



Hollywood and Silicon Valley: Special Effects, Financing and Now Digitized Payroll/Production Management

By Andrew Patterson

For years, the common perception was that Hollywood and Silicon Valley were at odds, each community driven by incompatible future-state visions for the media and entertainment industries.

This oil-and-water conflict was vividly underlined back in 2007 at a well-publicized summit that brought together Hollywood talent and Silicon Valley executives and investors. Most noteworthy among the observations made at that event was the comment by private equity heavyweight Marc Andreessen that, in the view of the tech industry, Hollywood and the television business were on their last legs. "We are against each other," Andreessen is reported to have said. "This is a zero-sum game."

Well, "zero sum" seems to have taken on new meaning with the passage of time: today, the two industries not only coexist, they now are intertwined and enabling one another. Competitors become partners even as they remain competitors.

The fact is, change is ever present.

We certainly see it in movie and TV financing and investing, where Silicon Valley money has made significant inroads into production in recent years. And we obviously continue to see it in special effects, the post-production specialty in which Silicon Valley was playing a huge role even before Andreessen made that comment 10 years ago.

Just a few of the many examples the Motion Picture Association of America notes on its website: drones filmed scenes at sea in Disney's *Pirates of the Caribbean: Dead Men Tell No Tales*; filmmakers experimented with virtual reality headsets as a way to see the virtual set created through CGI in *The Jungle Book* and the creators of *Mad Max: Fury Road* included an eye-popping 2,000 VFX shots to create the movie's dystopian reality.

Robert Iger, Chairman and Chief Executive Officer of The Walt Disney Company, acknowledges the new reality. "We don't look at north versus south in any combative way," he said recently at *Vanity Fair*'s "The Scene" session. "Bring it in and use it to your advantage. It's that simple."

Indeed, the changes brought about by the Hollywood-Silicon Valley convergence is playing out in real time, writes Nick Bilton in *Vanity Fair*.

"When Netflix started creating its own content, in 2013, it shook the industry," he writes. "The scariest part for entertainment executives wasn't simply that Netflix was shooting and bankrolling TV and film projects,

essentially rendering irrelevant the line between the two ... The real threat was that Netflix was doing it all with the power of computing.”

Not long after House of Cards debuted on Netflix, the late David Carr of *The New York Times* noted: “The spooky part ... ? Executives at the company knew it would be a hit before anyone shouted ‘action.’ Big bets are now being informed by Big Data.”

The Hollywood-Silicon Valley collaboration isn’t only evident in public-facing content or post-production special effects. Alec Berg, executive producer for HBO’s award-winning *Silicon Valley* series, points out that Silicon Valley actually hasn’t invented a new management style in Hollywood. Instead, he told Patrick May of the *San Jose Mercury News*, “... it’s simply that advantage of having new players in the game that makes everyone rethink the way they’re doing their work.”

And that includes specialty companies behind the scenes that have supported the entertainment industry for years. We, too, are finding we can provide additional value to customers by looking north to Silicon Valley for ideas inspiration and innovation.

Cast & Crew Entertainment Services, with more than 40 years of experience providing studios and indies with payroll- and production-managements products and services, is on its own interesting technology journey. On this journey, we are digitizing the entertainment production lifecycle – from script (we own screenwriting software leader Final Draft) all the way to post-production and residuals. And everything in between.

Cast & Crew’s perspective is unique because of our historical focus on customer service and support. We are a company that has always put in the extra effort to bring true value to the customer. And, in this case, our effort is directed at technology and bringing the best digital payroll-, accounting- and production-management products and services to the industry.

Importantly, digitization also addresses security concerns. Digitization of our products enables us to make data security more configurable, personalized and tailored for our customers’ needs. Moreover, with a digital platform, we can evolve the customization over time to be meet with the wide-ranging and ever-changing needs of our customers.

With this historical perspective, Cast & Crew is embracing this new paradigm, where the entertainment industry meets Silicon Valley. Our customers are, as well. They are excited and hungry. They understand the potential of digitization. Some want to adopt it tomorrow and some actually want to adopt it today. And they all want to know exactly what it is we are doing. They feel the excitement as much as we do.

As someone who now has been part of both sides of the equation, I can tell you clearly and in language understood both in both parts of California: this is the next cool thing.

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