



INDUSTRY BRIEFING · INDEPENDENT FILM

Film Financing & Market Dynamics

How independent features get funded, and what changed in the last five years.

What This Session Covers

- The four sources of money in an independent film, and the order they arrive in.
- Why pre-sales weakened and equity got more expensive.
- What a distributor is actually buying when they buy a finished film.
- The three documents that decide whether a package gets read.

Where The Money Comes From

Source	Typical share	What it costs you
Soft money / incentives	20-35%	Spend location and audit compliance
Pre-sales and minimum guarantees	15-40%	Territory rights, often the best ones
Gap and bridge debt	10-20%	Interest plus first position in recoupment
Equity	20-50%	Upside, and usually a say in casting

STRUCTURAL CHANGE

What Moved

WEAKER THAN 2019

- Territory pre-sales — buyers wait for a finished film
- Mid-budget acquisitions at festivals
- Output deals as a reliable floor

STRONGER THAN 2019

- Incentive competition between jurisdictions
- Genre with a contained budget and a clear hook
- Packages that arrive with cast already attached

Numbers Worth Remembering

62%

Of budget from non-equity sources, median indie feature

18 mo

Median time from financing close to delivery

2.1x

Return required by most equity to re-invest

4

Documents a buyer reads before the script

PRACTICE

What A Buyer Is Actually Buying

The Buyer's Question

It is never "is this good". It is "can I predict what this earns".

- A recognisable genre promise that can be put on one image.
- A cast element that clears the platform's threshold in at least two territories.
- A running time and rating that fit the window they intend to use.
- Delivery materials that will not cost them money to fix.

If You Remember Four Things

- Build the capital stack backwards from recoupment, not forwards from the budget.
- Treat incentives as the first money, not the last.
- A package is a document problem before it is a money problem.
- The market rewards a clear promise over an ambitious one.

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