

CONFIDENTIAL

" The Regression "

How much can you recall ?



A Film from Sagher A. Manchada

INVESTOR PRESENTATION

PREPARED BY SWISS FINANCE PARTNERS GROUP SEPTEMBER 2021



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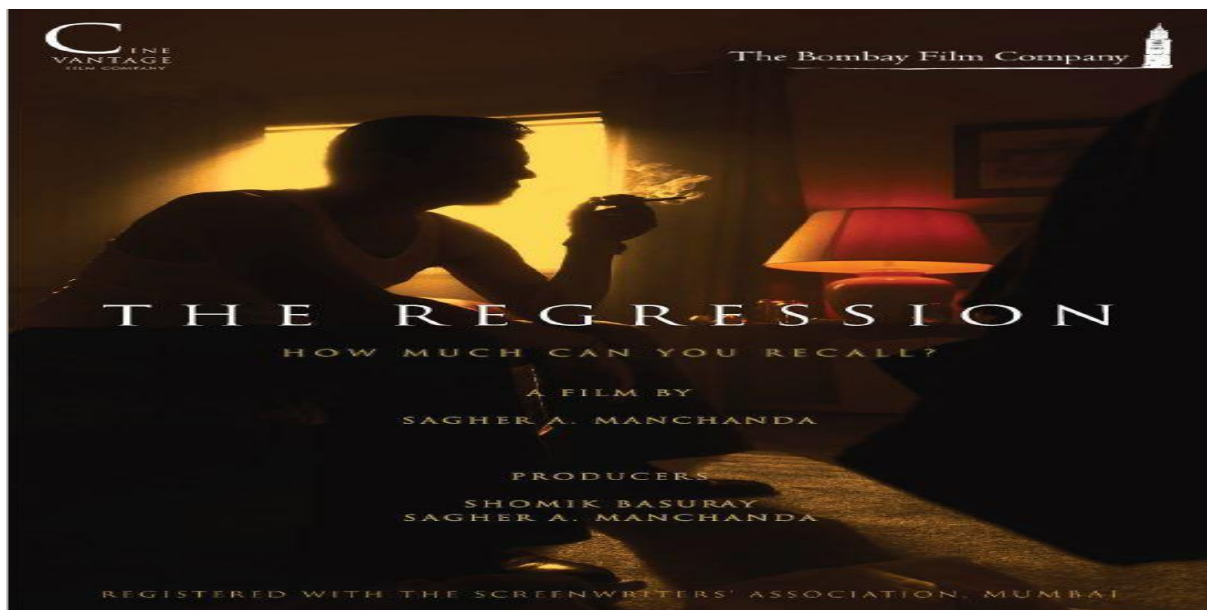
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## Investors Presentation

### “ The Regression “

#### How much can you recall ?

By Filmmaker Sagher A. Manchada & Executive Producer Shomik Basuray



## Overview

This following proposal is for the feature film project titled, **THE REGRESSION** under development by the **CINE VANTAGE FILM COMPANY & THE BOMBAY FILM COMPANY**, and to be released on a known OTT platform.

The story and script of the feature film have been written and will be directed by **Sagher A. Manchanda** and is to be developed and produced by **Shomik Basuray** of **THE BOMBAY FILM COMPANY**.

The story and script have been duly registered with **the SWA (Screenwriters' Association, Mumbai)**.

## Specifications

TITLE: **The Regression - How Much Can You Recall?**

WRITER/DIRECTOR: **Sagher A. Manchanda**

TYPE: **Feature Film**

GENRE: **Psychological Drama-Thriller**

DURATION: **90-95 minutes**

SETTING: **Mumbai - Urban & Suburban**

RELEASE: **OTT**

PRODUCTION + POST BUDGET: **INR 15 Crores (\$2.1 Million approx.)**

PROJECTED RETURN ON INVESTMENT: **20%**

TENURE: **1 year (minimum)**

Project IMDb: [https://www.imdb.com/title/tt13410246/?ref=nm\\_film\\_dr\\_1](https://www.imdb.com/title/tt13410246/?ref=nm_film_dr_1)

## The Feature Film Project

The Regression is a psychological thriller, a genre less explored by the likes of Indian cinema. The story delves into its protagonist's mind like none other and brings the unexpected to light in a completely enthralling and twisted consequence. The main USP of the project is that the concept and story are unique in the real sense of the word, and are sure to garner maximum viewership and favorable reviews.

The protagonist plays two personalities in two different stories merged into one. The viewers experience this duality in two timelines of the story running in concomitance -Real & Subconscious.

No cheesy songs, flashy cars, physics-defying stunts, objectification of women, etc.

The Regression offers an intriguing storyline that leads viewers towards a completely unpredictable climax, leaving them flabbergasted as they walk out of the screens. The memory of the movie will stay with them solely because of its content.



The film will have one Hindi lyrical song based on the protagonist's life which only pushes the story forward along with communicating the character's mind to the viewers in the very beginning. Apart from the song, the film will have 6 original themed soundtracks composed by David Mackenzie from Edinburgh.

**The Regression is not just a film project. It aims to redefine how films are made and stories are told in Indian films.**

It aims to put Indian cinema on the map of the world for its content, unlike the past where Indian cinema was known only for its colorful songs.

## The Story

A hardworking IT professional undergoes the past life regression therapy to convalesce from the grief of his divorce, and ends up losing control of his mind.

**NITIN JHA (36)**, a diligent yet repressive, committed yet shy IT professional had it all - a decent job, the wife he'd wished for, and a happy life.

However, his wife **Rachna** ends up carrying an intrigue with an old colleague,

**Tarun**, who works together with her and Nitin.



The couple thus end their marriage in bitterness. After the divorce, Nitin's life becomes a mere phase of regression wherein he loses his wife, his job, his reputation, friends in rapid succession.

Nitin becomes completely reclusive until his wolf-in-a-sheepskin friend, **Junaid**, recommends him to try the past life regression therapy in order to convalesce from the grief.

However, things only worsen for Nitin as he starts seeing visuals (people) from a supposed "previous life".

Nitin is thus caught in a quagmire when his solitude and hallucinations create a havoc in his life. He starts doubting his own existence and reality and is led into a state of shock when the truth that he seeks is revealed to him.





## The Film's Producing Company

As before mentioned, this following proposal is for the feature film project titled, **THE REGRESSION** under development by **THE CINE VANTAGE COMPANY & THE BOMBAY FILM COMPANY**, and is to be released on a known OTT platform.

The Cine Vantage Film Company (Vantage Cinema Films Pvt Ltd) is the byproduct of founder Sagher A. restoring finesse to

The story and script been written and A. Manchanda and is produced by Shomik FILM COMPANY.



