



## ‘WHAT IS THE RIGHT DATA FOR THE DIGITAL WORLD?’

The lack of meaningful streaming viewership data is a source of frustration for dealmakers and their creative clients alike.

Success is subjective, subscriber bases vary wildly, and confusing metrics math has left Hollywood with little more to go on than ‘we know hot programming when we see it’

by  
TATIANA SIEGEL & RICK PORTER

✱ Back in 2019, WarnerMedia struck a deal for its soon-to-launch streaming platform HBO Max that secured exclusive domestic streaming rights to *The Big Bang Theory* for five years. The pact, which sources pegged in the billions, also included an extension of an existing syndication deal with TBS in which the comedy will continue airing on the WarnerMedia-owned network through 2028.

While the syndication side of the deal allows creators, profit participants, reps and even industry observers to gauge how big the TBS audience is, just how many people watch the show on HBO Max remains a mystery.

That’s because syndication viewing numbers, as they’ve always been, are readily available through third-party measurement services, while streaming numbers remain under lock and key. Platforms like HBO Max, Netflix, Apple TV+, Amazon’s Prime Video, Hulu and Paramount+ continue to keep a vise-like grip on their data, and, nearly a decade into the streaming era, the lack of transparency is making it nearly impossible for dealmakers, and even viewers, to define what is a hit and what is a bomb. Unlike traditional box office and ratings numbers, streaming data lives behind an opaque wall, with little chance of reliable metrics emerging anytime soon.

Illustration by **Jamie Coe**





"It's the curtain," *Big Bang Theory* star Simon Helberg told *THR* in August while on the carpet for the premiere of his film *Annette*. "They keep all those numbers and all that data behind it. I ended up on the tail end of this bygone era, which is network television. We had 20 million viewers, sales, commercial ad dollars, you see it, you see the viewers, you see the Niensens," Helberg continued. "It all changed overnight. That's probably deliberately a little bit abstract at the moment, and that is concerning. I want people to be compensated fairly. That's the key — you want to be fair, and you don't want to stiff any of the creative people."

According to the current modus operandi, streaming platforms gather reams of data about their users — whether certain titles drive subscriptions, how long people watch a show or movie, how many people finish once they start and cost per user (the ratio of a show's cost to the size of its audience, among other things).

All of those figures are kept in-house, and in most cases streamers don't even share basic viewing data publicly. There's no industrywide currency for viewership data on SVOD platforms in the way that Nielsen ratings have served the traditional TV business for decades or box office figures have measured the performance of features.

Streamers instead offer oblique statements like, "Over the *Ted Lasso* season two premiere weekend, Apple TV+ expanded its new viewers by a record-breaking 50 percent week-over-week. ... The second season of *Ted Lasso* increased its viewership by 6x over season one," to quote an Apple TV+ press release



From left: Netflix co-CEO Ted Sarandos, Warner Bros. chairman/CEO Ann Sarnoff and WarnerMedia CEO Jason Kilar.

about the Emmy-winning comedy's season two debut. That release doesn't state any baseline figures with which to compare the 50 percent week-to-week jump or the sixfold increase for *Ted Lasso* — like algebra with no way to solve for X — and is typical of public-facing comments from most streamers.

In December 2018, Netflix tweeted, "45,037,125 Netflix accounts have already watched *Bird Box*," adding that the Sandra Bullock starrer marked the best first-seven-day showing for a Netflix film to date. At the time, "watched" meant 70 percent of a movie (or 70 percent of one episode of a series). With no way to verify the data, the claim is little more than spin.

WarnerMedia CEO Jason Kilar defends the lack of transparency, at least in these early days of the streaming era. He estimates a rival like Netflix boasts about 20 million more subscribers than HBO Max in the U.S. because of its status as an early entrant in the field. Thus, a hit for HBO Max may have the same number of views as a middling Netflix performer.

"The advantages of being direct-to-consumer is we get an immense amount of data," Kilar tells *THR*. "You don't just see the viewing

numbers, you see how they view it. What order do they view things in? How much do they watch? How much do they finish? How do they respond to various prompts to help us get better at helping them find something they love? I wouldn't expect us or other players to put numbers out just because it's really hard for people to understand apples-to-apples comparisons. So we labor over it. We know exactly how well these shows are doing."

Netflix's recently abandoned two-minute "view" metric, while offering little insight into whether subscribers actually stuck with a show or film, at least allowed for comparison across titles on the biggest streaming outlet. The company said in its third-quarter earnings report that in the future, it will report total hours viewed for its series and films, which will give a somewhat better picture of their reach — and more closely align with the streaming rankings Nielsen has been releasing for the past 14 months that show total minutes viewed for a series or movie each week.

The Nielsen rankings are imperfect as well. Although it collects data on all streamers, only Disney+, Hulu, Netflix, Amazon and, as of mid-October, Apple TV+ have given their OK to be included in the weekly rankings.

A Bloomberg report in October gave the first public accounting of some of Netflix's key internal data, focusing on the outsized performance of the Korean hit *Squid Game*. The company uses metrics like completion rates as well as "efficiency" (size of its audience versus how much it costs) and "adjusted view share," which measures how valuable to

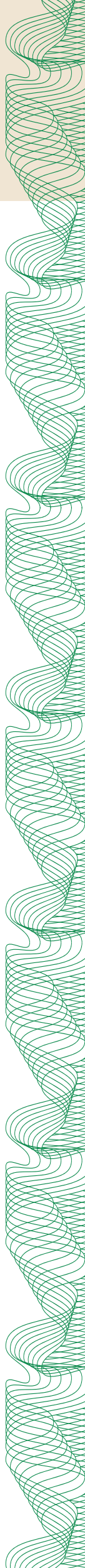
the company any given title's viewers are. Those who use the service less or are new subscribers are considered more valuable than routine bingers. Offering a better glimpse, internal documents leaked to Bloomberg also showed that Netflix paid \$24.1 million for Dave Chappelle's controversial stand-up special *The Closer*. His previous special, *Sticks and Stones*, cost \$23.6 million but returned an "impact value" of \$19.4 million.

*THR* sent questions to four other major streaming outlets — Apple TV+, Hulu, Netflix and Amazon — asking what and how much data they share with producers, actors and other above-the-line talent on their projects and whether a shared currency for SVOD is important. Apple TV+ and Hulu declined to comment, and the other two didn't reply by press time.

As streaming's footprint continues to grow — it already accounts for more than a quarter of all TV usage in the U.S. and regularly surpasses broadcast TV, according to Nielsen estimates — the lack of clarity around just how many people are watching streaming series and films could place a strain on streamers' relations with producers and talent and their representatives.

"Over a period of time, the streamers are going to have to release more data to those who are creating shows on their platforms," says UTA copresident Jay Sures. "Whether it's next week, next month, next year or sometime soon after, it is inevitable. Eventually, there will be a new technology that can give the interested parties accurate data."

Meanwhile, talent lawyer Joel McQuin, who represents





likes of Kristen Stewart and showrunner Liz Meriwether, says “we know hot programming when we see it,” even without the data. “I don’t know how vital it is to know what the exact numbers are. When you do research and bring them evidence, they invariably say, ‘Oh, we have something else that did better.’ They don’t seem to be straight with you even when you have the goods,” he says. “It’s a bit of a dance. But it always was, even pre-streaming. They would find a way to undermine something’s value. So we’ve become used to not knowing. I’ve become more sanguine about it.”

Warner Bros. chairman and CEO Ann Sarnoff argues that the new streaming-dominant landscape has made it difficult to release numbers akin to the ratings or box office data of the past given the complexity of the information and the subjectivity of its value to the streamer. For example, what metric is most important? Subscription acquisitions? Engagement? Or something else entirely?

“[With] TV and the way it used to report, your monetization of a show was how many people watched because the advertisers were buying that,” says Sarnoff. As viewing options expanded beyond real-time linear television, she explains, advertisers decided viewership over time was valuable and the measures changed in response.

“That [was] a much more contained ecosystem than streaming,” Sarnoff continues. “It’s not just your initial view. It’s the behavior of that new sub that comes in the door and what else they watch, and do you keep them?” And, with regard to

Key internal data on Netflix’s *Squid Game* was unveiled in October via a Bloomberg report.



motion pictures, opening-weekend box office used to offer a reliable indicator of ultimate performance. “That’s not true anymore because of COVID, and we don’t know how it’s going to be coming back,” she says. “So I appreciate the desire for data, but I think the data has changed, and it’s not yet been fully vetted in terms of what is the right data for the digital world because it’s not that instantaneous advertiser fulfillment. It’s a much bigger ecosystem and a longer life of the consumer behavior.”

