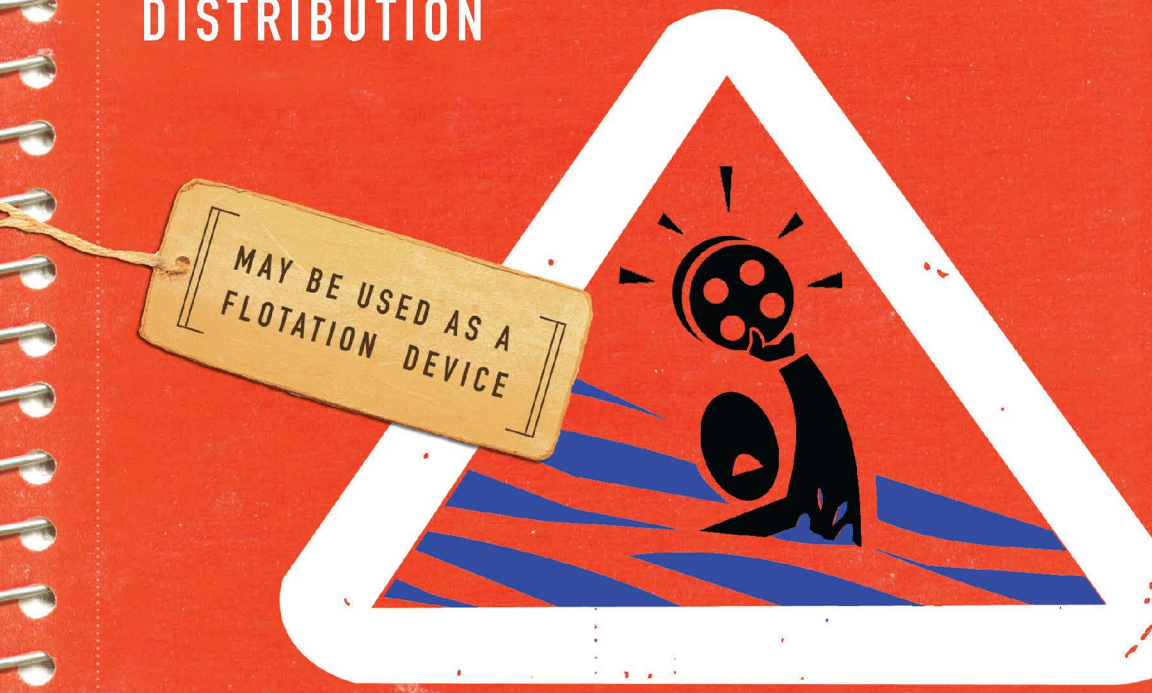
SWIMMING UPSTREAM

A LIFESAVING GUIDE TO SHORT FILM DISTRIBUTION



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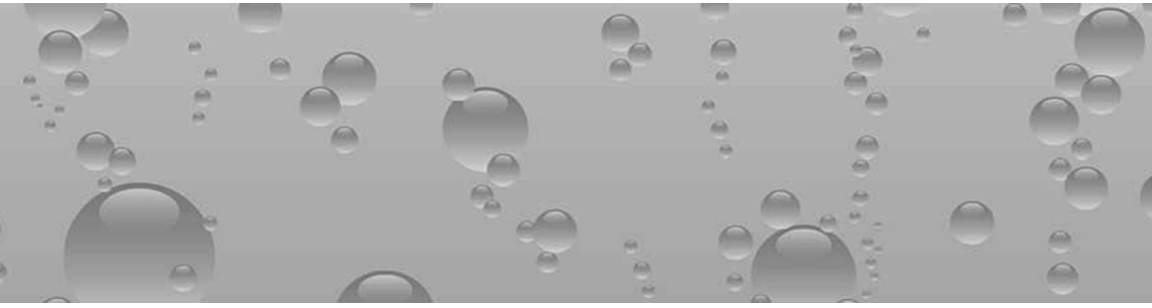

A Lifesaving Guide to Short Film Distribution

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For My "Sweet Pea" Noelle Capri —
You are the brightest star in my night sky

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Finally, to all those people too numerous to mention who have crossed my path, leaving their fingerprints on my heart and words of wisdom in my soul—I thank you.

Preface

When I was 14 years old my father opened a small movie theater in suburban New Jersey. It was the land of McDonald's and Dairy Queens. My mom sold the tickets, some neighborhood boys were the doormen, and I was the usher/candy counter girl. As I leaned against the wall in the theater auditorium, eating one too many bags of Peanut M&Ms and watching the stories unfold on the big screen, I confess: I got hooked.

There was no question in my mind that I wanted to work "in the movies." And so I did. From theatrical distribution to live events to film festivals to teaching, I have gleefully embraced this wonderful energy vortex. I have cried when some projects ended, and cried during some projects when they seemed to go on forever. Perhaps the biggest lesson I've learned is that every aspect of the film industry is collaborative. It is no surprise, then, that this book is truly a collaborative effort. It is not simply my voice, but many voices, and together my contributors and I have created something that I hope you will find unique.

