



THE FILM ENTREPRENEUR:

A Newsletter for Independent Filmmakers and Investors



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INDIE BOX-OFFICE BOUNCES BACK

With a 10 percent gain, the independent domestic box office rebounded in the first quarter over the same period last year. Key to the uptick were two films — *Glass* and *The Upside* — each earning over \$100 million dollars. Films earning between \$50 and \$99 million had an increase of 27 percent in 2019. What accounts for the rebound?

Since no indie films earned over \$100 million in 2018, the results from those two films clearly are significant statistically. Both had moderate budgets for this box office segment - \$20 million for *Glass* and \$37.5 million for *The Upside*. Your editor feels that this belies the *Indiewire*'s headline that the “under-\$50 million film is endangered.” The majority of successful indie films have had budgets under \$50 million. Both of the films above also had distributors capable of opening them on 3,000-plus screens. Obviously, that is helpful. Being well-made pictures, it is likely each of those films still would have had significant box office-to-budget ratio.

An even more significant factor is that people still want to go to theaters to see films. We just need to make films they want to see. While blockbuster studio films are viewed best on the large screen, it is crucial that independent films must have a compelling story and do their best to make use of the most current technology. Or course, we don't expect all your films to do the same. Yet, there is the possibility that your \$7 million specialty film might gross might \$42 million (to-date) or more at the domestic box office as *Five Feet Apart* has to-date.

The audience has gotten more cautious than ever about spending their dollars at the box office. With 165 over-the-top (OTT) platforms operating in the U.S., the attraction for the theater screen is still there. As Neon co-founder and CEO Tom Quinn told the exhibitors at CinemaCon, “Maybe cinema is evolving. But one thing hasn't changed. The magic of cinema begins in your cinemas.” 🍿

MPAA ANNUAL MARKET REPORT

The global entertainment market reached \$96.8 billion in 2018 – a nine percent increase over 2017 – according to new, combined theatrical and home entertainment data released today by the Motion Picture Association of America (MPAA). The 2018 global box office grew to \$41.1 billion, while global home entertainment increased by 16 percent over 2017 levels to reach \$55.7 billion. The U.S./Canada box office increased by seven percent to \$11.9 billion, a record high. Three-quarters (75%) of the U.S./Canada population, or 263 million people, went to the cinema at least once in 2018. The gender composition of the cinema audience was 51 percent female and 49 percent male. “In today’s dynamic marketplace, stories come to life for audiences in theaters, at home, and on the go,” said Charles Rivkin, Chairman and CEO of the Motion Picture Association of America (MPAA). “Our companies continue to deliver content where, when, and how audiences want it – and the numbers released today speak volumes.” While the entire report should be downloaded and read, here is a short recap of additional data from it that will be useful for your business plans in explaining the market:

▲ The total number of theatrical screens worldwide increased by seven percent, reaching nearly 190,000.

▲ The typical moviegoer in the U.S./Canada bought 5.0 tickets per year in 2018, up from 4.7 tickets in 2017.

▲ Per capita attendance was highest among the 12-17 and 18-24-year-old age groups (5.1), and among Latino (4.7) and Asian (4.5) audiences, with both ethnic groups increasing over 2017 levels.

▲ Global home entertainment consumer spending increased by 16 percent over 2017 levels to reach \$55.7 billion. The growth was driven by digital home entertainment, with U.S. digital spending increasing by 24 percent and international digital spending increasing by 34 percent. Since 2014, digital spending has increased 170 percent globally.

▲ The number of subscriptions to online video services reached 613 million globally an increase of 27 percent in just one year. Subscriptions to online video services surpassed cable subscriptions for the first time in 2018.

▲ In 2018, overall spending on home entertainment in the U.S. increased to \$23.3 billion, up 12 percent over 2017.

▲ Americans now spend 52 percent of their media time on a digital platform.

