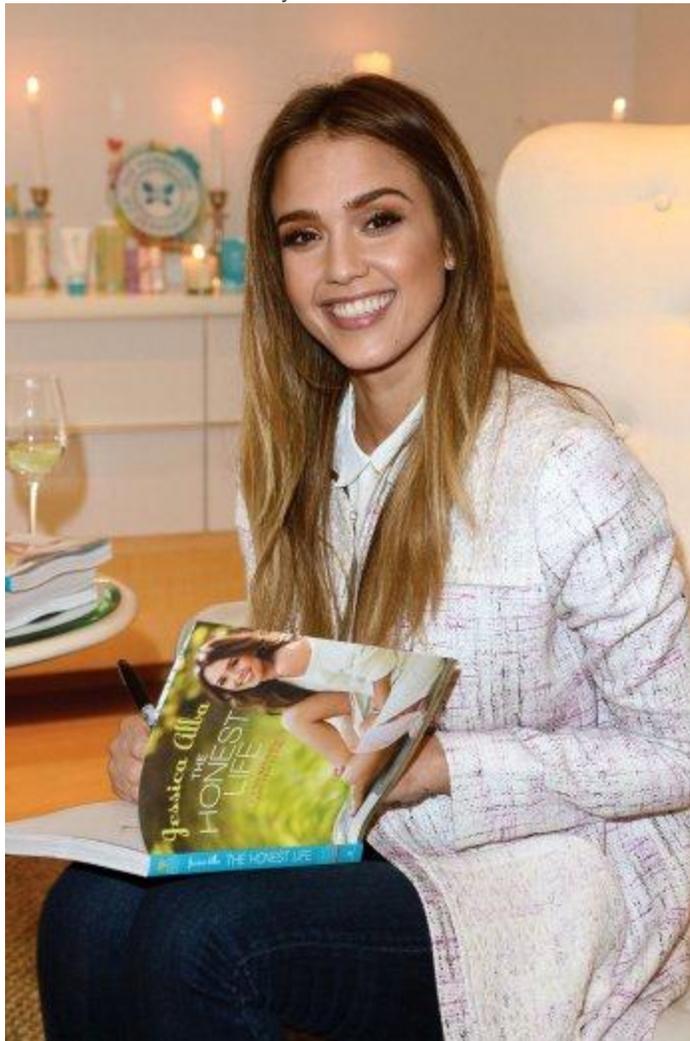


# How Hollywood's A-List Diversifies: Property Flipping, Restaurants, Fashion and Nightclubs

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From Vincent Gallo's and Jeremy Renner's adventures in real estate to Robert De Niro's restaurants, Woody Harrelson's wheat-waste paper mill and Susan Sarandon's table-tennis-themed nightclubs, THR's rundown of the profits and perils of moonlighting.

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Hollywood incomes can be enough to provide a living and then some, but many of the industry's savviest insiders also grow their wealth outside the system. "If you have a passion for it, that's the key," says business manager **Fred Nigro**. "You can't just throw money at something."

In 1996, **Woody Harrelson** famously scaled the Golden Gate Bridge to protest the logging of ancient redwoods but eventually "felt all the protesting wasn't doing anything," he says. In August 2012, the actor teamed up with Canadian entrepreneur **Jeff Golfman** to produce Step Forward Paper, which is 80 percent created from wheat waste. Billionaire **Ron Burkle** and

Relativity's **Ryan Kavanaugh** are among the

Jessica Alba co-founded well-funded The Honest Life. Thanks in part to Harrelson's industry connections, CAA and Lionsgate already are using it, and plans are afoot to build a mill costing \$600 million in Winnipeg within three years. Harrelson says after the mill is up and running, the company is poised to clear \$130 million in annual profits. "It looks like this could not only make money, it could be quite lucrative," he says.

