

THE *Hollywood* REPORTER

From 'American Horror Story' to 'Walking Dead,' How Horror Took Over Hollywood

9:00 AM PDT 10/9/2013 by Marisa Guthrie, Tatiana Siegel



What's the new fear in town? That terror is changing the game with record-breaking TV hits and bloody cheap films that are eventizing networks (says Ryan Murphy), elevating the genre with Oscar-nominated stars (like Julianne Moore and Jessica Chastain) and minting money: "We keep asking ourselves, 'Is the boom over?' "

This story first appeared in the Oct. 18 issue of [The Hollywood Reporter](#) magazine.

The makeup trailer on the New Orleans set of *American Horror Story: Coven* contains a whiteboard with instructions on how to achieve just the right look for the zombies dispatched by **Marie Laveau**, a real-life 19th century voodoo priestess played by **Angela Bassett**: "Aged blood/bruise tone around wounds. Black in rotted areas. Warm yellow to make oozing."

On this Friday in late September, 13 makeup artists will spend nearly five hours turning a clutch of actors into the grotesque undead for a climactic scene in "Burn Witch Burn," the fifth episode in the third season of FX's Emmy-winning gothic camp franchise (which was set to return Oct. 9). **Taissa Farmiga**, whose character was revealed in season one as a rafter-dwelling ghost, is rehearsing a scene in which she uses a chain saw to dispatch the

teen-targeted ABC Family is circling the genre with *The Final Girls*, which would have **Jamie Lee Curtis** -- heroine of 1978's *Halloween* -- playing a den mother of sorts to a group of teen girls who survived their own horror stories. "There's a long pattern of young audiences flocking to horror movies," notes **Nick Grad**, president of original programming at FX Networks and FX Productions. "For us, [the genre] offers something noisy that has a lot of meat to be marketed."

Tellingly, *AHS'* highest-rated demo last season was advertiser-coveted women 18-to-34 (a 3.8 rating). "This season is designed to be a little more fun, and specifically to invite [even more] women to the party," says Murphy of the witch-themed *Coven*. But no demo is off-limits for horror. "Today, which I find a little disturbing, we know that 70-year-olds are watching [*The Walking Dead*] and 10-year-olds are watching it," says **Sharon Tal Yguado**, executive vp at Fox International Channels, which distributes *Walking Dead* globally.

At the same time, there have been more top-grossing horror films in 2013 than ever before. As studios are under increasing pressure to slash costs after a summer of big-budget misfires, many of these horror hits are made for less than the salaries of some tentpole stars. Warner Bros./New Line's *The Conjuring*, based on a true story about paranormal investigators hired to help a family terrorized by a dark presence in their farmhouse, cost just \$19 million and grossed more than \$300 million worldwide this summer. It trounced its opening-weekend competitor, *R.I.P.D.*, a film with a \$130 million budget starring **Ryan Reynolds** and **Jeff Bridges**. Four other horror releases in the past 10 months made for less than \$20 million have surpassed the \$85 million mark worldwide: Universal's *Mama* and *The Purge*, TriStar's *Evil Dead* remake and FilmDistrict's *Insidious: Chapter 2*. January's horror hybrid *Warm Bodies* cost \$35 million and took in \$117 million worldwide. **Brad Pitt's** zombie pic *World War Z*, while pricey, exceeded expectations with \$540 million worldwide, as did **Seth Rogen's** midbudget horror-comedy mashup *This Is the End* (\$122 million). "It's hard to get to a number like \$300 million with a teen-only audience," says New Line chief **Toby Emmerich** of *Conjuring's* success. "Movies can only hold like that when all four quadrants are showing up."

Indeed, in the past, horror films typically were made for and targeted at white teens. But now women and Latinos are fueling the surge. Females represented 56 percent of *Purge's* opening-weekend audience. For *Mama*, women and teenage girls accounted for a whopping 61 percent of the \$32 million debut weekend, and Latinos made up an astounding 47 percent of the audience. *Conjuring* skewed older, as 60 percent of its opening-weekend audience was over age 25 and 53 percent were women. Without relying on fickle teens, the R-rated film played through July and August. "What's new is, it doesn't have to be about the opening-weekend audience anymore," says **Simon Oakes**, vice chairman of Exclusive Media and president and CEO of Hammer, who produced 2012's **Daniel Radcliffe** horror movie *The*

Woman in Black (\$128 million worldwide). Paramount's *Paranormal Activity: The Marked Ones* (Jan. 3), the fifth in the series, will target the Spanish-language audience with a Latino cast and a storyline about a Catholic inquiry into a suspected demonic possession. "We started to realize that that segment of the audience was the most loyal advocate for the movies," says Paramount Film Group president **Adam Goodman**.