For the complete version of the report, go to: <https://www.mpa.org/wp-content/uploads/2019/03/MPAA-THEME-Report-2018.pdf> 

SOUTH BY SOUTHWEST FILM FESTIVAL

The 26th edition of the South By Southwest Festival (SXSW) ran March 8th-17th in Austin, Texas. Films began the three-pronged event which also included interactive and music sections. The lineup included 134 Feature Films (from 2,351 submissions), including 101 World Premieres, nine North American Premieres, three US Premieres, and 64 films from first-time filmmakers. There were 101 Short Films and music videos (selected from 5,478 submissions), five Episodic Premieres, 12 Episodic Pilots, 25 Virtual Cinema Projects and 30 Title Design entries. On the diversity side, female filmmakers accounted for 49 of the feature films and 23 films were helmed by people of color. The episodics included here of the premieres and eight pilots were helmed by females. In addition, three of the episodics and six of the pilots were helmed by people of color. For the shorts, 59 women and 38 people of color helmed projects, while the VR projects represented 10 females and nine people of color. “As always, we looked for a wide range of work, contemplating scale, style, tenor and tone. We hope that this year’s outstanding array of films from accomplished to emerging talent will entertain, surprise, and provoke,” said Janet Pierson, Director of Film.

“The capital city of Texas prides itself with their motto ‘Keep Austin Weird’ and it spills over into their well-known events — especially SXSW,” commented *deadline.com* . . . “If Sundance and TIFF had a rebellious sibling who liked to shake things up and make things fun when it came to film festivals, SXSW would be exactly that” Conference programming was organized into 25 tracks divided between Interactive, Film, Music, and Convergence, presented in a variety of session formats. This year’s conferences were heavier on political topics. A two-day series of “Conversations About America’s Future” presented in collaboration with *The Texas Tribune* included Senator Amy Klobuchar, former Governor Bill Weld, Senator Elizabeth Warren, former Governor John Hickenlooper, former Governor John Kasich, former U.S. Secretary of Housing and Urban Development Julián Castro, House Minority Leader Kevin McCarthy and Mayor Pete Buttigieg. “Our mission is to raise the level of civic engagement in and out of Texas through serious conversations about the future, so we’re thrilled to be working with South by Southwest to do just that — and in front of the biggest possible audience,” said *The Texas Tribune* CEO Evan Smith. Also delivering keynotes were former Speaker of the U.S. House of Representatives John Boehner with Acreage Holdings Chairman and CEO Kevin Murphy.

AND THE SXSW PRIZE GOES TO . . .

AWARD	FILM	FILMMAKER
Narrative		
Grand Jury	<i>Alice</i>	Josephine Mackerras
Special Jury Best Ensemble	<i>Yes, God, Yes</i>	Karen Maine
Special Jury Breakthrough Voice	<i>Saint Francis</i>	Alex Thompson
Documentary		

