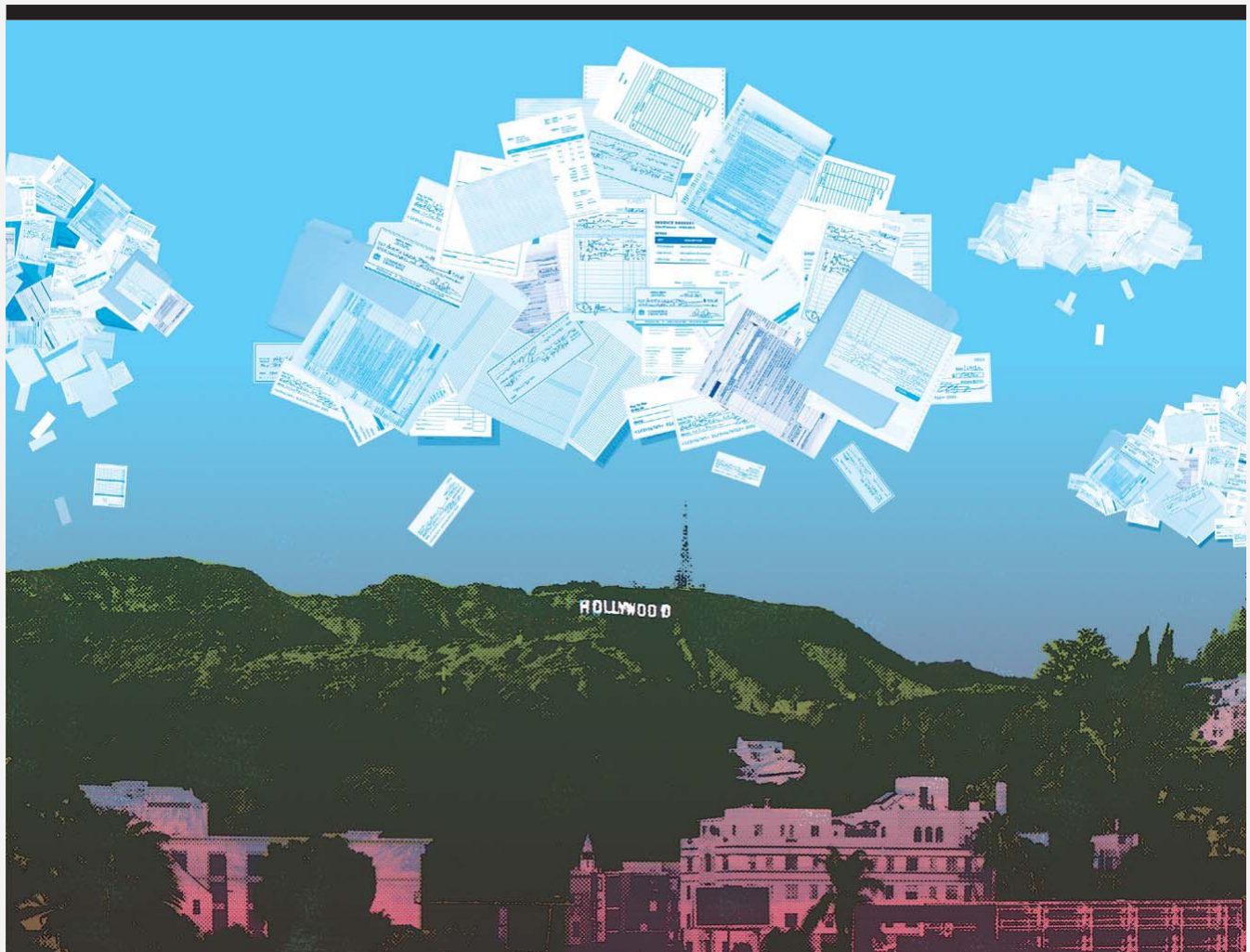


ARTISANS



Paper Payrolls Climb to the Cloud

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On July 29, private equity firm Silver Lake Partners, which counts WME/IMG within its \$26 billion portfolio, announced the acquisition of Hollywood payroll company Cast & Crew Entertainment Services from ZM Capital.

Just 15 days later, on Aug. 13, the other most prominent showbiz payroll company, Entertainment Partners, said it was buying smaller competitor Ease Entertainment Services, and would merge the companies' operations.

Is the close timing of these two transactions a mere coincidence? Probably not. They both reflect the urgency many industryites feel to move production management and payroll operations from the horse-and-buggy era of voluminous paperwork into the digital age of cloud-based systems.

"When you're starting a big production, you may be onboarding 750 to 1,000 people over the course of a few weeks," says Cast & Crew CEO Eric Belcher. "It's now a manual process. Each individual has to fill out paperwork, copies are sent

to the payroll company and kept by the production office."

Newly armed with Silver Lake capital, C&C is not only introducing software designed to digitize the hiring and timesheets of everyone working on a production, it also has a plan to tech-enable the entire production process, beginning to end, says a Silver Lake exec. "Under our ownership, we're going to turbocharge the product portfolio and accelerate the digitalization process."

Technology also is the impetus behind EP's purchase of Ease. Earlier, Ease had bought the cloud-based Scenechronize production management software, which EP will integrate into its existing budgeting and scheduling systems.

"We want to create a paperless production environment, adding automation efficiency to the workforce management processes," says Myfa Cirinna, Entertainment

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Going digital is to everyone's benefit. The holy grail is to automate as many processes as possible.”

David Buchan,
FremantleMedia
North America

Partners' exec VP of marketing and sales. Cast & Crew and EP are the largest of many outfits providing payroll services and production accounting to studios, networks and production companies for features, TV and commercials — projects that can employ from a handful to more than 1,000 individuals from periods ranging from a few days to, in the case of TV, many seasons. Headquartered in Burbank, they have offices in production centers such as New York, Louisiana, Georgia and Canada.

