

# Interview with Thomas Schulman

## Carsey-Wolf Center at UC Santa Barbara

13-17 minutes

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Thomas Schulman is a screenwriter responsible for *Dead Poets Society*, which won the Oscar for Best Screenplay in 1989.

Schulman has been a Writers Guild of America West member since 1986 and has been on the WGAW board since 2005.

Schulman also has participated in several Guild committees, including the WGA Negotiating Committee, the Committee for the Professional Status of Writers, and the Guild's Pension & Health Trustee Review Committee.

MIP sat down with Schulman at our UC Santa Barbara offices where we talked about the effect media conglomeration has had on the creative authority of screenwriters and the shift in employment from film to cable television. Schulman also touched on compensation from digital licensing and the hectic schedule showrunners must maintain.

### Survival

**MIP: Let's begin with the 1990s. How do you feel things have changed for writers? Do the same issues keep coming back or do you face new ones?**

Tom Schulman: We were looking at a struggling movie industry until the mid-'80s when suddenly home video cassettes started to provide a lot more revenues to the studios. DVD's came along and by the late 1990's the studios were much more profitable. But the DVD market started declining in the early 2000's and have now become a small percentage of the income studios can count on. No one has figured out how to monetize the Internet and replace that income stream.

This has had a big impact on writers because the studios now do much less development. In the late eighties and early nineties when I started, the studios developed ten projects for every one they made. Now it's more like two or three to one.

From a writers' perspective, the studio system remained relatively unchanged from the time television changed it in the 1950's to the late-80s, early-90s. Our relationship with the studios wasn't fundamentally altered until the mid-90s when all the studios became big conglomerates. It was the end of "fin-syn," and companies were then able to buy up assets with which they had previously had to compete. So the same corporation suddenly owned a TV network, multiple movie studios, several cable channels, its own distribution for DVDs, publishing houses, etc.

Once that happened, the studio executive mindset shifted from "creative" to a marketing-driven. When I started, executives would make a movie, turn to the marketing people and say, "Go sell it," and the marketing people would snap to attention and go do it. Starting in the mid-'90s many of the creative studio heads were replaced by executives from marketing or at least a

marketing mindset. The mandate changed from making good movies to making movies that were marketable across multiple platforms or distribution outlets, to movies that could be exploited by all of the conglomerate's sub-divisions. They wanted to green light movies that could then go on to be TV series, video games, toys, theme park rides, etc.

The digital revolution changed things as well. Studios turned from character-driven, story-driven movies to movies that emphasized special effects. But the cost was astronomical! When I started in the mid-'80s, the average feature cost \$17 or 20 million; now it's maybe \$150 million. And marketing costs on the average movie went from about \$12 million to somewhere between \$35 million and \$70 million. I'd have to check the exact numbers. Those costs motivate studios to green light projects with pre-sold audiences. They prefer movies adapted from successful comic books, young adult novels, plays or TV series, because they know, or think they know, an audience for their movie is out there. They are less interested in original screenplays because they have no proven audience.

We've also moved away from a market that was mostly American. When I started working, about 60 percent of the worldwide box office revenues came from the U.S. and Canada. Now it's 30 percent domestic, 70 percent foreign. Catering to the tastes of the foreign market changes the content of movies. Action and special effects are a kind of international language and do better at the foreign box office than comedies and character driven dramas. Speaking from a writer's perspective, where character and dialogue are of more interest, it creates a

challenge. When we're talking about big studio blockbusters, movies based on original screenplays are an endangered species.

### **So how do you survive?**

Some screenwriters aren't surviving. I'm 62. It's shocking how many of my contemporaries aren't working or haven't worked in a while. The number of working screenwriters has been decreasing by about 17 percent a year since the 2007/8 strike. I don't see those jobs coming back. Studios are making 175 movies a year now. Seven years ago they were making 320. When I started they were making 4-600 movies a year. It's been a slow but steady decline. Screenwriter earnings have declined precipitously. Many are now struggling to find independent financing because we can't count on the studios anymore.

I know WGA screenwriters who are trying to get projects going on the Internet. But they are competing with filmmakers who are fresh out of graduate school using their parents' money or credit cards to make movies for \$50,000, \$75,000, or less. On the creative side, it's spurred a lot of people to buy or rent a digital camera and start making a low-budget feature and direct it themselves. But it's hard to support a family that way.

### **Are studios still entertaining original pitches?**

The last meeting I had at Fox was with an executive who said, "You know, I'm hoping within a year or two we'll start taking pitches of originals again. We're running out of stuff to remake."

The studios want a movie that is "franchisable" not only as a movie itself, but that brings in other franchise companies. Take

*Pirates of the Caribbean*. Among other companies, Disney partnered with Maybelline to advertise a line cosmetics using the actresses in the movie. So Maybelline builds a *Pirates* line of cosmetics and they do a \$5 million or \$10 million print ad campaign simultaneous with the release of the film. The movie advertising helps Maybelline, Maybelline's print advertising helps Disney. That's the kind of movie the studios are looking to make.

*Dead Poets Society* and similar originals are not going to be on the studio wish list because that kind of synergistic marketing isn't possible or appropriate. A lot of people think, "Well, I'll write a movie that will have five sequels," but they don't ask, "Can McDonald's find a hook, can Maybelline find a hook, can a car company find a hook?" They studios are looking for that kind of multi-market exploitability in every concept.

**Do you feel like notions of creative authority have changed during the growth of conglomerate media?**

Yes. They've added layers of middle management. I first saw it at Disney. When I started writing for them, Jeffrey Katzenberg (and Michael Eisner) made all the decisions, period. Once those two decided something that was it. I would write a script, turn it in in the afternoon, and at six o'clock the next morning, I'd get a phone call from Jeffrey and we'd talk about it. The lines of authority were clear.

