



PowerPost owners Rob, left, and Brian Power are trying to stay in business through a corporate restructuring.

(CHRISTIAN LAFORCE / Staff)

A critical power problem

Restructuring of PowerPost has put the film and television industry on alert

Freelance writer
Angela Mombourquette
reports on the trouble
at video and film
post-production firm
PowerPost

A CRITICAL piece of the Atlantic region's film and television infrastructure is at risk, and members of the Halifax production community say its loss could have a huge impact on the health of the local industry.

PowerPost Ltd. is in the middle of a corporate restructuring, after suffering a 40 per cent drop in revenues last year. The company, which provides audio and video post-production services for the film and television industry, has filed a notice of intention to make a proposal to its creditors.

The company owes nearly \$1.6 million to its creditors, the largest of which are the Business Development Bank of Canada, which is owed \$842,278, and the **Royal Bank of Canada**, at \$289,572.

Owners Rob and Brian Power say the past year has been a rough one. They point to the downturn in the economy, funding strategies that require productions to divide their work

among several provinces, and the financial instability of media giant Canwest, which has been under protection from creditors since late last year, as key factors in the company's financial challenges.

"Nobody would finance a Canwest show last year," says Rob Power. "Plus, broadcast orders across the board were down, so the effect was that there was just less indigenous production this past year than in previous years."

It's fair to say that there's scarcely a filmmaker or television producer in Halifax who hasn't had some kind of connection with PowerPost.

Shows like *This Hour Has 22 Minutes* and *Animal Mecha-*

icals from **Halifax Film** have all been finished there. Chaz Thorne is currently editing his latest feature film, *Whirligig*, at the facility. Noah Pink's Cannes sensation, *ZedCrew*, got much of its spit and polish at PowerPost, and all of the Trailer Park Boys productions have passed through the company's suites.

Those suites boast some of the most cutting-edge technology available east of Montreal. Ann MacKenzie, CEO of Film Nova Scotia, says she's very hopeful that the company will be able to keep going.

"They're a pretty important component of the industry. They have the most sophisticated post-production facility in the region," she says.

Filmmaker Paul Donovan is currently cutting a film for the European market at PowerPost, and he agrees that it's a key part of the region's infrastructure. He acknowledges that there are other companies that can do similar work, but says that no one else in the region is equipped with both the gear and the talent

to mix feature films.

"I brought my business over here because PowerPost can do it," he says, "but if PowerPost wasn't here, I'd be doing it in Europe."

He draws a parallel between PowerPost's current situation and the loss of the Electropolis soundstage in 2007 over a changing lease agreement with **Nova Scotia Power**. Donovan, who had developed the soundstage as a "pet project" back in 1998 with Bernie Smith, says he was surprised back then when he saw "no reaction whatsoever from government to a critical piece of infrastructure disappearing."

He suggests that the provincial government should step in to help work out a survival strategy for the company. "I think it's time for the province to talk to PowerPost and say, 'What can we do?'"

Others suggest that it's up to the industry to support PowerPost by continuing to bring business there. Michael Volpe is one of the producers of the Trailer Park Boys series, along with Barrie Dunn and Mike

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Clattenburg. He and his co-producers are currently working on a feature film called *Afghan Luke* and *The Burgundy of Hash*, and Volpe says they've returned to PowerPost to demonstrate their faith in the company and its future.

"We've been partners with them for a long time, and the industry needs them, frankly," he says. "I think the industry

would benefit from working with them to see them through."

But it's not just the big players in the industry who are concerned. The Power brothers have shown commitment to supporting emerging filmmakers, and PowerPost has been a key sponsor of the Atlantic Film Festival for years. It regularly offers awards to filmmakers through a variety of programs. (Full disclosure: this reporter was the recipient of a PowerPost-sponsored award in 2007.)

Independent filmmaker Eva Madden-Hagen just finished post-production on

her latest film, *What Remains*, at PowerPost, thanks to an award worth \$10,000 in services, which she won at the Atlantic Film Festival in 2008.

"Without that award, we would not have been able to complete the film in the way that we did," she says. "Rob and Brian have always been extremely supportive of the community. Coming to such a high-end facility as an emerging filmmaker, and walking out the door with a really high-quality professional product, is very exciting when you're starting out."

The brothers reluctantly acknowledge that their generosity may have extended a bit too far in the past, although they insist it's all in aid of developing a world-class production community.