Ultimately, Kilar predicts that two conditions will lead to greater transparency.

First, third-party measurers like Nielsen will become more accurate with their streaming numbers. And second, he expects that burgeoning streaming giants will catch up to Netflix. With similar subscriber bases, comparisons with competitors would be more relevant.

“There’s going to be a short list of folks that get to scale, and then I think you’ll probably see a bit more transparency because we all know what we’re dealing with, and you can build businesses and frameworks and other things on top of it,” Kilar says. “But, right now, things are changing so much. And whether you’re talking about Peacock or Paramount+ or Disney+ or Hulu, it’s not the same foundation. So that’s part of why you’re seeing kind of a ‘less than’ [when it comes to sharing data]. If I were in your shoes, I’d want it to distill down to one simple thing — and you get the email in the morning on Saturday and, boom, things are done.”

*Chris Gardner contributed to this report.*

# THE TOP POWER BUSINESS MANAGERS IN HOLLYWOOD

From COVID-19 chaos to streaming shifts, income uncertainty may be at an all-time high in Hollywood. *THR*’s annual list highlights those keeping finances afloat in uncharted waters

## REGGIE GOODEN, JOSH MARTIN, JUSTIN STIEGEMEYER 818 MANAGEMENT

After teaming up in 2018 to build out a boutique, this firm reps clients across music, film and TV like Ashley Benson, Benicio Del Toro, Alexander Ludwig and Harv, who produced Justin Bieber’s “Peaches.” Gooden and Martin note that more clients are putting their money into alternative investments involving crypto, on top of the tried-and-true real estate purchases. “Our clients want to jump right into NFTs without sometimes having a solid plan,” says Gooden. “So we try to do our best analyzing opportunities and telling them either green light or red light.”

**Pandemic habit I hope people keep** Gooden: “Looking for opportunities to monetize your brand and your skill set.”

## BELVA ANAKWENZE ABACUS FINANCIAL

Amid industry disruptions, Anakwenze has been focused on staying on top of production accounting and advising her clients — including Jay Ellis and *Entertainment Tonight* hosts Kevin Frazier and Nischelle Turner — to have cash reserves available. “The pandemic taught us a lot about being prepared for anything,” she says. “We’re ensuring our clients are keeping enough funds liquid so that they can be as financially nimble as possible.” Many of her clients are “first-generation high-earners,” which means knowledge-sharing and language-building is part of the gig. “So much of what I do is not financial.”

**If I weren’t a business manager, I’d be ...** “A psychiatrist or a sociologist.”

## DAVID ALTMAN, ANTHONY BONSIGNORE, TOM CARR, FRANK SELVAGGI ALTMAN GREENFIELD & SELVAGGI

Sarah Jessica Parker, Donald Glover, Timothée Chalamet and Sterling K. Brown are on the star-studded roster of the bicoastal boutique company, which was founded in 1986 and a few years ago became part of Focus Financial Partners. It takes pride in getting to know clients in order to make sure it can be proactive. The team says clients lately have been particularly interested in purchasing property, whether for a change of scenery, a desire for more space or as a second home.

**How do you relax/recharge?** Altman: “There isn’t much downtime, but a simple recharge is spending quality time with our family and friends.”

## EVAN BELL, LIZA DE LEON BELL & CO.

The COVID-19 pandemic not only changed how Hollywood evaluates how it operates, but it also changed how talent live their lives. De Leon explains that some of Bell & Co.’s clients are “in a major way ... upgrading their primary residence.” But the company, which represents the likes of directors Steven Soderbergh and Robert Eggers as well as actor Lachlan Watson, is nothing if not honest to its clients. Says de Leon, “If you are moving to a tax-free state from a place you love only to save the taxes ... you are making a mistake.”

**Hollywood’s biggest financial concern** De Leon: “Increase in taxes.”

# BUSINESS MANAGERS WEIGH IN

THR asked Hollywood's top money managers which book they wish everyone would read (very few of them had anything to do with finance) and which fictional character they would trust to manage their money (even if they don't think they'd like that person much). A sampling:

**"The Color of Money: Black Banks and the Racial Wealth Gap or How the Other Half Banks [both by Mehrsa Baradaran]."**

LIZ KENNEY

**"Tony Stark. Clearly he was doing something right with his money."**

SCOTT LANDESMAN



**"Khadijah James played by Queen Latifah on Living Single is a budding entrepreneur. Khadijah was not only frugal with her money but she had principles, integrity and ethics regarding who she did business with, especially advertisers."**

LAURA GORDON

**"I'm going to go old school: Gordon Gekko from**

**Wall Street. He was known as not necessarily the nicest individual, but he had an eye for taking advantage of opportunities, and I can appreciate that in him."**

REGGIE GOODEN

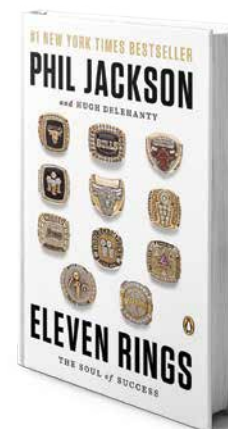
**"I have a client, Jay Shetty, who wrote Think Like a Monk."**

HARLEY NEUMAN



**"Year of Yes, by Shonda Rhimes."**

RACHEL MARTINEZ



**"Phil Jackson [has] a great book called Eleven Rings on leadership and winning, especially during adversity."**

ANDREW CROW

**Ebenezer Scrooge from A Christmas Carol**

JEFF BACON, RICHARD FELDSTEIN AND BERNIE GUDVI

**Richard Carlson's Don't Sweat the Small Stuff ...**

Recommended by  
BERNIE GUDVI AND  
MARK CATTALINI

**"The Seven Habits of Highly Effective People, by Stephen Covey, only because it kind of gets your priorities straight. Everyone goes through their day going from one thing to the next, and if you can have tools that help you organize, it helps a lot."**

PAT DUNN

**"The banker in Monopoly. That guy always wins!"**

JULIE BOOS



## CHRISTOPHER FANK CHRISTOPHER FANK CPA

Fank's Hollywood roster now includes a merry band of foreign actors, primarily from Australia and the U.K., who have relocated to Los Angeles to partake in the streaming production gold rush. "They look to you for everything," he explains, whether that means building credit or buying a car or house. Fank now also reps Haitian-American actor and rapper Da'Vinchi, and he continues to assist the likes of producer Jessica Rhoades and actors Shia LaBeouf and Brie Larson.

**Pandemic habit I hope people keep** "Respecting other peoples' space and maintaining a heightened cleanliness."

## DOUGLAS CAMMARANO, ARNIE HERRMANN, WAYNE MEJIA, MATTHEW SEGRETO, SHARON SULLIVAN CITRIN COOPERMAN

The *Jurassic World* franchise, starring Bryce Dallas Howard, has been shot around the globe, as was *No Time to Die*, co-starring Ana de Armas. Both actresses are clients of this group, which increasingly is spending more time navigating foreign tax laws and other rules. "There is a level of complexity beyond the normal compliance issues," explains partner Segreto. The firm's clients also include filmmakers Martin Scorsese, Damien Chazelle and Sam Mendes.

**If I weren't a business manager, I'd be ...** Cammarano: "A lawyer." Herrmann: "A summer camp director." Mejia: "An architect." Sullivan: "An environmental lobbyist."

## SHANE GLASS THE COLONY GROUP

Glass works with music moguls, Grammy winners and chart-toppers as well as with Hollywood icons. "Clients have been more conscious of excess spending and more open-minded about adhering to budgets rather than out-earning their problems," says Glass, who also notes that there's a greater focus on digital content creation as his clients look to diversify their streams of cash flow.

**Pandemic habit I hope people keep** "Recognizing the value of family."

## DAVID WEISE DAVID WEISE & ASSOCIATES

"If you lost live entertainment, you had to do things unconventionally and expand those opportunities," Weise says of how his clients adapted to the pandemic. Based in Encino and as a division of NKSFB, his firm works with music artists like Coldplay, Marshmello, The Weeknd, Usher and Carole King. Weise is optimistic for the future of live entertainment, as touring starts to pick up in the music industry. He says, "The world is getting back on its axis."