The seeds of the film boom were planted in 2002, when **Eli Roth's** \$1.5 million budget *Cabin Fever* earned \$31 million worldwide for Lionsgate, becoming the first R-rated horror film to play on more than 2,000 screens. The indie studio then hit the jackpot with *Conjuring* director **James Wan's** microbudgeted *Saw*, which took in north of \$100 million worldwide and spawned seven films in seven consecutive years -- a feat still unrivaled -- with a combined gross of \$873 million. "*Cabin Fever* helped *Saw*, and *Saw 2* helped *Hostel*," says Roth. "*Hostel* helped *The Hills Have Eyes*. Every success fed into the next and really helped the genre."

In 2009, *Paranormal Activity* ushered in a new and especially lucrative subgenre of handheld camera horror. The film, made for just \$15,000, started a franchise that has grossed \$719 million worldwide over four movies. In the process, it turned its producer, **Jason Blum**, into Hollywood's first microbudget mogul. "It isn't the sexiest part of the business, and that's what I love about it," says Blum, a former Miramax exec whose Universal-based Blumhouse Productions also is behind *Purge*, *Insidious* and last year's *Sinister* for Lionsgate. "You also have total creative freedom."

The Blum formula relies on stars willing to work for cheap to receive a hefty backend. On *Purge*, **Ethan Hawke** took almost no money up front, and sources say he ultimately scored a mid-seven-figure payday. Blum "has a high-quality assembly line and has figured out how to find stories that have either a universal theme or a very sellable concept," says FilmDistrict CEO and incoming Focus Features CEO **Peter Schlessel**, who worked with Blumhouse on *Insidious*.

Now nearly every studio is in the micro- and low-budget horror game. Paramount has *Friday the 13th, Scouts vs. Zombies* and a sixth *Paranormal* outing (titled *Paranormal 5*) in the works. Universal is sequelizing *Purge* and is ramping up the Blum-produced hitchhiker horror pic *Curve*, with **Julianne Hough** starring. New Line wants Wan for a *Conjuring* sequel, likely for a 2015 release. Fox recently wrapped *Site 146*, about an archeology expedition gone awry. Sony has a secret project called *Dracula and Van Helsing*, with **Joe Roth** producing and director **Louis Leterrier** circling. And its Screen Gems division has dated **Scott Derrickson's** (*Sinister*) next film, *Beware the Night*, for Jan. 16, 2015.

Although this October features only one horror release, MGM's *Carrie* remake (Oct. 18), 2014 already has eight scheduled -- including three in January: *The Marked Ones* (Jan. 3), Fox's found-footage pic *Devil's Due* (Jan. 17) and Lionsgate's *I, Frankenstein* (Jan. 24). Horror is now a year-round business in theaters, not just contained to Halloween (though next October brings two higher-budget plays, Universal's *Dracula Untold* and Fox's own *Frankenstein*). In fact, the genre has become one of the best defenses against piracy, given that most prefer to experience scary movies amid a crowd, feeding off of theatergoers' screams and shrieks rather than watching at home, alone and terrified. Says **Joe Pichirallo**, chair of NYU's film and TV department and former Fox Searchlight executive, "People want to have an unpredictable emotional experience when they see a movie in a theater, and horror is particularly adept at delivering that."

In addition, with the genre growing in key international markets -- the U.K., France, Russia and Latin America -- international sales agents are cashing in. "We keep asking ourselves, 'Is the boom over?'" says **Stuart Ford** of IM Global, which has produced or financed a dozen titles through its Octane label, including Blum's *Paranormal*, *Insidious* and *Sinister*.

Apparently not. Once considered low-rent or taboo, the horror genre is attracting stars. **Jon Rubinstein**, whose client **Vera Farmiga** (Taissa's sister) pulled off a film-TV horror double play with *Conjuring* and *Bates Motel*, says he was skeptical about his client's interest in the genre until he saw the quality of the scripts. Several talent reps point to **Nicole Kidman**'s role in 2001's well-reviewed *The Others* as a turning point. **Natalie Portman** won a best actress Oscar for 2010's *Black Swan*, which owed much of its \$329 million gross to being marketed as horror. *Mama* star **Jessica Chastain**, a two-time Oscar nominee, says she specifically chose the genre to avoid being typecast. Prestige actress **Julianne Moore** plays the mentally ill mother in *Carrie*.

"We are always hearing from agents, 'Is it elevated?'" says Good Universe/Ghost House partner **Nathan Kahane**, who is producing a *Poltergeist* remake with Oscar-nominated director **Gil Kenan**. "That's the new buzzword in horror."

