

# TFE THE FILM ENTREPRENEUR:

A Newsletter for Independent Filmmakers and Investors

---



LOUISE LEVISON, EDITOR AND PUBLISHER

VOL. 24, No. 11

NOVEMBER 2017

## AFM: THE MORE THINGS CHANGE . . .

I've been going to the American Film Market (AFM®) since 1988. In comparison, the 38<sup>th</sup> market this year was the same in many ways and different in others from that first visit. Independents still make creative specialty films that occupy a major space in the market. On the other hand, that market has expanded far beyond the popularity of films like *Return of the Killer Tomatoes* which was a big hit in at the 1988 market, as was VHS tape. Today, buyers don't just check their watches for the running time but are looking for bigger films with stars with "global" content. In the 1980s and early '90s, a film with a budget of \$10M or more automatically was assumed to be a major studio project. Many of the large indie independent companies had not been created yet. Now the market has a wider variety of types of projects.

This year there was some confusion on where the market was headed. The domestic box office— both total and indie segment alone — is down. There may be multiple reasons, which we'll explore at yearend. A big question currently is the effect of ongoing sexual harassment scandals, and which films will survive. As the editor, I'm not going to rehash all the individual scandals except as it concerns the box office totals. Since The Weinstein Company always has been a major player in the indie space, I looked at their share of the box office totals through November 30<sup>th</sup>. The company's percentage of the domestic indie box office currently is running slightly ahead of last year at 8 percent compared to 7 percent. It remains to be seen how the films that are being sold off, such as *Paddington 2*, will affect the future.

Disruptors were the other big topic at AFM. Netflix and Amazon, as well as other Silicon Valley companies, have lots of money and look for relatively mainstream material. For analysts, this means AFM has to change to remain an important international market. "There are a lot of new companies and new models emerging," Hal Vogel, author of *Entertainment Industry Economics*, told *The Hollywood Reporter*. "But this isn't 10 years ago, when losing The Weinstein Co. would have been a big blow to the industry. Today, the indie companies aren't the ones dictating the future of the film business. Silicon Valley is. Where they go, the business will follow." In addition, buyers were quoted as pointing out that it is cheaper to go to Cannes than the U.S.

→ Page 1 ←

Copyright © Business Strategies NOVEMBER 2017 (<http://www.moviemoney.com>).  
No reproduction without permission

Sundance and other fests are much different than they were my first year of attending (also 1988) and have changed with the new technologies and distribution channels. Undoubtedly, AFM will. As for the buyers, will they really turn down a free trip to Hollywood?

Changes aside, AFM had a notable increase in exhibitor and attendee numbers from last year, with a significant increase in films screening. In total, 7,415 participants visited the Loews Hotel in Santa Monica, as attendance rose by 6 percent. The market also saw 1,476 buyers arrive from 71 countries with China and Taiwan each seeing growth of 35 percent more buyers. Overall exhibitor participation was up 18 percent with 445 registered exhibiting companies, with the largest number of exhibitors arriving from the United Kingdom, France, South Korea, and China, after the USA. Of 337 films screened –40 more than last year – there were 264 Market Premieres and 61 World Premieres. LocationEXPO’s first year drew 61 film commissions and agencies from around the world including Chile, Spain, Norway, New Zealand, Thailand and Russia. “The uptick in participation signals that the Independents are adapting to changing marketplace and can now confidently forecast future values,” said Jonathan Wolf, Managing Director of the American Film Market. This year the AFM also launched AFM Screenings on Demand, an online screenings platform that allows sales companies to screen their films privately for Buyers before, during and/or after the Market.


## AFI FEST

“As the 31st edition of American Film Institute’s AFI FEST comes to a close, this year’s awards shine a light on international cinema that resonated with the jurors and audiences alike,” said Fest Director Jacqueline Lyanga. “The awards celebrate the talents of exciting filmmakers at the top of their craft, whether at the beginning or in midst of their careers.” The program included 137 films (93 features, 44 shorts) representing 53 countries, including 40 films directed/co-directed by women, 19 documentaries and 14 animated films. This year’s program includes 14 official Best Foreign Language Film Oscar® submissions and 24 films featuring 75 AFI alumni. For the 14th consecutive year, Audi was the exclusive presenting sponsor of AFI FEST. The announced winners are:

<b>AWARD</b>	<b>FILM</b>	<b>WINNER</b>
New Auteurs Grand Jury	<i>Gaze</i>	Farnoosh Samadi
Live Action Short Special Mention	<i>Silica</i>	Pia Borg
<b>Audience Award</b>		
World Cinema	<i>The Insult</i>	Ziad Doueiri
New Auteurs	<i>What Will People Say</i>	Iram Haq
American Independents	<i>Bodied</i>	Joseph Kahn