**Pandemic habit I hope people keep** "Don't take for granted our freedoms."

## DAVID LEVIN DL BUSINESS MANAGEMENT

Levin started DL Business Management in 1984 — mostly focusing on musicians and entertainers. "But as the world changed, we changed our firm," says Levin.

"So we work in multimedia — anything from branding and licensing and television and film to photographers and brand managers." His clients include John Legend, Chrissy Teigen, Jessica Simpson, Hailey Bieber and Wyclef Jean, many of whom he's worked with since the earliest days of their careers. "When you're working with two-digit numbers of people versus three and four, you run more of a boutique shop versus a department store. That's always worked for me."

**If I weren't a business manager, I'd be ...** "Dream world: I would have been a singer-songwriter, sitting at the piano or with a guitar. In reality, I'd say I would be a writer."

## PAT DUNN, TONY PEYROT DUNN PARISER & PEYROT

Dunn and Peyrot pride themselves on looking out for their clients and their mental health — especially during the pandemic, when many found their work drastically affected. "We've been able to make a big impact, and we feel grateful that we are in that position," Peyrot says. The two, who rep Giancarlo Esposito, Randall Park, D.J. Caruso, David Permut and Tiffany Boone, also see a silver lining: With meetings shifted to Zoom, the firm has been able to reach and attract clients from around the world.

**How do you relax/recharge?** Dunn: "I work out [for] stress relief. I keep telling myself that I'm a golfer, but I don't find as much time as I need to get out to play." Peyrot: "I'm a member of one of the Santa Monica beach clubs, where I work out three days a week religiously."



**JULIE BOOS, JAMIE CHEEK,  
MARY ANN MCCREARY, CARMEN ROMANO  
FLOOD BUMSTEAD MCCREARY & MCCARTHY**

The Nashville-headquartered outfit with offices in New York and L.A. has been going strong since 1990 and has continued to expand beyond its core base in country music, with clients reportedly including The Black Keys, Alanis Morissette, Diplo, Rage Against the Machine and Kelly Clarkson. "Everyone wants to talk about selling intellectual property assets," says Boos. "With so much private-equity interest and currently favorable tax laws, clients are definitely interested in assessing the opportunity."

**Pandemic habit I hope people keep** Boos: "Being appreciative and grateful for the live music experience." McCready: "Being even more mindful of liquidity."

**STEVES RODRIGUEZ  
FREEMARK FINANCIAL**

Rodriguez works alongside co-founder Andrew Meyer — this year's *THR* Business Manager Icon — serving such clients as cinematographers Greig Fraser (*Dune*) and Linus Sandgren (*No Time to Die*), Accenture Interactive CEO David Droga and companies like Pretty Bird and Smuggler. "Tax has never been more relevant than it is today," says Rodriguez of the current financial climate. "With the ability to be remote, the conversation about moving to lower-tax states is front of mind in a way that seems feasible much more than ever before." He notes Austin, Nashville and Atlanta as popular hotspots for Hollywood transplants.

**How do you relax/recharge?** "Travel wherever I can go in the world. My wife loves to travel, as do I."

**ERIC FULTON, MATTHEW GILBERT-ARANOFF,  
ELIZABETH RICIN  
FULTON MANAGEMENT**

Instead of taking a percentage, this firm always has charged its clients by the hour, a practice that "allows us to take on up-and-coming talent early on and have a very diverse clientele," says Fulton, who represents Taika Waititi and Shailene Woodley. Gilbert-Aranoff (whose wedding this year was attended by client Conor McGregor) adds that the company has spent the past eight years adapting to cultivate digital talent, such as Rhett and Link. Ricin's roster includes Chris Hemsworth and Mayim Bialik. **Hollywood's biggest financial concern** Fulton: "I'm not sure this has changed much over the years: overspending, bad investments, egos getting in the way of good financial decisions." Gilbert-Aranoff: "[A few weeks ago,] it was a possible IATSE strike. Now it is potential tax increases."

**TYSON BEEM, ANDREW CROW, TODD GELFAND,  
MELISSA MORTON  
GELFAND, RENNERT & FELDMAN**

Beem says his team has faced "lots of challenges and lots of successes" as the firm, trusted by clients including Will Smith, Christina Aguilera and Jordan Peele, heads into its 55th year of business. Notable trends this group noticed this past year were moves toward crypto and catalog sales, real estate transactions and impact and sustainable investing. Says Crow, "Clients have been very reflective in the last year and a half. ... They've been thinking about how they can make an impact socially and environmentally." **If I weren't a business manager, I'd be ...** Beem: "A chef." Crow: "Even though it will never happen, a shooting guard for the Lakers or a featured star on *SNL*." Gelfand: "The P.E. coach of an elementary school." Morton: "A teacher."

**HARVEY GETTLESON, SETH GETTLESON,  
RANDY O'CONNOR, LARRY WITZER  
GETTLESON WITZER & O'CONNOR**

The firm is seeing more clients (its roster includes Ava DuVernay, *Reservation Dogs* creator Sterlin Harjo and OBB Media's Michael and Scott Ratner) play the long game: "Participating in an equity round of a startup is much better than being paid for a commercial," says Harvey Gettleson. Meanwhile, setting up a production



# MAKING BUSINESS 'AN ART FORM'

Freemark Financial's Andrew Meyer, the 2021 *THR* Business Manager Icon, talks about the value of trusted partners, keeping his focus on client advocacy and being inspired to 'do something better'

by  
ASHLEY CULLINS

\* Ask anyone who knows him, and they'll tell you Andrew Meyer is the best, both as a business manager and as an all-around good guy. The Freemark Financial co-founder has built a reputation for being grounded, methodical, empathetic and kind — while representing some of the flashiest names in entertainment, including

Jon M. Chu, Anna Kendrick, Adam Driver, Kathryn Hahn, Yahya Abdul-Mateen II and Ellen Pompeo, who presented him with *The Hollywood Reporter's* Business Manager Icon Award during a Nov. 9 virtual celebration.

Meyer grew up in Monrovia, barely 30 miles from his current Beverly Hills office, but says, "I might as well have

Photographed by **Michael Buckner**





grown up 5,000 miles away because there was no connection to this business at all.”

There were many stops on his path to launching the firm he’s run with co-founder Steves Rodriguez for nearly a decade — but two of them seem especially significant. First, shortly after Meyer started a bookkeeping job at Breslauer, Jacobson, Rutman & Chapman, Nancy Chapman left the firm to launch a business of her own alongside Terry Bird and Bonnie Grey. “They believed they could do something better, and they split off,” Meyer recalls. “I was able to watch from ground zero how they were able to take these clients and build a firm. I was intrigued by it, and that’s something that has stayed with me for my entire career.” The other was a stint at a Westside accounting firm in 1996, where he first met Rodriguez, his then officemate.

“Working with my best friend, who happens to be the best business manager I have ever met, is something I try not to take for granted,” says Rodriguez. “When

Andrew Meyer was photographed Nov. 1 at Freemark Financial’s office, which he says is inviting by design: “We want the space to be as good or better than what people go home to.”

we met over 25 years ago, it was hard to imagine we would end up here. I would not change a thing about the journey.”

The feeling is mutual. “Steves really believed in me, which is wonderful in a business partner, especially when you’re very early on in your career,” says Meyer. “I was that bookkeeper who really aspired to grow, and I didn’t have entertainment relationships. So it was really about building. You do the right thing, you treat people well, you provide good service and you just hope that it all comes together.”

It certainly has. Meyer credits manager Larry Taube of Principal Entertainment as an early advocate who not only trusted him with his clients but also helped him forge relationships with other reps.

“I’ve known Andrew for more years than either of us care to admit,” says Taube, adding that Meyer stands out for multiple reasons: “It’s not only his impeccable style — we’ve rarely seen him out of a suit lately, even on quarantine Zooms — but it’s Andrew’s integrity and honesty that is most appreciated.”

Meyer is known to go to great lengths for clients, whether it’s crossing the pond for a special occasion or simply homing in on details others might overlook and taking the extra time to make complicated financial matters understandable. “He takes a major weight off our shoulders,” says talent lawyer Steve Warren, who shares multiple clients with Meyer. “He anticipates people’s needs, and he’s able to explain a client’s financial life and their choices in a way that’s accessible and not overwhelming.” Adds attorney Rick Genow, who has known Meyer professionally and as a friend for more than 15 years, “Andrew loves what he does and elevates business management to an art form.”