Despite the upgraded material, part of the appeal, of course, is the potential payoff -- a throwback to backend windfalls in an era in which studios rarely dole them out. Wan, who is segueing from *Conjuring* to the megabudgeted *Fast & Furious 7*, for which he will earn \$1.75 million, actually might be taking a pay cut. Says Wan, "Generally the [horror] films are the ones where you get a bigger slice of the pie."



Walking around the bustling *American Horror Story* set, it's hard to believe that until recently, horror pitches were laughed out of TV network meetings. When Fox chairman **Kevin Reilly** was at NBC, he famously passed on *Walking Dead*. Today the show airs in 133 countries including Yemen, Bolivia, Mexico and all over Europe. Universal Television's *Grimm* is No. 1 in its time period in Spain and Australia, and while Universal typically has licensed programs after their U.S. launch, *Dracula* already has been sold to more than 174 territories.

Ask executives and showrunners why horror has become so big, and they cite cultural shifts allowing shows like *AHS* and even network dramas such as *Following* and *Hannibal* to broaden the limits on acceptable violence. "The line is going to shift as we grow as a culture and build up a tolerance with more forms of horror on the air," notes *Hannibal* showrunner **Bryan Fuller**. "For me, it's always important if you're doing something horrific or mutilative to find some sort of beauty in it." Adds *Following* creator **Kevin Williamson** (*Scream*, *I Know What You Did Last Summer*): "It's not like I set out to do a violent show. But I really wanted to make a scary show. I wanted it to be tense and I wanted you to be nervous and on the edge of your seat. I didn't think it was viable for television."

Watchdog groups might not like the new standards (the Parents Television Council gave *Asylum* its "worst cable TV show of the week award" for last year's Christmas-themed episode "Unholy Night"). But audiences, which first got a taste of violence via graphic crime dramas like *CSI*, are finding value in the movie-style jump-scare payoffs. "Everybody loves to be scared in the same way everybody hates to be scared," observes **Julie Plec**, who adapted *The Vampire Diaries* with Williamson and counts horror master **Wes Craven** as a mentor. "Wes used to say, 'It's about release.' Everybody wants a way to release what's pent up inside them, whether it's through laughter or a scream."

Adding to the viability are advances in technology and the gory verisimilitude afforded by prosthetic masters such as *AHS*' **Eryn Krueger Mekash** and *Walking Dead*'s **Greg Nicotero**. "The turnaround for [CG] special effects is much more efficient now," notes **Bela Bajaria**, executive vp at Universal TV. "There's more available to us. And that was not the case seven, eight years ago."

CG effects can add \$100,000 to \$200,000 to a show's episode budget. Extensive prosthetics like those in *Walking Dead* and *AHS* typically cost much more -- and are more time-consuming. *Coven* costs close to \$4 million an episode, while *Walking Dead* bowed with a first-season episode budget of \$3.4 million; expense amortization has brought the current budget down to about \$3 million. (A typical network drama costs about \$3 million an episode.)

But the detailed gore and shock moments lend themselves to eventization and social media-enabled community viewing. The season-two premiere of *Walking Dead* notched 82,000 social media comments from 57,000 individuals, according to Bluefin Labs. "There is definitely a shared experience with these shows," notes Bajaria. "That, 'Oh shit, did you see that?!' moment. It's very prevalent in shows with a very dedicated core fan base."



It's after 1 a.m. on the *Coven* set, and the zombies mostly have been dispatched by Farmiga and her chain saw. A woman is sprawled on the ground with a green hood on her head; in postproduction she'll be rendered headless. A member of the prosthetic team places a model of her head on the ground and sprays with fake blood the jagged edges where it was separated from her body. "Can we get the head a little closer to the body?" director Podeswa calls out.

The horror genre tends to be cyclical, leading insiders to wonder when the current boom will bust. "If there is a trend afoot, it's that horror is getting away from graphic violence and more toward supernatural," says Blum. "Supernatural plays more broadly and is more relatable to Latin American and female audiences." But some wonder when the current tricks will get tired -- something of which Hollywood, unfortunately, is well too aware. "Kevin predicated an entire franchise [*Scream*] on that very premise," notes Plec. "If you say, 'I'll be right back,' you'll be the next one to bite the dust."

Pamela McClintock, Lesley Goldberg and Rebecca Sun contributed to this report.

E-mail: Marisa.Guthrie@THR.com

Twitter: [@MarisaGuthrie](https://twitter.com/MarisaGuthrie)

E-mail: Tatiana.Siegel@THR.com

Twitter: [@TatianaSiegel27](https://twitter.com/TatianaSiegel27)