Both of my jobs have helped to inspire this book. As a member of the faculty of New York University, Tisch School of the Arts, Kanbar Institute of Film and Television, I have the privilege of nurturing hopeful student filmmakers and helping them find their path in this crazy industry. As a programmer of the Tribeca Film Festival, I spend months each year swimming through a tidal wave of short film submissions, looking for great stories, great characters, and new talent. I know that by selecting their films I can help these filmmakers launch their careers, and I take that responsibility very seriously.

I have watched technology change, from heavy ¾-inch tapes that I could use as a doorstop to 100 DVDs that I can now carry home in my bag. In part, it is the new technology that makes this book possible. The accessibility of technology has given birth to a new breed of beginning filmmaker. Suddenly it seems as if everyone is making a short film, and I couldn't be more thrilled.

When people asked me during this process what it was like writing a book, my response has been that it seemed a bit surreal. As the vision became a reality, and all these incredible professionals agreed to be part of my "book family," the book seemed to take on a life of its own, just like every film does. I hold my breath now as I gently push my baby out of the nest, hoping it will fly, or, in this case, swim.

It has been a wonderful experience writing this book, and I loved *almost* every minute of it. Now, so many years and a lifetime later from those nights in my father's movie theater, I realize that deep inside I am still that 14-year-old girl enamored with "the movies."

Love what you do. The rest will take care of itself, eventually.

Introduction

Nearly every motivational book by business leaders, cultural visionaries, and other pundits stresses that to be successful you have to have to take a risk and let go of your fear. That's much easier in theory, and much more difficult in the "real world," if such a place even exists. Whenever you create something, there is some element of fear. Fear of rejection. Fear of criticism. Fear of failure. Filmmaking in particular is prone to the manifestations of these fears because it is such a personal and visually vulnerable endeavor.

A filmmaker spends an enormous amount of time and energy creating a short film. For many, it is their first foray into the industry. For others, it is the end product of educational training, be it in a traditional film school environment or in an intensive workshop or course. For still others, it's a way of simply trying to tell a story, period. Regardless of their starting point, thousands of filmmakers complete short films each year and then sit stymied, wondering what to do next. If you are reading this, then perhaps you made a film and you are, indeed, sitting stymied; or you're thinking about it and want to read everything you can before you begin. Once you understand the short film distribution environment, you will not only be aware of the available options, but you will also have a much better idea of where your project fits in. A little knowledge is not a dangerous thing. It helps you to be fearless.

The approach of *Swimming Upstream* is to cover the terrain of short film distribution using a combination of conversations and guest essays and to employ a workbook methodology to help the filmmaker with his/her own projects.

The book begins with an overview of theatrical film distribution by professionals actively working in that part of the industry. The book then covers buyers, exploring all options, thinking globally, the Internet and new technology, and film festivals. The chapter called *How I Learned to Swim* contains survival stories from the filmmakers themselves. In this industry particularly, if you ask 10 people the same question, you might get 10 different answers. You might get a consensus. That's why this book is not simply one person's opinion. It's your job to take all this information, accept some, reject some, and in the end, come to your own conclusion. Each of the contributors has valuable information to share. What you take away from it is up to you.

That's why the final chapter in the book contains a workbook with a series of exercises to help you analyze your film and strategize festivals and distribution. It gives you the opportunity to digest what has come before and apply that information specifically to your film ideas. By the end of the book you should be asking yourself questions about your own ideas and answering them honestly. Don't worry, no one can hear you. This book will prompt you to look at your project wearing a different pair of glasses. These glasses won't always be rose-colored, but they should give you 20/20 vision regarding your short film.

One thing I know for sure is that no matter how much advice you give to filmmakers, they are probably going to make their film anyway. No matter what. That's the nature of the beast. Writers, painters, and filmmakers are all artists, rooted by that creative spark and the passion that must accompany it. There are many books on the production of the short film, so my perspective is that you've already read those other books and you may have made your short film, anyway. Your way.

It is my hope that this book will help you to understand how to get that short film out into the world and that it will be both inspiring and informative.

Filmmakers have unbelievable tenacity, even when the odds are stacked against them. That's why I called it *Swimming Upstream*. Consider this book your floatation device.

So go ahead, swim.

Swimming Lesson #1

Testing the Waters: The Indie Landscape

What does "independent" mean?

Regardless of its context, be it politically or culturally based, the word "independent" almost automatically bestows a badge of courage upon whomever it is being ascribed to. Its connotations are positive, its attributes admirable. To be "independent" means to be beholden to no one. To be "independent" means one has the strength and fortitude to stand up against the tidal wave of tyranny, the winds of oppression. To be "independent" means you are free. In fact, the oft-used phrase "fiercely independent" furthers the nearly superhuman characteristics and emotional ability to stand firm.

So what does being an "independent" filmmaker mean?

For some it means not being part of the studio system and being able to maintain the integrity of a project without someone else's thumb in the creative pie. Keep dreaming, my brave filmmaker friends, and take off the superhero cape for just a moment.