When Meyer, who lives in Little Holmby with his wife and three children, looks ahead, he sees himself and Rodriguez continuing to build their team internally while maintaining a client-focused culture. “We take a lot of pride in that we are a CPA firm that is specializing in entertainment business management,” says Meyer, “with a policy of being nimble, being proactive and always challenging ourselves to see if there are policies and procedures that should be changed in order to do things better.” **THR**

company means owning your own projects and potentially cashing in. Says O’Connor, “Everyone is lining up for the next Hello Sunshine sale.” What not to do? “Don’t invest in anything that eats!” cautions Witzer, who serves as COO and CFO of late client Johnny Carson’s foundation.

**Pandemic habit I hope people keep** H. Gettleson:

“Driving less. It would be nice to keep to better traffic in L.A.” S. Gettleson: “Pop-up restaurants.” O’Connor: “Watching countless episodes on streaming services.”

Witzer: “Wearing sweatpants to work.”

## LAURA GORDON GORDON & ASSOCIATES

As a third-generation entrepreneur, Gordon’s mission is to help build generational wealth for her clients and for the African diaspora at large. While her firm works on behalf of a roster that includes Mike Epps, Amandla Stenberg and TV producer Yvette Lee Bowser, its corporate foundation Gammy’s House serves and supports Black-owned businesses from California to Uganda. “We’ve always been a part of this movement,” says Gordon, who adds that she also has seen corporate America devote more resources to the cause as a result of “inequities exposed during the pandemic and protests in 2020.”

**Hollywood’s biggest financial concern** “Healthy savings not only enhances security during times of uncertainty, it also empowers clients to be selective about the projects they choose rather than feeling pressed to take work.”

## HOWARD ALTMAN, COREY BARASH, WARREN GRANT GRANT TANI BARASH & ALTMAN

Always quiet about their A-list clients (Tom Hanks and Brad Pitt are among the names reported over the years), Altman, Barash and Grant are some of the best respected business managers in the industry. One characteristic that sets them apart, Grant says, is their proactiveness: “We don’t just wait to hear from [clients]; we take the initiative to send them information and keep them engaged.” Proud that they were able to maintain their full staff without payroll or benefits changes during the pandemic, Grant adds that the past year has been especially rewarding because, in helping clients invest, “We’ve hit a couple of the really top-performing sectors of the real estate market: industrial properties and studios with soundstages.”

**If I weren’t a business manager, I’d be ...** Grant: “A real estate agent.”

## MARIE AMBROSINO GURSEY | SCHNEIDER

An avid traveler — she has been to Africa four times — Ambrosino was grounded during the pandemic but otherwise felt equipped to handle the challenge, describing herself as a “very self-sufficient person.” She adds: “There are a lot of things we depended on in our business that we can’t depend on.” Ambrosino declined to speak about or confirm any clients, but *THR* has linked her to prolific talent including Mindy Kaling, Jenji Kohan and Seth MacFarlane.

**How do you relax/recharge?** “A vacation where I can spend time with as much wildlife as possible.”

## MARA HOFMAN HOLTHOUSE CARLIN & VAN TRIGT

Hofman focuses her work on “a lot of financial planning and forecasting,” along with answering her clients’ questions “surrounding upcoming tax legislation that’s not yet decided.” Lately, Hofman’s clients (who are actors, producers and high-net-worth individuals with family offices) are most interested in venture capital opportunities and becoming involved with early-stage companies by investing in them directly. She counts a spirit of collaboration and transparency as a top priority and credits those values as being key to the success of her business.

**Hollywood’s biggest financial concern** “Having people feel comfortable to get back out and enjoy the theaters, enjoy the concerts. The challenge is just getting everyone back out.”

# WHAT'S A REVERSE MORRIS TRUST?

As it plans to spin off WarnerMedia to then merge it with Discovery, Warner parent AT&T is turning to a rare deal structure (used just a handful of times in the media industry). The requirements and execution of the undertaking are complex, but the reasoning behind choosing the format is simple: "Taxes destroy value"

by  
GEORG SZALAI

✱ "Iconic brands and franchises," "complementary assets," "one of the largest global streaming players." The buzzy phrases offered up to tout the megamerger of Discovery and AT&T's WarnerMedia when the companies unveiled it May 17 just rolled off the tongue.

The same can't quite be said about the type of deal the partners agreed on to pull off the marriage: a so-called Reverse Morris Trust transaction. "It's an extremely rare structure for media/communications/entertainment," a representative of M&A data and analytics provider Dealogic explains to *THR*. The firm's data going back to 1995 finds only eight sector deals on record that have used it. Among them are the 2017 takeover of CBS Radio by Entercom (now known as Audacy) and Walt Disney's 2007 divestiture of ABC Radio to Citadel.



The fact that famously tax-averse media mogul John Malone, Discovery's largest shareholder, has used the structure in the past is a tip-off to its key benefit. "It's all about making it tax-free to the seller and shareholders," Moody's analyst Neil Begley says. "It's as plain as that."

So how does a Reverse Morris Trust transaction

David Zaslav (left) and John Stankey announce the Discovery-WarnerMedia merger.



work? A company, such as AT&T, separates via a spinoff or a split-off (more on that later) of an asset it wants to shed. Here, it's WarnerMedia, which within the structure is referred to as the SpinCo. That's immediately followed by a prearranged merger with another business, in this case: Discovery.

In most business combinations, a bigger company simply buys a smaller rival. But in the Reverse Morris Trust structure, the deal partner is smaller than the SpinCo and comfortable ceding majority control to shareholders of SpinCo.

To ensure that such a deal is tax-free, AT&T shareholders need to retain control to be able to prove to the IRS that there technically was no sale with capital gains that could be taxed. That means that the shareholders of the divesting company (AT&T) must own a majority of the merged company. For the chance to own part of the new sector giant known as Warner Bros.-Discovery, Malone even agreed to part with a special class of stock through which he holds a 26.5 percent voting interest in Discovery. He said he was "delighted to fully support this transaction, without ... receiving a premium for my high-vote shares."

## ELIZABETH KENNEY L&L BUSINESS MANAGEMENT

"The pandemic brought so much unknown that it automatically creates fear," says Kenney, who is proud of the "24/7" full service that her small, Burbank-based firm is able to provide to clients, who include Awkwafina, Tiffany Haddish and Dustin Lance Black. Her prescribed response? The three R's: "Let's research, regroup and redirect as needed." She adds that clients are increasingly interested in putting their resources into sustainability and protecting the planet by "investing in anything that reduces the carbon footprint. Most feel that is the place that will grow the most over the next 10 years."

**Pandemic habit I hope people keep** "I like that clients shifted from material things to more kindness and what truly speaks to them."

## MARK CATTALINI, CHARLES CLANCY, MARK FRIEDMAN, MATT LICHTENBERG, JOHN RIGNEY

### LEVEL FOUR BUSINESS MANAGEMENT

The L.A.-based quintet's roster reads like a Hollywood who's who: Samuel L. Jackson, Molly Shannon, Will Ferrell, Jim Carrey, Quentin Tarantino, Christopher Miller, Phil Lord, Matt Rosen and Jeff Silver. Among the pandemic changes, Rigney's real estate deal activity has "probably doubled," with many moving or buying new or second homes, he says. Increased working from home also has affected the profession "dramatically because we have to figure out how to work again when people are remote, and I can't go to somebody's office and look him in the eye."

**How do you relax/recharge?** Lichtenberg: "A glass of very good red Burgundy."

## HUMBLE LUKANGA LIFELINE FINANCIAL

Lukanga's self-described protective nature makes his clients feel safe, which is important to those who typically hire him — the underdog. "That person who wasn't supposed to be here; that person that doesn't look like status quo, who the rules weren't set up for, but they still find a way to succeed," says the Beverly Hills-based business manager. It's also been an advantage for his clients — including Issa Rae, Charlamagne Tha God, Robin Thede and Terry Crews — who are increasingly bucking industry culture and putting their health before their careers, which he hasn't "seen in 16 years" in this business.

**If I weren't a business manager, I'd be ...** "a teacher at an orphanage in Africa, helping children reach their destiny."