"The purpose is not just to be nice guys — although we try to be nice guys," says Rob Power, "but it is really to help build the industry."

That said, the financial realities of their situation have meant some significant changes, including staff layoffs and space reductions, with more changes to come.

"A lot of the leaders in the local industry have works in progress here, and have committed to going forward with those works so that bodes well for us, because it's certainly a statement of financial and moral support," he says.

He recalls a conversation he had last week with Rod McCulloch, CEO of **Nova Scotian Crystal**, whose company went through a similar restructuring process last year.

"McCulloch asked me, 'Do you want to be the guy that burned the whole town and walked away, or do you want to be the guy that busted his ass and figured it out, and can look everybody in the eye?'"

Rob Power pokes the air for emphasis. "That's the guy I plan to be."

WEEKLY INTEREST RATE SURVEY

Unofficial rates, quotes as of 11 a.m. Thursday

INSTITUTIONS	NON-REDEEMABLE GICs (\$5,000) (paid at maturity)					MORTGAGES (closed)			
	1 mo.	6 mo.	1 yr.	2 yr.	3 yr.	1 yr.	3 yr.	5 yr.	
AGF Trust	--	--	0.50	1	1	1	3.05	3.95	4.53
Ally	--	1r	2r	2.65r	3.25r	4r	--	--	--
BMO Bank of Montreal	0.20	0.25	1.10	1.25	1.60	2.60	3.50	4.60	5.99
Bank of Nova Scotia	0.15	0.20	0.75	1.25	1.55	2.10	4.50	4.90	5.99
Bridgewater Bank	--	--	--	--	--	--	5.99	3.79	4.49
CIBC	0.20	0.25	0.75	1.25	1.55	2.10	--	--	--
CIBC Mortgages	--	--	--	--	--	--	3.70	4.70	5.99
Canadian Tire Bank	--	--	1.05	2.10	2.65	3.25	--	--	--
Canadian Western Bank	0.20	0.25	1.50	2.50	3	3.55	3.70	4.70	5.99
Concentra Financial	--	--	1	1.25	1.55	2	3.70	4.60	5.99
Dundee Bank of Canada	0.30	0.55	1.30	2.50	3	3.60	--	--	--
Equitable Trust	0.55	1	1.45	2.45	2.90	3.55	3.70	4.70	5.99
First National Financial	--	--	--	--	--	--	2.80	3.75	4.49
HSBC Bank Canada	0.20	0.25	1	1.25	1.55	2.10	4.35	4.75	5.99
ICICI Bank Canada	0.50	0.50	0.90	1.60	2.20	3	4	4.50	6.10
ING Direct	--	--	0.75	1.60r	2.25r	2.50r	3.25r	3.15	3.99
Investors Group Trust	--	--	--	--	--	--	3.70	4.75	5.99
Korea Exchange Bank	--	--	1.10	1.80	2.40	3.10	--	--	--
Laurentian Bank Canada	0.15	0.20	0.75	1.25	1.45	2.10	3.90	4.65	5.99
London Life	--	--	--	--	--	--	3.70	4.75	5.99
MAXA Financial	--	--	2.25r	2.65r	3r	4r	--	--	--
MCAN Mortgage Corp.	--	--	1.75	2.50	2	2	--	--	--
Macquarie Financial Ltd.	--	--	--	--	--	--	3.29	3.94	4.64
Manulife Bank	--	--	1.25	2.30	2.90	3.55	3.25	4	4.60
Manulife Investments	--	--	1r	1.90r	2.65r	3.40r	--	--	--
National Bank	0.15	0.20	0.75	1.25	1.40	2.10	3.80	4.60	5.99
President's Choice Fin'l	--	--	1.60	2.25	2.50	3.25	2.90	4	4.64
ResMar Trust	--	--	--	--	--	--	3.44	3.99	4.59
Royal Bank of Canada	0.20	0.20	1.10	2	1.60	2.40	3.70	4.60	5.99
Standard Life	0.30r	0.30r	0.60	1.05	1.87	2.27	--	--	--
State Bank of India (C)	--	--	1.30	1.75	2.50	3.10	--	--	--
TD Canada Trust	0.20	0.75	1	1.25	1.55	2.10	3.90	4.95	5.99
Transamerica Life Canada	--	--	0.40r	1.25r	1.75r	2.45r	--	--	--

r - Redeemable prior to maturity

Angela Mombourquette is a freelance journalist and filmmaker. She writes a weekly column for the *Community Herald*.