



THE FILM ENTREPRENEUR:

A Newsletter for Independent Filmmakers and Investors



LOUISE LEVISON, EDITOR AND PUBLISHER

VOL. 22, NO.2

FEBRUARY 2015

INDIES RULES THE OSCARS – YET AGAIN!

The strength of independent films in the marketplace and at the box office was reaffirmed at the 87th Academy Awards when the Oscar for Best Picture went to *Birdman*, the ninth independent film to win that award in the last ten years. The other Best Picture winners are *Crash* (2005), *The Departed* (2006), *No Country for Old Men* (2007), *Slumdog Millionaire* (2008), *The Hurt Locker* (2009), *The King's Speech* (2010), *The Artist* (2011) and *12 Years a Slave* (2013). Out of 24 total awards, ten indie feature films took home 18: *Birdman* – 4; *The Grand Budapest Hotel* – 4; *Whiplash* – 3; and one each for *Boyhood*, *Citizenfour*, *Ida*, *The Imitation Game*, *Selma*, *Still Alice* and *The Theory of Everything*. The remaining six were won by three short films and three studio films – meaning that studio-based projects brought in a paltry three Oscars for 2014.

As of February 28th, the ten indie Oscar-winners had earned a combined total of \$324.4 million domestic total, with budgets ranging from \$1.7 million to \$31.9 million. Some bloggers have suggested that the Academy Awards are irrelevant now, as *American Sniper* (budget \$58.8 million) earned \$328.9 million and only won one Oscar. We are more than 50 years away from the days when the awards were controlled by studio execs who would sit next to Academy voters and tell them how to mark their ballots. As indie films grew in popularity and other shrewd indie marketing executives have worked the press, times have changed. Back in the early 1990s, one studio executive told *The Daily News* (Los Angeles) that if the studios made good stories, they could win Best Picture, too. That says it all. Changing the way the Best Picture number from five to a maximum of ten with a complicated, weighted voting system (similar to the way many cities and states count their ballots) has only increased the importance of independent films at the Awards, which now are based more on quality than on ticket sales. Perhaps challenged by the success of the indies, a significant number of Academy members are pressing for a return to the days of five nominees only (<http://www.hollywoodreporter.com/news/oscars-academy-weighing-return-five-779066>).

Ed Note: *Selma* has been referred to by some executives/media as a studio film. Due to the main finance coming from the UK (Pathé, Celador Films, and Cloud Eight Films), *TFE* considers this film an indie. Brad Pitt's Plan B was an early producer, with Oprah Winfrey's Harpo films coming on later. Paramount Pictures pre-bought North American distribution rights.

FILM INDEPENDENT SPIRIT AWARDS

The 30th annual Film Independent Spirit Awards were hosted by Fred Armisen and Kristen Bell on Saturday, Feb. 21. In a bit of a precursor to the Oscars on the next day, the winners of Best Feature and the four actor categories were the same at both events.

AND THE WINNERS ARE...

AWARD	FILM	WINNERS
Best Feature	<i>Birdman</i>	Alejandro G. Iñárritu, John Lesher, Aron Michan, James W. Skotchdopole
Best Director	<i>Boyhood</i>	Richard Linklater
Best Screenplay	<i>Nightcrawler</i>	Dan Gilroy
Best Female Lead	<i>Still Alice</i>	Julianne Moore
Best Male Lead	<i>Birdman</i>	Michael Keaton
Best Supporting Female	<i>Boyhood</i>	Patricia Arquette
Best Supporting Male	<i>Whiplash</i>	J.K. Simmons
Best First Feature	<i>Nightcrawler</i>	Dan Gilroy
Best First Screenplay	<i>Dear White People</i>	Justin Simien
Best Documentary	<i>Citizenfour</i>	Laura Poitras
Best Cinematography	<i>Birdman</i>	Emmanuel Lubezki
Best Editing	<i>Whiplash</i>	Tom Cross
Best International Film	<i>Ida</i>	Pawel Pawlikowski
John Cassavetes Award (Best Feature made for under \$500,000)	<i>Land Ho!</i>	Writers/Directors: Aaron Katz & Martha Stephens

Robert Altman Award
(includes casting director and ensemble cast)

Inherent Vice

Director: Paul Thomas Anderson, Casting Director: Cassandra Kulukundis

Awards with \$25,000 unrestricted grant

Piaget Producers Award

Kumiko, The Treasure Hunter

Chris Ohlson

Kiehl's Someone To Watch Award

H.