Note: The Grand Jury Award winners for Live-Action and Animated Short are automatically eligible for the Academy Award® shortlists in the Best Live Action Short and Best Animated Short categories. ■

## SPIRIT AWARD NOMINATIONS

The nominations of the 33<sup>rd</sup> Film Independent Spirit Awards have been announced. These awards often are a precursor to Oscar nominations especially in the major categories: Best Feature, Best Director, Best Actor and Best Actress. In 2007, the nominating committee set a budget limit of \$20 million for eligible films. For a second year in a row, A24 led the Film Independent Spirit Award nominations, counting 17, five of which were for the Safdie brother's *Good Time*. Sony Pictures Classics followed with 13 propelled by Luca Guadagnino's *Call Me By Your Name* which had six noms and Chloe Zhao's *The Rider*. In addition, Universal/Blumhouse's Jordan Peele movie had five nominations. The nominees for Best Feature are: *Call Me By Your Name*, *Get Out*, *Lady Bird*, *The Florida Project* and *The Rider*. The awards will be broadcast live exclusively on IFC on March 3, 2018 at 2:00 pm PT / 5:00 pm ET. For the total list of nominees, go to: <http://deadline.com/2017/11/2018-film-independent-spirit-award-nominations-1202213125/> 

## SUNDANCE FILM FESTIVAL NOMINATIONS

Sundance Institute convenes a full slate of provocative and agenda-setting independent films at the 2018 Sundance Film Festival in Utah with screenings in Park City, Salt Lake City and at Sundance Mountain Resort January 18-28. Good quote from Cinetic Media. "If we freeze our faces off, at least it'll be in the pursuit of great filmmaking." Sorry I will not be there due to filming a documentary (see Page 8). For information on each film selected for the festival go to: <http://www.sundance.org/blogs/news/2018-sundance-film-festival--feature-films-announced>.



## COMINGS AND GOINGS

Liberty Global, the world's largest international TV and broadband company, has invested in **STX Entertainment** (*Bad Moms*, *A Bad Mom's Christmas* and *The Foreigner*). No terms or amounts were disclosed in the press release from STX. *The Wall Street Journal* estimated the amount at \$35 million, however, which the paper says values STX at \$1.37 billion. The Liberty investment gives STX access to the 24 million customers in 30 counties who subscribe to its TV, Internet and telephony services, and has more than 10 million mobile subscribers hungry for content.

**Madison Wells Media** launched by Gigi Pritzker and Clint Kisker in 2015 has changed its name to MWM. A diversified media and entertainment company that allows creators to cross-pollinate content between film, TV, live events, digital video and AR/VR in order to grow brands in an engaging way, the new structure has brought all its divisions, including MWM Studios (formerly OddLot Entertainment), MWM Immersive (formerly Reality One) and MWM Live (formerly Relevant Theatricals) under one umbrella. "We see gaping opportunities," Pritzker told *Deadline*. "... We are investing strategically in companies that can be amplifiers of the core divisions we have."

Lyndon Golin, Peter Elson, Ray Price have launched U.S. distribution company **New Castle Pictures** (NCP). Unlike traditional distributors, the company plans to put up P&A and will let rights holders share in the revenue take for their film's U.S. release instead of offering filmmakers minimum guarantees for their movies. NCP will release four to six independent films, in both English and foreign languages, in its first year of operation. Golin, Chairman of NCP, is a former Universal Pictures and MGM executive and most recently President and Co-founder of Regency Theaters,

**Red Arrow Entertainment Group has acquired a majority stake in U.S. film distributor Gravitas Ventures.** Gravitas focuses on independently produced films and documentaries for global digital, SVOD and OTT platforms. The company also distributes to theatres and brick-and-mortar retailers. As part of the acquisition, all Gravitas Ventures employees will be retained and Nolan Gallagher, Michael Murphy and Brendan Gallagher will continue to run the business. Gravitas releases more than 400 films annually and has a library of more than 2,400 English-language titles

Shaun Redick, one of the executive producers of horror hit *Get Out*, has launched **Impossible Dream Entertainment** (iDream Ent.), a new production and finance company that has a first-look deal with QC Entertainment, reports *The Hollywood Reporter*. Impossible Dream has also partnered with Florida-based financier Mickey Gooch of Delray Village Entertainment for intellectual property development and strategic entertainment investments. Latina producer and actress Yvette Yates (*Inherent Vice*) will be a partner at Impossible Dream, which has goals of developing, packaging, producing, financing, selling and distribution. It also will have an eye on Latino stories that can act as cross-over material. “In a constantly evolving and shifting content-creation and distribution business, it's important to be smart, fast and nimble. At Impossible Dream, we will adapt quickly to the trends that reach for prestige and drive profits,” said Redick.

