

TFE THE FILM ENTREPRENEUR:

A Newsletter for Independent Filmmakers and Investors



LOUISE LEVISON, EDITOR AND PUBLISHER

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INDIE BOX OFFICE REACHES \$2.2B AT ¾ MARK

The box office for Indie films had a slow start this year; but it ended with \$2.2 billion in North American revenues through September 30th, 7 percent ahead of last year's 2.0 billion. The group with the highest revenue for the period included films earning \$20 to \$49 million to-date and totaled \$559.1 million, up 22 percent over the same period in 2016. The last quarter of the year usually is the Indie segment's best, as distributors tend to hold the films they believe to be most Oscar-worthy. As we have noted in *TFE* before, it is difficult to know what the changing landscape for film, with Netflix, Amazon, Hulu and others will have on eventual totals. *TFE* has been tracking the total domestic box office dollars due to Amazon (often with significant U.S. partners for domestic) and Netflix. To-date Amazon has had 9 films in distribution with total of revenues \$70.9 million (including \$17,948 from 2016's *Manchester by the Sea*.) Netflix has not released a film in the U.S. box office so far this year.

The Indie segment is sufficiently ahead of last year to easily reach \$3 billion for the year. Similar to my comment at this point last year, however, with recent events I feel more confident betting on an inside straight than on what total Indie revenues will be by December 31. ■

TORONTO U.S. SALES 30% HIGHER THAN 2016

At the 42st edition of the Toronto International Film Festival® (TIFF), which ran September 7th to 17th, buyers acquired 30 films for U.S. distribution compared to 23 films in 2016, 35 films in 2014 and 28 in 2013, as reported by the end of the festival. Even though distributors complained that there were "no good films," they kept buying. "A lot of distributors say they're sort of disappointed with the crop of available titles, but frankly, that's because they've bought a lot of movies already and they're launching them there," a seller who requested anonymity told *Variety*. One of the most interesting comments on the state of the industry as buyers flocked to the fest was made by a distribution exec to the wrap.com. "Audiences are smart, they have content being

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thrown at them in every direction. . . A lot of folks are mad and distressed because we can't fool the customer anymore.”

As with earlier festivals, Toronto focused on women. The festival kicked off a \$3 million campaign to support female filmmakers. “We acknowledge that gender inequity is systemic in the screen industries, so change has to happen at every level. That includes getting more women into key creative roles. We plan to seek out, develop, and showcase top female talent in the industry through our festival and year-round initiatives,” Festival Artistic Director Cameron Bailey said in a statement.

The festival hosted 340 films compared to 397 last year, a purposeful decrease. Attendees said that the organizers were changing from seeking acquisition titles to “Oscar bait” films. Sony Pictures Classics Co-President Tom Bernard pointed out that limiting the volume “takes a lot of the fest's uniqueness away.” Of the total, there were 256 features (238 World, International or North American premieres) and 84 shorts. There were 7,299 total submissions from 74 countries: 6,166 International and 1,133 Canadian.

The buying prices reported during the festival for films for U.S. distribution were \$5 million or under. Not all the big buys from previous festivals have paid off, and buyers seemed much more cautious with their wallets.

TORONTO FILM FESTIVAL SALES 2017 FOR U. S. RIGHTS

FILMS ACQUIRED JULY 26TH TO SEPTEMBER 6TH

FILM	DISTRIBUTOR	MILLION \$
<i>Apostasy</i>	Cornerstone Films	n/a
<i>Film Stars Don't Die In Liverpool</i>	Sony Pictures Classics	2.0
<i>Insult, The*</i>	Cohen Media Group	n/a
<i>Kaleidoscope*</i>	IFC Midnight	n/a
<i>Revenge*</i>	Shudder	n/a
<i>Three Seconds*</i>	Aviron	n/a

FILMS ACQUIRED SEPTEMBER 7TH TO SEPTEMBER 17TH

FILM	DISTRIBUTOR	MILLION \$
<i>I%*</i>	A24 and DirecTV	n/a
<i>Acts of Vengeance,</i>	Saban Films	n/a
<i>Anon**</i>	Netflix	4.0
<i>Beast*</i>	30West	n/a
<i>Bullet Head</i>	Saban Films	n/a

