



17 Things About The Film Business That Should Influence Your Behavior

(according to Ted Hope)

1. **Filmmaking is not currently a sustainable occupation for any but the very rare.** It is not enough to be very good at what you do if you want to survive by doing what you love.
2. **Presently speaking, artists & their supporters are rarely the primary financial beneficiaries of their work – if at all.** Filmmakers are not sufficiently rewarded for their quality creative output under current practices.
3. **The film industry's economic models are not based on today's reality.** They are predicated on and remain structured upon antiquated principals of scarcity of content, centralized control of that content, and the ability to focus the majority of consumers towards that content.
4. **Film audience's current consumption habits do not come close to matching the film industry's production output.** America remains the top film consumption market in the world, and is thought to be able to handle only around **1%** of the world annual supply – consuming somewhere between 500-600 titles of the annual output of approximate 50,000 feature films. We make far more films than we currently know how to use or consume. We drown our audiences in choices.
5. **The film industry has not found a way to match audiences with the content they will most likely to respond to.** It doesn't even look like this is a priority for the business. Everything is spaghetti against the wall, marketed in the same way & only to the most general demographics of race, gender, & income.
6. In order to reach the people who might respond to a film, **the film industry remains dependent on telling everyone (including those who could care less) about each new film.** It is a poorly allocated dedication of resources. We spend more money telling those who will never be interested, than focusing on those who have already demonstrated support. There is no audience aggregation platform exclusively for those who love movies, no place where all people who love movies engage deeply about films – if there was, marketing costs could shrink.
7. **Digital distribution is an *emerging* market and will continue to evolve over the next decade.** The value for titles for the long term has not been specified for digital distribution; currently only short term value is derived – and as a result films are licensed without full understanding of future worth. We are doing a business of ignorance.

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8. **Predictive value of films is determined by an incredibly imprecise method:** “star value”, a concept that grows less predictive by the day. Ask anyone and they will tell you that people do not go to movies anymore to see specific stars but interesting subjects. Granted, that is not a scientific method, but we know it to be true.
9. **The “fair market value” of a feature film’s distribution rights in the US that multiple buyers want has dropped astronomically:** from 50% of negative costs 25 years ago, to 30% 15 years ago, to 25% 10 years ago, to 10% today.
10. **International territorial licensing of American independent feature films has dropped by approximately 60% over the last decade.** Major territories no longer buy product. Most have given up on “American Indies.”
11. **Everything that has ever been made, has also been copied.** The logic of a business based on exclusive ownership or limited access to something can not sustain. In the digital era the duplication of data is inevitable. The unauthorized copy will never go away. People can choose to try to avoid unauthorized versions but they will be made or shared. This does not have to always be a bad thing either.
12. **Competing options for film viewing have diminished the comparative value of theatrical exhibition.** A consumer can not justify the cost of a movie ticket when that ticket costs more than the cost of a month of unlimited streaming. Home theaters’ quality surpasses many theaters, and the seats are always better. Soon 4K Televisions will be the norm while movie theaters are stuck in 2K.
13. **The film business lacks a long range economic model for exhibition.** What is the business of movie going? Exhibition gathers people together to sell them a 15 cent bag of popcorn for six dollars. We can profit from a large group’s interest in more and more meaningful ways, but the infrastructure is not yet designed to exploit this.
14. **The film industry foolishly rewards quantity over quality.** Producers are incentivized to forever take on more and the films’ quality suffers as a result. The best work is not rewarded. Once upon a time, filmmakers got overhead deals and that made some difference, but those days are long gone.
15. **Movies have a unique capacity to create empathy for people and actions we don’t know or have not experienced.** Science has shown that the imagined releases a similar chemical response to the actual experience. If this empathic experience is virtually unique to film, can it be utilized more.
16. **Movies create a shared emotional response amongst all those that view it simultaneously.** What other product can claim that? As a unique attribute, how can you emphasize that more? Shouldn’t that be the takeaway that your audience remembers and shares?
17. **There has never been a better time for most creative individuals to be both a truly independent filmmaker and/or a collaborative creative person.** The barriers to entry are lower, the cost & labor time of creation & distribution are lower than ever, and there are more opportunities and methods than ever. We just need to abandon the old ways and unearth the new ways.