Manchanda's vision of Indian Cinema.

of the feature film have will be directed by Sagher to be developed and Basuray of THE BOMBAY

The story and script have been duly registered with the SWA (Screenwriters' Association, Mumbai).

The Bombay Film Company is a Production House based in Khar, Mumbai, engaged in the production of TVCs, Digital Films, Photography Services and Long Format content. It provides creative, production & post production services to a diverse set of clients.

The company is empanelled with leading organisations such as Hindustan Unilever, Disney, Condé Nast International, Pidilite Industries and Abbott Pharma, amongst others.

Over the years, it has produced over 200 TVCs, digital films, brand films and long format shows.

For Disney, it has executed 3 seasons of the travel reality show - Beg Borrow Steal, in various locations across Thailand & India.

## The Film's specific market

The film is aimed to the Indian market, but because of its content and specific style is easily adaptable to worldwide audiences within a large age span.

The duration of the film will be between **90 and 95 minutes** which caters perfectly to the attention span of the current generation of moviegoers in India.

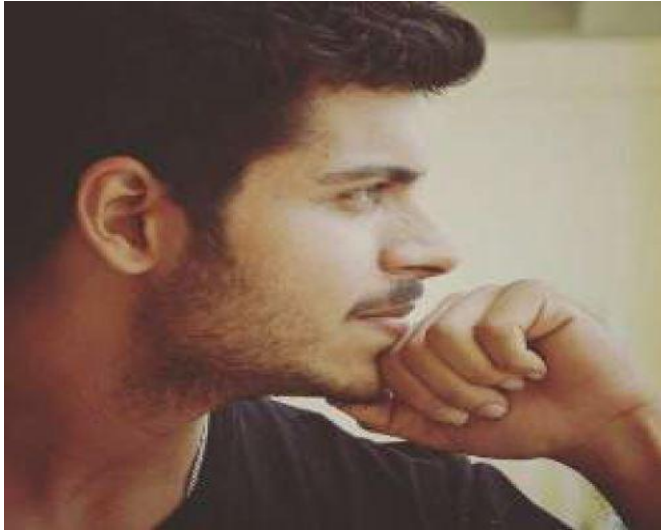
Be it in theatres or on anOTT platform, The Regression promises to offer complete engagement and entertainment within a convenient duration.





## The Team

### The Cine Vantage Film Company



#### Sagher A. Manchada

#### The Films writer & director

Sagher A. Manchada is a Mumbai-based independent screenwriter and director.

He studied at Symbiosis College of Arts and Commerce, Pune, India and was Director's Assistant at Luv Films and is the Founder/Producer at Cine Vantage Film Company.

2 0 1 5

#### LITERARY WRITING CAREER

Contributed short stories, poetry and articles to several Indian and internationally published anthologies

#### SAARANG LITERARY AWARD

Won the prestigious Saarang Literary Award at the famous IIT Madras festival.

#### PLUCK OUT THE HEART

Co-authored the successful anthology of horror stories with two renowned authors.



2 0 1 6

### FILM FOUNDATION COURSE

Completed the film foundation course from Institute Of Moving Images, Mumbai.

### FREELANCE CAREER

Started freelancing as a content writer & screenwriter/director/conceptualizer on promo videos.

2 0 1 7 - 2 0 1 8

### ASIDE - SHORT FILM

Wrote, Directed & Edited the short film. Screened at Jalgaon Film Festival.

### THE OUT - SHORT FILM

Wrote, Directed & Edited the short film. Selected at the Best Of India Short Film Festival, California. Screened for the jury at the San Mauro Torinese Film Festival in Italy.

2 0 1 8 - 2 0 2 0

### OUT OF THE BLACK - SHORT FILM

Wrote, Directed & Edited the short film. Black/White film; 40 minutes long.

### HYPNOTHESIS - SHORT FILM

Wrote, directed, edited & composed music for the short film. Selected at the Mozimotion Film Festival in Netherlands.

### BEST OUTGOING ARTS STUDENT

Awarded the prestigious title for filmmaking ventures by the Symbiosis College Of Arts & Commerce , Pune.

### TYREMARKET AD FILM

Conceptualized, scripted, directed, and managed a crew of 30 people on the Ad film project for Tyremarket.com.

### TWENTY-FIVE - SHORT FILM

Wrote, directed, shot & co-produced and managed a unit of 16 on the professional short film to be released on OTT platforms.

### MUSKAANEIN JHOOTI HAIN - MUSIC VIDEO COVER

Conceptualized, scripted, directed, & shot the music cover video for the said song.





## The Bombay Film Company



**Shomik Basuray**; Proprietor & Creative Producer, The Bombay Film Company.

Shomik Basuray is a Producer, Writer and Entrepreneur, an MBA by qualification and a story teller at heart.

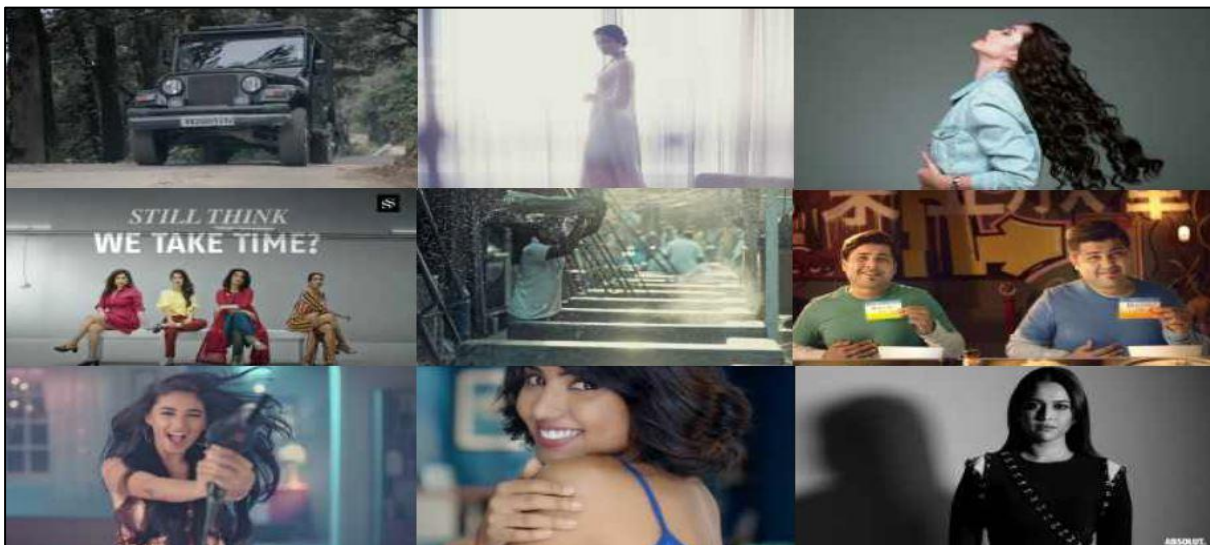
He is an alumnus of the prestigious Jambhwal Institute of Management Studies and has previously worked with leading corporates such as Titan Industries and Reliance.

