

Los Angeles Times

American Film Market shoppers often buy into movies sight unseen

At American Film Market, unfilmed projects such as 'Now You See Me,' with Jesse Eisenberg, look for production and distribution deals alongside finished movies.

November 2, 2011 By John Horn, Los Angeles Times

When you're trying to decide whether to spend \$11 or on a movie ticket, you might be armed with all sorts of data — coming attractions previews, reviews, recommendations from friends. The buyers at this week's American Film Market spend a lot more money occasionally millions of dollars — sometimes equipped with not much more information than a film's title and plot.



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"We sell the dream of what the film has the promise to be — it's in our imagination and the imagination of our buyers," said Alex Walton, whose Exclusive Media Group will be at this week's AFM selling worldwide rights to the Ron Howard-directed car racing drama "Rush," which stars "Thor's" Chris Hemsworth but has yet to start filming.

"Rush" is just one of the hundreds of projects up for grabs at the weeklong Santa Monica event, which starts Wednesday. Once a bazaar of low-budget fare where B-movie stars like Steven Seagal once held court, AFM in recent years has become a critical market for top-caliber productions starring box-office draws; this year, for example, the event will showcase new films starring Brad Pitt, Cameron Diaz and Meryl Streep.

Thousands of film financiers and exhibitors will gather at AFM to cobble together production and exhibition agreements for movies made outside the studio system. In many cases, the films haven't yet been made — and won't be, unless enough deals happen at AFM to fund the projects. Independent producers typically sell rights to their movies a foreign territory at a time. To drum up interest at AFM, some filmmakers will distribute preliminary artwork, others will hand out screenplays or treatments. More than a few will have nothing more to present than an idea and a cast.

More than 400 finished films will be shown to AFM exhibitors from 35 countries. Some 8,000 film professionals are expected to attend, with buyer registration up 10% from 2010, according to the Independent Film & Television Alliance, which organizes the events. There are 50% more buyers from China this year than last, and exhibitors from Mongolia and Cambodia will attend the market for the first time.

The market comes as home entertainment revenue continues to drop, the U.S. and European economies remain troubled, piracy is running rampant globally, and nearly half the world's population remains cut off from meaningful movie distribution. Many AFM participants are looking for a global salve for their economic woes.

"It's definitely a tough time in the filmmaking business worldwide," Walton said. "But there's also a lot of

excitement, a lot of new deals that can be done, with real revenues coming from new media."

With the major studios making fewer movies and devoting most of their resources to big popcorn movies like "Transformers" sequels, the role of the independent producer has changed profoundly. About 75% of all movies released in U.S. theaters last year were independently financed, up from less than half of all such movies just six years ago, according to the Motion Picture Assn. of America.

At this week's AFM, the hot sales titles include IM Global's thriller "Dead Man Down," starring Colin Farrell and Noomi Rapace from "The Girl With the Dragon Tattoo"; "Thunder Road," a computer-animated war film from Hyde Park starring Gerard Butler and "Avatar's" Sam Worthington; Summit Entertainment's bank heist drama "Now You See Me" with "The Social Network's" Jesse Eisenberg; and Lionsgate's fugitive story "The Last Stand" with Arnold Schwarzenegger.

Many international buyers are interested in bigger-budget movies with recognizable names in starring roles. "The mid-level movies are getting crushed," said Hyde Park's Ashok Amritraj, who in addition to peddling "Thunder Road" will be showing buyers the sequel "Ghost Rider: Spirit of Vengeance" with Nicolas Cage, which has generated strong interest and is already sold out in most international territories. "That is sort of the ideal film for the foreign distributors," he said.

Summit's "Now You See Me" includes an internationally recognizable cast and will be shot around the world, with locations in Paris and New York. "It's in the vein of 'Ocean's Eleven,'" said Summit's Patrick Wachsberger. At the same time, Summit will be selling the highbrow title "Twelve Years a Slave," a 19th century drama about slavery from British filmmaker Steve McQueen (director of the upcoming "Shame") starring Chiwetel Ejiofor, Brad Pitt and Michael Fassbender.

Foreign buyers "are looking at specialty movies come Oscar time," Wachsberger said. "They could turn out to be 'Black Swan' or 'The King's Speech.' And most people know 'Shame' and McQueen — they know he's a true artist." All the same, the deals will be done sight-unseen: McQueen has yet to commence filming.

Even if they work in separate realms, independent producers do share one common problem with the studios: cracking China.

Trade quotas and government censors prevent all but a few dozen Western films from being exhibited in theaters in the globe's most populous country. The bulk of revenue from the few movies that do play in China never comes back to the financiers, unless a producer is able to join forces with a Chinese production partner.

"It's still for most movies not a particularly remunerative territory," said IM Global's Stuart Ford. "But if you can structure a film as a co-production, there's a much bigger slice of pie available. But it's much harder to do those deals."

China reserves most of the slots it has for Western movies for studio fare such as "The Smurfs," "Inception" and "Alice in Wonderland." "China is a very fast-growing market," said Albert Lee, whose Emperor Motion Pictures is traveling from Hong Kong to AFM selling his action films "The Viral Factor" and "The Great Magician." "But at the moment it is dominated by the big studio films. And the buyers there are very picky."