<i>Chappaquiddick*</i>	Entertainment Studios	4.0 +16.0 P&A
<i>Children Act, The</i>	A24 and DirecTV	n/a
<i>Cocote</i>	Grasshopper Film	n/a
<i>Cured, The*</i>	IFC	7 figures
<i>Day of the Dead,</i>	Saban Films	n/a
<i>First Reformed</i>	A24	n/a
<i>Foxtrot*</i>	Sony Pictures Classics	n/a
<i>Hot Summer Nights</i>	A24 and DirecTV**	n/a
<i>I, Tonya</i>	Neon and 30West	5.0
<i>I Love You Daddy</i>	The Orchard	5.0
<i>Jim and Andy: The Great Beyond – Featuring A Very Special, Contractually Obligated Mention Of Tony Clifton**</i>	Netflix	3.0+
<i>Kodachrome</i>	Netflix	4.0
<i>Midway</i>	Lionsgate	n/a
<i>Replicas*</i>	Entertainment Studios	4.0
<i>Ritual, The**</i>	Netflix	4.75
<i>Sweet County*</i>	Samuel Goldwyn Films	n/a
<i>Super Size Me 2: Holy chicken!**</i>	YouTube Red	3.5
<i>Under the Tree*</i>	Magnolia	n/a
<i>Vigilance</i>	Lionsgate	n/a

*North American Rights, **World Rights

AND THE TORONTO INTERNATIONAL FILM FESTIVAL WINNERS ARE...

AWARD	FILM	FILMMAKER
Grolsch People's Choice	<i>Three Billboards Outside Ebbing, Missouri</i>	Martin McDonagh
First Runner Up	<i>I, Tonya</i>	Craig Gillespie
Second Runner Up	<i>Call Me By Your Name</i>	Luca Guadagnino
Grolsch People's Choice Documentary	<i>Faces Places</i>	Agnès Varda
First Runner Up	<i>Long Time Running</i>	Jennifer Baichwal
Second Runner Up	<i>Super Size Me: Holy Chicken!</i>	Nicholas De Pencier Morgan Spurlock
Grolsch People's Choice Midnight Madness	<i>Bodied</i>	Joseph Kahn
First Runner Up	<i>The Disaster Artist</i>	James Franco
Second Runner Up	<i>Brawl in Cell Block 99</i>	Craig Zahler
FIPRESCI (International Critics) Jury Prize for Best Special Presentation Film	<i>The Motive</i>	Manuel Martín Cuenca
FIPRESCI Prize Discovery	<i>Ava</i>	Sadaf Foroughi
NETPAC Best Asian Film	<i>The Great Buddha</i>	Huang Hsin-Yao
Platform Prize	<i>Sweet Country</i>	Warwick Thornton
Special Mention	<i>Dark River</i>	Clio Barnard
Canada Goose Best Canadian Feature Film	<i>Les Affamés</i>	Robin Aubert
Honorable Mention	<i>The Little Girl</i>	Simon Lavoie
City of Toronto Best Canadian First Feature	<i>Luk' Luk'l</i>	Wayne Wapeemukwa
Honorable Mention	<i>Ava</i>	Sadaf Foroughi
IWC Short Cuts Best Canadian Short Film	<i>Pre-Drink</i>	Marc-Antoine Lemire
IWC Short Cuts Best ShortFilm	<i>The Burden</i>	Niki Lindroth von Bahr
Honorable Mention tie	<i>The Tesla World Light</i> <i>A Gentle Night</i>	Matthew Rankin Qiu Yang's Xiao Cheng



QUOTABLE

“You just have to find that thing that's special about you that distinguishes you from all the others, and through true talent, hard work, and passion, anything can happen.” Dr. Dre at N.W.A’s induction into the Rock And Roll Hall Of Fame, April 8, 2016. ■

THE IMPACT OF OLDER MOVIEGOERS ON BOX OFFICE

<http://www.aarp.org/research/topics/life/info-2017/the-50plus-moviegoer.html>

An AARP and Movio report published this month shows that moviegoers 50 and over were 30-percent of all visits to films. Key findings in a white paper written by Movie find that they:

- Are 31 percent of all moviegoers over 14 and account for 32 percent of all domestic cinema visits
- See an average of 6.8 movies annually, and those over 65 see an average of 7.3 annually.
- Make up 75 percent of all paid ticket visits to Art House movies, 56 percent of Christian film visits and 54 percent of Independent films
- Contributed to 56 percent of Christian film visits, 54 percent of Independent films, have helped establish and support a new genre of film, “Mature Thrillers” to which they account for 49 percent of ticket visits and made up 27 percent of visits to tentpole films
- Are less likely to see a movie on opening weekend than the general audience
- Tend to go to a cinema before 6 P.M. (70 percent) and are more likely to attend on Tuesdays and Wednesdays than younger adults

A full copy of the research can be downloaded at aarp.org/moviegoers50plus ■

COMINGS AND GOINGS

Producer/Director Jeff Lipsky has launched New York-based **Glass Half Full Media**, a distribution consulting firm. The company will provide services for U.S. and international producers, filmmakers and sales agents. Lipsky began his distribution career working alongside John Cassavetes on *A Woman Under The Influence* and later co-founded October Films before segueing to a dual career as a filmmaker with the 2006 Sundance selection *Flannel Pajamas* and co-founding Adopt Films with Tim Grady in 2011. “All I hear is doom and gloom,” Lipsky said in a statement. “The negativity that ricochets throughout the independent sector is deafening. I wake up each morning and drink a tall glass of optimism. Price Waterhouse is forecasting that filmed entertainment revenues in the U.S. will set a new all-time record high in 2017. That’s all I need to know. I want to share in those revenues and I want our clients to do the same.”