It's pretty lonely on that self-imposed pedestal, and no one works alone in this business, not if you want your work to be seen by others, that is. There are so many "independent" producer/director/writer/editors that it seems at times as if the filmmaking world is composed entirely of one-person bands. That's great, really, that you have such a finger on the pulse of your project that you are the only person in the universe who can bring your vision to fruition. But (and it's a big "but") what happens when you're done with that film? After you pat yourself on the back and receive bouquets of praise from friends and family, don't you, deep down inside (c'mon, admit it), want your film to reach an audience?

In order for your film to do that, you have to understand what's happening in the industry and where "independent filmmaking" sits in the grand scheme of the distribution universe.

Distribution is getting the film into the theaters and marketing is getting the bodies into the seats. Now, however, those "theaters" and "seats" go well beyond the multiplex. Films reach their audience through a variety of different portals, be it the traditional movie theater, television, or newer electronic media such as the Internet, iPod, or cell phone. Projects segue seamlessly from one distribution platform to another, sometimes simultaneously. Distribution has changed, but the core philosophy remains the same. How do we make that film available to an audience and how do we attract the audience to it?

In the heyday of Hollywood, studios were firmly identified by the use of the company logo (perhaps the original form of branding), whether it was the sky-sweeping klieg lights of Twentieth Century Fox or the lion's roar of MGM. The phrase "The Dream Factory" was

aptly coined to describe not only the escapism of the films itself, but the constant output of features by the studios, swept into grand movie palaces like the Fox Atlanta or the Roxy, where thousands of people sat in rapt attention as the stories unfolded on the screen.

In the fifties life in America changed and so did the movies. A combination of the exodus to suburbia, the popularity of the automobile, and the advent of television caused the movie palaces for the most part to become obsolete. This new lifestyle led to the emergence of the drive-in as well as eventually to the twin cinema, the birth mother of today's megaplex. Theatrical distribution in the fifties and sixties found it difficult to maintain a constant moviegoing population with the novelty and increasing appeal of television, and it was a tough period for the industry.

And on the seventh day, God created the videocassette player. As people became more accustomed to watching film in the comfort of their living room, studios focused on large-scale blockbuster-type films to lure them off their couches. Consequently, it appears as if now nearly every film is geared to the 18–24 demographic, and that's because this group wants to leave the house and "go to the movies." For the older demographics, it's much easier to say "let's watch a movie," rather than "let's go to the movies."

Most recently, the traditional theatrical distribution model has been pummeled with the knockout combination punch of digital technology, advances in home theater systems, and rising theatrical admission prices. Many would say this foretells the death knell for the traditional distribution model where a film moves through the pipeline from theatrical to non-theatrical to home video to broadcast distribution, with each revenue stream being fairly exhausted before the film reaches its final resting place on television. What used to be a large "window" between theatrical and home video has been slammed shut. The pipeline is no longer a straight one, but a combination of platforms that can be made available to the viewer when, and how, that viewer wants to watch the product.

We have the Internet and mobile technology, and an entire generation of young people who spend more time on the computer or with their iPods than they do in front of a television. Regardless of the alphabet letter this generation is assigned (and perhaps it should be "Generation W" for "web"), they experience entertainment without regard to viewing environment or screen size. They want their entertainment to be immediate and accessible.

There are a lot of branches of the entertainment industry in tears. The music industry is crying because CDs are becoming obsolete.

The film industry is sobbing because it is more difficult for a feature film to find its audience. The television industry is weeping because TiVo and digital video recorders have meant they have to rethink the whole advertising model. When the major television networks provide episodes of their most popular series in full for viewing on their web sites, clearly things have changed.

These changes directly affect how and where films are distributed, especially films that we consider "independent." If we agree that the primary characteristics of an "independent film" are that the film was produced and financed outside of the studio system, has a relatively low budget in comparison to the Hollywood product, and, in most cases, is of a specialized nature, then we have to look at distribution in a new way.

Even with all these changes one thing has remained constant: independent filmmakers continue to raise the money, make their films, and seek a distributor. "Indie" film has gone through its own roller coaster ride of sorts, rising and falling in popularity as the cultural zeitgeist changes. Each calendar year seems to bring forth one or two breakout independent films, such as *Napoleon Dynamite* or *Little Miss Sunshine*. Films like these have bucked the odds, finding both a distributor and an audience, and become widely popular and successful. Technology has fostered the ease with which independent filmmakers can create their projects, be it in less expensive shooting formats or the ability to edit on the computer, but the challenge still lies in finding a distributor willing to take on the risk of releasing the film.

Even though large umbrella corporations represent many smaller entertainment companies that cross media platforms and appeal to different audiences, independent film is still difficult to market in the theatrical realm; in fact, it has become even more difficult to obtain distribution. Independent film does not inherently appeal to a large audience immediately. These films must be nurtured carefully to theatrical fruition, and the marketing and distribution plans are critical to the film's ultimate success. Even with a stellar strategy, many independent films will never exceed their initial specialized audience appeal.