Grand Jury	<i>Sama</i>	Waad al-Kateab, Edward Watts
Special Jury Empathy in Craft	<i>Ernie & Joe</i>	Jenifer McShane
Special Jury Excellence in Storytelling	Nothing Fancy: Diana Kennedy	Elizabeth Carroll
Short Films		
Narrative Winner	<i>Liberty</i>	Faren Humes
Narrative Special Jury	<i>The Orphan</i>	Carolina Markowicz
Documentary Winner	<i>Exit 12</i>	Mohammad Gorjestani
Documentary Special Jury	<i>All Inclusive</i>	Corina Schwingruber Ilić
Midnight Winner	<i>Other Side of the Box</i>	Caleb J. Phillips
Animated Winner	<i>Guaxuma</i>	Nara Normande
Animated Special Jury	<i>Slug Life</i>	Sophie Koko Gate
Music Video Winner	<i>“Hurray for The Riff Raff” – Pa’Lante</i>	Kristian Mercado
Music Video Special Jury	<i>“Quarrel” – Moses Sumney</i>	Allie Avital, Moses Sumney
Texas Winner	<i>I Am Mackenzie</i>	Artemis Anastasiadou
Texas Special Jury	<i>A Line Birds Cannot See</i>	Amy Bench
Texas High School Winner	<i>Fifteen</i>	Louisa Baldwin
Texas H. S. Special Jury	<i>Double Cross</i>	Amiri Scrutchin
Episodic Pilot	<i>Maggie</i>	Sasha Gordon
Episodic Special Jury	<i>Revenge Tour</i>	Andrew Carter, Kahlil Maskati
Design		
Poster Winner	<i>Daniel Isn’t Real</i>	Jock
Title	Spider Man: Into the Spider-Verse	Brian Mah, James Ramirez
Title Special Jury	<i>The Darkest Minds</i>	Michelle Dougherty
SPECIAL AWARDS		
Louis Black “Lone Star”	<i>The River and the Wall</i>	Ben Masters
Karen Schemer Film Editing Fellowship	—	Victoria Chalk
Adam Yauch Hörnblowér	<i>Tito</i>	Grace Glowicki
Vimeo Staff Picks	<i>Milton</i>	Tim Wilkime
Zeiss Cinematography	<i>Amazonian Groove</i>	Bruno Murtinho
Cherry Picks Female First Feature	<i>Alice</i>	Josephine Mackerras

Cherry Picks Special Recognition	<i>Days of the Whale</i>	Catalina Arroyave Restrepo
AUDIENCE		
Narrative Feature	<i>Saint Frances</i>	Alex Thompson
Documentary Feature	<i>For Sama</i>	Waad al-Kateab Edward Watts
Narrative Spotlight	<i>The Peanut Butter Falcon</i>	Tyler Nilson, Michael Schwartz
Documentary Spotlight	<i>Running With Beto</i>	David Modigliano
Visions	<i>The Garden Left Behind</i>	Flavio Alves
Midnighters	<i>Boyz In The Wood</i>	Ninian Doff
Episodic Premieres	<i>Ramy</i>	Bridget Bedard
24 Beats Per Second		
Global	<i>Cachada: The Opportunity</i>	Marlén Viñayo
Festival Favorite	<i>Raise Hell: The Life & Times of Molly Ivins</i>	Janice Engel
Virtual Reality		
360° Narrative	<i>Metro Veinte: Cita Ciega</i>	Maria Belen Poncio INTERACTIVE – Runnin’; Kiira Benzing
360° Documentary	<i>Send Me Home</i>	Cassandra Evanisko
Storytelling	<i>Gloomy Eyes</i>	Jorge Tereso, Fernando Maldonado
Best Use of Immersive Arts	<i>Home After War</i>	Gayatri Parameswaran
Special Jury	The Future of Experience	Jessica Brillhart



NUMBERS! NUMBERS! NUMBERS!

(North American Box Office) LOW-BUDGET INDEPENDENT FILMS (\$10.0M and under)

FILM	DISTRIBUTOR	REVENUE	COST
		thous. \$	thous. \$
<i>Book Club</i>	Paramount	68,556	10,000
<i>Dragon Ball Super: Broly</i>	Funimation	30,382	8,500
<i>Eighth Grade</i>	A24	13,640	2,000
<i>First Reformed</i>	A24	3,448	3,500
<i>Five Feet Apart*</i>	Lionsgate	35,823	7,000
<i>Forever My Girl</i>	Roadside Attractions	16,376	3,500
<i>Gully Boy*</i>	Viva Pictures Distribution	5,553	7,100
<i>Happy Death Day 2U*</i>	Universal	28,021	9,000
<i>Hell Fest</i>	Lionsgate	11,107	5,500
<i>Hereditary</i>	A24	44,069	10,000
<i>I Am Not Your Negro</i>	Magnolia	7,124	1,000
<i>I Can Only Imagine</i>	Roadside Attractions	83,477	7,000
<i>Indivisible*</i>	Pure Flix	3,511	2,700
<i>Leave No Trace</i>	Bleecker Street	6,046	<5,000
<i>Let There Be Light</i>	Atlas Distribution	7,242	3,000
<i>Mid90s</i>	A24	7,362	2,800
<i>Possession of Hannah Grace, The*</i>	Screen Gems	14,837	9,500
<i>Prodigy, The*</i>	Orion Pictures	14,848	6,000
<i>Slender Man</i>	Sony/Screen Gems	30,569	10,000
<i>Sorry to Bother You</i>	Annapurna	17,493	3,200
<i>Unplanned*</i>	Pure Flix	6,382	6,000

