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From the Atlanta Business Chronicle:

https://www.bizjournals.com/atlanta/news/2017/04/21/taking-the-next-step-in-building-the-movie-tv.html

Taking the next step in building the Movie, TV Industry

Georgia is a booming place for movie-making. But can it fund writers, directors and producers who want to create new films and TV shows?

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Apr 21, 2017, 6:00am EDT

Fran Burst-Terranella is an Atlanta filmmaker who has been in the business for more than 40 years. Over her career, she has worked on over 700 projects, including television shows, commercials, public service announcements and documentaries, which have aired nationally on ABC, TBS and PBS. She is an Emmy winner, a founding member of the Atlanta Film Society and she helped get Georgia's film tax credit passed in 2008. But for all her hard work and connections, it took her until 2017 to successfully complete a feature film — and it was a long hard road.

To bring her vision to life, Burst hit up friends and industry connections to help finance the film a day at a time. It took six years to come to fruition, and filming was done with a year-long gap due to lack of funds. Eventually, Burst refinanced her house to finish the movie. "The 12 Lives of Sissy Carlyle" premiered at the 2017 Atlanta Film Festival to enthusiastic reviews, but Burst isn't sure that will make it any easier to finance future projects.



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Picture It Productions already has over 70 shows in its content pipeline, many of which are from the Atlanta area. The company was founded in January 2016 by three industry veterans who are using their connections to help screenwriters score television deals.

"We did business plans and budgets, created marketing materials, cut trailers and pursued best-bet investors but all doors stayed shut," Burst said. "Content creation is the next hurdle for Georgia's film, television and digital entertainment industry to be truly sustainable, and solid financing up front, including for development costs, is essential."

It's hard to drive through Atlanta these days without encountering film crews — trucks, wires, bright lights on rigs and busy crew members at work on the next Hollywood blockbuster. Last year, Georgia hosted nearly 250 productions — but "host" is the key word. These shows might film in Georgia, but the money, the concept and the above-the-line talent still come largely from Los Angeles or New York.

There are exceptions, like <u>Tyler Perry</u>, whose stature and targeted audiences have allowed him to carve out a niche in Georgia as a content creator. But if Georgia wants a sustainable film industry with job opportunities across the spectrum of filmmaking, insiders say, it needs to cultivate a significant amount of its own content. That's easier said than done.

Major film studios like Columbia Pictures, 20th Century Fox, Warner Bros., Paramount and Universal, whose executives have the power to greenlight projects, have their headquarters in Hollywood. Filmmaking hopefuls in Atlanta have to travel thousands of miles to pitch their projects, and that's assuming they have the connections to get the attention of Hollywood's elite.

Back home, financing is very hard to come by, because investors in the Southeast aren't used to funding films, which are a non-traditional, and somewhat risky, revenue stream.

"I think there's still this mindset that a business is brick and mortar in Atlanta, versus in Los Angeles and New York where intellectual property is viewed as more valuable," said Eric Bomba-Ire, an independent filmmaker.

Take "Atlanta," FX's Golden Globe-winning series written and created by Donald Glover, who got the idea for the series from years spent living in Stone Mountain, Ga.

"Even though you have a show that just did amazing like 'Atlanta' coming out of someone's experiences of growing up here, they wrote that in a writers' room in L.A.," said Atlanta filmmaker Phoebe Brown, who also owns ATLier, a local prop house, with Bomba-Ire. "The representation for writers and the process of development, prep and story is really still happening in New York and L.A."

Unfortunately, most independent films don't make their money back, which gives investors pause.

"A lot of it is, how do we educate people on the sort of risk and reward going in?" Brown said. "On a film in particular, it's mostly risk. It's kind of rare to make your money back on small features, but you're part of something exciting."

Some Georgia-based companies and the Georgia Film Academy are making an effort to promote more content creation here, including Gramarye Media Inc.

The startup aims to shake up the way Hollywood develops film franchises, many of which are based on novels. Big studios often buy up manuscript rights before a book is even released, though many of these languish on some executive's desk and never make it to the silver screen. Gramarye looks to form partnerships with authors as they are developing their stories, workshop them into interactive eBooks, test them on readers and collect data to see which ones have audience potential.