Many filmmakers of short films aspire to make a feature one day. Short film is a good way to test the waters with your talent and your ability, and it's important to understand what you're up against before you begin the journey.

This book therefore begins with essays and interviews about the current film distribution environment by the people who are the decision makers. This industry overview from some very prominent

professionals will help you to understand the distribution landscape as you embark on your filmmaking journey.

JACK FOLEY is President of Distribution for Focus Features and has shepherded the distribution of many critically acclaimed and successful films there, including *Eternal Sunshine of the Spotless Mind*, *21 Grams*, *Lost in Translation*, *Motorcycle Diaries*, and *Brokeback Mountain*. He began with October Films and worked through the USA Films and Focus transitional periods in which he handled films such as *Topsy-Turvy*, *Being John Malkovich*, and *Traffic*.

Mr. Foley has had a lengthy and illustrious career in theatrical distribution, starting out in 1975 with Columbia Pictures in Sales, in which he worked for ten years in that company's Boston, Des Moines, Kansas City, and Dallas branch offices and then segued to DEG Entertainment in Southern Sales.

He was President of Distribution for MGM from 1987 to 1993, during which his releases included *A Fish Called Wanda*, *Moonstruck*, *Rainman*, and *Thelma and Louise*.

From 1994 to 1996 he was President of Distribution for Miramax, during what many consider to be one of the peak periods for that studio, and as such he distributed *Pulp Fiction*, *Il Postino*, *The Crow*, *Emma*, *Trainspotting*, *The English Patient*, and *Scream*.

He also worked in exhibition as Film Buyer for City Cinemas for several years.

Mr. Foley works in New York City and lives in New Jersey, happily in both cases!

Gore, Penguins, and the Cultural Zeitgeist of Distribution

By Jack Foley

I've worked in theatrical distribution for 30 years. My career has been spent making critical decisions that impact a film's life always in distribution. Over these years, the distribution business has radically changed. The business has grown more competitive and expensive. The decisions that you have to make regarding how to position a film's opening, from release to release pattern, every weekend has become increasingly difficult, sometimes seemingly impossible. Today, there is a glut of product competing for the same dollar. The glut imposes severe demands on studio heads to carefully scrutinize the

competition: minimize competition for exactly the same demographic target; evaluate the competition each weekend, prior to and thereafter, gauging how long the target demo will sustain its attention for a film. The opening weekend box office is absolutely the essence to a film's success in the long run. Distribution plays a huge role in contributing to that success from opening throughout its life. It's not an easy job since so many people, and the time they gave of their lives to their films, rely upon distribution.

The truth about grosses

Opening weekend is a big view into the ultimate box office life of a film. You can usually judge the ultimate gross by the opening weekend by using 2½–3 times multiple: a $30 million weekend indicates a $90 million dollar ultimate box office. Evaluating the ultimate box office result relative to the normal trend is insightful. The ultimate box office trend a film develops speaks about its breadth of appeal or lack thereof. The deviation from the normal weekend trend, or any of the many industry grossing trends, demands understanding since it reveals specific demographic results that arose beyond the normal. The trend could be anomalous or indicative of a new commercial development in the business. That information could come be useful when distributing similar films in the future. God is in trends and God is nuanced.

God lives in popular culture. Gross trends manifest cultural consciousness in the marketplace, generally and specifically. Trends define consumer desire and values. The greater the gross a film generates, the greater the measure of value popular culture reflects for a film or genre. Commercial and high-end/art filmmakers should live by that creed. Hollywood thrives on this format of filmmaking: give them what they want. Art films do too: Jane Austen is a product. Money measures cultural value for a movie; it is not, however, a measure of art.

Clearly, today, comedies are king in value to popular culture. The most successful films in the market recently are comedy. America wants or needs to laugh. Many of these comedies are wholesome and are particularly targeted at the family. Family films, which are generally comedies, are live-action or animated and the type of movie that plays to all ages without segmentation. They are the most expensive films for families to patronize; yet families patronize them copiously. Ticket purchases for the whole family are expensive. Concessions purchases aggravate the cost for a family. I will leave out transportation, parking, or any other costs. Yet, families are undaunted by these costs, apparently regardless of income, since these films perform consistently well nationally. Consider the events *Pirates of the Caribbean*, *Harry*

Potter, or any of the animated blockbusters, like *Shrek*. The penguin world of *Happy Feet* with over $200 million at the box office reflects America's love affair with penguins: they certainly marched with happy feet to the box office again for these creatures.

Family films reveal that family values are critical to popular culture, they are popular culture. Every studio realizes they have to be in the family business now, that they have to exploit this cultural gold mine while it is hot. Every studio, beyond Disney's branded hold on family entertainment, knows there is too much money at stake, too much to lose by neglecting these values. Now recognize that the weekend gross is not an announcement about success alone, but is also heralding the measures of society's cultural values.