Driven by a love for the medium of cinema and storytelling, he quit the corporate world and founded The Bombay Film Company, a boutique production house offering creative and production services.

Shomik's skills lie in interpreting briefs, cracking ideas, efficient execution, managing teams and client expectations.

As a writer, he has recently been commissioned by Zee Originals to develop a 10 episode web series of an original concept.

Simultaneously it is in an advanced stages of development for a feature film project with a leading Bollywood production house.



## Recent Work

### Past Projects of the Producer (The Bombay Film Company).

Over the years, **The Bombay Film Company** has worked on TVCs & digital films for reputable brands such as Rin, Dove, Mahindra, TRESemmé, Digene, Shoppers Stop, Absolut, Lifebuoy, Surf and Syska, and agencies such as JWT, BBDO, Contract, Lowe Lintas and CA Media.

The company has produced 3 consecutive seasons of *Disney's Beg Borrow Steal*, shot in *Thailand, MP & Himachal Pradesh*. We recently handled the post-production duties for 2 seasons of the celebrity chat show *Feet Up with the Stars*, hosted by Anaita Shroff Adjanina.

### Advertising

Over the years, it has worked on TVCs & digital films for reputable brands such as Rin, Dove, Mahindra, TRESemmé, Digene, Shoppers Stop, Absolut, Lifebuoy, Surf and Syska, and agencies such as JWT, BBDO, Contract, Lowe Lintas and CA Media.

Reel- <https://vimeo.com/showcase/4892688>

### Long Format Digital Shows & Post Production Services

It has produced as well 3 consecutive seasons of *Disney's Beg Borrow Steal*, shot in *Thailand, MP & Himachal Pradesh*. We recently handled the post production duties for 2 seasons of the celebrity chat show *Feet Up with the Stars*, hosted by Anaita Shroff Adjanina.

Feet Up with the Stars Season 1 (Promos) –

<https://www.youtube.com/playlist?list=PLCxsTxJHzxk1z4Vj03Xb1t1pkEjbxB4r9>

Feet Up with the Stars Season 2 (Promos) –

<https://www.youtube.com/playlist?list=PLCxsTxJHzxk0ZIA3WJ8lyOI3KnQopIDyK//www.youtube.com/playlist?list=PLCxsTxJHzxk0ZIA3WJ8lyOI3KnQopIDyK>

*Feet Up with the Stars' full episodes are available on the Voot App. Beg Borrow Steal Season 11 –*

[https://www.youtube.com/playlist?list=PLFyc1udK3oVyKgtxODK\\_AiZ9KxSrPrT70](https://www.youtube.com/playlist?list=PLFyc1udK3oVyKgtxODK_AiZ9KxSrPrT70)

## The Film's Casting

### Actual casting considerations.



**RANDEEP HOODA AS NITIN JHA**

#### **It's all about him.**

A hardworking and introverted IT professional, Nitin's life hits rock bottom when his wife leaves him for another man.



**SOBHITA DHULIPALA AS RACHNA JHA**

#### **The cause of conflict.**

Outgoing and full of life, Rachna's love for Nitin fades over time because of their contrasting personalities.



**AKSHAY OBEROI AS TARUN SINGH**

#### **The catalyst**

The charming alpha male in the office, Tarun is the man who steals Rachna from Nitin.





## RAVEENA TANDON AS RATNA SAHAI

### A dangerous pawn

The regression therapist is mysterious and holds many secrets that can change lives.



## MANAV KAUL AS JUNAID QURESHI

### A false friend

Nitin's only friend who wants him out of the way. A wolf in a sheepskin.



## MANISH CHAUDHARY AS ROY

### The boss.

Nitin's employer who is unhappy with his declining performance.

## Alternative casting considerations.



### ALI FAZAL AS NITIN JHA

#### It's all about him.

A hardworking and introverted IT professional, Nitin's life hits rock bottom when his wife leaves him for another man.



### VISHAKHA SINGH AS RACHNA JHA

#### The cause of conflict.

Outgoing and full of life, Rachna's love for Nitin fades over time because of their contrasting personalities.



### AKSHAY OBEROI AS TARUN SINGH

#### The catalyst

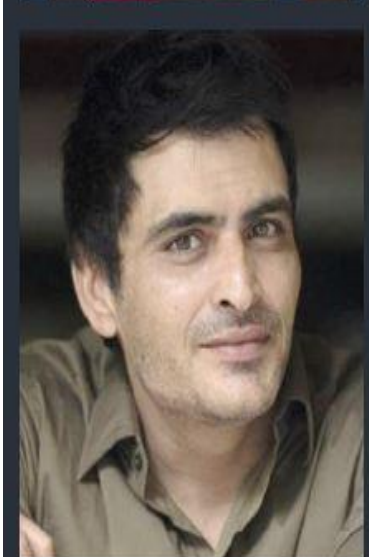
The charming alpha male in the office, Tarun is the man who steals Rachna from Nitin.



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### A false friend

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### The boss.

Nitin's employer who is unhappy with his declining performance.



## Investing in the Film Industry

### Film Investment Decision Process

In these lines we are trying to offer a step-by-step introduction to the financial mechanics of an independent feature film project.

Our aim in these lines is to provide—especially for those contemplating a first-time experience in film investment—a user-friendly guide to assist in decision-making.

The following pages prioritize transparency above all else. Therefore we have designed this presentation to shed light on the business side of our film while furnishing data-rich and methodologically lucid context to the many questions:

### Is supporting this project the right choice for you ?

Ultimately one should seek to identify partners whose interests, evaluations, and intuition align with our own. Film production is a collaborative undertaking, even at the level of financing, is this for you?

The best filmmakers and smartest producers bring on-board not merely investors, but allies. When a filmmaking structure is built with this degree of common cause among all its participants, the odds are maximized for fully realizing the vision on screen (and consequent success at the box office) that inspired everyone to sign up in the first place.

And while it remains the case that film investment, as a key ingredient in the peculiarly complex recipe of cinema, carries with it a greater degree of inherent risk than is found in many other fields and endeavors, it's also fair to say that film investment is not a purely hope-based proposition.

