer Offset programme, a refundable offset of up to 40% of the Australian production spend for films with significant Australian content, and the Location Offset programme, a refundable offset of up to 15% of the Australian production spend for any producer shooting in Australia, regardless of the film's Australian content.

"Opening an office in Australia has immediate and long-term benefits for FPC," French said, adding that FPC's involvement would greatly reduce red tape, documentation, delay and closing costs.

"Traditionally, Australian banks have not financed films to any degree, especially using tax incentives as collateral, so there's an underserved market that we can quickly begin servicing."

"Additionally, once the dollar begins to strengthen, Australia's Location Offset and English-speaking crew base will be a magnet for producers that FPC currently lends to in the US."

FPC launched in Louisiana in 2003 and to date sources close to the company said it had financed or acquired tax credits for nearly 70 productions including the upcoming *The Expendables* (pictured), *Stone* and *Father Of Invention*, as well as previous releases such as *Premonition* and *Ray*.

At the AFM last month French finalised a new \$50m credit facility and is now providing financing for Nu Image's *Trust* starring Clive Owen and Catherine Keener and *Game Of Death* with Wesley Snipes.

FPC also has branches in Arizona, Georgia, Massachusetts and Michigan and currently has 12 films in various stages of production.

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