Jane Austen, the queen of the art film story, reflects the cultural values society has in a limited way for high-end movies. *Pride and Prejudice*, popularized by Kiera Knightley's starring role, found success in smart upper income and middle income theaters throughout the nation when it was released. It actually played beyond the art circuit level due to the commercial appeal Ms. Knightley brought to the film. It is one of the biggest grossing period films in history at $30+ million U.S. box office. Americans love Jane Austen. Her stories, told and retold, grow bigger in value with each new version in popular culture.

Brokeback Mountain defied industry wisdom by grossing $83 million U.S. It also defied the idea that Red states and Blue states are separate and do not share the same values. The massive success of *Brokeback Mountain* denied thoughtless, if not arrogant, industry wisdom as it deviated from expected trend results among industry watchers. *Brokeback Mountain*, a so-called gay cowboy movie when it opened, clearly demonstrated that America thinks for itself, beyond the rhetoric of pundits. The nation embraced the film, a great film, and went to see it throughout the country, Red, Blue, all 50 states. *Brokeback* denied the thought that the conservative right has a hold on the minds, hearts, and moral values of the nation. The film's success, its deviation from jeremiadic trendsetters, reveals the importance of understanding why trends and departures from them are important. An honest distributor must interpret the language of grosses, recognize what the trends say about cultural values, and proceed with his plans for each release strategy, film by film.

Movies as business

Theatrical distribution persists as the engine for the entire movie business from the beginning to the end point of all the ancillary markets. A theatrical release is the consummation of the marketing campaign.

A theatrical release brings down to the ground the message that's been put out on the airwaves via television, radio, even newspapers. Seeing a movie in a theater is the final marketing experience for a film, leaving the viewer with the power of their message, which they broadcast, by word-of-mouth to others. Word-of-mouth is critically powerful in its ability to validate or destroy a film's importance in popular culture by declaring the viewer's satisfaction based on artistic merit. The will may be in the nation to see a movie, but the experience has to be satisfying. The most blessed phrase arising from word-of-mouth is: you have got to see this movie. That phrase consummates a great release strategy. Word-of-mouth can create a powerful historical moment for a movie that will embed it in current popular culture and perhaps enable it to endure for future years: *Blazing Saddles*, *Back to the Future*, *The Godfather*, or even *Casablanca*, *The Wizard of Oz*, or *Gone with the Wind*. Obviously, word-of-mouth influences not only the theatrical window but also the DVD sales and all other aftermarkets.

There are two kinds of movies. There's the movie that comes crashing in and imposes itself on you like ready-made culture. Examples of ready-made culture are movies like *Spiderman*, *Pirates of the Caribbean* or *Lord of the Rings*. The juggernauts create, nurture and sustain their own popular cultural value to society. These films are embraced by everyone and must be distributed everywhere, accompanied with massive marketing campaigns. They are scorched earth campaign movies: they appear satisfactorily at theaters everywhere for everyone of the entire desiring public to see and they leave no money behind in the 6–10 weeks they might possess the marketplace. Big movies are supposed to consume the public's attention, that's the idea. The process of these commercial event releases leaves behind deeply imbedded values and long term identification with these stories, which become part of our national myths and deeper psychic culture. Hollywood films often create history and new deeper attributes of our national spiritual culture. These capabilities should always be in the mind of distributors. Distributors should be sensitive to the potential and actual zeitgeists: *Ghostbusters*, *Risky Business*, *Pulp Fiction*, *My Big Fat Greek Wedding*, and *Borat*.

The other kind of movie, the art film or smart film, like *Brokeback Mountain*, is a more challenging kind of film to release. It demands a process that is more grass-roots positioning, a specifically detailed theatrical strategy that all converges to literally create a popular cultural impact. As opposed to dropping huge advertising dollars, art film distributors have to be budget sensitive and spend in ways that tend to

be out of the box. In fact, distributing art films is best done originally and out of the box.

Brokeback Mountain was first a great movie, and that was critical to its success. As a result of the viewers' experience of the film, *Brokeback* broke all the bounds that first constricted it as a "gay film." By accessing the broader market in a calculated release strategy that successfully moved the nation the film achieved a gross of $80+ million in the US and Canada. It did so because it was able to blow away the cultural restrictions that exist in our society.

The distribution and marketing processes worked to manage the development and growth of the awareness and respect for the film, which transformed it into a popular cultural event. Everybody was talking about it. First of all, it defied its image as a "gay cowboy movie" because it was more than a gay cowboy film. By bringing *Brokeback* down to the ground, putting it in specific theaters in markets from the start to gain it validity, market by market the first advocates urged the masses to see this film. That first important word-of-mouth validation grew the film as it entered into new markets accompanied by great anticipation from real voices on the ground, no longer from the media pundits. *Brokeback* was no longer a gay cowboy movie; it was *Brokeback Mountain*—an important movie depicting a tragic family condition and lost love.