There are facts, figures, and predictive techniques to bring to bear on the analysis of a film's prospects, so long as you know the right questions to ask. One of the fruits of our team's combined experience in film financing is having learned the right set of questions, which we now respectfully share for your consideration.

The foundational paradox of the film industry, taught in film schools on day one, is that moviemaking is both a business and an art. It's a contradiction in terms that reminds the science nerds and philosophy fans among us of the very paradox of wave-particle duality at the heart of quantum physics, underlying the nature of absolutely everything in our world.

A propos light itself being both particle and wave—and let it be lost on no one that light is the sine qua non of capturing images on film—that famous film buff, Albert Einstein, wrote:

We have two contradictory pictures of reality; separately neither of them fully explains the phenomena of light, but together they do.

The phenomena of making movies might best be explained in the same way: by looking at—and folding together in your mind—both pictures: the art and the business, the business and the art.

Or you could simply think of making “The Regression” as a thrilling act of creation with a really strict accountant.

## Creative Content

We advise going through the following checklist as you consider partnering on any film, ours included:

### 1. First and foremost, explore the creative content of the planned film.

In the case of “**The Regression**,” the best and most concise way to do so is through the project’s “Lookbook” (which also includes bios on its team)

After spending time with the Lookbook, ask yourself:

- Is the storyline of this film something you connect to? Is it something you’d like to watch?
- Does it’s themes, concepts or message resonate and reflect your values?
- Picture the finished film on movie screens, laptops, phones, TV’s, and aircraft seats around the world. Imagine it being written about in the press, impacting audiences, and even contending for honors during awards season. Will you derive satisfaction from having been instrumental in making this particular film a reality?

If you have answered yes to the above, move along to the next item on the checklist. If you have answered no, **proceed no further** and thank you for your time.

## The Filmmaker

2. Review the skill level of the filmmaker, as the person who'll be responsible for bringing the film to life.

You can make an efficient assessment by reading what relevant and credible sources have said about the filmmaker's work.

You can also form your own opinion of a filmmaker's work of course. (We'd be happy to provide you with a Blu-ray or a link to some of his former work for this purpose.)

Or for maximum efficiency and only a 3-minute time commitment, you can simply watch the trailer to the film project.

Stream the film's trailer here: <https://youtu.be/Zaimg8DQWpM>

It's not necessary, by the way, that you fall in love with a filmmaker's last film.

What is the story he or she will direct—in our case, that next story being "The Regression."

(Which, per #1 on your checklist, you will already have decided if this is a story that holds your interest.)

Once you feel good about a filmmaker's skill set, proceed to #3 on the checklist.

If you don't feel good about him or her, **stop here**.

"The Regression," is demonstrably a prime example of an original film idea appealing to mainstream audiences too.

A key database for identifying comps is [www.boxofficemojo.com](http://www.boxofficemojo.com)

## Comparable Films

3. Start to assess the business side of the equation, begin by looking at films that are comparable in the marketplace and how does the current film you are considering compare with them.

This is usually the first criterion to be addressed when considering a proposed film.

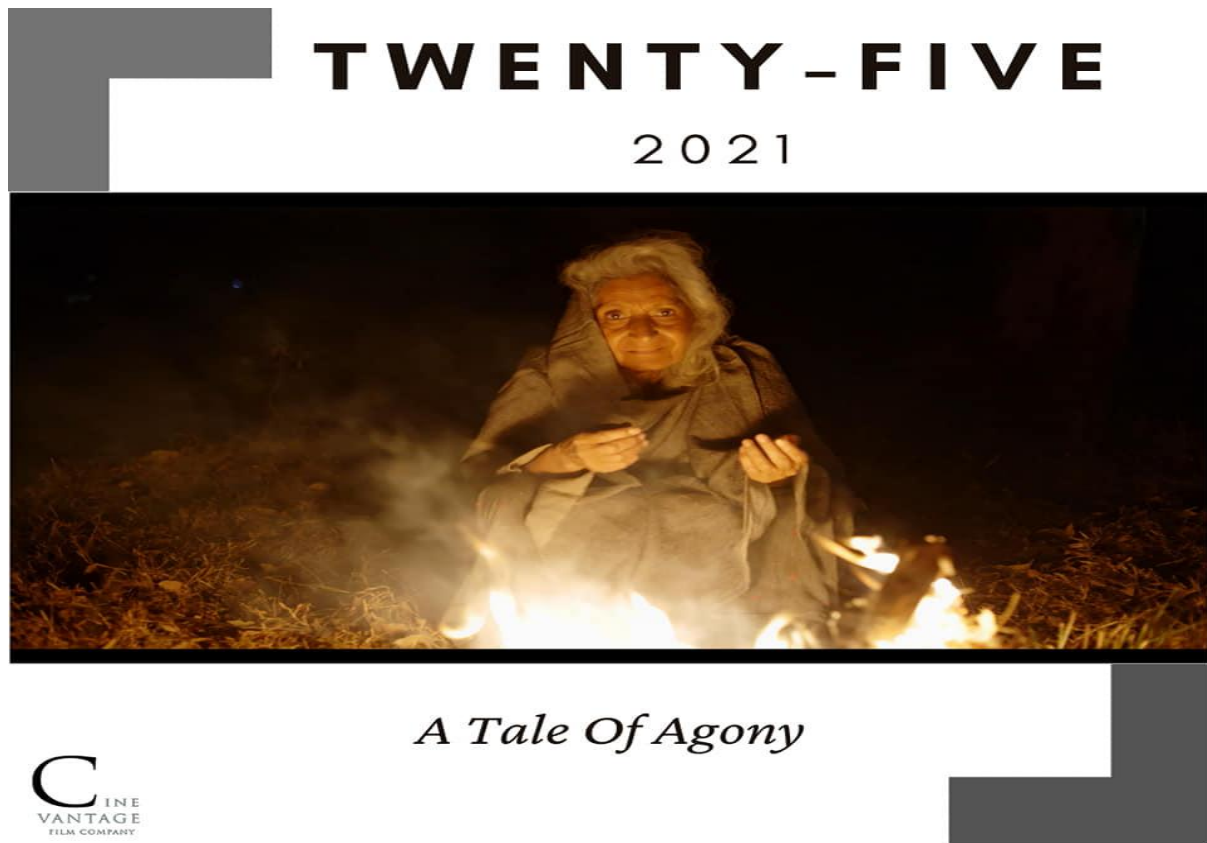
The essential question is: **Will the marketplace be receptive?**



### How do you work this out?

You begin by looking at the recent performance in the marketplace of comparable films ("comps"), specifically those films that are comparable to the one you're considering in genre and budget. ("Genre" simply means a category of subject matter: comedy, drama, action, horror, sci-fi, LGBT-themed, animation, documentary, rom-com, superhero, fantasy, etc.).