AT&T stockholders will receive shares representing 71 percent of the new company, with Discovery shareholders owning the other 29 percent, even though Discovery CEO David Zaslav will run the merged entity. To further signal to the IRS that AT&T shareholders still own a majority, the telecom giant will name seven members of its board to Discovery's six.

These intricacies led to some initial confusion upon the deal's unveiling, with some investors wrongly believing AT&T itself, rather than its shareholders, would own a majority of the combined Warner Bros.-Discovery when the deal closes, which is expected by mid-2022.

The transaction will bring AT&T cash from Discovery and further reduce its debt by shifting some of that debt to the merged company. The telecom giant said it would receive \$43 billion in the transaction "in a combination of cash, debt securities and WarnerMedia's retention of certain debt."

One element of the Reverse Morris Trust structure raising questions is how AT&T will distribute shares of the WarnerMedia SpinCo to its stockholders. The options are a spinoff, in which AT&T



stockholders would receive shares in the new company in addition to their existing AT&T shares; a split-off, which would allow shareholders to choose between stock of AT&T or the SpinCo; or some combination of the two.

"All options are on the table," AT&T CFO Pascal



Desroches

Desroches said in September, adding that a decision would come closer to the deal close and

involve, among other things, considerations about the value and upside of each business. "We feel really good about using all those options to optimize value for shareholders."

Branding and history buffs wondering where the name of this rare deal structure comes from will find that Morris Trust and Reverse Morris Trust deals go back to a 1966 tax ruling in favor of the Mary Archer W. Morris Trust in a legal case over its stake in a bank that had merged. This set a precedent that companies with the right kind of deal in mind can benefit from a lucrative transaction without having to worry about potential tax bills in the billions of dollars. Says Begley, "Taxes destroy value." **THR**

## ELIZABETH CAMPOS MANHATTAN WEST

With more than 20 years of experience in managing the financial well-being of entertainers and high-net-worth clients, Campos' philosophy is simple: Think about saving now to plan for tomorrow, especially in an age when many entertainment and sports careers are fraught with uncertainty. At the firm, the clientele of the avid hiker and mother of three includes Melissa Williams, Dominic Monaghan, multihyphenate Reginald Hudlin and financing and production company Gamechanger Films. Campos says people are moving money "from traditional asset classes like stocks and bonds into alternative investments," including multifamily real estate, venture capital, private equity and private debt.

**If I weren't a business manager, I'd be ...** "A private investigator."

## STEVE GELON, STEVE GLODNEY, VAN LEE, ALEX SMITH

### MANN GELON GLODNEY GUMEROVE YEE

Exceedingly private with its list of clients, this business management and full-service accounting firm counts showrunners, directors, actors, legacy musical acts, YouTube creators and other social media influencers among its clientele. The firm also prides itself on having formal training in accounting and as CPAs, giving it a leg up over some of its competitors in Hollywood. Notes Glodney, "A lot of business managers aren't CPAs, they don't have formal training."

**How do you relax/recharge?** Gelon: "Go on a 7-mile hike." Glodney: "Go play a round of golf." Lee: "Eating with friends and having a great meal. Pilates or reading would be my other option." Smith: "I love to step away and go out for a great meal."

## JOHN MCILWEE MCILWEE & ASSOCIATES

Three of the firm's biggest clients are *Batman* director Matt Reeves, Jane Lynch and Maura Tierney, while Caleb Landry Jones is on McIlwee's "really exciting" list, having just won best actor at the Cannes Film Festival for *Nitram*. As COVID-19 wreaked havoc on 2020, the firm grew 20 percent. "When the pandemic happened and work was shut down and people were panicked, there was a premium to be paid for peace and security," says McIlwee, who notes that embracing client curiosity sets the firm apart. "We present ourselves and our culture in a way that encourages clients to ask questions if they don't know something."

**Pandemic habit I hope people keep** "No breakfast meetings."

Illustration by **Jamie Coe**



**MARK LANDESMAN, SCOTT LANDESMAN,  
PAUL ZUKOWSKY  
ML MANAGEMENT**

This firm is known for its roster of comedy clients, which includes industry heavyweights like Eddie Murphy, Chris Rock, Tina Fey, Jason Sudeikis and Pete Davidson. Mark Landesman, who also counts James Cameron, Bruce Willis, Lupita Nyong'o and Blake Lively as clients, says that 2020 was a markedly different year. "For many people, we learned the lesson that you have to save for that rainy day because we've had a pandemic, and that's a hell of a rainy day," he says. Zukowsky, who advises fashion models like Behati Prinsloo and Gigi Hadid, says that despite some entertainment types leaving Southern California, several of his clients have bought property in Los Angeles — "the last couple of years has been extraordinary in California."

**How do you relax/recharge?** S. Landesman: "Playing golf. That's what I do most weekends, especially when the weather's warmer. Definitely my happy place. Four hours on the golf course gives me a little bit of peace."

**HARLEY NEUMAN  
NEUMAN + ASSOCIATES**

*Black Widow* star Scarlett Johansson, who is a client of Neuman's, sued Disney earlier this year after the 2021 feature film was released simultaneously in theaters and on Disney+ Premier Access. The lawsuit was settled, but the impact of day-and-date streaming on talent profit participation is far from sorted. "If you don't have bonuses based on box office, it changes the dynamic of everything and how people get paid," says Neuman, who also represents Lena Waithe, Zoe Saldana, Ryan Murphy and Lily Tomlin — as well as Netflix titan Ted Sarandos.

**How do you relax/recharge?** "I travel. I just came back from the Turks and Caicos Islands."

**DAVID BOLNO, RICHARD FELDSTEIN,  
BERNIE GUDVI, MICHAEL KARLIN,  
MICHAEL OPPENHEIM, MATT SEGAL,  
LARRY TYLER, DIAN VAUGHN  
NKSFB**

For NKSFB, which represents Beyoncé, Kenya Barris, Justin Timberlake and Drake as well as many others, the "deep bench" and "active partners" at the firm make for an appealing proposition, Karlin says. And while such hot markets as real estate and cryptocurrency are popular among clients (Gudvi also notes the appeal of selling music catalogs), Bolno says that early-stage tech investments are becoming popular as well: "I think talent has become acutely aware of the power of content and celebrity and are using their platforms to get access to the best deals."

**Pandemic habit I hope people keep** Bolno: "Realizing the importance of family. I love my mornings with my kids before diving into the day." Feldstein: "Never going out." Gudvi: "Zoom meetings." Karlin: "Spending levels. [They] do not need to rebound to pre-pandemic levels." Vaughn: "Social distancing."

**MARTIN MECKS, AARON PHILPOTT  
PHILPOTT MECKS**

The pair of veteran business managers have seen clients' spending drop across the board throughout the pandemic. "It's a good thing overall," says Meeks. Adds Philpott, "Controlling expenses is still the best return on any portfolio." A sampling of the duo's clients includes Hollywood heavyweights Dick Wolf, Nicolas Cage, STX chief Bob Simonds, James Caan and *Friends* creators David Crane, Kevin Bright and Marta Kauffman.

**If I weren't a business manager, I'd be ...** Meeks: "A high school basketball coach." Philpott: "A furniture carpenter."

**MICHAEL ULLMAN  
PLATINUM FINANCIAL**

Such clients as Margot Robbie, Linda Cardellini and Chrissy Metz come to Ullman for creative tax strategies but also because "I treat my clients like they're a family member," he says. In the past year, he's seen more real estate

# CAN CLUBHOUSE KEEP ITS CACHET?

At the height of COVID, the social audio platform was poised to 'take over the world,' but after a \$4B valuation, downloads have fluctuated, competitors have launched and Clubhouse is going back to the basics

by  
J. CLARA CHAN

✱ Few people expected Clubhouse, the live social audio platform that launched in the early days of the pandemic, to grow as quickly as it did. Not even co-founder Paul Davison, who recalls scrambling to fix bugs and crashes with partner Rohan Seth when the company was run by just the two of them. "I think we grew way, way, way too fast," Davison tells *THR* over Zoom from an office in San Francisco. "The user base just kept growing and it kept growing and it kept growing. We tried to slow it down with the invite system, but people figured out ways to get on. They were exchanging invites, creating public spreadsheets of invites. It wasn't a great experience for people who joined that early because the platform hadn't been built to handle that volume of people."