19 Things Regarding Our Current Culture That Should Completely Alter Your Creative & Entrepreneurial Practice

(according to Ted Hope)

1. This is **an Era of Grand Abundance**. There are more things to do than ever before. Everything is competing for increasingly limited available leisure time. As many as 50,000 feature film titles are generated on a worldwide basis annually. Good movies don't get seen.
2. **Movies are not the dominant option for leisure time activities for most people.** Physical & outdoor recreation, online & video games, live events, and many other wonderful options compete on an equal playing field for consumer's available time and money.
3. **The past competes with the present** as never before. We have better access to content created decades ago than those that were living when it was being created. The past has been evaluated more widely or deeply than the present, making it easier to be discovered and connected with.
4. Content accessibility is no longer an inverted pyramid ending at a blocked spigot, but an open flow of rapidly moving particles with little to grab hold of. **The abundance of content is matched by a complete accessibility to it - anytime, anywhere, on any device.** The options are endless. There are no barriers to distribution, only to awareness and engagement.
5. Audiences feel overwhelmed. **Everyone everywhere is distracted**, deafened by the noise, blinded by the glare. Audiences no longer know how to discover work that they will respond positively to. We could be digging ourselves deeper into a very deep hole, as we are prone to engage less frequently with that thing when we don't get the results we desire.
6. **Our available time is more limited than ever before.** People work more. They have more on their agenda. They have more options than before. Less and less becomes spontaneous.
7. **The long tail is crushed by the weight of the herd of the new**, buried under the tsunami of the now that is constantly being generated.
8. **People crave the authentic.** In the age of both mechanical and digital reproduction, we tend to value that which cannot be recreated. In an overt consumerist environment, we also start to cherish that which does not need to be sold.
9. If most things can be time-shifted, delayed, and recorded for later consumption, **events that are one-of-a-kind and fleeting are increasingly valued.**

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10. **The old tools and practices no longer work**, but we are prone to get in a rut of habit, doing the same things, expecting to get past results that stopped occurring long ago. Newspapers and their influence have decreased, reducing cost effective options for audiences to discover movies. Even email and social media seem to have less impact than they used to.
11. **Although we have access to more, we discover less**. Online, we get stuck in echo chambers of community thought, and have lost serendipitous discovery of the past. We are expansive beings with diverse taste, but we get stuck in ruts of habit. The film business lost its year-round curators when the newspaper business collapsed and film critics lost their job. Newspapers were engines of serendipitous discovery.
12. **Our vast connectivity -- due to the internet and communication revolution -- changes everything, including our art & commerce**. Information & opinions can spread faster than we ever imagined. We don't live in story beats the way we once did or even still dream we do. The present becomes a spontaneous sensation as opposed to events with discernible steps towards it. The narrative of daily life is growing more evasive. The surrounding volume intensifies. Do we have a choice other than adapting?
13. **We are reminded of our vulnerability more often and more deeply**. Whether it was 9/11/00 or 9/15/08, terrorism and economic collapse influence our decisions and actions in more ways than we probably realize. We expect something equally traumatizing on the horizon. It is not a land of plenty, but one where the precious might be taken at any juncture.
14. **Art, audiences, technology, & business change far faster than markets or industry**. There is tremendous opportunity in this gap for new business and new forms of creation. The First Mover Advantage is there for our taking.
15. **People - and communities -- generally only change their behavior when the pain of the present exceeds their fear of the future**. When it comes to the film business, it is reasonable to assume we have come upon a moment of mandated change.
16. **People (i.e. Audiences) want greater return on the investment of their engagement than ever before**. Americans in particular expect to exchange their leisure time for intellectual capital, which transforms into social capital. We expect to improve ourselves by our consumption practices.
17. On a personal level, **all industries are about people keeping their jobs**. They won't do something that will risk them losing their job. In the film biz, often the way to keep your job, is to not make a movie, particularly one that does not have universal support.
18. **We have more ways -- and thus more opportunities -- that we can work collaboratively than ever before**. We don't have to be in the same place. We don't need to see or understand the results. We can gather information that will be analyzed later. We can all harness the power of many that once was only the domain of the super powerful.
19. Although we are working longer hours at higher level jobs than ever before, **due to the nature of our available technology, we have more usable time to work together to get fast results**. Even collaborating remotely, we can see the results quickly.