Film professionals track the systemized box-office revenues of movies—and secondarily it's used to find films grouped by genre. (Box office mojo is owned by IMDB.com, which is another indispensable film-industry database and is owned by Amazon.)



Search exactly for the same budget range (between U.S. \$1M and \$3M).

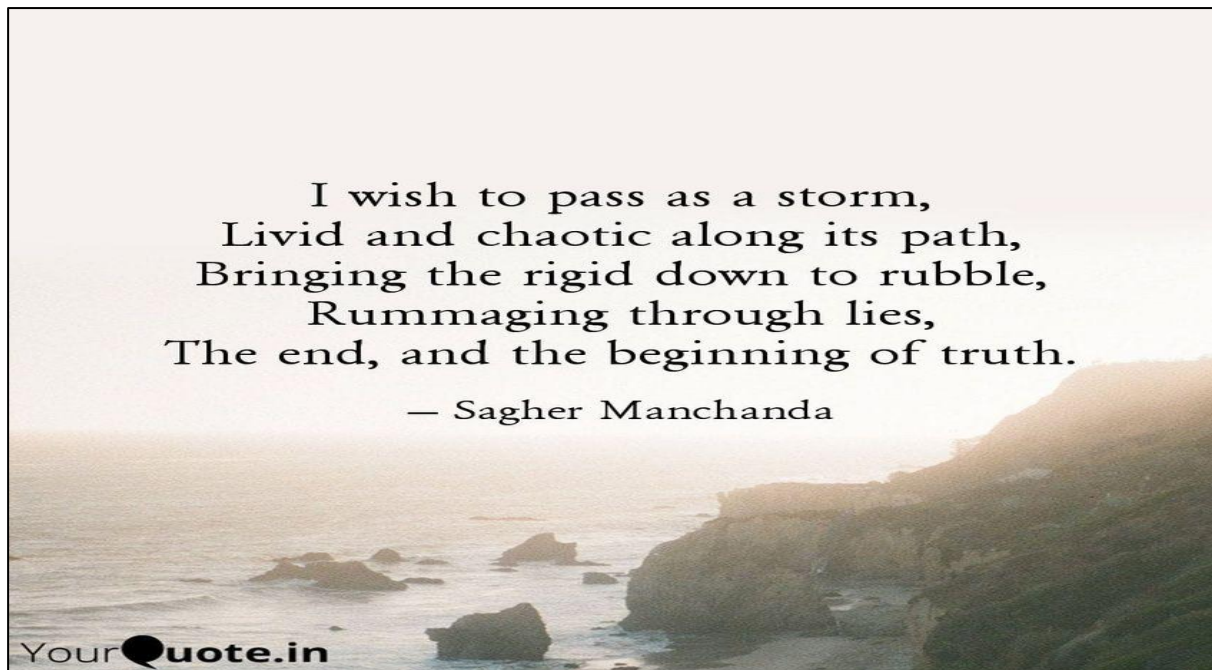
Strong production values (cinematography, music, sound); narrative excellence.

Storytelling that focuses more on love than on sex; more on inclusion than division; and on human strife that ultimately leads to human connection.

Of course, the best films build on the past by taking us into the future, with either a fresh storyline or innovative cinematic style, or both. ("The Regression" aims to deliver both.)

#### 4. Examine the financials.

This is found in the "waterfall," a spreadsheet that includes a film's finance plan (in the vocabulary of film finance, a "finance plan" is a simple, short list that itemizes where the various pieces of a film's budget will come from); and \* an itemization of how profits from the film will flow.



#### 5. Have a look at our estimated sales by territory.

These estimates would of course no longer be relevant if, as previously described, a film were to sell in its entirety to a major studio (e.g. Fox Searchlight or Sony Pictures Classics) or to a streaming platform like Netflix or Amazon (ideally with a theatrical release as part of the deal).

#### 6. Consider the risks and rewards.

Please note that sales estimates, like all sales estimates on all films, are just that: estimates, not guarantees, based on a variety of data, experience, and intuition.

Indeed, some people find sales estimates to be an imperfect guide to performance (estimates remain the standard industry tool on which to base an analysis).

Is it possible that our estimates will not be realized? Could investors do less than the 20% ROI indicated—and instead only recoup their original investment, breaking even but no better? Could you do even worse than that?

The answer is: there is always an element of risk in film investment, no matter how well-conceived, well-produced, or well-distributed a given film is, and regardless of whether it's a big-budgeted studio project or an efficiently budgeted independent one.

However, this is also the challenge, as this is the kind of information that's never published and producers almost never divulge. Even more rarely can you find this information on a close comparison film or the film you're about to produce—this is a relevant point for OOTT.

## Parting Thoughts

So back to the initial question: Is supporting this project the right choice for you?

Recap:

1. Do you feel good about it creatively?
2. Does the story of the film hold meaning for you?
3. Would it be fulfilling to you to back a movie that aims to enthrall audiences, leave teary eyes at the end and inspire kids born with a beautiful difference?
4. Do you feel confident in the filmmaking team?
5. Re-read our bios in the lookbook, then meet with us or skype with us.
6. Do you understand the business side, per our overview in the preceding pages?
7. Does what we've explained about the process make sense to you (given that filmmaking is an art as well as a business)?

On the other hand, if you feel as we do (and frankly as the evidence supports) that "**The Regression**" represents an opportunity in the marketplace as a powerfully conceived piece of entertainment, in a genre of film that audiences are currently rewarding and where there is continuing demand for high-quality product, then do consider joining us.

## The Financial Aspect

Anyone who has produced an independent film will tell you the most difficult task is raising money to pay for the production (although the rest is not easy either).

Raising money is the key to any independent film, regardless of your position, experience, and past credits, and there are only a few ways to actually accomplish that.

Those ways are as follows:

### Equity

Equity based financing is simply having investors contribute money—actual cash—to the production in exchange for an ownership interest in the film and the profits derived from the exploitation of the film. While there are many ways to structure these types of deals with many different ways for the investors to re-coup their investments and turn a profit, they all revolve around the same questions that must be answered:

- How much ownership does the investor receive for the investment?
- How will the investor re-coup their investment?
- How will the investor's see a profit?

