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Marquee Move

FILM: Producer-distributor Bigfoot steps into exhibition by buying Westwood venue.

By **GREG HERNANDEZ** Staff Reporter

WHEN **Bigfoot Entertainment Inc.** unveiled its action flick "Deep Gold" last month, it staged the premiere at the old Crest Theatre in Westwood. But it wasn't just because of the theater's backlit murals and its ceiling of star constellations.

It was because the company now owns the place.

Bigfoot bought the Westwood Boulevard building for \$4 million last fall and rechristened it Bigfoot Crest Theatre. Company founder Michael Gleissner sees the 7,500-square-foot venue as a place to showcase the movies Bigfoot makes and acquires as it branches out from film production to distribution and, now, even exhibition.

"Majestic Crest has been a theater that I truly love inside," said Gleissner, who is also the writer and director of "Deep Gold." "It was really thrilling to see the movie in such an interesting historic setting."

But the premiere was also noteworthy because Bigfoot's move into the theatrical arena comes as the usually clearly defined functions of moviemaking, distribution and exhibition are blurring. Players in the industry are taking a fresh look at the standard business model in which studios supply product to theaters and then get a percentage of ticket revenue.

The nation's two largest movie theater chains, Kansas City, Mo.-based **AMC Entertainment** and Knoxville, Tenn.-based **Regal Entertainment Group**, have formed Open Road Films to acquire theaters in which they can release their own independent films.

Entrepreneur Mark Cuban and his business partner Todd Wagner have already been doing production, distribution and exhibition through their Dallas-based 2929 Entertainment, which includes ownership of production company **HDNet Films**, **Magnolia Pictures** distribution and the **Landmark Theaters** art-house chain. (But Cuban recently confirmed that he is considering selling Magnolia and Landmark.)

The shift occurs as relations between exhibitors and four of the major movie studios have been particularly strained over a new service

that makes certain movies available through video on demand about 60 days after their theatrical launch. El Segundo-based **DirectTV** kicked off the service last month with the Adam Sandler comedy "Just Go With It." Theater owners contend that making movies available at home faster than the current average of four months will hurt ticket sales. On the other side, the studios are trying to make up revenue lost in the erosion of the DVD market, and they say they'll be selling movies on demand to an audience that doesn't go out to the multiplexes anyway.

"If you look at the distribution channels and see what is happening, it probably makes a lot of sense for theaters to start looking at producing their own product," said theater consultant Marie McClafflin, founder of Arc Brand Marketing in Mint Hill, N.C. "Bigfoot is actually doing it backward by getting into exhibition after making films. But everyone is looking at their revenue streams."

Bigfoot, founded by Gleissner in 2004, had been strictly focused on making films, including such little-known titles as "Midnight Movie," "Dog Walker" and "Three Needles," until forming distribution venture Bigfoot Ascendant last fall.

"We realized doing it the traditional way where you make a film and go to a distributor, they are the only ones who get any money back," said Kacy Andrews, Bigfoot's chief executive. "So we decided we have to be in the distribution game. We have to take a bigger piece of the pie and take out the middle man. It's not smart business to let other people profit off your product. We definitely had to take back control."

Bigfoot has about a dozen employees who work in Venice and the company is planning to open a film school in Burbank. It also has 100 employees at its production facilities in Cebu, Philippines.

Gleissner, who is based in Hong Kong, also wants the company to grow its Southern California presence.

"We are very excited about being in the market," he said last week from Bigfoot's L.A.-area red-brick headquarters on Abbott Kinney Boulevard.

Bigfoot's movies typically have a production budget no bigger than \$10 million and don't feature big-name stars. The company is aiming



Name in Lights: From left, Gleissner and Andrews at Bigfoot's Crest in Westwood.

to distribute at least 10 films this year, two the company produces and eight it will buy.

All of those will likely screen at the Crest, which is being operated by Columbus Georgia-based **Carmike Cinemas Inc.**, the fourth largest exhibitor in the United States.

"It's our first location in Los Angeles and in California," said Gary Krannacker, Carmike's vice president of operations. "We are certainly trying a lot of different types of strategies with late-night shows, and premieres and events we feel can generate increased foot traffic to the Crest."

The 500-seat art-deco style Crest was founded in 1941 by Frances Seymour Fonda, who was married to Henry Fonda and is the mother of Jane and Peter Fonda. It was originally built for live performances but switched to movies during World War II.

"It's from the era of movie houses like Grauman's Chinese Theater," Gleissner said. "It's a very historic kind of institution."

Film industry consultant Brad Brown of Westwood-based Brown Entertainment Group sees a rough road for the Crest.

"It's a beautiful theater, but it's always been a problem because it's one screen, not in a

great area and the parking is never any good," Brown said. "It's really in kind of a residential-retail area so you almost forget about it until you go by and see the marquee."

Bigfoot has been working with local businesses on the parking issue. The company stated that parking is available in a lot behind the theater and at a nearby Ampco garage. Prices and hours vary.

But Brown gives Bigfoot points for hiring Carmike to run the venue. The company's clout with the studios, due to its having 240 theaters in 36 states, should help.

Carmike's Krannacker said "Deep Gold" will screen at the Crest until May 20, when it is replaced by one of the summer's most anticipated blockbusters: Disney's "Pirates of the Caribbean: On Stranger Tides."

Bigfoot's Andrews acknowledged that such major titles are needed to keep the venue afloat.

"Because it's a single-screen theater, it's difficult to drive traffic," she said. "It's not a huge moneymaker for us, but enough to keep the doors open. A lot of people have forgotten about the Crest, but we've tried to make an effort to get out there and let people know that it's a glorious place to see a movie."