Rania Attieh & Daniel Garcia

Lenscrafters Truer than Fiction Award

The Kill Team

Dan Krauss



BERLIN AWARDS

The 65th Berlin International Film Festival, a combination of the Berlinale film fest and the European Film Market (EFM), took place in February. On the nine days of the EFM, a total of 748 films, of which 532 were premieres, were shown in 1,014 screenings. There were 8,500 trade professionals from 100 countries, of whom 1,568 were buyers. The importance of the combined fest and market to indie filmmakers is that films picked up at Sundance in January often are sold internationally the next month in Berlin. For producers who didn't score at Sundance or who don't otherwise have a U.S. deal, there's high motivation to sell before Cannes. "It can be easier to capture a distributor's attention in Berlin," CAA's Micah Green told *The Hollywood Reporter*. "At Sundance, Toronto and Cannes, you are competing with more movies. Berlin has a shorter supply." That the EFM did good business but not spectacular prices partially was blamed on Sundance, as well as the various countries' economics and widespread political unrest. Iranian filmmaker Jafar Panahi's *Taxi* won the Golden Bear for Best Film. Since Panahi is forbidden to travel (or even make films), his daughter accepted the prize. Awards were spread generously to filmmakers from almost every continent (only Australia missed out). The Berlinale has a section unique among festivals: the Generation Section, for films aimed at children ("Kplus") or teens ("14plus"), where the jury that selects Crystal Bear winners consists of 11 children and seven teenagers, and further awards are chosen by international juries of adult voters.

AND THE WINNERS ARE...

AWARD	FILM	FILMMAKER
Golden Bear	<i>Taxi</i>	Jafar Panahi
Silver Bear - Grand Jury	<i>El Club</i>	Pablo Larrain

Silver Bear - Alfred Bauer Prize (for feature film that opens new perspectives)	Ixcanul (Ixcanul Volcano)	Jayro Bustamante
Silver Bear: Best Director (tie)	<i>Aferim!</i> <i>Body</i>	Radu Jude Małgorzata Szumowska
Silver Bear: Best Actress	<i>45 Years</i>	Charlotte Rampling
Silver Bear: Best Actor	<i>45 Years</i>	Tom Courtenay
Silver Bear: Best Script	<i>The Pearl Button</i>	Patricio Guzman
Best First Feature	<i>600 Miles</i>	Gabriel Ripstein
Golden Bear: Best Short Film	<i>Hosanna</i>	Na Young-kil
Silver Bear Jury: Short Film	<i>Bad At Dancing</i>	Joanna Arnow
Audi Short Film Award	<i>Planet Sigma</i>	Momoko Seto
Panorama Audience Award: Fiction	<i>Que Horas Ela Volta? (The Second Mother)</i>	Anna Muylaert (Brazil)
2 nd Place	<i>Stories Of Our Lives</i>	Jum Chuchu (Kenya)
3 rd Place	<i>Härte (Tough Love)</i>	Rosa von Praunheim (Germany)
Panorama Audience Award: Documentary	<i>Tell Spring Not To Come This Year</i>	Saeed Taji Farouky, Michael McEvoy (UK)
2 nd Place	<i>The Yes Men Are Revolting</i>	Laura Nix, Andy Bichlbaum, Mike Bonanno (US/Germany/France/Denmark/Netherlands)
3 rd Place	<i>Iraqi Odyssey</i>	Samir (Switzerland/Germany/Iraq/UAE)
Europa Cinemas Label: Best European Film in Panorama Section	<i>Out of Nature</i>	Ole Giæver

TEDDY AWARDS for LGBT-themed films

Best Feature Film	<i>Nasty Baby</i>	Sebastián Silva
Best Documentary Film	<i>El hombre nuevo</i>	Aldo Garay

GENERATION 14plus (Crystal Bears selected by youth jury; other prizes by international jury of adult voters)