As part of the package, they also offer residuals processing, health and benefits management, consultation on production incentives and even cash advances against transferable tax credits, unlocking their value to clients early in the production cycle rather than after the project has wrapped.

To take one example, EP used Louisiana tax credits to finance about 20% of the budget of Paco Cabezas' "Mr. Right," the action comedy that will close the Toronto Film Festival. "The producers had raised a good portion of equity for the film," says EP film finance head John Hadity. "We did the tax credit loan, and the balance came from the bank."

The amount of money changing hands in the Silver Lake-Cast & Crew and EP-Ease deals wasn't disclosed; street talk pegged the sums at roughly \$700 million and \$100 million, respectively.

Most customers welcome the industry's belated tech update. "Going digital is to everyone's benefit," says David Buchan, finance VP for FremantleMedia North America, an exclusive EP customer. "The holy grail is to automate as many processes as possible. All the payroll companies are making efforts in that regard. The one that does the best job will be the most successful."

Career Twist at Comic-Con Sesh

The young **Oksana Nedavniaya** thought she would be a concert pianist, but her career took a turn when she attended a costume design panel at Comic-Con about a decade ago. "When it ended, I showed costume designer Isis Mussenden my portfolio," Nedavniaya says. "I walked away, expecting nothing to come of it."

Weeks later, Mussenden hired Nedavniaya to provide costume illustrations for "The Chronicles of Narnia: Prince Caspian."

Since then, she's illustrated costumes for a variety of projects, including Thor Freudenthal's "Hotel for Dogs" and the Opening Ceremony of the Sochi Winter Olympics. Her latest project: David Ayer's upcoming, "Suicide Squad," set for release in 2016.

For "Squad," the process began with concept boards provided by costume designer Kate Hawley, who did extensive research to capture the right look.

"Kate is very much about creating a general mood or direction for the characters," Nedavniaya says. "We focused on establishing an atmosphere."

Nedavniaya's work combined technical illustration with mood enhancements. As actors were cast, she continually refined the illustrations — and remained involved as costumes were built, a rarity for someone in her profession. "I got to see my work in 3D," she says.

— Marj Galas



GARMENT ARTIST *Oksana Nedavniaya's illustrations add mood to costumes.*

PRODUCTION CHART

TITLE/DISTRIB	PRODUCTION	DIR.	CAST	SHOOT START	LOCATION
Absolutely Fabulous Fox Searchlight	Fox Searchlight, BBC Films	Mandie Fletcher	Joanna Lumley, Jennifer Saunders	10/12	London
Angel From Hell (series) CBS	CBS Television Studios	Don Scardino (pilot)	Jane Lynch, Maggie Lawson	9/8	Los Angeles
The Family (series) ABC	ABC Studios, Mandeville Films	Paul McGuigan (pilot)	Joan Allen, Zach Gilford	9/10	New York
Fist Fight Warner Bros.	New Line Cinema, Z1 Laps Entertainment	Richie Keen	Ice Cube, Charlie Day	9/28	Atlanta
Super Troopers 2 Fox Searchlight	Broken Lizard	Jay Chandrasekhar	Jay Chandrasekhar, Kevin Heffernan	10/5	Massachusetts

Data provided by Variety Insight. For a complete list of films in production, visit varietyinsight.com

BOOKINGS



Dattner Disputo has booked d.p.'s **Frankie DeMarco** ("The Slap") on John Cameron Mitchell's "How to Talk to Girls at Parties" and **Blake McClure** ("Drunk History") on CMT's "Still the King"; and costume designer **Meghan Kasperlik** ("99 Homes") on Matt Ruskin's "Darker Than Blue." The agency has signed d.p. **Quyen Tran** ("The Automatic Hate"). The Gersh agency has placed d.p. **Don Burgess** ("Muppets Most Wanted") on James Wan's "The Conjuring 2: The Enfield Poltergeist."

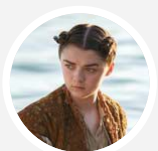


APA has booked production designers **Dan Davis** ("The Other Woman") on HBO's "Ballers" and **Charles Breen** ("Sirens") on Showtime's "Chiraq"; and producers **Nate Kelly** ("We Are Your Friends") on Elijah Bynum's "Hot Summer Nights" and **Al Dickerson** ("The Originals") on OWN's "Greenleaf." The Skouras Agency has placed editors **Pietro Scalia** ("The Sea of Trees") on Michael Bay's "13 Hours: The Secret Soldiers of Benghazi," **Greg D'Auria** ("Fast & Furious 6") on Justin Lin's "Star Trek Beyond" and **John Gilbert** ("The November Man") on Mel Gibson's "Hacksaw Ridge."

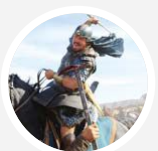
INCENTIVES

Incentives Rain in Spain

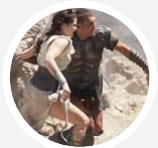
Spain has long lured international productions. Many Westerns have shot in the arid brush of the country's interior. Popular shows such as "Game of Thrones" have discovered its rustic backdrops, while cities like Madrid offer urban bustle and stunning architecture. For added allure, the Spanish government recently announced a 15% national tax credit for international productions. And Spain's Canary Islands offer an even more tantalizing credit of 35%.



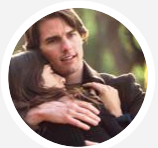
"Game of Thrones"



"Exodus"



"Clash of the Titans"



"Vanilla Sky"



15%
▲ Federal tax credit for qualifying expenditures

35%
▲ Maximum tax credit for qualifying production on the Canary Islands

\$2.8m
▲ Cap

\$1.13m
▲ Minimum spend