Davison

Though Davison says the invite-only nature of the app in its early days was never meant to make Clubhouse "exclusive," it did help generate plenty of buzz in media coverage and Silicon Valley circles. The momentum continued to grow when big names like Oprah Winfrey, Elon Musk, Tiffany Haddish and Chris Rock were spotted on the app, and

Clubhouse stars found themselves signing with agencies like WME. It all led to a round of funding in April, headed by the VC firm Andreessen Horowitz, at an eye-popping \$4 billion valuation.

Today, Clubhouse — which has since expanded to a team of nearly 90, including former Instagram and NPR execs — is almost working backward, having spent this year building out "foundational features" to transition from a prototype to a "real company," as Davison describes it.

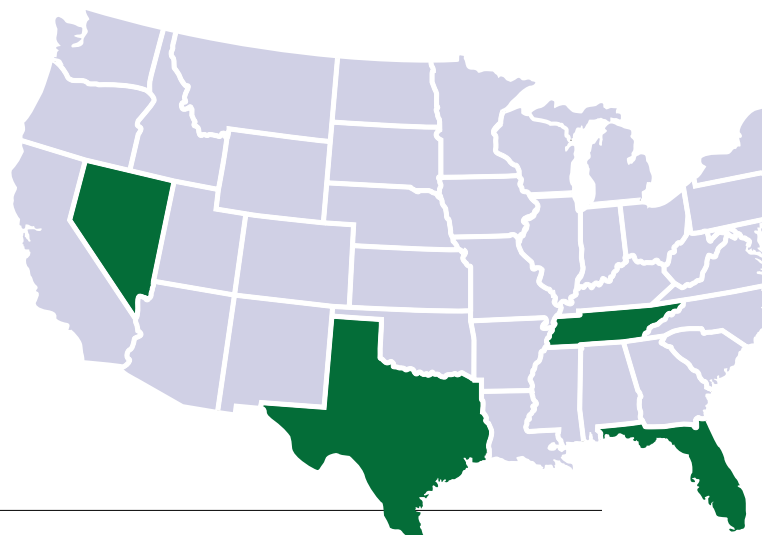
Changes have included setting up a tipping feature in April; launching on Android in May; adding direct messaging and opening wide to the public in July; releasing audio recording and universal search in September; and rolling out support for 13 languages on Android in October.

"We're now finally at a point where we can come up for air," Davison says.

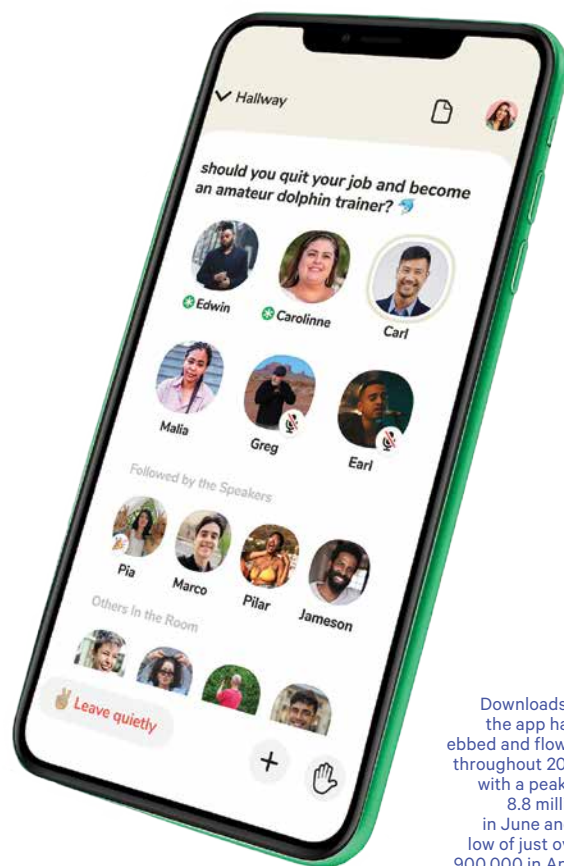
The company also is facing growing competition from such tech giants as Facebook, Twitter, Spotify and, most recently, Amazon, as well as other community-oriented platforms like Discord. But when it comes to comparing performance, the tech companies are reticent to share metrics of their live audio

## TAX-FREE IS THE PLACE TO BE

As work-from-home becomes more than a short-term solution, people in the industry continue to move across the country to increase their quality of life and lower taxes







Downloads of the app have ebbed and flowed throughout 2021, with a peak of 8.8 million in June and a low of just over 900,000 in April.

offerings. As of February, Clubhouse said it had 10 million weekly active users, but Davison declined to provide an updated count. Facebook, Twitter and Spotify all declined to share figures for active users or rooms hosted per month. App downloads also have appeared to falter for Clubhouse on iOS, with September downloads dipping as low as 360,000, according to App Annie. But the platform's performance on Android still appears strong, with downloads peaking at 7.9 million in June, and September downloads hitting above 1 million.

The uncertainty around Clubhouse's future success, paired with its sizable valuation for a company barely out of its

infancy, naturally has led some outside observers to feel less confident about it. "If you're raising funding at very high valuations, it becomes very hard to live up to," says a Silicon Valley investor of 15 years who was an early Clubhouse adopter but asked not to be identified because they know people connected to the app. "I'm pretty confident that company's not worth \$4 billion right now."

The investor, who was an avid Clubhouse user, says his interest in the app has waned, especially as he's returned to in-person gatherings. "I was actually with nine founders, in person, at a bar having a good intimate conversation that would have been a Clubhouse room 12 months ago," he says. "So I think that's a struggle for what they're building."

The platform also has faced its share of problems with content moderation, the spread of misinformation and harassment and has struggled to support creators trying to monetize their followings. While the app is still very young, it's unclear when or how Clubhouse will make itself profitable, though Davison has previously pointed to subscriptions and event tickets as possible options.

A longtime L.A.-based venture capitalist (who also asked not to be identified) says investors still will be able to find a "soft landing," even if Clubhouse can't live up to its hype: "This doesn't look like it's going to 'take over the world' the way that it did during the height of the pandemic."

But for every "Clubhouse is dying" headline published, the app has — at least for now — stayed very much alive.

"Our investors are very long-term focused," says Davison. "We have a lot of work to do. ... We want to stay heads down, focused on the product, focused on the community, making it better and better every day." **UTR**

transactions and a wider array of clients quickly getting on board with his advice to save for a rainy day. Says Ullman, "Now, with the pandemic, I think [those who were previously more resistant] get it because they see what's been going on. So they want to think of the five-year plan." **Hollywood's biggest financial concern** "Financial stability!"

#### JEFF TURNER, BILL VUYLSTEKE PROVIDENT FINANCIAL MANAGEMENT

With a high-powered client roster — from such film stars as Al Pacino, Lucy Liu, Angela Bassett and Courtney B. Vance to big-time musicians like Red Hot Chili Peppers, Green Day and Shakira — the firm maintains offices throughout California and in Nashville. "Size is one of the things that differentiates us," Vuylsteke says of the firm. "We're big enough to be a big firm, but we're small enough that we're not a mega firm," allowing for high attention to client portfolios. As for the effects of the pandemic on their long-term business, Turner says, "It certainly emphasized the need to remain as liquid as possible" among clients, especially for musicians whose tours were shut down.

**Pandemic habit I hope people keep** Turner: "Being conscious of having that work-life balance and really thinking about what's meaningful in their lives."

#### TARA MOORE, PHIL SARNA PS BUSINESS MANAGEMENT

Moore describes her team as "uniquely" female, with a client roster to match. It's not by design but a "wonderful" result that provides a more nurturing approach, says Moore. She adds that clients like Billie Eilish, Lizzo, Halsey, Sara Bareilles and Benny Blanco "feel comfortable asking us questions — they don't feel intimidated." Sarna notes that this comes with a "thoughtfulness and drive" to meet all of their clients' needs, which are expanding to give artists more creative control in their deals, from selling catalogs and copyrights to NFTs and book and art deals.

**Pandemic habit I hope people keep** Moore: "Work from home/minimized commuting." Sarna: "I hope artists continue to find a better work-life balance. The 24/7/365 demands for artists are not consistent with mental health and the ability to create great art."