Then Disney decided to expand the company so that Jeffrey became an über-boss over Touchstone Pictures, Hollywood Pictures, Buena Vista, the animated films - all the subdivisions.

He turned over all the day-to-day decision-making at each of those divisions to other executives and became much less accessible, though he was still the boss. That added layers of management - often good management, mind you - but it makes the creative process more team oriented and it denied writers access to the real decision makers.

At all the studios, you've got middle level executives who say to a writer, "I know what my boss is going to like. You've got to make these script changes because if you don't, he'll reject this." So you revise and possibly butcher your own work before it even gets to the boss, at which point the boss often passes anyway. But the writer has no choice but to comply because he's being overseen by a middle level executive who is saying, "I won't show my boss your script unless you make the changes I suggest."

Most producers are not under contract at a studio any more. Every studio used to have 15 or 20 producers with deals there – not anymore. And those producers served an important function. They were the writers' partners; they were the first people who read the writers' drafts and gave them notes. Writers often have no advocacy now and are lost in layers of middle management. It hurts the creative process.

Because movies cost so much, studios are looking to reduce their risk. So they look to equity partners and other outside investors to defray the astronomical costs of production and marketing. Foreign pre-sales money - money raised in advance of production by selling off territories based, usually, on the prior box office performance of certain stars or directors - has

become a necessity at most of the studios. That biases the movies against new talent who have no proven value in foreign markets.

It's all understandable. You're looking at something that's going to cost \$200 million to make and distribute. Investors want as much protection as they can get. But it narrows the kind of movies that get made.

## **Compensation**

### **Let's talk more about television. What are the big issues facing TV writers?**

Network TV shows don't re-run nearly as often as they used to. Instead, the networks run a show once on TV then almost immediately make it available on the Internet. A TV writer used to get a very large residual check when his or her show was rerun. His or her residual or royalty from the Internet is a fraction of the rerun payment.

For example, TV writers typically write an episode of a TV series for scale (union minimum). That might be \$30,000 for a half hour comedy. Upon the first rerun they would get paid close to that amount again. If there was a second rerun they might get 80 percent of that fee again. But now most shows don't rerun. Shows go immediately to Hulu or other websites where instead of say, \$28,000 for the first rerun, the writer will get about \$400 from the Internet. For people who have mortgages and families it's tough to figure out how you can earn a living when your income is suddenly cut by that much. Union minimums haven't

increased enough to compensate for the loss in revenue.

There's a big influx of writers and directors into cable. But cable writers generally get paid about two-thirds of the money that network writers make, so that's a big financial hit. Plus there are no reruns to speak of for cable, certainly not at the pay scales writers get for network reruns. If you're a cable writer, you're making two-thirds the money you made as a network writer.

In the next contract negotiations with the companies, the WGA will need to bring cable minimums up with to the level of the network minimums. But that won't be easy. The companies would rather bring the network minimums down to the level of the cables!

### **Are writers starting to see some compensation from digital platforms like Netflix?**

Yes. We will get a piece of streaming, but there is a tradeoff. What does a TV show or movie lose in DVD sales, syndication, or even network TV sales when everyone knows they can wait to see it on Netflix? Once a show has been exploited on Netflix streaming, and Netflix is available worldwide, how do you get your foreign syndication money and so forth out of it? Maybe you don't. Someone who knows more than I do can tell you what's happening to that money. In the old days even a middle-level television series could cash in for hundreds of millions of dollars when it sold to syndication. I think those days are over.

### **So it's not categorical that Netflix or iTunes is the friend or enemy of writers?**

Again you'll have to check with someone who knows those



numbers but my sense is that it's too soon to know. Because we don't know to what extent these new market will cannibalize traditional markets. Five years ago someone told me that every episode of The Simpsons made \$23 million for Fox. That's because in addition to their initial network broadcast they had network re-runs, domestic and foreign TV syndication, DVD sales - a whole string of sources of income. I'm betting, partly because of the slowdown in DVD sales, partly because no one's figured out how to monetize the Internet, that Simpson's episodes aren't making that much money anymore.

### **How many people are working as writers?**

I think the number is around 2,000 a year. For screenwriters, the number is diminishing. With TV, it's growing, and picking up the slack from the downturn in movie employment. There are more cable networks and they're making scripted content. Again, writers aren't making as much, but at least there's work out there.

### **What's the experience for a rank-and-file TV writer?**

I was going to do a series for HBO and we worked 110-hour weeks for eight months just to produce the pilot. During that time, HBO asked us to write a couple more episodes. Writing and producing at the same time was incredibly taxing. I remember remarking during the 2007 strike that TV show runners seemed quite willing to go on strike even in the middle of the TV season. Somebody joked that that was because they were so overworked and so desperate to get a good night's sleep! I think this is why so many TV showrunners are in their

late 20s, early 30s. I have some friends my age who are running shows, and they are just zombies. They look gaunt and hollow eyed. They don't have time to shave. It's a hard job, but it can be extremely creatively and financially rewarding, particularly if your show goes into a third, fourth, or fifth season.

**It sounds like at a certain point, those showrunners in their 20s or 30s are going to say, "OK, I'm done." Then what do they do?**

If you're successful enough, you'll get a shot at features. Or retire.

**So that's the trajectory?**

Yeah. Cable TV used to be the bastard child of the business but not any more. There are a lot of good cable shows. Bold concepts. Character-driven. The writers who make a success in cable (or network TV) will definitely get opportunities to do features if they want to.