*Still in North American distribution as of March 31, 2019. Revenues are from boxoffice.com and boxofficemojo.com. Negative costs (production prior to prints and ads) are approximate, based either on industry estimates, and published interviews with filmmakers or personal conversations with filmmakers.

MORE NUMBERS! NUMBERS! NUMBERS!

(North American Box Office) HIGH-BUDGET INDEPENDENT FILMS (Over \$10.0M)

FILM	DISTRIBUTOR	REV. thous. \$	COST thous. \$
<i>Alpha</i>	Sony	35,851	51,000
<i>Atomic Blond</i>	Focus Features	51,574	30,000
<i>Bad Mom's Christmas, A</i>	STX Entertainment	72,110	28,000
<i>Darkest Hour</i>	Focus Films	56,443	30,000
<i>Den of Thieves</i>	STX Entertainment	44,947	30,000
<i>Favourite, The*</i>	Fox Searchlight	34,202	15,000
<i>Fighting with My Family*</i>	MGM	22,520	11,000
<i>Glass*</i>	Universal	110,998	20,000
<i>Green Book*</i>	Universal	84,485	23,000
<i>Hitman's Bodyguard, The</i>	Lionsgate/Summit	75,455	30,000
<i>House with a Clock in Its Walls, The</i>	Universal	68,550	42,000
<i>If Beale Street Could Talk*</i>	Annapurna	14,902	12,000
<i>Kid Who Would Be King, The*</i>	20 th Century	16,789	59,000
<i>Mary Queen of Scots</i>	Focus Features	16,468	25,000
<i>Mile 22</i>	STX Entertainment	36,109	35,000
<i>On the Basis of Sex*</i>	Focus Features	24,622	20,000
<i>Peppermint</i>	STX Entertainment	38,508	25,000
<i>Second Act</i>	STX Entertainment	39,282	16,000
<i>Simple Favor, A</i>	Lionsgate	53,530	20,000
<i>Tyler Perry's A Media Funeral</i>	Lionsgate	0,016	20,000
<i>Upside, The*</i>	STX Entertainment	107,486	37,500
<i>Vice*</i>	Annapurna	47,832	60,000
<i>Widows</i>	20 th Century Fox	42,403	42,000

*Same references as low-budget table.

LARGE FORMAT FILMS

FILM	DISTRIBUTION	REV. thous. \$	COST thous. \$
<i>Apollo 13: The Imax Experience</i>	IMAX	1,737	n/a
<i>Beautiful Planet, A*</i>	IMAX	15,510	n/a
<i>Born To Be Wild 3D*</i>	Warner Bros./IMAX	25,843	n/a
<i>Bugs!</i>	SK Films, Inc.	18,114	9,000
<i>Deep Sea 3D*</i>	Warner Bros.	46,387	1,000
<i>Galapagos: The Enchanted Voyage*</i>	IMAX	18,617	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.	52,402	n/a
<i>Island of Lemurs: Madagascar*</i>	Warner Bros.	11,250	n/a
<i>James Cameron's Deepsea Challenge</i>	DisruptiveLA	236	n/a
<i>Jerusalem 3D</i>	National Geographic	7,880	n/a
<i>Journey to the South Pacific*</i>	IMAX/MacGillivray	7,641	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: A Prehistoric Adventure</i>	National Geographic	23,746	n/a
<i>Sea Rex 3D: Journey to a Prehistoric</i>	3D Entertainment	6,097	n/a
<i>Space Station 3D</i>	IMAX	93,368	1,000
<i>Thrill Ride</i>	Sony Classics	18,795	9,000
<i>To the Arctic 3D</i>	Warner Bros.	14,545	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.	36,049	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.