The main thing to remember when dealing with investors is to be up front with them regarding the production. Investing in film is an inherently risky game, especially considering that independent films rarely make money for their investors, and you must disclose this risk as well as all other investment risks or you could be held liable for misrepresentation and/or violating other securities regulations. Therefore, it is imperative that you spend the money to consult with an attorney on any equity structure.

### Pre-Sales

Pre-sales agreements are pre-arranged and executed contracts made with distributors before the film is produced, and are based on the perceived strength of the project as assessed by each distributor after reviewing numerous factors, including the script, the attached talent, and the marketing strategy.

Once you enter the pre-sales agreements, there are two ways to go:

- You can take out a bank loan using the pre-sales as collateral; o
- Receive a direct payment at a discount from the distributors themselves.

This financing strategies requires the filmmaker to either repay the loan based on the pre-sales or a direct payment from the distributors before profiting on the film, and the filmmaker will likely have to personally guarantee the loan or advance payment in the event the film cannot be completed. Because of the complexity of these pre-sales deals, it is wise to consult with counsel before entering into one.

### **Loans/Gap or Bridge Financing**

Many filmmakers obtain loans for their films, although loans are usually only given once other financing is in place. Usually, filmmakers only use loans to fill in the “gap” or as “bridge” financing between what they have raised and the total cost of the film. Again, a filmmaker will likely have to personally guarantee a loan and put up the film and related intellectual property as collateral. If the film does not earn sufficient return to repay this loan, the filmmaker will be on the hook for the total unpaid loan amount. Another area to make sure that you are protected.

### **Tax Credits**

Like bridge loans, tax credits can be helpful in filling in the gap between the money a filmmaker raises and the budget of the film. Individual states and countries allow film producers to subsidize the money spent on production through tax benefits. Typically, this requires the filmmaker to film a significant portion of the production in a local area, hire a certain number of local crew employees, rent from local vendors, and run payroll through local services. Tax credits are based on a lengthy application process and are often difficult to procure. But, depending on the state or country, the benefits can be significant. For example, a \$1 million movie can end up actually costing \$750,000. This means that the filmmaker only needs to raise 75% of the film’s budget. Moreover, certain credits are sellable, transferable, and even trade-able, which means that if the filmmaker does not use the full amount of the granted credit, they can sell those credits for hard cash. As with the other forms of financing, due to the complexity of these transactions, its important for a filmmaker to know the rights regarding tax credits.

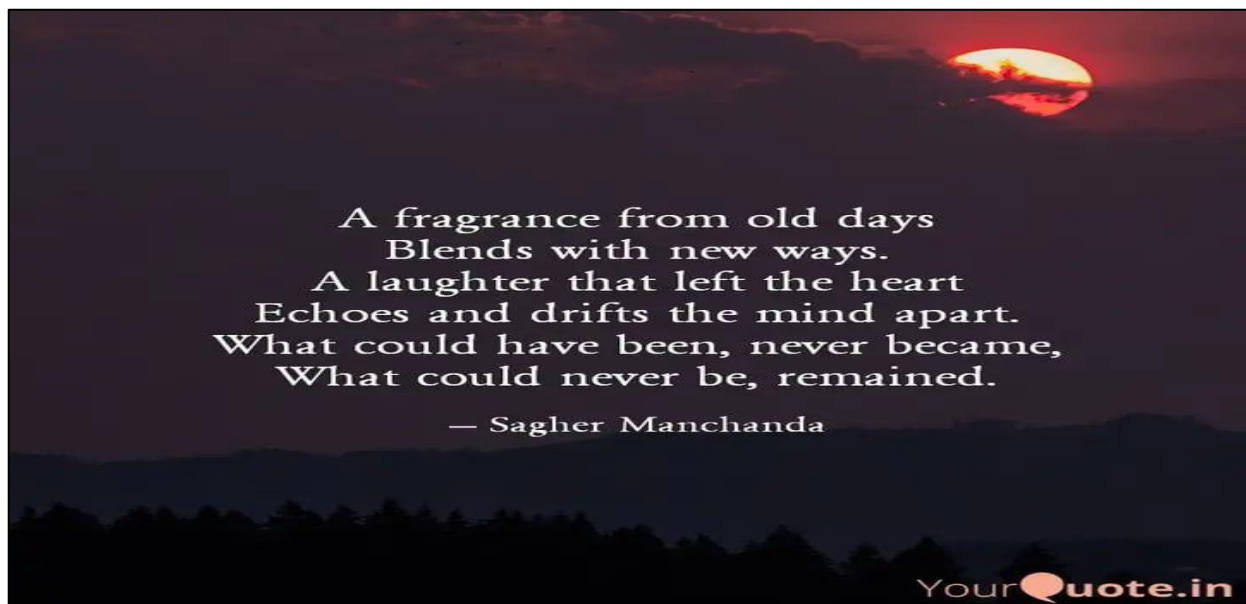
### **Crowdfunding**

Crowdfunding is a relatively recent phenomenon with a lot of hype. In reality it is expensive to do a full campaign and, unless a filmmaker has intellectual property rights with a cult following or a major attachment to the film, they likely will not be able to raise significant money via crowdfunding. However, it is an easy way to tap friends and family for small dollar donations through social media websites like [Facebook](#) , Twitter and Instagram to raise money for films. A filmmaker with 500 people donating \$100 raises \$50,000, which is a good start. Moreover, crowdfunding can be done through donations or equity—when using donations, the filmmaker does not have to repay that money to the donor.

## Deferred Payments

Most filmmakers in the independent film world likely have to defer their producer fees and, if other talent will agree to defer their fees, then that much less money has to be raised to make the film. The problem with this method is that the “risk takers” are working for free and relying on the film’s success for payment. Certainly a gamble especially since all deferred fees will likely be paid only after the loans and investors have recouped.

Whether a first time or experienced filmmaker/producer, you will probably have to use a combination of the above financing options to make a film. Under any of the above options, the key is to present as complete a package as possible with all relevant, legally airtight attachments, a fleshed out budget and, at least, one experienced person to lend gravitas to the film. You might give financiers some assurance that the film will be made if all of these requirements are met.



Now, let’s begin with worldwide sales estimates, broken down into three standard categories: low, medium, high. Think of these as gross profits.

What are sales estimates and how are they distinct from a film’s box-office revenue? First let’s point out that, unlike “studio” movies (i.e. bigger-budgeted films from the major studios—Disney, Warner Bros., Viacom/Paramount, Sony, Fox, or NBC/Universal distributed worldwide through a studio’s own distribution network and according to its own set of accounting procedures), independent films approach the matter of finance and distribution somewhat differently.