Breaking down *Brokeback*'s cultural barriers through a distribution marketing strategy is an act of cultural infiltration. Hollywood films exploit massive budgets and conduct scorched earth campaigns: they buy their audience, hopefully. Art films and smart films win them by careful planning and through the advocacy of apostles who mandate: you have to see this film. That is the magic, precious phrase to an art film.

Growing taste

The last 10+ years have grown the art film niche radically. Now more than ever, more people are willing to see art/smart films, whether fictional narratives or documentaries. In effect, these niche companies have grown cinematic taste and receptivity among the commercial moviegoers who ordinarily would not have attended these kinds of movies. These companies have expanded high-end film culture. That is a remarkable accomplishment. It is essentially the result of a process of education through marketing and distribution strategic release successes. The turning point for this growth arose around 1995, where smart films began to break out into new levels of success. Two high-water films were *Pulp Fiction*, $107 million box office, and *The English*

Patient, $80 million box office. Other subsequent contributors to the growth phenomenon were *Shakespeare in Love*, *Traffic*, and *My Big Fat Greek Wedding*. Going to art films was becoming like sinning, once you have done it, you'll more willingly do it again! Commercial ticket buyers are a tough group and are still quite resistant to being ready patrons to smart films, but they will go. *Pan's Labyrinth* most recently proved that fact. The mandate for art/smart film distributors is to continue momentum that dynamically captures the imagination of our society, to subvert old ways of thinking about movies and create inviting successes with their films in theaters that sustain the commercial world's interests. By expanding popular culture's sensibilities, these companies expand their commercial potential. These art films are businesses essentially, no one can afford to run museums and maintain elitist supercilious notions that any movie is too good for all but a few. That attitude will put anyone out of business. Growing culture is better than shrinking it.

Due to the successes of the art market, there is a greater capability and a will to finance and make smart movies, more than ever before. Every major studio has a specialized division and is also promoting new talent found in the specialized films into bigger projects with big budgets. This is a healthy growth process where new, creative, and imaginatively original blood is gaining access to Hollywood. The art film condition is improving movies for everyone. Everyone gains.

Blurring the lines

Blurring the lines between art and elitism and commercial patronage, or growing culture, has always been a goal of mine. Ten or 12 years ago, and prior to that, art films had to open with Landmark Theaters (premiere art house chain) and the venerable Lincoln Plaza, New York, in order to launch an art film successfully. One religiously began opening a film in NY and/or then LA. Then the process of release would continue. The art niche acted hegemonically in the market by validating a film and perhaps but rarely creating the possibility for commercial breakout. Commercial houses were taboo theaters to exploit since popular culture's perception of them seemed to deny their entry into the rarified art world. Art films were elite and remained cloistered to a specific group of highly educated, moneyed, and fairly urbane people who lived in certain places throughout the country. Pushing an art film beyond this core was difficult and generally considered not possible due to Hollywood's conditioning of the masses' taste for film. Therefore, an art film was niched to a small group along with its gross possibilities. This model did not satisfy me. Art film needed to be

seen by more people. The behavioral model had to be modified. More money had to be made by developing a greater smart movie culture. The only way to adjust the consciousness was to introduce certain houses that would appeal to the smart set and also attract a curious viewer who would attribute a theater's programming as validation for the film. Therefore, an art film had the possibility of being perceived as more commercial. The introduction of new people to smart movies could change habits of perception, mind, and action. The art market needed to be shaken up, the line blurred.

Topsy-Turvy, a very arty Mike Leigh film about Gilbert and Sullivan, opened the Paris Cinema exclusively in New York City. That theatrical setting was the perfect market milieu for this film, the diamond in the perfect theatrical setting. The Paris speaks to a devoted urbane, validating word-of-mouth by the New York art film patron. The Paris is the theatrical equivalent culturally as the Lincoln Center for Opera, Carnegie Hall for concert, the most elite validating, risk-mitigating theater in the country: a perfect environment for *Topsy. Topsy-Turvy's* exclusive U.S. opening at the Paris was supremely successful and made a strong commercial impression on art film buyers across the country. Step 1 accomplished: this is a hardcore art film and they are buying tickets.

Step 2. Two weeks later *Topsy* opened in Loews Village 7, a very commercial mainstream theater in Greenwich Village. Some of my art film distribution peers questioned the decision to play the film there and offered advice: "It's the wrong theater. You should be in the Angelika (a NYC bastion for art film)." Playing the Angelika would have been conforming to the Pavlovian format of preaching to the choir and deliberately shunning commercial and cultural growth opportunities. I wanted *Topsy* to be perceived by the smart downtown set as the smart, more commercial movie that they should see and the Village 7 would send that message to them blurring the art–commercial lines nicely. The Village 7 outgrossed the Paris on its first weekend, much to the shock of the critics of the theater choice. The point: the theater selection opened the film's audience potential to the smart set, well beyond the elite art set. There were now two market segments buying tickets to *Topsy* and the film was grossing more than it would remaining strictly in the art niche. This art/smart hybrid approach was carried out throughout the rest of the release. It remains a practice in distribution, which I continue to pursue to broaden the smart film culture, break down barriers, and grow new patrons for upscale film. All of which increases the box office value for these movies and nurtures the growing popular cultural value for them.