## LIST: THR's Power Business Managers 2013

Other enterprises have blossomed from similar passions: Noted pingpong enthusiast **Susan Sarandon** owns SPiN, a chain of table-tennis nightclubs now found in New York, Los Angeles, Toronto, Dubai and Milwaukee (with, if its website is to be believed, a sixth location coming to the moon in summer 2022). **Jared Leto**, who fronts rock outfit 30 Seconds to Mars when not acting, has launched three fan-engagement startups, including one that manages social media for artists. And **will.i.am** reportedly is looking to open a chain of retail stores dedicated to his new favorite technology, 3D printing.

The fashion sector lends itself well to industry crossover, as successful singers-turned-designers **Victoria Beckham** and **Jessica Simpson** can attest. **Gwen Stefani** juggles both No Doubt and L.A.M.B., which in eight years has expanded to apparel, handbags, shoes and fragrance.

Some stars have found business inspiration in their everyday lives, or at least an ideal version of them. **Gwyneth Paltrow** has built Goop, a lifestyle blog she began in 2008, into a digital media and e-commerce company, while **Jessica Alba** co-founded The Honest Co., a collection of eco-friendly, nontoxic home and baby products, after breaking out in a rash from "baby-safe" detergent during her first pregnancy. "I was frustrated that the average family couldn't easily find safe everyday products at a reasonable price," she says. According to Crunchbase, Honest raised \$27 million in first-round Series A funding in March 2012.

## PHOTOS: 22 Celebrity-Owned Restaurants: The Hits and Misses

Bar and restaurant investments are a popular, if risky, source of secondary income for Tinseltown types. *Everybody Loves Raymond* EP **Phil Rosenthal** is an effusive foodie -- in 2012, he exec produced the culinary documentary *Spinning Plates* -- and he puts his money where his mouth is, counting L.A. hotspots Mozza, Red Medicine and Umami Burger in his portfolio. Rosenthal also is an investor in Bouchon, alongside other major Hollywood moneymakers including **Ryan Seacrest** and CAA's **Adam Berkowitz**.

Outside L.A., **Robert De Niro** has three culinary institutions -- Tribeca Grill, Nobu and Locanda Verde -- in his beloved downtown Manhattan neighborhood, and **Sandra Bullock** owns two bustling eateries in Austin: Bess Bistro and Walton's Fancy and Staple. **Robert Redford**'s love affair with Park City actually began with the opening of his luxury retreat Sundance Resort in 1969. And 30 miles away, *Modern Family* star and Salt Lake City resident **Ty Burrell** co-owns Bar-X.

That watering hole has fared better than another Burrell investment, the Manhattan Beach eatery Chez Soi, which opened in April and shuttered in August -- proving the rule that 60 percent of all restaurants close within three years. That's why business manager **Alan Reback** advises caution. "If a client has a lot of f-you money, they probably can afford to invest in any obscure thing, whereas with [regular] working actors, if somebody wants \$500,000, we might say you can invest \$100,000," he says.

## STORY: How Business Managers Handle Money for Stars Who Make Less Than They Think

Still, as Reback says, with great risk comes great reward -- if you know what you're doing. **Ashton Kutcher**, **Guy Oseary** and Burkle's venture capital fund, A-Grade Investments, which has invested in such power tech companies as Skype, Airbnb and Foursquare, announced this summer that their fund is raising money at a \$100 million valuation.

Hollywood can be a fickle industry, so many have sharpened other skills during down periods. **Josh Brolin** became an adept day trader in the years before his 2007 career renaissance; he told **Charlie Rose** in 2008 that his stock market strategy had left him up 58 percent. **Jeremy Renner**'s recent franchise gigs haven't slowed down his side job restoring properties, which culminated in August when he and actor **Kristoffer Winters** sold a Holmby Hills project

for \$24 million. **Vincent Gallo** bankrolls his indie career with property flips. While *The Brown Bunny's* \$366,000 box-office take was the auteur's highest in a decade, in April he sold a downtown L.A. loft to a Fox exec for \$1.3 million.