In the standard independent scenario, before you make your film, you request a “sales agent” to provide you with estimates (low, medium, and high), representing the amounts that said agent believes your film can be sold for once completed, country by country. These estimates are based on the sales agent’s experience, their analysis of demand in the current marketplace for your genre and the creative elements of your project, and sometimes their conversations about your project with “buyers” around the world (i.e. distributors in various territories internationally).

After your film’s completion, it’s then the job of the sales agent to take your film to buyers (usually on the circuit of film markets, many but not all of which occur in conjunction with major international film festivals), where deals are struck to sell your film for distribution on a territory by territory basis (i.e. one country at a time).

As an example: let’s say your sales agent strikes a deal on your behalf with a UK film distributor who wishes to acquire the exclusive rights to distribute your film in the UK.

And let’s say the price settled on for these rights is US\$1,200,000. The \$1,200,000 is paid up front—and generally speaking, that’s that. The UK distributor is then responsible for marketing your film in the UK; and the net profits generated by the film in the UK now belong to the UK distributor.

If your film underperforms expectations in the UK (whether at the box office or streaming), you are not penalized. No portion of your \$1,200,000 can be clawed back. On the other hand, if your film OVERPERFORMS expectations in the UK (as defined in your contract with the UK distributor), additional profits WILL flow to you, called “overages.”

This example is repeated for all territories around the world in which your sales agent strikes deals for your film.

## The case of OTT platforms

An entirely separate scenario for recoupment, one that could that is indeed relevant to **“The Regression”** due to its particular appeal in the current marketplace, is the following:

Once the film is finished and is screened for film-industry executives and buyers (whether privately or at a major film festival such as Tribeca, Cannes, Toronto, Sundance, Berlin, or Venice), it might indeed be offered a “buyout” from a Fox Searchlight or a Focus Features or a Sony Pictures Classics (the top independent-film divisions of the major studios) or from Netflix or Amazon (the top streaming platforms—which also have the capacity for theatrical distribution, i.e. placing films in movie theatres, just like the classic studios).

Such an offer, if we accepted, would take the film's distribution and monetization out of the producer's hands entirely and run it through the studio's larger apparatus.

In exchange, the producer might get something along the lines of the amount of its budget + 30% or 40%, up front.

This would mean instant recoupment for our investors, plus their 20% premium, plus an additional 5% to 10% on their money (i.e. half of the remaining 10% to 20%, the other half going to producers).

The producers might even strike a better deal with a studio than this, but in any case they would have to look seriously at such an offer, since it would mean success for us and our investors in a single stroke—with no further work or risk on our part. And we would aim to negotiate a bonus financial participation for ourselves and our investors once the film reached certain benchmarks at the worldwide box office.

But back to our waterfall: now that you know what "Worldwide Sales Estimates" means (i.e. estimates for all territories worldwide added up into a single figure each for the low, medium, and high columns) ...

First we subtract 1%, which goes to the third-party company that collects, accounts for, and disburses all revenue generated by the film. In other words: revenue does not go to the film production company; it goes directly to a third-party company called a collection account manager ("CAM"), which is then responsible for paying monies out to all stakeholders according to contract.

Employing a collection account manager assures complete accountability in the disbursement of profits. Examples of third-party collection companies:

<http://www.fintagehouse.com> and <https://www.freeway-entertainment.com>

Next we subtract 15% for the sales agent that sells our film to distributors around the world. (The percentage paid to a sales agent is negotiable. 15% is well within normal parameters.)

Then we subtract marketing/sales expenses: this is a cost negotiated with our sales agent in advance of their work. To be clear, this is not the cost of marketing the film to the public (i.e. "P&A" costs, for "Prints & Advertising"); rather the cost noted here represents expenses incurred by our sales agent in marketing the film to distributors around the world. Distributors then spend P&A monies of their own, at their discretion, in their individual territories.

Next we pay residuals of 5% (estimated), to unions for actors et al. These are contractual. Since the actual percentage depends on which unions participate in our production when all is said and done, this figure will only be finalized going forward.

Then we pay back the interest on the bank loan that advanced us the value of the tax credit/rebate. At an interest rate of 20%, this means we're paying \$200,000 on a rebate of \$1M. (Debt is of course always paid back before equity.) FYI: we might be able to do better than 20% interest on the loan—or even find a lender who will only take a token amount for this service.

(Sometimes equity investors in a film also make a low-interest loan to the production as an advance against the tax credit/rebate, which itself is guaranteed by a governmental institution.)

Equity investors are now compensated. They receive, pro rata and pari passu, 100% of all net profits generated by the film going forward until they've not only fully recouped their investment, but received an additional 20% premium.



Once equity investors have received their 120% ...we pay a deferred fee to our visual effects house. (Visual effects, or "VFX," form a critical component of the "Out Of The Tower" story. It's likely that we'll want more from our VFX house than we can afford up front—and this is a way to strike a deal with them that puts maximum visual magic on the screen.)

Next the production company is paid its deferred fee.

At this point, we begin a 50/50 split on remaining net profits (and on any and all ongoing net profits in perpetuity): 50% to the investors as a group and 50% to the producers of the film as a group. (This is the standard, time-honored formula.)

Equity investors (who will have put up \$4M, equaling 80% of the film's budget of \$5M), therefore receive 80% of the investors' share of net profits going forward, in perpetuity.

Bear in mind that investors sharing in net profits "in perpetuity" is an important point. Sales estimates may be exceeded over time, and additional revenue may be generated for years, revenue that investors will continue to share with producers per the above-referenced 50/50 formula: 50% to the investors as a group, 50% to the producers as a group.

## The Waterfall Assumptions

### What Is a Waterfall Payment?

A waterfall payment is a type of payment scheme in which higher-tiered creditors receive interest and principal payments first, while the lower-tiered creditors receive principal payments after the higher-tiered creditors are paid back in full. Debtors typically structure these schemes into such tranches to prioritize the highest-principal loans first because they are also likely the most expensive.

For example, this type of plan works best for a company repaying more than one loan. Assume this company has three operating loans, each with different interest rates. The company makes principal and interest payments on the costliest loan and makes only interest payments on the remaining two. Once the most expensive loan is paid off, the company can make all interest and principal payments on the next, more expensive loan. The process continues until all loans are repaid.

### How a Waterfall Payment Works

Imagine a waterfall cascading down into vertically aligned buckets. The water represents money, and the buckets represent creditors. The water fills the first bucket first. The second bucket will fill only after the first is full. As water flows, more buckets are filled in the order in which they appear.

Typically, bucket sizes (size of debt) decrease as the water descends. This is likely because paying off larger debts reduces the risk of insolvency and frees up cash for operations, capital expenditures, and investments.

