

# Turning a grand illusion into reality



Dean You Lee from Financial Products in Australia.



Stefan Schonell from Financial Products in Australia.

## Entertaining a deal with David Copperfield

**The Financial Products team provides finance to feature film and television producers secured against the Australian Producer Offset, which is a tax rebate scheme provided to producers by the Australian Taxation Office.**

Through its association with the film and entertainment industry, the team has established Investec as a specialist lender to the media and entertainment industry - a relatively under-banked industry suited to project financing. Being skilled in securitisation, project finance and secured lending, the team is ideally positioned to develop the necessary - and sometimes complex - funding structures that are suited to this industry.

Early last year, Investec financed the offset for the first international co-production to use the scheme, a \$15 million psychological thriller *Triangle*, starring Australian actress Melissa George, and scheduled for worldwide release later this year.

More recently, the team has completed funding for one of the world's foremost illusionists, David Copperfield. Investec structured and assisted in funding a transaction to finance his 2009 Australian tour.

David Copperfield last toured Australia in 1999, performing 20 shows to over 108,000 people, and he is again touring the country this year from 6 August to 18 August. This time, his *An Intimate Evening of Grand Illusion* tour is expected to perform in front of 85,000 people at 12 shows in Sydney, Melbourne, Brisbane and Adelaide. Tickets have been selling fast, particularly following feature slots on Channel 7's *Sunrise* and *Today Tonight*.

Investec provided a structured loan on a senior secured basis for a seven-month term to finance the project. A syndicate of private investors provided further capital to the project on a subordinated basis. The project has the benefit of an insurance policy from Lloyd's of London that covers abandonment, cancellation or delay, and a financial guarantee to mitigate box office and other risks.

Investec has also secured marketing rights for the promotion of the tour in Australia. Dean You Lee and Stefan Schonell from the Financial Products team are excited to be involved in this deal.

“We are exceptionally pleased to be associated with such a high-quality star performer who has a distinctive offering,” says Dean.

“Although completing the transaction was challenging, we have learnt a great deal about how the entertainment industry operates and what is involved in promoting such an event,” he adds.

In this relationship-driven industry, the Financial Products team is now ideally placed to capitalise on other opportunities within the Australian media and entertainment industry, and they are looking forward to increasing their presence in this specialist area.

“We are thrilled to be applying our skills to the media and entertainment industry. We have developed a reputation as a specialist, niche arranger of deals that are generally too small, short and transaction-intensive for commercial and investment banks - and they are a sweet spot for Investec.”

**David Copperfield is a regular performer in Las Vegas at the MGM Grand, and has toured throughout the world to full capacity audiences with rave reviews. His breathtaking illusions include the disappearance of the Statue of Liberty, levitating over the Niagara Falls and passing through the Great Wall of China.**



## Australian tour dates

### August 2009

06	Brisbane	Entertainment Centre	6.30pm
06	Brisbane	Entertainment Centre	9.30pm
08	Sydney	Acer Arena	4.00pm
08	Sydney	Acer Arena	8.00pm
10	Newcastle	Entertainment Centre	8.00pm
12	Adelaide	Entertainment Centre	8.00pm
13	Adelaide	Entertainment Centre	8.00pm
15	Melbourne	Rod Laver Arena	8.00pm
16	Melbourne	Rod Laver Arena	4.00pm

“ For magic to be relevant, it has to evolve so it keeps up with, or even surpasses, the best film and theatre. I want to base my work on what people really dream about. Most of us don’t dream of pulling a rabbit out of a hat. But what affects people is realising personal dreams, dreams almost everyone shares, that they thought were impossible. ”

**David Copperfield**  
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