

WHEN MOVIE THEATERS **SHUTTERED ACROSS** THE NATION IN MARCH **2020 AND MOVIES IN PRODUCTION WERE** ABRUPTLY HALTED.

Hollywood was forced to contend with a domino effect: Audiences were stuck at home, studios were forced to rejigger their theatrical slate, streaming platforms became the dominant source of entertainment, and producers had to figure out how to salvage their projects.

The return of movie theaters and new fare on the big screen has rejuvenated the industry, injecting much-needed hope for producers who are still navigating an uncertain future. July's U.S. box office saw success with Disney-Marvel's Black Widow and Warner Bros' Space Jam: A New Legacy—both released same day in theaters and on streaming—and Universal's Old, released exclusively in theaters.

But there's still a long way to go, and multiple obstacles to take into account, as the film industry slowly resumes operations and producers figure out what to do with the films on their development slate.

THE PLUNGE INTO DARKNESS

Back in March 2020, Hiram Garcia, president of production at Dwayne Johnson's Seven Bucks Productions, was in Atlanta filming Netflix action movie Red Notice and was scheduled to move on to Italy for the next leg of shooting. "Within 72 hours, everything accelerated so fast," Garcia says.

With COVID cases rising in Italy, production on the film was paused as Garcia and his team rethought their locations. "As producers, we're supposed to plan for everything. And we're pretty good at it," he explains. "But it's hard to plan for a global pandemic."

Red Notice was one of the

first films to resume production in September 2020 under strict COVID safety guidelines, after Garcia and the Netflix team spent months working with the CDC to get the movie back up and running, following a bubble model similar to the NBA's. Garcia said they moved all the location work to stages and incorporated more LED screens, and were able to keep a crew employed to keep production running. "We were successful in keeping our crew and cast safe, finishing the movie, and when we watched the movie, we were like, thank god the movie turned out well."

Over at Imagine Documentaries, shutdowns in production happened so quickly that some crews were in the middle of conducting subject interviews. But they were able to adapt quickly. Crews were sent home the same day and footage was backed up on hard drives to be made available for remote work.

Many of Imagine's projects were already in postproduction, so the work shifted to remote operations. In addition, there was a growing demand for archival-driven documentaries, to which the company responded by developing editorial projects that could be produced during COVID with minimal need for physical production. "Having to very quickly pivot and come up with solutions on the fly is inherent in this style of filmmaking," says Justin Wilkes, president of Imagine Documentaries.

And then there are producers who have been able to adapt their entire slate swiftly to the new normal. Matt Kaplan, CEO of ACE Entertainment, a production house that focuses mainly on youngadult movies such as the To All the Boys I've Loved Before trilogy for Netflix, made three films in the past year and quadrupled their development slate.

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"I knew that studios would have a harder time getting back to work on the large-scale productions," Kaplan explains. The company was able to make movies with smaller crews and storylines that involved fewer visual effects, as well as controlling their own finances. "Our company has always been built to be very nimble. We approach everything very differently from most traditional producers because we have our own financing," he adds.

One of the biggest financial impacts for production has been budgeting for COVID safety measures. Kaplan says that while they've been able to shoot films in the past year and put crews back to work, COVID protocols add about a million dollars to the budget on each film.

In the case of Red Notice, Garcia said Netflix stepped up to foot the cost, working closely with the CDC to implement thorough guidelines on set. "We did have to take into account how filming with these new procedures squeezes your budget a little bit more, and we have to be a bit more efficient in terms of circumstances. Some set pieces may be a little tighter," he says.

That squeeze was felt when Seven Bucks went into production on Warner Bros' DC film Black Adam, in which Dwayne Johnson plays the titular antihero. With COVID protocols in place, Garcia says some changes did need to be made to the story. "We probably made a couple scenes a little bit tighter and shaved off just a couple of moments. There were definitely sacrifices made if you want to keep the crew safe and if you want to keep the production running," he says.

BIG SCREEN, SMALL SCREEN

As some producers juggled the complications of shooting during COVID, others juggled distribution options for their films.

Long before theaters shut down, streaming platforms were already upending theatrical distribution for indie and mid-range films, but there was no doubt that studios would hold tentpoles

exclusively for the big screen. In March 2020, producers were forced to make tough decisions: Was it worth holding the film for the big screen, or releasing the film on streaming platforms for hungry audiences at home?

