

M A G A Z I N E
MOVIE MAKER

THE
ECONOMICS
OF

MOVIE MAKING:

IS THERE
ANY
MONEY

TO BE
LEFT
IN

FILM?



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What is it Like to See Your Script Produced By HOLLYWOOD?

Here is How This Screenwriter
Made It Happen

By: **KEN MIYAMOTO**

Seeing your screenplay produced is the ultimate goal for every screenwriter. It's one thing to win a contest, get representation, sign that first option contract, and get that first check for either a script sale or writing assignment—but the final summit is actually seeing a studio produce your screenplay with a name cast.

It doesn't happen often. Most working screenwriters make money off of spec scripts and assignments that never make it to the big screen or television.

Here we offer a ground-level, in the trenches perspective from a screenwriter—me—that saw his screenplay go from page to screen. I'll share the trials, tribulations, and triumphs of the process to give all up-and-coming screenwriters a real world look into what it's really like to be a screenwriter—and how it really feels to see your work produced by Hollywood.

The purpose is to showcase a story apart from the glitz and glamour that we read about with the top 1 percent screenwriters making big paychecks and working with A-List talent. 99 percent of the other working screenwriters out there have a much different experience.

This one was mine.

The Beginning

I had worked in the film and television industry for years—but on the studio end of things. I moved to California from my home state of Wisconsin with hopes and dreams of becoming a professional screenwriter. When my wife and

I relocated to our second apartment, we blindly selected one in Culver City. To our surprise—and my utter glee—the apartment was located just across the street from Sony Studios. The former home of MGM.

I wanted—no, I needed to work behind those walls. After weeks upon weeks of failed attempts to secure a Sony job through their employment website, I walked up to a Sony security gate and asked the guard, "How do I get a job here?"

Two weeks later, I was a Sony security guard. I worked my way into the VIP parking lot and enjoyed months of seeing and talking to Hollywood elite.

I then worked my way out of the Sony security uniform and into an office position where I later became a studio liaison working with incoming film and television productions. From there I networked and got into Sony development as a script reader and story analyst—all while honing my own screenwriting skills on the side.

I later left my studio position to raise our newborn son while writing at home. I managed to secure representation from my first notable screenplay and found myself invited to multiple meetings at Sony, Universal, Dreamworks, Warner Bros, and Disney.

But priorities changed after nothing came from those meetings. We decided to move back to Wisconsin to raise our son closer to family. Ironically enough, I managed to sign my first contract after moving 2000 miles away from Los Angeles. My deal with Lionsgate was going strong until the one-two punch of the economic crisis and the Writers Guild strike of 2007/2008 hit.

The Rock Star Without a VOICE: In A Bigger Splash, Tilda Swinton Finds Joy in Muteness

By: **KEN MIYAMOTO**

A Bigger Splash, which reteams Tilda Swinton with Italian director Luca Guadagnino (*I Am Love*), features a brilliant opening flashback of Swinton as Marianne Lane, a globally famous rock star—think female David Bowie—performing in a stadium to 70,000 shrieking fans.

A close-up on Marianne's face, with her slanted eye make-up and inscrutable expression, reveals a flicker of excitement—or is it ennui? Marianne used to get a rush from the multitudes of adoring fans screaming her name; now she realizes there's an unspoken, impossible chasm between her and the masses that adore her without knowing her, and she wants to escape.

Marianne's hideaway is a gorgeous house with a pool, a vision out of a Bill Hockney painting, on the beautiful island of Pantelleria in Italy off the coast of Tunisia. There she flees with her filmmaker boyfriend Paul (Matthias Schoenaerts), who protects and nurses her as she recovers from vocal chord surgery requiring her to be mute for two weeks. There's no shortage of activities to pursue on this volcanic island with its dark past and unique geographical location, which also makes it a route for political refugees—another subtext to the film, loosely based on Jacques Deray's 1969 French New Wave classic, *La Piscine*.