**Shout! Factory** has announced the creation of a filmed entertainment, production and distribution arm that will specialize in content development, reports *deadline.com*. Three films have been announced for a 2018 release: Sam Hoffman’s *Humor Me*, which will be released January 12; *The House of Tomorrow* for April; and *Izzy Gets the F Across Town* for March. Danny Baron’s *Basmati Blues*, starring Brie Larson and Donald Sutherland, also will bow from the label. Also released through this label will be Xuan Liang’s animated feature *Big Fish & Begonia* and Dan Chuba and Mark Dippé’s *The Boxcar Children: Surprise Island*, featuring the voice talent of Martin Sheen, J.K. Simmons and Dane DeHaan.

**Dream Factory Group** has launched as a new production company with financing from China and the U.S. co-founded by CEO Rob Feng and Co-Chairmen Amber Wang and Andrew Yang. The new company’s first project is *Luce*, directed by Julius Onah. “Dream Factory Group is committed to financing and producing compelling, character-driven projects while collaborating with the best creative minds in the film world,” Feng said. Amber Wang, the former CEO of Mandoo Pictures and *Rock Dog* producer added: “While Dream Factory Group is both Chinese and American, we are interested in making films with worldwide appeal and universal storylines. As individuals, we are uniquely skilled in every aspect of filmmaking. Rob has extensive experience in creative and production; Andrew’s forte is financing, brands, and working with global markets; and my credentials span all of these areas.”

## NUMBERS! NUMBERS! NUMBERS!

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

FILM	DISTRIBUTOR	REVENUE	COST
		thous. \$	thous. \$
<i>47 Meters Down</i>	Entertainment Studios Motion Pictures	44,307	5,000
<i>All Saints</i>	Pure Flix	5,802	2,000
<i>Belko Experiment, The</i>	BH Tilt	10,167	5,000
<i>Big Sick, The</i>	Lionsgate/Amazon	42,872	5,000
<i>Call Me By Your Name*</i>	Sony Pictures Classics	657	3,500
<i>Case for Christ, The</i>	Pure Flix	14,682	3,000
<i>Collide</i>	Open Road Films	2,280	800
<i>Florida Project, The*</i>	A24	4,744	2,000
<i>Friend Request</i>	Entertainment Studios Motion Pictures	3,759	9,900
<i>Ghost Story, A</i>	A24/Amazon	1,596	100
<i>How To Be A Latin Lover</i>	Pantelion Films	32,149	10,000
<i>I Am Not Your Negro</i>	Magnolia	7,124	1,000
<i>It Comes At Night</i>	A24	13,985	3,800
<i>Jigsaw*</i>	Lionsgate	37,881	10,000
<i>Lady Bird*</i>	A24	12,545	10,000
<i>Loving Vincent*</i>	Good Deed	5,290	6,500
<i>Maudie*</i>	Sony Pictures Classics	6,171	5,600
<i>Paris Can Wait</i>	Sony Pictures Classics	5,618	5,000

\*Still in North American distribution as of November 30, 2017. 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.

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

FILM	DISTRIBUTOR	REV.	COST
		thous. \$	thous. \$
<i>All Eyez On Me</i>	Lionsgate/Summit	44,922	45,000
<i>American Assassin</i>	Lionsgate	36,250	33,000
<i>Atomic Blond</i>	Focus Features	51,574	30,000
<i>Baby Driver</i>	TriStar	107,826	34,000
<i>Bad Mom's Christmas, A*</i>	STX Entertainment	64,737	28,000
<i>Circle, The</i>	STX Entertainment	20,498	18,000
<i>Detroit</i>	Annapurna	16,790	34,000
<i>Foreigner, The*</i>	STX Entertainment	34,141	35,000
<i>Hitman's Bodyguard, The</i>	Lionsgate/Summit	75,455	30,000
<i>Home Again</i>	Open Road	27,020	12,000
<i>Kidnap*</i>	Aviron	30,718	21,000
<i>Leap!*</i>	The Weinstein Co.	21,852	30,000
<i>Logan Lucky</i>	Bleecker Street	27,871	29,000
<i>Lost City of Z, The</i>	Bleecker Street	8,580	30,000
<i>Marshall*</i>	Open Road	8,902	12,000
<i>Nut Job 2, The: Nutty by Nature</i>	Open Road	28,370	40,000
<i>Only the Brave*</i>	Sony	17,893	38,000
<i>Stronger</i>	Roadside Attractions	4,211	30,000
<i>Three Billboards Outside of Ebbing, MO*</i>	Fox Searchlight	9,140	15,000
<i>Tyler Perry's Boo2! A Madea Halloween*</i>	Lionsgate	47,059	25,000
<i>Wind River*</i>	The Weinstein Co.	33,	11,000
<i>Wish Upon</i>	Broad Green	14,301	12,000
<i>Wonder*</i>	Lionsgate	75,533	20,000