The process

A good deal of thought and experience goes into my release planning process. I will read the script. I consider the story and characters and the tone and vision. I like to see the film a number of times in rough cut, mostly in front of people at research screenings. I take research screenings seriously, but selectively relative to the results in the scores versus the film's cultural capabilities as I see them. In other words, I do not always agree with the research, but it is good to know. I consider the audience a film will appeal to as I begin considering the release strategy:

Where does the core audience for this film live?
How old are they?
What sex are they?
How deeply appealing is this film to whoever those people are?
How many people make up the audience for this movie?
What is in this film that mitigates the risk in attracting the core audience?
How aggressive should the presence of the film be in markets and theaters?
How fast can you release this film?
How will the critics treat this film?
Will the audience like the film?
What will make the audience like the film?
What are the best markets and theaters to exploit the audience to gain word-of-mouth and when throughout the release process?
What date is best?
What film competes with this film in the market at that time?
What is the most exploitable strength of the film to use in the release process?
How valuable is that strength, a.k.a., actor, director, story/author, etc.?

Every time I distribute a film it is my intention to make this film commercially reliant upon a patronage that is greater than its core group of devotees. It's always a desire to break it out commercially, to make more money with it, to push cultural barriers if not break them down. For example, when I released the Jim Jarmusch film *Broken Flowers*, first I looked at all of his films specifically assessing each film's grosses by market and theater. I discovered most distributors modestly released his past films and perhaps randomly. I found, however, that a deliberately calculated release that attempted to create

national momentum for his films (perhaps a reason that his past films grossed modestly) didn't matter: Jim Jarmusch films constantly performed half decently in certain smart markets like NY, LA, Chicago, Washington, Boston (the same thing with Pedro Almodovar). His people were going to see his movie no matter when you released it in their markets.

As I thought about the fact that my job was useless based on the they-will-come-no-matter-how-smart-or-stupid-you-are-as-a-distributor, I was struck with an epiphany. What if all of the best Jim Jarmusch markets opened altogether, something never done before: 18 markets, 30+ theaters? This idea represents results at opening that some distributors realized totally on some Jarmusch films after months in release. If you could depend upon the core Jarmusch patron showing up on the first weekend, then word-of-mouth would be strong throughout the nation arising out of those 18 markets. *Broken Flowers* would be exploiting its key strength: Jarmusch fans. They would push the box office and create momentum . . . and this idea is not even considering what Bill Murray fans would do to the grosses. This plan created an art film event and the film opened to one of the biggest results for that number of theaters in history. Furthermore, *Broken Flowers* went on to gross more than the total gross of all of Jim Jarmusch's previous films. Clearly, word-of-mouth was good, the business momentum sustained through the late summer, the hungry smart marketplace totally exploited the film, core fans enjoyed the movie in nearly 400 theaters: the plan worked.

The big picture and the big screen

Another telling change in the marketplace worth noting about our popular culture is how slasher/horror films have become consistent, big business in the last 5 years. Violence has replaced sex as a pleasure for popular culture. The *Saw* franchise, with all its aggressive daring marketing, absolutely confirms the trend. Joining that trend is, also, *Texas Chainsaw* returning successfully, a lighter horror franchise *The Grudge*, among others. People love gore and pain, they are stimulated by it. That is what the grosses on these franchises and films measure. They are very lucrative franchises and they defy the general opinion of conservatism of our times. When hard R-rated violent, gore-filled movies gross $70M, $80M, $90M, $100M, society is being told mass culture is embracing these films regardless of what the rhetorical jeremiads from churches to Congress might say. They are all ill

informed or simply disingenuous about recognizing the real values of popular culture. Added to these financial results is that women are attending horror/slasher films as much as men. Perhaps these films fulfill the public's need for stimulation that excites them out of ennui. Whatever the reason, these films are filling an aggressive need in the culture for satisfying entertainment. Ironically, gore is as important to contemporary culture as marching penguins with happy feet! F. Scott Fitzgerald would be impressed by this culture that can hold two opposing ideas in their minds at the same time.

People love gore. People love violence. People love penguins. America possesses a fascinating popular culture. It demands that distributors appreciate it. If they do not heed culture's dynamics, they will fail.

JASON KLIOT cofounded Open City Films with his partner Joana Vicente in 1995. He is also Co-President, with Vicente, of HDNet Films, Mark Cuban and Todd Wagner's high-definition production company. Among the many films Mr. Kliot has produced are such eclectic films as Tony Bui's Sundance Film Festival Grand Jury Prize and Audience Award Winner *Three Seasons*, Jim Jarmusch's *Coffee and Cigarettes*, and Niels Mueller's *The Assassination of Richard Nixon*. He was nominated for an Academy Award for his film *Enron: The Smartest Guy in the Room*.

