

Todayâ??s AFM: â??Whatâ??s Working in the Pre-Sales Marketplace?â??

Description

Posted by Larry Gleeson

Millennium Media, MadRiver and The Exchange Talk Pre-Sales Market in the Pandemic

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Highlights from todayâ??s AFM Production Conference: Whatâ??s Working in the Pre-Sales Marketplace?



Top, left to right: Kimberly Fox, Partner & Head of International Sales, MadRiver International, Jeremy Kay, Americas Editor, Screen International, and bottom, left to right; Jeffrey Greenstein, and Nat McCormick, EVP, Worldwide Distribution, The Exchange.

Panelists
Kimberly Fox, Partner & Head of International Sales*, MadRiver International*
Jeffrey Greenstein, President*, Millennium Media*
Nat McCormick, EVP*,* Worldwide Distribution*, The Exchange*

Moderator
Jeremy Kay, Americas Editor, *Screen International*

Whatâ??s it like engaging with buyers on pre-sales right now?

Kimberly Fox: â??I see it as being quite binary. Itâ??s either big, theatrical stuffâ?¦or itâ??s real small distributors trying to do a quick arbitrageâ?¦I donâ??t see the in-between for pre-sales at all.â?•

Nat McCormick: â??The bigger the project, the easier it is when it comes to the pre-saleâ?¦though we have had success in sub $10m budget range if itâ??s the right formula, priced the right wayâ?¦There is a pre-sale market if there are buyers that are literally just looking to buy content that theyâ??re going to sell to television pain-free and VODâ?¦â?•

Jeffrey Greenstein: â??The biggest challenge is going to be making the film for the right price that the market can bear with consideration for whatever the means of distribution are. And if itâ??s a major theatrical title, we have to make sure that timing works for theaters to be around.â?•

How have your pre-sales slates shifted?

Nat McCormick: â??We historically have always had about a 50/50 ratio, pre-sales versus finished film pickups. We do a good amount of volume, maybe about 15, sometimes even on the top end, 20 movies a year, and half of those will be pre-sales, and half of those will be finished films or ones we pick up once theyâ??re in post. So, has that changed during the pandemic? Not so much, itâ??s kind of been the same formula for us.â?•

Kimberly Fox: â??I donâ??t think itâ??s changed at all. We do a lot less movies a year, we do about 6, maybe 8 if weâ??re lucky, and weâ??re primarily pre-sales driven.â?•

Big pre-sales at this AFM?

Kimberly Fox: â??*The Things They Carried* is a tremendous package, a really great script, based on the award-winning works of Tim Oâ??Brienâ?¦with Tom Hardy, Stephan James, Tye Sheridan, Pete Davidsonâ?¦itâ??s well budgeted, itâ??s sub $20m, and weâ??ve had a lot of heat on it this weekâ?¦â?•

Jeffrey Greenstein: â??Weâ??ve introduced the new *Has Fallen* filmâ?¦weâ??re hoping to shoot it end of 2021, which the good news is, for us, that means theatrically, end of 2022 soonest, where we have full confidence in theaters being back in action.â?•

Nat McCormick: â??We do primarily movies in the sub $15m, and actually really the sub $10m space, just because they arenâ??t so contingent on a wide theatrical releaseâ?¦It can get tricky with these projects if you donâ??t have the right elements to pre-sell, and youâ??re going to get a lot of â??wait-and-seeâ?? feedback, especially if theyâ??re a little bit more specialtyâ?¦We have been successful in putting together high-end home entertainment titles. So weâ??ve sold out four Bruce Willis

moviesâ?¦and then we just sold out an Olivia Munn movie that is an action franchise, smaller, but sheâ??s the lead. We have a Pierce Brosnan movie, a Morgan Freeman oneâ?¦these types of actors, sub $10m budget, you can get the pre-sales that you need, and you vastly sell out the majority of the world to put the budgets together.â?•

What genres have the best chances in the pre-sale marketplace?