\*Same references as low-budget table.

## LARGE FORMAT FILMS

FILM	DISTRIBUTION	REV.	COST
		thous. \$	thous. \$
<i>Apollo 13: The Imax Experience</i>	IMAX	1,737	n/a
<i>Beautiful Planet, A*</i>	IMAX	12,357	n/a
<i>Born To Be Wild 3D*</i>	Warner Bros./IMAX	25,601	n/a
<i>Bugs!</i>	SK Films, Inc.	18,114	9,000
<i>Deep Sea 3D</i>	Warner Bros.	46,263	1,000
<i>Galapagos: The Enchanted Voyage</i>	IMAX	18,572	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.	51,933	n/a
<i>Island of Lemurs: Madagascar*</i>	Warner Bros.	11,011	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	7,616	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	93,309	1,000
<i>Thrill Ride</i>	Sony Classics	18,795	9,000
<i>To the Arctic 3D*</i>	Warner Bros.	14,518	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.	35,655	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.

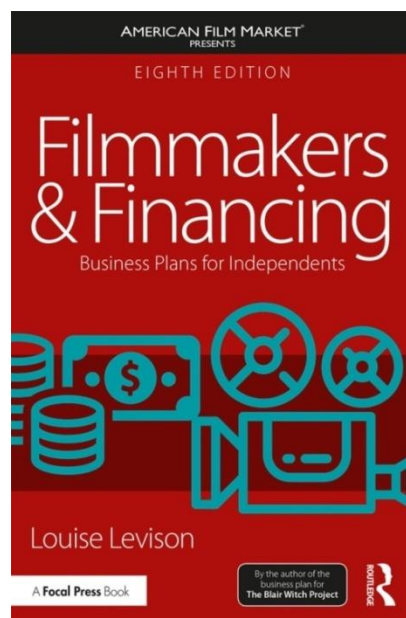
## LOCAL AUTHOR ANNOUNCES FILM FINANCING DOCUMENTARY

Best-selling author, financial advisor, and Palm Beach resident Louise Levison recently held a “Meet and Greet” to announce a new documentary feature film at the **American Film Market** in Los Angeles. Based on Levison’s book, *Filmmakers & Financing: Business Plans for Independents*, the film will be produced by Scott duPont, a Jupiter Island native who has established a strong presence in Hollywood through 12 award-winning documentaries and features including Lionsgate’s *The BROS* and Celebrity Home Entertainment’s *What is the Electric Car?* As President of Business Strategies and a financial consultant in the film industry for 28 years, Levison is the guru of film business plans. Her clients have raised money for films such as *The Blair Witch Project*, the most profitable independent film in history. While the documentary is in production, interested filmmakers can check out Levison’s online newsletter, *The Film Entrepreneur: A Newsletter for Independent Filmmakers and Investors*. See more at [www.moviemoney.com](http://www.moviemoney.com). (<http://www.pbfilm.com/december-2017>)



T & F Editor Jacobs, Levison and duPont at AFM

## 8TH EDITION!



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

→ Page 8 ←

Copyright © Business Strategies NOVEMBER 2017 (<http://www.moviemoney.com>).  
No reproduction without permission



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

(Speaking of 21<sup>st</sup> Century technology, check out the updated [moviemoney.com](http://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. 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](mailto: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.

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 eighth edition (A Routledge/Taylor & Francis book, 2016). The sixth edition of the book was published in Mandarin. 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). Levison has presented seminars and/or been on panels at festivals and markets around the world.

***THE FILM ENTREPRENEUR*** is published by Business Strategies

Louise Levison, Editor 11231 U.S. Highway 1 #308 North Palm Beach, FL 33408  
Phone: (818) 427-7108

E-mail: [louisel@earthlink.net](mailto:louisel@earthlink.net); [info@moviemoney.com](mailto:info@moviemoney.com)

Online: <http://www.moviemoney.com>