16 Recommendations For Filmmakers To Discover Best Practices For A Sustainable Creative Life

(according to Ted Hope)

1. **Focus on developing Entrepreneurial Skills** as well as the creative. The corporate distributors don't need your work to the extent that they will ever value it as much as you will. If you want your work to last, engage, and be profitable, it is up to you to be prepared to use it to ignite all opportunities. Armed with a good story and good storytelling skills, you should be able to profit if you know how to take responsibility for your creation.
2. **The great challenge is no longer how to get your film made or funded, but how to get people to watch it.** All the tools and connections have improved. Information is accessible. You need to allocate time and resources to engage people with your work. There is nothing harder in the filmmaking eco-system than this.
3. **Aggregate audience.** Build those email lists. Transition or lead folks from social networks where you don't own the data (Twitter, Facebook, etc), to your own lists where you can directly connect and engage with your community. You need to know how many people you can lead to action.
4. Go beyond thinking of whom the audience is that you make your work for, and **start figuring out how your audience uses your work** – and with that comes the shift from a passive one way relationship from a maker to a fan base, to an active participatory relationship between an instigator and the community they are part of.
5. **Transition your passive audience to an active engaged participatory community.** If you know how people find your work, why people respond to your work, and what they use your work for, you can unleash their power and creativity to fully engage, and thus make the work a more critical part of their life.
6. Distributors are for the few; **recognize though, that platforms are for the many.** Distributors have their pick of licensing films, but also have a limited bandwidth as to what they can promote well. Platforms need your work. If the odds are those that *you* want won't *want* you, shouldn't you first figure out how to play well with those that want you on their team? You have the opportunity to do well.
7. The only logical response for filmmakers to these Days of Too Much is to **be more prolific and ubiquitous.** "How are you going to be more generative in more places?" you ask? This demonstrates both the need for *radical collaboration* – and the forum to do it on. Your work is how people will discover you. You need to make it available in as many forms as possible.
8. **You need others to be authentically incentivized to share and promote your work.** That means they must honestly appreciate it and understand what they have to gain by getting the word out about it. The easiest way is for your work to share the same goals as they do. This may mean it needs to be part of the same thing as theirs. Think about that.

9. We have stop trying to reinvent the wheel every time we release a new film. Currently, each new film is a new effort to gather audience, even when it is from the same director or story world. We must start to remain engaged with our fans, and **shift our focus from a single product business to one of an ongoing relationship.**
10. **The film biz lacks a way for the passionate fan to demonstrate their appreciation of a work.** People buy art both because they like it and because it elevates their status. If you like a movie as a work of art, maybe you can find a foreign poster of it, or wait until Taschen publishes a book on the director. There are few fetish objects to award the die-hards with. What can you provide for those that love your work?
11. You are currently witnessing **the end of feature film dominance.** The feature film form was born out of economic necessity and biological necessity. People valued the time commitment it took to consume and could get through it with one bathroom break/stop at the concession stand. This product length has been the basis of all media based financial decisions other than subscription fees – and even there it was the initial driver (along with sports and pornography). Yet, feature films are a costly product to market with no easy way to initially engage an audience on an active level without giving away the cow. In this connected age we can create an infinite variety of storyworld extensions, discovery nodes, and engagement forums. Time to start thinking broader and deeper.
12. Be responsible for your film, for no one has the incentives you do to do so. **Learn to strategize, schedule, budget, and predict revenues for the entire life cycle of your film.**
13. **Embrace rapid prototyping with multiple iterations.** There is no current business model for indie film & there will probably never be a universe template for most films. The goal is to determine a variety of “best practices” as soon as possible. We need to work together. This is the era of cooperation not competition. Each step brings us closer to a certain truth.
14. To increase your rate of success, **fail twice as much. Experiment.** We have to get over our cult of success and speak more about the ongoing process instead of the rare result.
15. You are not discovering gold or creating a patentable process. Determining best practices to have a sustainable & rewarding creative life is a group endeavor. We can build it better together, but if we hide our failures and the powerful information we collect, we will not advance. **Gather & share data. Embrace transparency and an “Open Source” attitude to all you do.** This is a collective process to lift all of us up.
16. Don’t despair. As much as art has always shown us where we are, we also depend on it to show us where we want to be. **The work you create moves us closer to the world you aspire to.**