Prior to HDNet Films, Kliot and Vicente ran their own digital production company, Blow Up Pictures. Their run of successful low-budget digital features includes *Lovely and Amazing*, directed by Nicole Holofcener; Miguel Arteta's *Chuck & Buck*; Dan Minahan's *Series 7*, *Love in the Time of Money*; and *The Guys*, directed by Jim Simpson.

Mr. Kliot is an award-winning director of short films, music videos, and public service announcements, including *Late Fall*, which premiered at the Sundance Film Festival in 1994, and *Site*, which premiered at Sundance in 2002; was an official selection of the Berlin International Film Festival, New Directors, New Films; and was exhibited at the International Center of Photography. It is part of the permanent collection of the Museum of Modern Art.

Mr. Kliot is a *summa cum laude* graduate of Amherst College and was a fellow at the École Normale Supérieure in Paris. He is one of the original founders of City Harvest, the world's oldest and New York's only food rescue program, and serves on its board.

The Producer's Perspective

By Jason Kliot

Having been a part of the midnineties boom in digital filmmaking, which saw many DV companies emerge, among them Peter Broderick's Next Wave, Gary Winick and John Sloss' InDigEnt, and our own DV shingle, Blow Up Pictures, I have watched as, with few exceptions, the explosion behind this digital revolution has burst—somewhat like the dot-com bubble. The vast majority of companies have disappeared, unable to reach the audiences these films deserve amid the bigger budgeted, bigger cast, and more widely advertised mini-major output. Many notable movies emerged from this wave of digital filmmaking, but were largely reliant on the festival circuit to secure distribution, which didn't necessarily make for the most consistent business model.

With the advent of affordable consumer and pro-sumer-grade digital video cameras, now including HD models, we continue to see more and more smaller, truly independent films being made, with or without the support of such financiers. Unfortunately the distribution landscape for such movies has remained pretty bleak. We've reached the first phase of the digital revolution, where production has become democratized, but until a similar transition takes place in distribution and exhibition, this surge of digital filmmaking will result in a glut of product, making it tough for everyone to reach screens through traditional means.

This, in tandem with the emergence of the studio specialty division with their immense marketing muscle, makes it difficult to get noticed without spending three quarters of a million dollars on advertising to get your film in the public consciousness. Change, it seems, may finally be on the horizon, but the economics remain untested.

Given the expense inherent in releasing a film, it's also encouraging to see companies like Netflix taking on a more curatorial function, in the vein of small independent and art house theaters in the seventies and eighties. Smaller, truly independent films are likely to become targeted to niche audiences, capitalizing on the ability of such sites and programs to home in on their customers' interests. Because a person has rated Richard Linklater and Hal Hartley highly on their queue, similar films can be target marketed based on related interests and tastes. Similarly, sites like YouTube contain a social aspect that facilitates the sharing and recommendation of short content. Such approaches will provide new opportunities for films at a lower cost, but unfortunately only to a relatively narrow audience. Digital distribution

flexibility might lead more theaters to start showing films once a day, as they do at some theaters in Paris, allowing more films to make it to the marketplace. Or, with the advent of products like Apple's AppleTV, you may see consumers downloading more movies to their television.

Theatrical releases will remain important, as they have with the advent of VHS and DVD. Both were of course viewed as threatening to exhibitors, but what is clear is that they are no longer the sole means by which the public chooses to view movies. Exploiting other venues is key to the continued vitality of independent film.

What we're hoping to do with HDNet Films, our high-definition production company that my partner Joana Vicente and I began with Mark Cuban and Todd Wagner, is to step into the middle ground between the studio specialty division and the microbudgeted independent. We've adopted a strategy that allows us to reach out and find broader audiences than a traditional, staggered means of distribution allows, exploiting the benefits of a theatrical release while capitalizing on the short window of awareness that smaller films have in this crowded marketplace by allowing audiences access to the DVD and broadcast of films concurrent with the theatrical release. In partnership with fellow Wagner/Cuban companies Magnolia Pictures, Magnolia Home Entertainment, the Landmark Theatres chain, and HDNet Movies, we're privileged to have a theatrical and video distributor, exhibitor, and broadcaster uniquely suited to serve the type of films we make. We're shooting our movies entirely in high def and releasing them in theaters on Landmark's digital screens, bringing out the movies on Blu-ray, HD-DVD, and standard DVD, and showing them on the high-def cable network HDNet all on the same day, permitting audiences to consume our films in any way they choose, all within the same window, and all on the native format.

If I'm going on a date that night and I remember hearing about an interesting movie, I may want to go to see it at a Landmark theater that evening. If I've just had a baby and can't get out of the house, but I have an HD system and have subscribed to the standard HD cable package, I might see it that night at home. If I'm somewhere outside of a major metropolitan market and don't have a Landmark or any indie theater at all, but heard about that same movie in the national press, I could buy the film at Best Buy or get onto Netflix and add it to my queue. The idea is that when people are aware of a movie immediately, they can view it the way they want. That's our strategy.

At the budgets we work at, up to $5 million, it's madness to commit nearly a million dollars to a film for marketing only to have to re-up