Over the past year, new streamers such as HBO Max and Disney+ have allowed studios to explore a variety of on-demand release models for big-budget films and erase the traditional theatrical window. Disney has charged premiums for new releases such as Black Widow, while HBO Max has debuted anticipated films such as Wonder Woman 1984 and In the Heights without a premium charge.

as many people as we possibly could, and Netflix has the ability to do that," says Aditya Sood, president of Lord Miller. "The success of the movie is really borne out in that they were the right place for the movie to launch from."

Sony also made the decision to release American Pickle, from Seth Rogen and Evan Goldberg's Point Grey Pictures, through HBO Max, making it the streamer's first film. "There have been so many movies that were to be released theatrically that decided to just

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For Disney and Seven Bucks Productions' latest movie, Jungle Cruise, starring Johnson and Emily Blunt, Garcia said the choice to release it in theaters and on Disney+ on the same day (for a premium on streaming) was to "allow as many people to see it as possible, and also to give people the choice on how they want to see it."

"I think we were already starting to see a clear delineation in theatrical attendance in terms of certain kinds of projects," says Garcia. "It was starting to become this split (between) the really big tentpole, theater-event films pulling in a lot of people, and some of those smaller films that you can typically still have watched at home-people were not quite going out as much toward those. The pandemic accelerated that."

In the case of the family-friendly animated film The Mitchells vs The Machines, produced by Lord Miller and initially to have been distributed theatrically by Sony, Netflix ended up becoming the right home. "It was important for us to share the movie with hold and wait until theaters open," says Alex McAtee, executive vice president of film and television at Point Grey. "But American Pickle was super specific tonally and really important to us as a company. We wanted to get it out there, and we were OK with having it be something that people could enjoy at home."

McAtee says that the success of American Pickle has impacted the way that Point Grey is thinking about its slate of films and series, assessing the best distribution model for each project. The company is currently in production on the limited series Pam & Tommy for Hulu, a project that was initially conceived as a film but ended up being developed for TV.

"How are people watching things now? If the answer is at home, then how can we be at home with them?" McAtee says. "I think we're always trying to find ways to connect with the audience. Whether that feels like theatrical is the answer or not, we're open to it and our partners at Lionsgate, where we have our deal, are super nimble and are able to similarly pivot, depending on what feels right."

LIGHT AT THE END OF THE TUNNEL?

As Hollywood gets back to work, producers are already preparing to mitigate the risks of the upcoming year. The expected bump in theatrical attendance after vaccines started rolling out across the nation has been countered with the threat of new variants of the COVID virus, which also threatens to slow down production.

For Justin Wilkes at Imagine Documentaries, the shutdowns pushed them to get creative with storytelling

methods, leaning on archival footage and conducting interviews remotely. But in terms of demand and distribution. documentaries were experiencing a major decline in theatrical attendance anyway. The streamers gave them a platform to thrive within.

"The revolution had already happened in the nonfiction world, but not in the traditional Hollywood studio movie world because of all the money and players involved. Everyone has resisted that," says Wilkes. "But the same thesis is true, and at the end of it, technology

is going to prevail. As a filmmaker or producer, you have an opportunity upstream to decide what is the best path for a particular project."

Some silver linings have also come from navigating the past year. Matt Kaplan says ACE Entertainment is accelerating development of its international slate, namely local-language and bilingual productions, and casting local actors. Given that transporting cast and crew abroad is likely to be difficult in the near future with COVID, investing in local-language productions might also be the best way to work around travel complications. "We live in such a globally connected world," Kaplan adds. "Between Instagram and Twitter and all the social media platforms, young people today, more than ever, are connected, and they want to hear stories about a Korean American going overseas to boarding school and stuff like that."

And then there's the convenience of having established a system that allows companies to work remotely.

"I think there's a new level of efficiency that our company has experienced," says Garcia. "We have much more access to each other. We've really ramped up our development process and we have a couple projects. We'll continue to shoot Young Rock at the end of this year, and we have a big Christmas movie with Amazon next year."

With the industry once again undergoing a seismic shift, Wilkes predicts more change on the horizon.

"While there's a proliferation of platforms right now, if you look back in history as our guide, there will be consolidation," he explains. "Some of these platforms that exist today are not going to exist six to 12 months from now, as companies are being swallowed up."

So will that slow down the buying spree, and if so, what projects will make the cut? "How do we develop stuff today that we're going to have to take out six to 12 months from now that's going to satisfy that need down the road?" he questions. "That'll be interesting to see."