#### ANNA DERPARSEGHIAN PTD BUSINESS MANAGEMENT

DerParseghian's firm represents top touring comedian Gabriel Iglesias, Emmy Award winner Uzo Aduba and nominee Natasha Lyonne, along with *The Handmaid's Tale* star Yvonne Strahovski. "I take pride in the fact that I represent several strong female clients," DerParseghian explains. Meanwhile, the COVID-19 pandemic has taught her to examine what a "multihyphenate" client looks like. "It's not just about getting the next script," she notes. "It's more of, how can we build wealth and convert our clients from having just one stream of income to various streams and adapt to the new world of cryptocurrency and NFTs?"

**How do you relax/recharge?** "I call Pilates my favorite form of personal therapy; also spending time with my children is always a joy and puts things in perspective; and, finally, a nice glass of wine with some delicious cheese at the end of the day is a great way to unwind."

#### LIA SWEET, BILL ZYSBLAT RZO

While the past year has brought incredible opportunity to some, it also has caused new challenges, which RZO's Sweet and Zysblat have found themselves navigating for their clients, who include Lady Gaga and The Rolling Stones. "COVID-19 has taught us that lean times can come to the biggest artists," Sweet says. With that in mind, "preservation of capital is our top concern," Zysblat notes. "We now know that an industry that was once immune to market corrections, inflation and recessions can be brought to a grinding halt without warning."

**If I weren't a business manager, I'd be ...** Zysblat: "A retired business manager."

#### TENNESSEE

There may be no better match for Hollywood expats than Music City. "There are a ton of artists and industry folks already here," says Tara Moore of Nashville, which she now calls home. "No state income tax, great education, a clean, beautiful, affordable city and nice people. It's a dream!" Adds Alex Smith, "There's an appetite for the no-state-income-tax states. Tennessee's an especially good one because there's still an entertainment hub there, especially for folks in the music industry."

#### NEVADA

While multiple managers mentioned Nevada as a relocation destination because of its tax benefits, no one gave specifics. Its proximity to L.A. (on the Las Vegas side) and Silicon Valley (up near Reno and Lake Tahoe) certainly can't hurt.

#### TEXAS

Austin also is still drawing a crowd. Says Josh Martin, "I've had a couple really big business owners in the digital media talent space that decided they can get more for their money in Texas."

#### FLORIDA

"Miami has been a fun city for everyone," says Joe McGill of clients who've headed to the Sunshine State.

#### HONORABLE MENTIONS

Georgia, the Carolinas, Utah, Wyoming and Washington also are popular. "Clients are opting for quality of life and family over the value of any possible tax or estate tax savings," says Anna DerParseghian. "We encourage our clients not to allow such savings to cloud their judgment or dictate their decisions."



# WHY TRADEMARKS AND TIKTOK MATTER IN 2021 DIVORCES

With the rise of moneymaking social media accounts, and the clock ticking on copyrights soon eligible for termination, famous couples are dealing with a new set of issues when battling over communal property in modern courts

by  
ERIQ GARDNER



✱ “I Got You Babe.” That’s what Cher and Sonny Bono were singing to each other in the 1960s when they were married musical superstars. The following decade, however, the two divorced and had to split their assets. In 1978, three things happened. First, as part of the divorce agreement, Sonny assigned Cher a 50 percent share of his composition royalties. (He, not she, had authored the songs.) Second, Congress ensured that the royalties would be flowing well into the future by substantially increasing the number of years that copyrighted works would be protected. The third we’ll get to in a moment, as it’s become the subject of a new lawsuit in which Cher now alleges being robbed of royalties.

Sonny and Cher illustrate a conundrum that’s common in the entertainment community: Give creatives all the ability in the world to profit

## JEFF BACON, CHRIS BUCCI, RACHEL MARTINEZ, STEVE SAVITSKY SAVITSKY SATIN BACON & BUCCI

“The trend has just been more client engagement,” explains Bacon of business at the firm during the past year. With the firm’s high-profile client roster — which includes premier athletes, Oscar-winning actors as well as influencers, though these managers don’t name names — having extra time at home amid the COVID-19 pandemic, some have gotten more involved in financial planning and diversifying the kind of content they’re interested in embarking on, like social media and podcasts. Moreover, with Zoom and other video platforms, Martinez says, “I find that I see my clients’ faces much, much more than I did before.”

**If I weren’t a business manager, I’d be ...** Bacon: “A columnist.” Martinez: “CFO of a nonprofit.”

## STEVE CAMPEAS SJC

Campeas notes that his clients — a list that includes John Stamos, Chiwetel Ejiofor, Rebecca Romijn, Katee Sackhoff, Boaz Yakin, Kevin Abbott and Lana Condor — appreciate that he takes a “hands-on” approach when it comes to managing their financial future. “The simplest thing is that instead of them calling you and saying, ‘Hey, it’s time for an annual meeting,’ I’m the one that calls them,” explains the Los Angeles-based business manager. And, despite the challenges of the pandemic during the past year and a half, Campeas says his “advice isn’t really changing” and that he is focused on developing plans that are “supposed to withstand any kind of situation.”

**Pandemic habit I hope people keep** “Cleanliness, handwashing and sanitizing.”

## JOE MCGILL TOPLINE BUSINESS MANAGEMENT

For McGill, business management allows him to combine his smarts for numbers and money with his passion for entertainment and sports. After working for top industry boutiques, McGill in 2017, along with his business partner Bryan Meyer, started Topline Business Management and “hit the ground running,” McGill says. The firm prides itself on having personal relationships with its clients, who include *Queer Eye*’s Karamo Brown, *Godzilla vs. Kong* director Adam Wingard and rising actress Aliyah Royale. That means being reachable on group chats and having meaningful conversations outside of just money matters.

**If I weren’t a business manager, I’d be ...** “When I was playing football in college, I wanted to go to the NFL. I’ve got a passion for football and basketball, so I think probably coaching. Maybe teaching [math].”

Profiles written by Trilby Beresford, Evan Nicole Brown, J. Clara Chan, Mia Galuppo, Katie Kilkeny, Pamela McClintock, Sydney Odman, Rebecca Sun, Georg Szalai, Alexander Weprin and Abbey White



off their intellectual exploits — but also prepare for some huge headaches if it's necessary to divide co-owned property. After all, bands break up. Celebrities die. And marriages blow up. In the age of intangible property, divvying up community property can be immensely bedeviling.

"There are few rules of the road," says Jay Polstein, a partner at the family law firm of Wasser, Cooperman & Mandles, explaining that sometimes there are holes in precedent because "no one wants to air dirty laundry."

Especially when it comes to the entertainment arena, this has been an ongoing problem. When something does come to the fore, it gains outsized attention among money managers and attorneys.



Roddenberry

Take divorces, which for all the tabloid ink have only produced about a half-dozen cases of significant influence on the topic of intellectual property. Among them: *Star Trek* creator Gene Roddenberry's 1969 split from his first wife, Eileen. Did a divorce agreement that entitled her to profits from the famous sci-fi original mean she also would get a cut of *Star Trek: The Next Generation* and *Star Trek: Deep Space Nine*? At the time of their divorce, *Star Trek* was deemed a commercial failure, canceled after three seasons. While he held on to rights and profited on successful movies and renewed interest in the franchise when reruns played in syndication, a legal question arose in the mid-1990s: whether the old divorce agreement contemplated sequels. A California court eventually ruled that Eileen was not entitled to profits from *TNG* and *DS9*.

Another divorce now legendary in family law circles was the one between director John McTiernan and actress Donna Dubrow. The two were married in 1988 right before his amazing run of

hits that included helming *Die Hard* (1988), *The Hunt for Red October* (1990) and *The Thomas Crown Affair* (1999). Upon their split in 1997, was she entitled to half of his enlarged earning capacity and reputation in the industry? Not exactly. Although she was to get half of his business, an appeals court decided in 2005 that community property didn't include the "goodwill" in his career as a director.

Still, despite such rulings, there remains legal ambiguity with respect to splitting intellectual property. For instance, how about the value of an artist's name? That might be another way to characterize "goodwill" — but, then again, if the artist's business includes registered



trademarks, maybe that's divisible? Right now, Andre "Dr. Dre" Young is facing claims from his soon-to-be ex-spouse, Nicole, of trying to hide trademarks (including for "Dr. Dre") they allegedly co-own. He insists that "Dr. Dre" was created before the marriage and therefore can't be considered joint property.

Then there are rights of publicity, meaning ownership of one's image and likeness. How does one split such an asset? And what are the implications afterward?