Nat McCormick: â??Action is the go-toâ?¦because it just works everywhere. Comedy, horror, thatâ??s more localizedâ?¦or a romcom. I was having a meeting this morning with Mediaset in Spainâ?¦what theyâ??re looking for is just Action, A-list, RomCom, A-list female, theatrical, or on a smaller level, they want Action, Adventure, Disasterâ?¦thatâ??s kind of from a genre perspectiveâ?¦You have buyers in the specialty categoryâ?¦they want those award-winning, nomination-worthy films. When youâ??re making a drama, if you donâ??t get a major film festival and you donâ??t get the awards, or if you donâ??t have A-list cast at least, youâ??re essentially equity financing those movies and selling them when theyâ??re finished.â?•

Kimberly Fox: [Regarding Drama] â??Unless it fits squarely in that Oscar-worthy range, and if a territory doesnâ??t have that type of distributor, the specialty distributor, youâ??re not going to get that sale, so itâ??s a very fine needle to thread when youâ??re talking about a dramaâ?¦It is all about the A-list, A-list, A-list.â?•

Jeffrey Greenstein: â??I think action-comedies we found a lot of success in lately, especially amid the pandemic, people want to be distracted.â?•

How are indie buyers competing? And with streamers?

Jeffrey Greenstein: â??Well, we always have a much more partnership-driven approach to everything we do. Thereâ??s such an interdependency in the marketplace with our buyers and their ability to have films, make money, and stay relevant. A lot of what we do is try to pair the streamers up with local partners, that way they can get the backing, we can all do the deal together and kind of everybody wins.â?•

Kimberly Fox: â??Weâ??re going to try and support the independents as much as we possibly can, and a lot of that is putting these partners together. When it comes toâ?¦â??we just want to buy the world,â?? it becomes very difficult for our partners to competeâ?¦â?•

Nat McCormick: â??Thereâ??s a little bit of a fallacy that you can just go sell your movie to Netflix. Itâ??s hard to sell one of these movies worldwideâ?¦â?•

What are buyer convos like at the moment?

Kimberly Fox: â??In this time, I think anybody that says even whatâ??s going to happen tomorrow has no clue. We canâ??t predict at all what is going to happenâ?¦So we can have a date, and we can race towards it, but anything could go wrong, one test could throw us offâ?¦Right now, timing isnâ??t as crucial in my opinion. Usually you donâ??t want to start pre-selling too far out because people arenâ??t going to focus on it, but I think right now it doesnâ??t matter, I think itâ??s just the project that is the key.â?•

Any things on the roster?

Nat McCormick: â??We start production next week in Venice, Italy on a Liev Schrieber, Josh Hutcherson movie, so thatâ??s happening in Europeâ?¦Europe affords some more help and assistance when it comes to the insurance and bond type of situation that everyoneâ??s navigating. Weâ??ve been shooting movies this year, right now, in the States and just not using a bond. Essentially the financier is acting as the bond company in the event something goes wrong, and thatâ??s why COVID protocols are important to have in place.â?•

How much did budget go up? (Re: Shooting in Bulgaria at Nu Boyana Studios with COVID protocols early on)

Jeffrey Greenstein: â??I think it cost us about $400k extra on this budget, so Iâ??d say weâ??re talking about 5 Â½ â?? 6%. Two COVID tests a week for just about everyone on set was very costlyâ?¦and obviously time, it takes more time to operate with these new protocols and people getting used to it.â?•

Nat McCormick: â??Even just filming a promo, we had to have COVID protocols and a supervisor on setâ?¦even the cost of just the marketing materials weâ??re preparing has gone up.â?•

Jeffrey Greenstein: â??I think that it comes down to the COVID insurance, right? I actually got COVID coverage on this film right before the pandemic and the shutdownâ?¦we found a policy and then the shutdown happened, and fortunately we didnâ??t need to call it in but weâ??ve seen quotes on COVID insurance which are incredibly expensive.â?•

Animation, is that something that you see having legs?

Nat McCormick: â??Thereâ??s definitely a market for animation. The challenge is that there are some very dominant players, Disney, Pixar, doing animation, so competing against those is hard. We have an animated project that weâ??re doing right now, itâ??s called *The Inventor*, and itâ??s a stop-motion animation from the creator of *Ratatouille* and itâ??s Marion Cotillard and Daisy Ridley, and itâ??s a great project but itâ??s not going to be available for over two years from now. So the trick with pre-selling animation is that itâ??s very far off. There are two types of animation: thereâ??s wide theatrical animation, with which you literally need to include a theatrical release in the US to be able to get to the $10m-$15m international presales, and then thereâ??s the smaller animation market which is literally just cartoons for TV. So thereâ??s a market for that. Itâ??s tricky, it takes a while, but thatâ??s es really focus on like Russia, Eastern Europeâ?¦â?•

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1. television

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