[Important: A waterfall payment is a system of prioritized payments to creditors, with higher-tiered creditors receiving interest and principle first and lower-tiered creditors receiving their portions thereafter.]

### An Example of a Waterfall Payment Scheme

To demonstrate how a waterfall payment scheme works, assume a company has taken loans from three creditors, Creditor A, Creditor B, and Creditor C. The scheme is structured so that Creditor A is the highest-tiered creditor while Creditor C is the lowest-tiered creditor. The arrangement for what the company owes each of the creditors is as follows:

1. Creditor A is owed a total of \$5 million in interest and \$10 million in principal.
2. Creditor B is owed a total of \$3 million in interest and \$8 million in principal.
3. Creditor C is owed a total of \$1 million in interest and \$5 million in principal.

Assume in year one the company earns \$17 million. It then pays off the entire \$15 million owed to Creditor A, leaving it with \$2 million to pay off further debts. Since the priority structure is still in place, this \$2 million must be applied to Creditor B.

Assume the company pays \$1 million to Creditor B for interest and \$1 million to Creditor B for the principal. The result after year one is as follows:

1. Creditor A is fully paid.
2. Creditor B is owed a total of \$2 million in interest and \$7 million in principal.
3. Creditor C is owed a total of \$1 million in interest and \$5 million in principal.

If in year two, the company earns \$13 million, it could then pay off the remaining obligation to Creditor B and begin paying off Creditor C. The result after year two is as follows:

1. Creditor A is fully paid.
2. Creditor B is fully paid.
3. Creditor C is owed \$2 million in principal.

This example was simplified to show the mechanics of a waterfall payment scheme. In reality, some waterfall schemes are structured so minimum interest payments are made to all tiers during each payment cycle.

## Key Takeaways

- Higher-tiered creditors usually have the highest principle and interest balances among all creditors.
- Waterfall payments can be structured to pay off one loan at a time or pay all loans in a systematic fashion.



## The Film's Marketing

### Film Marketing Tools

The marketing of a film is one of the most important aspects of the filmmaking process and in our case shall include indeed:

- Creating a Marketing Materials Packet
- Utilize the Internet and Social Media
- Generating various Press Releases
- Creating a Series of Trailers
- Getting Listed on IMDb
- Participating in various Film Festival such as for instance the Sundance; Tribeca or Cannes Film Festival



## The Film's Budget

The film's budget has been set at US\$2.5 million on all inclusive basis; even so this figure might slightly vary depending on the definitive Casting results and starting date of production.

## Frequently Asked Questions

### Investor's Questionnaire

#### 1. Past Projects of the Producer (The Bombay Film Company).

Over the years, **The Bombay Film Company** has worked on TVCs & digital films for reputable brands such as *Rin, Dove, Mahindra, TRESemmé, Digene, Shoppers Stop, Absolut, Lifebuoy, Surf and Syska*, and agencies such as *JWT, BBDO, Contract, Lowe Lintas* and *CA Media*.

The company has produced 3 consecutive seasons of *Disney's Beg Borrow Steal*, shot in *Thailand, MP & Himachal Pradesh*. We recently handled the post-production duties for 2 seasons of the celebrity chat show *Feet Up with the Stars*, hosted by *Anaita Shroff Adjania*.

#### 2. How confident are we to generate 20% ROI.

Since we are developing and will be releasing the project solely on OTT, the aforementioned **Return On Investment (15-20%) is a safely attainable range.**

OTT platforms outrightly acquire projects with engaging content that star popular or well-known actors.

Due to the drastically decreased footfalls in theatres in the pandemic, the situation does not look bright for cinemas even in the post-lockdown times, which leaves OTT platforms as the only source of entertainment for the masses.

Therefore, making films with unique content and a talented/popular cast is a much safer prospect in today's times, both critically and commercially.

#### 3. What is the guarantee that the money is safe?

- The transactions will be conducted via a secure Escrow account which will be handled

and overseen by **Mr Shomik Basuray (the producer)** and **Mr Sagher A. Manchanda (director, co-producer)**. Complete clarity on where the money is being channelled and what purpose it is being used for will be maintained with the investor(s) before the commencement and after the closure of the project with the help of invoices and receipts (if required).

OTT platforms are the future of cinema and entertainment as a whole. If film producers choose to release their films digitally first, there are several perks, one of them being good returns. With our concept/content receiving the feedback by top production houses of being something never done before in the industry, we are confident that this project will be a breakthrough deal that will yield a good profit.

#### **4. How confident are we to crack the deals with an OTT platform, and by when can it be expected?**

- We have engaged a senior consultant with a proven record, who will look into heading the sales of the project once it is produced. A time frame can be provided once the investor(s) show their intent and issue an LOI. **Our tentative target is summer 2022.**

### **Kindly Note**

1. A duly signed **Letter Of Intent (LOI)** will be required to be issued by the party/parties interested in funding this project in order to escalate the process of production.

2. Once the letter is issued in the name of the producer (**The Bombay Film Company**), we will proceed with the meetings with the mentioned cast and get their letters, which will help us determine the final cast list. Please note that the given cast list may vary (or it may be a combination of actors from Scenario 1 and 2) depending upon when the LOI is available, the availability of the actors, etc.

3. The budget (capital) required is up to US\$2.5 million. However, upon the determination of the final cast list and other variables, the required capital maybe US\$ 2.1 million or less.

**However, it will not exceed US\$2.5 million in any scenario.**

4. Since our film project will solely release on an OTT platform, we will only be able to determine which OTT platform after the project is produced and the sales meetings begin taking place.

5. An LOI issued by the investor will help us ascertain the time period that will be taken to return the capital + ROI. Since it is of the highest priority in moving the project ahead, we request that the LOI be signed and issued as early as possible.

## Partners & Resources

### Swiss Finance Partners Group



Swiss Finance Partners Group is an international stock holding company being active on a worldwide basis in the field of finance ranging from general investment advice; asset-management services to corporate finance, private equity to investment banking services dedicated to providing innovative and professional financial services to all kind of customers throughout the world.

Its services are aimed as well as to the private investor as to an institutional clientele who is seeking a truly independent and tailor-made approach to their needs.

**Thank you for your kind interest.**

Out Of The Tower" a film from John Huddles

C  
INE  
VANTAGE  
FILM COMPANY

The Bombay Film Company



# THE REGRESSION

HOW MUCH CAN YOU RECALL?

A FILM BY

SAGHER A. MANCHANDA

PRODUCERS

SHOMIK BASURAY  
SAGHER A. MANCHANDA

REGISTERED WITH THE SCREENWRITERS' ASSOCIATION, MUMBAI

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