POINTS COUNT

Stars Caught **Up in Micro Madness**

The possibility of a lucrative backend from an ultra-low-budget breakout lures many established thesps to power the lean machine

DAVE McNARY

ICROBUDGETED movies are shifting from Paranormal to normal, thanks to producers and actors lured by their profit potential.

Movies made for less than \$1 million have lost their bargain-basement stigma and have become an important part of the Hollywood equation.

"Name actors see that you're success-



ful and become more willing to participate because they can make a lot of monev in backend deals," said Jason Blum, producer of the \$14,000-budgeted 2009 release Paranormal Activity, which grossed \$193 million worldwide.

The pic spurred Paramount to create microbudget division Insurge, but many in the biz were skeptical. Blum, who has since made three additional Paranormal films and graduated to the \$3 million budget range for wide releases like Sinister, says microbudget pictures have gained traction due to the growth of VOD and international.

Earlier microbudgeted movies cast unknowns. Now, while they're not exactly drawing A-listers, the pics are getting some Hollywood cred from thesps who are familiar to audiences.

L.A.-based New Artists Alliance casts name actors in ultra-low budget genre fare that has found homes among the new breed of multiplatform buyers. The company sold three projects at SXSW in March - Cinedigm nabbed 3D thriller Static, starring Milo Ventimiglia (NBC's Heroes); Drafthouse bought Cheap Thrills, starring Pat Healy (Rescue Dawn, Compliance); and Magnolia picked up horror-comedy Milo, starring Ken Marino (Veronica Mars).

John Suits, a produer at New Artists, says the key to the microbudget model is



Paranormal Activity

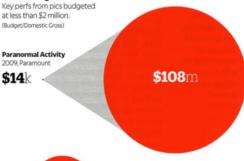


Strick



Celeste and Jesse Forever

Milestones in Microbudgets











to get actors to work for scale

"If you go to the agent, they'll say you need to make a \$100,000 offer for the actor to read the script," Suits said; However, he added, "if you want Sam Rockwell and Marisa Tomei, you offer them backend." The two are starring in Why Now, which is in pre-production for New Artists and Parts & Labor.

At Sundance and SXSW this year, buyers found more commercial potential among the many microbudget titles, while Lionsgate tapped John Sacchi in January to run its lower-budget film division. The unit has two movies planned for release over the next year, sex drama Addiction and thriller Ghosts, the latter of which Blum is producing.

"There's a much bigger volume of movies because the cameras are so good," explained Sony Pictures Classics co-topper Michael Barker. "And with the new platforms, there are more distribution opportunities."

As an example, Barker pointed out that Celeste and Jesse Forever, starring Rashida Jones and Andy Samberg, grossed more than \$3 million last summer for Sonv Classics after being made for \$840,000.

Aram Tertzakian of sales-financing company XYZ Films asserted that audiences don't care about budgets: "The cast is the key thing - that's what gives you a target audience."

Joel Michaely, one of the actors in Celeste, recently teamed with Stuart Acher to produce romantic comedy Stuck for less than \$1 million, with Madeline Zima (Californication) and Joel David Moore (Avatar) starring. It's the fourth film that Michaely's produced in a year's time, including Space Station 76, Adult World and Mantervention, in which he again teamed with Acher.

"Because I've been in a lot of movies, I'm able to get other actors to come onboard for backend," Michaely noted. "People I met on Rules of Attraction and Can't Hardly Wait were in Stuck."

Braxton Pope recently produced Paul Schrader's Hollywood drama The Canyons, starring Lindsay Lohan and porn star James Deen for \$325,000, raising coin via new-media strategies that included crowdfunding and online casting. IFC recently picked up U.S. rights, and plans an early summer theatrical launch with a day-and-date VOD release.

"It is always an enormous challenge to shoot so lean - but many filmmaking tools, from shooting digitally through the editing process, have elevated production values while sharply decreasing costs," Pope told Variety. "I would definitely do it again."

TAKEAWAY

> Hit microbudget pics promise healthy backend for name actors willing to take a chance.