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OpenPictures and Intertainment seal strategic partnership

By Martin Blaney

Intertainment and Munich-based development, production and distribution company OpenPictures have concluded a strategic partnership which includes a co-operation on jointly financing and marketing international feature films with US major studios and legal financing against Franchise Pictures and other parties involved in a \$100m litigation.

In a statement, Intertainment said "OpenPictures concurs with the legal position of Intertainment and anticipates a positive outcome to the trial [which begins on August 5]. OpenPictures will provide Intertainment with support in conducting the trial and has offered to participate in financing the legal costs under the agreement governing the strategic partnership or to assume the rights and obligations associated with the trial."

Apart from the strategic partnership, OpenPictures is also interested in Intertainment's operations in the area of distribution channels for downloading audio and video files via the Internet through its stake in the US-based company SightSound.

OpenPictures made its debut at the Cannes Film Festival last year with the announcement of two feature productions, the \$7.5m UK-set *The Flirting Club* by director Alex Jovy and the New York thriller *The Orange Paper* by Gerhard Fillei and Joachim Krenn, and indicated that it has facilities to fully finance films with budgets under \$10m and equity positions in larger productions.

Kinowelt founders Michael and Rainer Koelmel were able to draw on the advice and financial support of OpenPictures during their struggle to win back control of their company last year after a "comprehensive co-operation agreement" concluded in August 2002.

OpenPictures were part of the group of investors brought together by the Koelmels to acquire the core businesses of the Kinowelt group. Moreover, given its regional focus on East European territories, OpenPictures has also worked closely with Kinowelt's world sales arm Kinowelt International on the exploitation of film rights from the Kinowelt library and other sources.