UK distribution outfit **Icon Film Distribution**, which re-launched four years ago with backing from private investment group New Sparta, is seeking new investors again. Actor Mel Gibson and Australian producer Bruce Davey founded the company in 1989. The company has a library

of over 200 titles including *Paranormal Activity*, *What Woman Want*, *Transporter 3*, *Man On Wire*, and *Drive*. In September 2008, Davey and Gibson sold the Icon International Sales and Film distribution arms to Stewart Till. In September 2013, Icon Film Distribution UK and Icon Home Entertainment UK were purchased by investment company New Sparta. The company has reduced its number and scale of releases in 2017. No movies are currently slated for release in coming months and staff will not attend AFM. *Kedi*, a breakout Turkish documentary for the firm, is currently on release.

Toronto-based distributor Raven Banner Entertainment has partnered with 9 Light Entertainment (Pasha Patriki) and boutique post-production house 9 Light Entertainment to launch a production arm, **Hangar 18 Media**. The venture will produce original content and provide production services for Canadian, US and international projects, as well as co-productions filming in Canada. Hangar 18 Media's first production is documentary feature *The Booker*, which is currently being shot in Canada, Mexico and the U.S. The documentary centers on a Canadian professional wrestler and is directed by Raven Banner's Michael Paszt and produced by Patriki and Bruno Marino. Andrew Hunt, managing partner of Raven Banner, said: "As Raven Banner grows, it's important for us to become a truly full-service entity, with the ability to develop, produce, distribute and sell our own original content all in-house."

WME/IMG has acquired a majority stake in the film finance and sales company **Bloom**. The company, launched by former Exclusive Media executive Alex Walton and financier (and heir to the Garmin fortune) Ken Kao in 2014, will continue to operate as its own entity. WME Global will now leverage the investment capital and its partners' acumen and reputation to grow Bloom with which the agency will have a better reach when it comes to securing funds from territory-by-territory overseas sales on projects and hold onto projects rather than working with third-party sales agents. WME/IMG Co-President Taylor told screendaily.com that he holds all sales agents in the highest regard and has every intention of continuing to service them with appropriate top-tier product. According to the trade paper, though an alternative view posed by those in the space is that the investment in Bloom will create an environment of haves and have-nots. "If I'm an independent sales agent, even one with money, I won't expect to get the best packages now," one source said. "The other sales agencies should start to develop material or lock down first-look deals with talent and producers to ensure they get great product too."

Lionsgate announced it is working with a South Korean theme park operator to develop **Lionsgate Movie World**, the studio/distributor's first branded outdoor amusement park, reports deadline.com. Spanning about 1.3 million square feet, the park will feature seven movie zones, each themed around Lionsgate properties, including *The Hunger Games*, *The Twilight Saga* and *Now You See Me*, as well as the March 2018 release *Robin Hood*, among others. Visitors will experience movie scenes through state-of-the-art rides, attractions and 4D-reproduced streets and towns. Each zone will also feature themed restaurants, cafés, souvenir shops and entertainment performances. "Our partners are creating a world-class resort that will be the perfect home for our theme park," CEO Jon Feltheimer said in a statement. Lionsgate Movie World is expected to commence construction in 2018 and open in 2019. 🍷

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	44,294	5,000
<i>All Saints*</i>	Pure Flix	5,639	2,000
<i>Belko Experiment, The</i>	BH Tilt	10,167	5,000
<i>Big Sick, The*</i>	Lionsgate/Amazon	42,777	5,000
<i>Case for Christ, The</i>	Pure Flix	14,682	3,000
<i>Collide</i>	Open Road Films	2,280	800
<i>Friend Request*</i>	Entertainment Studios Motion Pictures	3,253	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>Kedi</i>	Oscilloscope	2,810	1,000
<i>Manchester by the Sea</i>	Roadside Attractions	47,695	8,500
<i>Maudie*</i>	Sony Pictures Classics	6,130	5,600
<i>Moonlight</i>	A24	27,850	1,500
<i>Paris Can Wait*</i>	Sony Pictures Classics	5,618	5,000
<i>Phoenix Forgotten</i>	Cinelou Films	3,600	2,800
<i>Sleight</i>	BH Tilt	3,931	250

*Still in North American distribution as of September 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.