Crystal Bear: Best Film	<i>Flocken (Flocking)</i>	Beata Gårdeler (Sweden)
Special Mention	<i>Prins (Prince)</i>	Sam de Jong (Netherlands)
Crystal Bear: Best Short Film	<i>A Confession</i>	Petros Silvestros (UK)
Special Mention	<i>Nelly</i>	Chris Raiber (Austria)
Grand Prix	<i>The Diary Of A Teenage Girl</i>	Marielle Heller (US)
Special Mention	<i>Nena</i>	Saskia Diesing (Netherlands/Germany)
Best Short Film	<i>Coach</i>	Ben Adler (France)
Special Mention	<i>Tuolla Puolen (Reunion)</i>	Iddo Soskolne and Janne Reinikainen (Finland)

GENERATION KPLUS (Crystal Bears selected by youth jury; other prizes by international jury of adult voters)

Crystal Bear: Best Film	<i>Min lilla syster (My Skinny Sister)</i>	Sanna Lenken (Sweden/Germany)
Special Mention	<i>Dhanak (Rainbow)</i>	Nagesh Kukunoor (India)
Crystal Bear: Best Short Film	<i>Hadiatt Abi (Gift Of My Father)</i>	Salam Salman (Iraq/Great Britain/Netherlands/US)
Special Mention	<i>The Tie</i>	An Vrombaut (Belgium)
Grand Prix	<i>Dhanak (Rainbow)</i>	Nagesh Kukunoor (India)
Special Mention	<i>Min lilla syster (My Skinny Sister)</i>	Sanna Lenken (Sweden/Germany)
Special Prize: Best Short Film	<i>Giovanni En Het Waterballet (Giovanni And The Water Ballet)</i>	Astrid Bussink (Netherlands)
Special Mention	<i>Agnes</i>	Anja Lind (Sweden)



FIVE INSIGHTS FROM A FIRST-TIMER

In a blog titled *Producing Your First Feature? 5 Insights That Won't Lead You Far Wrong...* on the Hope for Film website, Director Alex Lightman shares a few realizations he made while making his first feature. These are universal truths that need to be repeated constantly.


“1. The worst thing you can do is nothing at all. I’m a firm believer that the best thing you can do is the right thing, the second best thing you can do is the wrong thing, and the worst thing you can do is nothing at all.”

“2. You’re wrong most of the time. As a producer you are going to be expected to do everything, but you are only one person and you will need help.”

“3. Nothing is your fault. Everything is your responsibility. I first heard this phrase at a talk with producer Stephen Follows. There isn’t really much to say on the matter: 99% of the time problems are not your fault, but 100% of the time they are your responsibility.”

“4. It’s just a film. Those of us who work in film have all been on that set where there was nothing more important than the film! But really it’s just a film and as a producer you need to understand that.”

“5. Nobody knows anything. And if they tell you they do then they’re lying and you need to get the hell out of there. If everybody in the film industry knew exactly how to make a perfect film then everyone in the film industry would be making a perfect film.”

For the full blog go to: <http://trulyfreefilm.hopeforfilm.com/2015/01/producing-your-first-feature.html>. 

COMINGS AND GOINGS

Relativity Media launched a specialty division called **R2 (R-squared)**, which originally was announced at the Toronto Film Festival. Robbie Brenner will run the division, with a mandate to acquire and produce lower-budget, story-driven films with a unique point of view. She will retain her title as Relativity’s President of Production, where she produced *Dallas Buyers Club*. “The point of the label is to make movies that need more specialty care, movies that need more of a platform release,” said Brenner, explaining that most of Relativity’s movies open wide, but the new division will focus on building an audience in a slower and more controlled way. *Burden*, a racial drama from newcomer Andrew Heckler, is R2’s first production. Two other projects already in development at Relativity — *The Secret Scripture* and *The Tribes of Palos Verdes* — are being transferred to R2 as well.