Gramarye's model could save studios millions and break Hollywood's heterogenous mold, which churns out endless reboots and adapted screenplays for novels that just don't translate to the big screen.

"Right now their climate is a lot of sequels and a lot of remakes, because they're perceived as safer," said Gramayre founder and CEO John Adcox. "We can actually farm potential story franchises and provide actionable data that tells you not only what to adapt, but how to adapt it."

The company is in the midst of a \$3 million funding round, and initially it received interest mainly from California studios and companies that wanted it to relocate from Georgia. But Adcox and his team have fought to keep the company in Atlanta, and now it is in talks with several local players, including Pinewood Atlanta Studios, that could be potential partners.

"We're never going to compete with L.A. for television and we're never going to compete with New York for traditional publishing," Adcox said. "We need to have something unique that we can own here in Georgia, ideally something that's sustainable and disruptive at the same time. And I hope our approach is it."

Atlanta-based film complex Blackhall Studios in February launched a financing plan for mid-budget films to help local independent filmmakers finish their funding raises. If projects can secure 80 percent of their budgets, Blackhall Chairman Ryan Millsap will help them secure the final 20 percent, up to \$5 million. Millsap has lots of finance connections through his other company, real estate investment firm Irinda Capital Management.

"We have a very robust pipeline, and though we haven't gotten a deal across the line, we've been very close on a few things," Millsap said.

Another startup, Picture It Productions, is focused on increasing content creation for television. It was founded in January 2016 by three industry veterans who are using their connections to help screenwriters score television deals. Partner Lance Krall is a filmmaker who has written for "It's Always Sunny in Philadelphia" and "Last Man Standing." He got the idea for the company after his agent tried and failed to set up a pitch meeting for him in Atlanta.

"No one you would meet with on that end is in Atlanta," Krall said. "Everyone you would pitch an idea to is in Los Angeles or New York."

Picture It already has over 70 shows in its content pipeline. It accepts pitches on its website from anywhere, but many of the shows it is currently workshopping are from the area. It hosts table reads at its offices in Inman Park, shoots sizzle reels and screenwriter interviews and packages the concepts on its website for heads of development of studios to consider.

"Everything gets created in L.A. and New York, gets made here for cheap and then they go back to L.A. and New York," Krall said. "We're trying to change that paradigm."

Educational institutions are also beginning to turn their sights to content creation. The Georgia Film Academy was founded by the University System of Georgia and Technical College System of Georgia in 2014 to address the local crew labor shortages. Now that it has successfully established a two-course certification program and its graduates are scoring gigs on hit shows like "The Walking Dead," it is introducing "above-the-line" courses such as film and television screenwriting.

"We have the crew training in place now and are starting to focus on content creation," said Georgia Film Academy Executive Director Jeff Stepakoff. "How do you do that? Through training and initiatives to keep content creators here at home."

Not all local industry members agree that content creation is critical to keep Georgia's film industry booming, especially if it means relying on the state government for support. The state's film tax credit, which awards productions that spend at least \$500,000 here up to 30 percent back in transferable tax credits, already has been very successful in luring productions here.

"The tax credit is successful at what it was intended to do," said Kris Bagwell, executive vice president of EUE/Screen Gems Studios in Atlanta. "Most of the jobs here are below-the-line, and that's worked. What I worry about is the perception that the state is somehow funding the creation of content. As a taxpayer, I don't expect my government to be betting on a script."

But if Georgia wants to be known as more than a factory where Hollywood churns out its movies cheaply, it must support its independent filmmakers and educate its financiers about the value of investing in film and television scripts.

"Becoming a content creator does not have impact on our sustainability as space providers," Millsap said. "Now certainly for the industry to round out, we need more <u>Tyler Perry</u>-type creative talent here. One of the ways we can do that is be able to fund those people into existence."

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Above-the-line jobs: people who influence the creative direction of a film or television show, including screenwriters, producers, directors and actors

Below-the-line jobs: crew members who aren't hired until the project gets a green light, including assistant directors, grips, gaffers, stylists, script supervisors, costume designers, sound engineers and visual effects engineers

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