MORE NUMBERS! 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	30,982	33,000
<i>Atomic Blond*</i>	Focus Features	51,574	30,000
<i>Baahubali 2: The Conclusion</i>	Great India Films	20,187	20,000
<i>Baby Driver*</i>	TriStar	107,538	34,000
<i>Circle, The</i>	STX Entertainment	20,498	18,000
<i>Detroit*</i>	Annapurna	16,781	34,000
<i>Girl on the Train, The</i>	Universal	75,395	40,000
<i>Hitman's Bodyguard, The*</i>	Lionsgate/Summit	74,474	30,000
<i>Home Again*</i>	Open Road	24,747	12,000
<i>Kidnap*</i>	Aviron	30,523	21,000
<i>Leap!*</i>	The Weinstein Co.	20,765	30,000
<i>Logan Lucky*</i>	Bleecker Street	27,469	29,000
<i>Lost City of Z, The</i>	Bleecker Street	8,580	30,000
<i>Nut Job 2, The: Nutty by Nature*</i>	Open Road	28,370	40,000
<i>Power Rangers (2017)</i>	Lionsgate	85,364	100,000
<i>Shack, The</i>	Lionsgate/Summit	57,386	20,000
<i>Underworld: Blood Wars</i>	Screen Gems	31,023	25,000
<i>Valerian and the City of a Thousand Planets</i>	STX Entertainment	40,479	209,000
<i>Wind River*</i>	The Weinstein Co.	32,636	11,000
<i>Wish Upon*</i>	Broad Green	14,293	12,000
<i>Wolf Warrior 2*(a)</i>	Well Go USA	2,721	29,700

* Still in North American distribution as of September 30, 2017; (a) WW2 has made \$814 million to-date in the International Box Office.

LARGE FORMAT FILMS

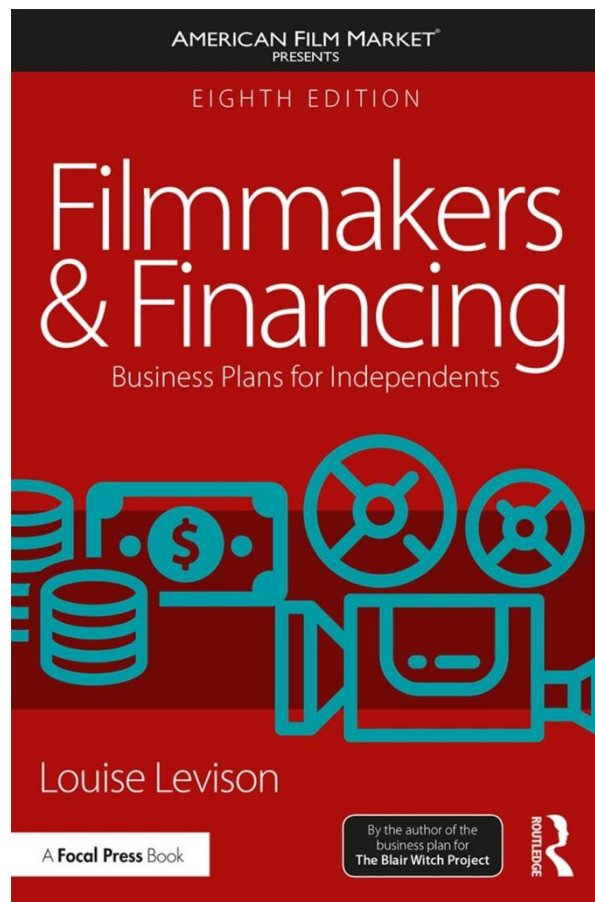
FILM	DISTRIBUTION	REV.	COST
		thous. \$	thous. \$
<i>Apollo 13: The Imax Experience</i>	IMAX	1,737	n/a
<i>Beautiful Planet, A*</i>	IMAX	20,071	n/a
<i>Born To Be Wild 3D*</i>	Warner Bros./IMAX	25,563	n/a
<i>Bugs!</i>	SK Films, Inc.	18,114	9,000
<i>Deep Sea 3D</i>	Warner Bros.	46,263	1,000
<i>Galapagos: 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.	51,872	n/a
<i>Island of Lemurs: Madagascar*</i>	Warner Bros.	10,917	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	7,565	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	93,289	1,000
<i>Thrill Ride</i>	Sony Classics	18,795	9,000
<i>To the Arctic 3D</i>	Warner Bros.	14,517	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.	35,628	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

* Still in North American distribution as of September 30, 2017

NEW EDITION!

Filmmakers and Financing: Business Plans for Independents

By Louise Levison



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

[Routledge.com/American-Film-Market-Presents/book-series/AFMP](https://www.routledge.com/American-Film-Market-Presents/book-series/AFMP)

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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 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 to find out how you can put her 28 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.

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