Broad Green Pictures (BGP) announced on February 25th that it has acquired a 45% stake in **Mister Smith Entertainment**, David Garrett’s London-based licensing and distribution operation. Garrett will continue as Mister Smith’s CEO, and will contribute to BGP’s greenlight committee. Mister Smith will have first right to handle the sales and servicing of BGP’s films

internationally. The partnership provides BGP with the ability to maximize the foreign distribution of its internally developed film slate of both wide releases and awards-oriented specialty platform releases, while giving Mister Smith the ability to offer filmmakers equity and financing for productions. Mister Smith's upcoming slate includes Dan Fogelman's directorial debut *Danny Collins*, the Jesse Owens biopic *Race* and Russell Crowe's directorial debut *The Water Diviner*.

Bill Block is in final negotiations to end his role as CEO of **QED**, the production company he founded in 2002, with the company's Russian investors taking control. Sasha Shapiro and Anton Lessine, the son of Russia's former press minister, run Media Content Capital, which acquired a controlling interest in QED in May 2012. Block has shifted his primary focus to working on movies and deals for **Merced Media**, which was created in October. Kevin Frakes and Block formed the company with \$500 million raised from PalmStar Media Capital, where Frakes is CEO. As part of the agreement, Block will produce two movies — *Birth of the Dragon* and *Yellowstone Falls* — that QED is expected to invest in and for which QED will handle international sales. There were rumors that QED ran into money problems late last year after funding from Russia dried up in the wake of the plunge in the price of oil and economic sanctions imposed on Russia after war broke out in the Ukraine. Shapiro and Lessine, however, insist that their money came primarily from European sources and was not impacted by the situation in Russia. Media Content Capital has other investments besides QED. Among those Shapiro and Lessine report is an investment in Sonifi Solutions (successor to LodgeNet), which delivers entertainment content to about 1.4 million hotel rooms and healthcare facilities. The principal investor in Sonifi is Colony Capital, the entity behind Miramax. Block is a Hollywood veteran who started his career as a high profile talent agent for ICM and Intertalent. He later became president of Artisan Entertainment, which had a hit with *Blair Witch Project* before being sold to Lionsgate in 2003.

Manish Mundra, the CEO of Nigeria-based oil company Indorama Eleme, aims to offer an alternative to India's "mass entertainers" and Bollywood stars with his production company **Drishyam**. In an interview with screendaily.com, Mundra said that he was drawn into the film business around a year ago when he read tweets from actor-filmmaker Rajat Kapoor complaining that he couldn't raise money for his new film *Ankhon Dekhi*. Mundra financed the film, which won critical acclaim in India and overseas. He also connected with the producer of Prashant Nair's *Umrika* via Twitter. That film went on to win the Audience Award at the 2015 Sundance Film Festival's World Competition category. Drishyam's third film, *Rainbow (Dhanak)*, clinched two prizes in 2015's Generation Kplus section at Berlin — the Grand Prix for Best Feature-Length Film and a Children's Jury Special Mention for Best Feature. Mundra finances the films with his salary and partners. "The market [for content-driven cinema] is...changing," Mundra notes. "India has a huge audience, but the key is to keep budgets low. If you can make a film for half a million dollars and draw 200,000 to 300,000 viewers in the first few days, then you can break even. You can make profits from satellite and other rights.... I feel our responsibility as Indian producers, directors and writers is to make good cinema that travels across the world. Then the distributors will come to us to find more films like *The Lunchbox*." Drishyam has also partnered with the Sundance Institute for the Drishyam-Sundance Institute Screenwriters Lab 2015 to take place in Goa, India, from April 12-16. ■

NUMBERS! NUMBERS! NUMBERS!

LOW-BUDGET INDEPENDENT FILMS (\$9.0 M and under)