Marianne and Paul, a recovering alcoholic, swim, drink wine, tool around the island, sunbathe, unwind, make love to their hearts' content. It's paradise until former record producer—and Marianne's former lover—Harry (Ralph Fiennes) turns up with his recently discovered, Lolita-like

daughter, Penelope (Dakota Johnson). The way father and daughter gaze at each other and intertwine is a bit incestuously creepy, and adds another layer of ambiguity to the plot. Soon the purpose of Harry's visit becomes transparent: He's on a mission to win back Marianne and prove he's still relevant, both in her life and as a record producer. Fiennes steals the show with his frenetic energy and constant yammering. And his Mick Jagger moves to "Emotional Rescue" are worth the price of admission.

At a press event for *A Bigger Splash* in Manhattan, Tilda Swinton, looking ethereally beautiful, discussed her character Marianne, and revealed it was her idea to make her mute.

As for the actress's future projects, there's been much controversy concerning her recently wrapped film, *Dr. Strange*, in which she plays a Tibetan character known as the Ancient One. ("Typecast," she said of the character's name, though she adds, "It's a badge of honor. I'm very proud.") Marvel Comics has been accused of whitewashing the role now that the Ancient One has been rewritten as a Celt, no longer Asian or a man, although in trailers Swinton's character looks androgynous (an old-hat quality in her work and personal life). "I come from a family who kind of all look like this, mainly boys. All the boys look like this," she says.

Swinton is now filming *Okja* with Snowpiercer director Bong Joon-ho. And after *Okja*, she is reunited with Guadagnino for a remake of Dario Argento's *Suspria*. Referencing films he'd seen as a teenager, such as *Rosemary's Baby*, *The Exorcist* and *The Shining*, the director said that it was his ambition "to make the scariest movie of



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BY: ANN ARNOLD

The Oscars are the film industry's most glamorous event of the year, but when it comes to the economics of movie making, it's not such a pretty picture. It's harder than ever to make money from movies.

For the US studios, heartland of the global industry, there's more competition from local language films.

There's the decline of DVD rentals and sales. And the unpredictability brought by the new digital distribution options.

But there are some winning avenues — and aspiring film-makers would do well to consider the key trends.

Franchise and Merchandise

This is where the dollars are.

Matthew Lieberman, a director at PwC in Los Angeles, says where many studios used to make 20 to 30 movies a year, they're now focussing on fewer, with bigger budgets. But they're movies that have a long shelf life.

"Over the past couple of years the big blockbusters have grown significantly in popularity and some of those are generating significant revenue for the film studios," he said.

The ability to make money on these films is something that is quite unique, because there are often multiple releases, spin-off television franchises, and unbelievable revenue that can be created from consumer products.

"The ability to make money on these films is something that is quite unique, because there are often multiple releases, spin-off television franchises, and unbelievable revenue that can be created from consumer products.

"Think sheets, T-shirts, cups, mugs, all of those types of items. Many of the studios have banked on making only these franchises instead of either mid-size or smaller fare."

Consumers will watch them over and over again. And the more international appeal, the better.

Does that necessarily mean action, established stars, and superhero or comic book characters? Lieberman is not sure that can last.

"There are quite a few nay-sayers who believe that that market is getting very saturated way too quickly," he said.

"The question will be: Can there be continued success over the next couple of years? Will consumers pay a premium to continue to watch films or other content that may be similar to what they're already seeing?"

Movie Star Economics

For playing one character — Tony Stark/Ironman — in three Ironman movies and three Avengers movies, it's estimated Robert Downey Jr has earned at least \$150 million, and perhaps as much as \$300 million.

Jeff Spross, economics and business correspondent at The Week, says that's not so surprising.

"The purpose of a movie star, especially in this current environment that we're talking about, is to get people into the movie seats," he said.

"It's a strange thing to pin down the exact nature of cultural appeal and a movie star appeal in an economic sense.

"But that's something that studios want to capitalise on, and they will pay for it.