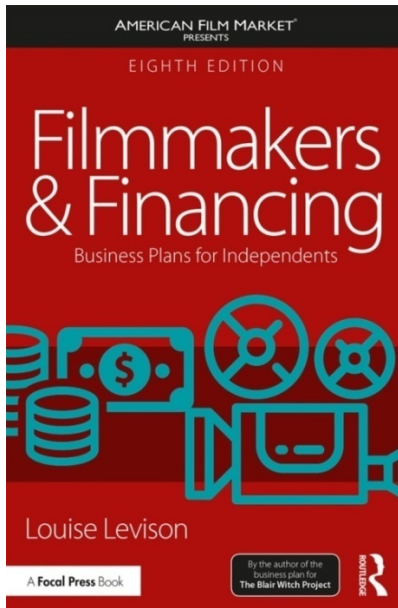
RICK PAMPLIN DIRECTOR OF NEW DOC

Local award-winning independent filmmaker Rick Pamplin has been announced as writer-director of a new feature length documentary inspired by Palm Beach resident Louise Levison's best-selling book *Filmmakers & Financing: Business Plans for Independents*. Pamplin says, "We are making a bold, truthful movie, which will reveal as many secrets as possible." He plans to interview multiple Palm Beach residents on camera and utilize locations throughout the County. Pamplin's storied career spans 18 years in Hollywood and 14 years at Universal Studios in Florida before he relocated to Palm Beach. He has written and directed several award-winning films including *Hoover*, starring Academy Award-winning actor **Ernest Borgnine**. Producers on the new film include Scott duPont; formerly a Jupiter Island resident turned Hollywood-based movie producer, and Palm Beach artist and production designer Maggie Pamplin. The executive producer is P.J. Marks. Follow updates on the production via Twitter at #ConfidentialFilmProject.



Pamplin and Borgnine

The latest edition of *Filmmakers & Financing: Business Plans for Independents*



<https://www.routledge.com/Filmmakers-and-Financing-Business-Plans-for-Independents/Levison/p/book/9781138947443>

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

(Speaking of 21st Century technology, check out the updated [moviemoney.com](http://www.moviemoney.com) site)
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. Louise Levison, the President of Business Strategies, is a highly respected financial consultant in the entertainment industry, specializing in creation of film business plans. She is the author of *Filmmakers & Financing: Business Plans for Independents*, currently in its revised and expanded eighth edition (A Routledge/Taylor & Francis book, 2017). She also appears prominently in the documentary #**CONFIDENTIALFilmProject** which was inspired by the book.

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. Levison's clients have raised money for low-budget films including *The Blair Witch Project*, the most profitable independent film in history, as well as for companies raising as much as \$300 million.

Levison also is editor of the online newsletter *The Film Entrepreneur: A Newsletter for the Independent Filmmaker and Investor*. Among other clients' projects are *The Prophet* (Kahlil Gibran's), *Unlimited* (Nathan Frankowski), *Burning Bodhi*, *Greater*, *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*), Pamplin Film Company (*Hoover*), Majestic World Entertainment and Tokuma International Ltd (*Shall We Dance*, *Princess Mononoke*). Levison was an Instructor in the Extension Program at UCLA for 22 years before moving to Florida. 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). She also has presented seminars and/or been on panels at festivals and markets around the world.

Contact Levison at louisel@earthlink.net to find out how you can put her 30 years of experience as a Film Business Consultant to work creating a business plan for your film.

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