FILM	DISTRIBUTOR	REVENUE	COST
		thous. \$	thous. \$
<i>Addicted</i>	Lionsgate Films	17,391	5,000
<i>Begin Again</i>	The Weinstein Co.	16,171	8,000
<i>Beyond the Lights*</i>	Relativity Media	14,619	7,000
<i>Black or White*</i>	Relativity Media	20,458	9,000
<i>Boyhood*</i>	IFC	25,341	4,000
<i>Cake*</i>	Cinelou Films	1,952	8,000
<i>DUFF, The*</i>	Lionsgate Films	18,282	8,500
<i>Force Majeure*</i>	Magnolia	1,354	5,000
<i>Ida</i>	Music Box	3,705	1,700
<i>Insidious: Chapter 2</i>	FilmDistrict	83,586	5,000
<i>Kill the Messenger</i>	Focus Features	2,451	5,000
<i>Lazarus Effect, The*</i>	Relativity Media	8,152	5,000
<i>Love Is Strange</i>	Sony Pictures Classics	2,262	1,200
<i>Lunchbox, The</i>	Sony Pictures Classics	4,235	1,500
<i>Mom's Night Out</i>	TriStar Pictures	10,430	5,000
<i>Nightcrawler</i>	Open Road	32,381	8,000
<i>Oculus</i>	Relativity Media	27,695	5,000
<i>Still Alice*</i>	Sony Pictures Classics	11,244	4,000
<i>That Awkward Moment</i>	Focus Features	26,069	8,000
<i>Two Days, One Night*</i>	IFC	1,250	7,700
<i>Whiplash*</i>	Sony Pictures Classics	11,330	3,300

*Still in North American distribution as of February 28, 2015

MORE NUMBERS! NUMBERS! NUMBERS!
HIGH-BUDGET INDEPENDENT FILMS (Over \$9.0M)

FILM	DISTRIBUTOR	REV. thous. \$	COST thous.
<i>Big Eyes*</i>	The Weinstein Co.	14,441	10,000
<i>Birdman*</i>	Fox Searchlight	39,753	18,000
<i>Boxtrolls, The</i>	Focus Features	50,837	60,000
<i>Foxcatcher*</i>	Sony Pictures Classics	12,000	24,000
<i>How To Train Your Dragon 2</i>	20 th Century Fox	177,003	145,000
<i>Hunger Games, The: Mockingjay-Part 1*</i>	Lionsgate	336,645	125,000
<i>Imitation Game, The*</i>	The Weinstein Co.	86,321	16,000
<i>Inherent Vice*</i>	Warner Bros.	8,111	20,000
<i>John Wick</i>	Lionsgate	43,038	20,000
<i>Loft, The*</i>	Open Road	6,003	14,000
<i>Mr. Turner*</i>	Sony Pictures Classics	3,007	12,000
<i>Most Violent Year, A*</i>	A24	5,453	20,000
<i>Paddington*</i>	The Weinstein Co.	69,605	43,400
<i>Penguins of Madagascar*</i>	20 th Century Fox	82,783	132,000
<i>P.K.</i>	UTV	10,616	20,600
<i>Selma*</i>	Paramount	50,296	20,000
<i>St. Vincent*</i>	The Weinstein Co.	44,133	13,000
<i>Seventh Son*</i>	Universal	16,614	95,000
<i>Taken 3*</i>	20 th Century Fox	87,963	48,000
<i>Theory of Everything, The*</i>	Focus Features	34,873	15,000
<i>Top Five</i>	Paramount	25,317	12,000
<i>Woman in Black 2, The: Angel of Death*</i>	Relativity Media	26,456	15,000