"The other thing to remember is that every movie star, especially of a Robert Downey Jr sort, is really the face representing an entire army of lawyers and agents and all the rest of it, and they're all very well paid, professional, white-collar workers in big cities with high costs of living, and they want their incomes too.

"So there's just a rolling dynamic — just go in and bargain with the studio for as much as you can get for any star to appear in a particular movie."

Rise of Small Films

Alongside the blockbusters, there are the small films. Mid-sized films have fallen away, creating a bi-modal market. The small films might cost a tenth of the big ones, but they've had a surge of success thanks to ways of releasing them.

Lieberman says the old model of distribution worked against smaller films.

"In the past a film was always released theatrically first and then went through what we call various revenue windows. That would include home entertainment and pay television and free television," he said.

But now there's online distribution.

"If they can get a bit of buzz from online presence, then that is actually free marketing for the film and then it may enter the theatrical market subsequent to that online release," Lieberman said.

"We've seen a few tests of these over the past two years and some of them have been quite successful so we're expecting to see more of that in the future.

"Whether or not the traditional model as it currently stands exists in the future is a big question mark for many."

And the good news is, more people can do it.

"A lot of the smaller films get financed by

independent producers," Lieberman said.

"To make a high quality film is actually not as difficult as it used to be. With the advent of new, cheap, and easily accessible technology, most people could make a cinema-grade film.

"A lot of these producers or production companies are making films like this for under a million or certainly under five million."

Netflix and Amazon Saviours of the Mid-Size Film

While the studios have walked away from the mid-size film, new players have stepped in, and some are multi-award winners.

"Netflix and Amazon, they're looking for movies in that sweet spot," said Matt Pressberg, a film business reporter at The Wrap.

"You know, La La Land, Manchester by the Sea, these are movies that are mid-budget movies that it doesn't always make sense for a Warner Brothers or a Disney or a Paramount to finance, but Amazon and Netflix have basically unlimited money.

"They can go spend \$10 million here, \$15 million here, with the hopes that a couple of them may be successful, but they'll get some prestige.

"And their motivation really is to drive people to subscribe to their platform, so they don't care as much if the individual film is profitable. Their motivation is different."

Investing is seen as sexy

Some studios fund their movies completely, but others are seeking finance from elsewhere. They're trading off 50 per cent of the profits to have 50 per cent of the costs covered.

"That's by large financial institutions such as private equity or hedge funds," says Matthew Lieberman.

"They are providing this money to the studio in terms of slates — a package of, let's say, 10 films in a given year."

That trend began after the 2008 economic crisis, and traditional studio backers were wary of risky investments.

"But there is potential to make money," Lieberman said.

"It's a very sexy business to be in, so a lot of high net worth individuals like to be able to get an executive producer credit on the film.

"It's been happening for about five or six years now and we don't see it slowing down at all."

Keep an eye on China

And then there's Chinese money. Pressberg says there are a lot of co-finance deals, where the big studios are bringing in partners from China to put up about 20-25 per cent of the total budget, to minimise some of the risk.

His prediction of the next five years is more Chinese stars.

"I think we'll see a lot more English speaking Chinese stars play very prominent roles in tentpole movies.

"China's obviously a huge market for Hollywood. Every studio seems to have a production partner there.

"The Chinese box office is a big part of their underwriting, and so I definitely think Chinese stars that have appeal at home and also global appeal, and can handle a lot of the English language dialogue, their profile will definitely go up dramatically.

"And we're not going to see a lot of Chinese villains in movies either."

Australian films become more money savvy

With no studio system like that in the US, the Australian film industry is reliant on government funding.

State government money is primarily to attract productions or post-productions to that state, while federal money is primarily tax-based.

There are three different streams, including the producer offset, which only gets paid after the film's release. That offset is for up to 40 per cent of money spent on Australian wages, locations and facilities.

Australian investor and producer Cass O'Connor says the government funding is working well.

To make a high quality film is actually not as difficult as it used to be. With the advent of new, cheap, and easily accessible technology, most people could make a cinema-grade film.