*Same reference as Low-Budget Table

LARGE FORMAT FILMS

FILM	DISTRIBUTION	REV.	COST
		thous. \$	thous. \$
<i>Air Racers 3D</i>	3D Entertainment	1,310	5,000
<i>Apollo 13: The Imax Experience</i>	IMAX	1,737	n/a
<i>Born To Be Wild 3D*</i>	Warner Bros./IMAX	23,926	n/a
<i>Bugs!</i>	SK Films, Inc.	18,114	9,000
<i>Deep Sea 3D</i>	Warner Bros.	46,097	1,000
<i>Galapagos: The Enchanted Voyage*</i>	IMAX	18,352	7,000
<i>Ghosts of the Abyss</i>	Buena Vista	17,041	13,000
<i>Haunted Castle</i>	nWave	13,652	n/a
<i>Hubble 3D*</i>	Warner Bros.	47,664	n/a
<i>Island of Lemurs: Madagascar*</i>	Warner Bros.	8,860	n/a
<i>James Cameron's Deepsea Challenge*</i>	DisruptiveLA	236	n/a
<i>Jerusalem 3D</i>	National Geographic	6,856	n/a
<i>Journey to the South Pacific*</i>	IMAX/MacGillivray	5,822	n/a
<i>Magnificent Desolation</i>	IMAX	34,109	3,000
<i>NASCAR 3D</i>	Warner Bros./IMAX	21,337	10,000
<i>Ocean Wonderland 3D</i>	3D Entertainment	11,035	3,000
<i>Roving Mars</i>	Buena Vista	10,408	1,000
<i>Sea Monsters 3D: A Prehistoric</i>	National Geographic	23,746	n/a
<i>Sea Rex: Journey to a Prehistoric</i>	3D Entertainment	6,097	n/a
<i>Space Station 3D</i>	IMAX	92,165	1,000
<i>Thrill Ride</i>	Sony Classics	18,795	9,000
<i>To the Arctic 3D*</i>	Warner Bros.	14,314	n/a
<i>T-Rex: Back to the Cretaceous*</i>	IMAX	53,347	14,500
<i>U2 3D</i>	National Geographic	10,362	13,000
<i>Under the Sea 3D*</i>	Warner Bros.	34,438	n/a
<i>Wildest Dream: Conquest of Everest</i>	National Geographic	898	n/a
<i>Wild Parrots of Telegraph Hill</i>	Shadow	3,058	n/a
<i>Wild Safari 3D</i>	nWave	16,621	4,500

* Same references as Low-Budget table ■

NEED MONEY FOR A MOVIE? DON'T GO IN EMPTY-HANDED. HAVE A BUSINESS PLAN.

The benefit of using a reliable business plan to raise financing for a film is that it allows the investors and the filmmaker to gauge the potential success of a film. A polished business plan with projections based on the worldwide results of other films and with clear explanations about the industry, markets and production personnel attached to the film is far more effective than an incomplete document that leaves prospective investors wanting more information. Contact Louise Levison at louisel@earthlink.net to find out how you can put her 27 years of experience as a Film Business Consultant to work creating a business plan for your film.

Levison, the President of Business Strategies, is a highly respected financial consultant in the entertainment industry, specializing in creation of film business plans. Her clients have raised money for low-budget films including *The Blair Witch Project*, the most profitable independent film in history, and for companies raising as much as \$300 million. She is the author of *Filmmakers & Financing: Business Plans for Independents*, currently in its revised and expanded seventh edition (Focal Press, 2013). The sixth edition of the book continues to be available in Mandarin from www.hindabook.com in Beijing, China. Levison also is editor of the online newsletter *The Film Entrepreneur: A Newsletter for the Independent Filmmaker and Investor*. Among other clients' projects are Kahlil Gibran's *The Prophet, Unlimited* (Nathan Frankowski), *The Redemption of Henry Miller, Emoticon ;*), *Moving Midway, Redemption Road, Haunted* (2012), *The First of May, The Open Road, Aluna, Yak: The Giant King, Visual Acoustics: The Modernism of Julius Shulman, My Father and the Man in Black* and *Michael Winslow Live*. Among her corporate clients are Danny Glover's Louverture Films (2008 nominee for Best Documentary Academy Award *Trouble the Water*), The Pamplin Film Company (*Hoover*), Hurricane Film Partners, LLC and Tokuma International Ltd (*Shall We Dance, Princess Mononoke*). Levison is an Instructor in the Extension Program at UCLA. She also has been a Visiting Professor at the Taipei (Taiwan) National University of the Arts, Chapman University (Orange County, CA) and the University of Montana (Missoula). Levison has presented seminars and/or been on panels at festivals and markets around the world. (Additional information is available at <http://www.moviemoney.com>).

THE FILM ENTREPRENEUR is published by Business Strategies

Louise Levison, Editor
Faryl Saliman Reingold, Assistant Editor
Office: 4454 Ventura Canyon Ave., Suite 305
Sherman Oaks, CA 91423
Phone: (818) 990-7774
E-mail: louisel@earthlink.net; <http://www.moviemoney.com>

Have your scripts professionally read and analyzed by *TFE*'s Assistant Editor Faryl Saliman Reingold. For more information, e-mail swanlandprods@yahoo.com.