"I'm dealing with right of

publicity in an heirs' situation now," says Greenberg Glusker partner Aaron Moss. "Total mess. As far as I know, there isn't a single case addressing the rights of co-owners. I assume default rules are similar to copyright, but there's no guidance out there at all."

In the divorce context, Brad Pitt probably doesn't co-own Angelina Jolie's image, and vice versa, after their split. Although it hasn't been firmly settled, in a complicated 2014 decision involving the late Bing Crosby and his ex-wives, a California appeals judge wrote in a footnote that likeness rights are an exception to the usual rules about community property from a marriage.

Opposite page: Sonny and Cher in 1967. Above, from left: Donna Dubrow and John McTiernan's 1997 divorce raised novel legal questions, as does the ongoing divorce of Dr. Dre and wife Nicole.

But, of course, other issues are coming up. Sharing professional "goodwill" may be out of bounds, but what about a TikTok account that has amassed millions of valuable followers during a marriage? Must social media influencers, upon divorce, share their passwords with ex-spouses? And what about those who survive an influencer's death? These may seem like outrageous questions (and novel ones given the age of most influencers), but as Soundgarden is fighting in court with the widow

of singer Chris Cornell over who gets to control the band's social media accounts, there's no reason to think similar problems won't arise.

"I don't think there's any question this can be community property, but I can't think of a case," says attorney Dan Jaffee of social media accounts. "Clearly there are people making substantial sums of money by virtue of social media posts. This is a fertile area in divorces. Hmm. I'm going to have to write a law review article about this."

Verified Twitter accounts aren't at issue in *Cher v. Bono*. Instead, a 1978 copyright law is coming into play. When Congress extended the copyright term back then, lawmakers also gave authors the ability through termination rights to reap the benefits of the past few decades of the newly extended term. The idea was that creators often assign rights to big studios and publishers for modest compensation when they're up-and-coming and should have another bite at the apple later in life.

It's doubtful Congress spent much time considering the law's impact on divorcing couples. But now, Mary Bono, Sonny's fourth and final wife who inherited his rights when he died in 1998, is arguing that a copyright termination also cancels the royalties earmarked to Cher, his earlier ex-wife, in their divorce agreement. In an Oct. 13-filed lawsuit, Cher challenges such an assessment.

If Mary Bono is correct, and federal copyright law preempts state family and contract law, that will throw another huge wrench into efforts to divvy up marital property. It'll also showcase the value of a long copyright term, which got decades longer in 1998 upon passage of the Sonny Bono Copyright Term Extension Act — co-sponsored by then-Rep. Mary Bono. **THR**





# ‘EVERYTHING I DO IS ALWAYS A RISK’

Controversial personality Logan Paul knows there’s a perception that it’s a gamble to work with him, so he’s diversified his income beyond social media with NFTs, investments and — of all things — Pokémon cards

by  
KIRSTEN CHUBA

✱ For the past eight years that Logan Paul has been in the public consciousness, he’s been many things: a Vine turned YouTube star; an online influencer; a boxer; and a seemingly endless source of social media controversy. But recently, Paul has been diving deeper into an unexpected part of his brand: digital currency entrepreneur.

He has 100 NFTs (non-fungible tokens) for which he’s invested more than \$4 million; he has multiple cryptocurrency projects in development (including CryptoZoo, a digital zoo where users can breed, collect and trade exotic hybrid animals as NFTs that was delayed after some initial criticism); and he has become a prominent figure in the Pokémon collector world after loving the game



since childhood — now owning a Charizard card he says is worth \$1 million (after buying it for \$150,000).

“They gave a kid who loves collecting [things] money, and now I get the freedom to make the purchases that I couldn’t as a kid,” Paul says, adding that he has “historically chosen the right things to invest in.” Those investments include memorabilia and collectibles company

Goldin Auctions (through a group including Mark Cuban and Kevin Durant that purchased a majority stake for \$40 million), Bitcoin rewards app Lolli and collectibles marketplace Whatnot.

“I’m using my creativity for business and investments now instead of media, and it’s working,” he says, after amassing 23 million YouTube subscribers and another 21 million on Instagram.

Illustration by **Mario Wagner**



Ken Goldin, founder of Goldin Auctions, offers a look at just how Paul is leveraging his platforms after they collaborated on a livestreamed box break of first-edition Pokemon cards in the spring. Paul auctioned off 36 card packs with a starting bid of \$10,000 each and, after driving traffic to the auction via his socials, averaged \$34,000 per pack, "which was the most expensive Pokemon box ever sold," says Goldin. Paul spent about \$300,000 on the box and netted \$1.2 million. "Being the businessman he is, he inserted NFT commercials inside the two-hour box break, which was on his YouTube," adds Goldin. The NFT sales reportedly were more than \$800,000 during that stream, which followed Paul selling nearly 3,000 NFTs for a total of \$5 million in February.

O'Melveny legal and business adviser Hale Boggs says digital currency soared during the pandemic as life went virtual, and hasn't seen a drop as in-person activities have returned. "A lot of people who liked to support their favorite celebrities or artists through events and experiences found that the only way they could do that was through virtual events and experiences," says Boggs. "That allowed for a transition [to] virtual products and goods and tokens."

Adds Paul's longtime manager Jeff Levin, "Logan's really good at understanding [the landscape] and then figuring out a way to monetize it but also first and foremost entertain people." And he has continued to entertain, still landing millions of views on his videos and facing off against Floyd Mayweather in the ring June 6 while also building his digital portfolio.

Paul says his income is so diversified that social media, boxing and investing are each producing equal revenue streams at this point. So if he quit any one area, he could just shift to the others. Which, given his

controversial track record (including late 2017-early 2018 videos involving Japan's "suicide forest," tasing dead rats and joking about eating Tide Pods), he knows is beneficial, particularly in the business world, where he can be behind the scenes.

"In the past, I've been polarizing, so why don't I do something I'm good at elsewhere that doesn't rely on me being a public-facing figure?" Paul says of his strategy, admitting that most business partners and advisers are afraid to work with him. "I'm risky — but I'm not, that's the thing. I win more than I lose in this space."

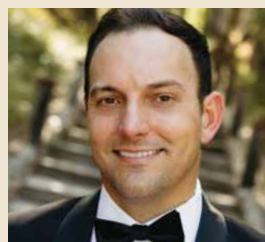
Says lawyer Adam Kaller, who has represented Paul alongside Duncan Hedges since his Vine days: "He's put himself in the crosshairs of some pretty ugly situations, but the vast majority of decisions that he makes are great decisions. He sees these subtleties that other people don't see, and he knows how to craft them and manipulate them and exploit them."

Paul teases that some of the biggest purchases in collectibles history are still to be announced this year as he continues to carve a niche in the online world. "I have a million-dollar Pokemon card, right? It's cool, but as a storyteller, it's much cooler if I tell the story about how I got that card and what I'm going to do with it," he says. "My ability to combine storytelling, culture and investments has created this perfect synergy for me, both publicly and privately."

While many in the digital currency space are looking to ride an overnight purchase to the moon, Paul is in it for the long haul when it comes to his NFTs and cards. "I'm a collector. I will be holding most of these assets for probably five, 10, 15 years, maybe more," he says. "Everything I do is always a risk, but for lack of better verbiage, I have big balls when it comes to investing my money." **THR**

# 6 HOLLYWOOD BIZ MANAGERS TO WATCH

From rising partners at top boutiques to entrepreneurs running their own shops, these money managers will soon be the town's go-tos



**BRETT ANDERSON**  
SAVITSKY SATIN BACON & BUCCI

A partner at one of Hollywood's most respected firms, Anderson's clients include Emmy-winning showrunners, Oscar-nominated writers and top digital creators. He says limiting financial exposure through insurance is vital: "Take a hard pass on the heated rear-seat upgrade in your new SUV and use the money you're saving on an EPLI policy."



**ISAAC GORDON**  
GORDON & ASSOCIATES

A former pro basketball player (he played in the EU while earning an international MBA from Griffith College in Dublin), second-generation business manager and CPA, Gordon works with athletes, writers and talent. He often tells clients that "money is much more about their mental relationship with finances than it is a math solution."



**JORDAN JOSEPHS**  
SINGER|LEWAK

Josephs tells his clients — who include touring musicians, recording artists, digital talent, athletes, and execs in film and music — to treat him like their "personal CFO." He says, "Ideally, we help clients grow to the point where they have enough passive income from evergreen business outside their core competency to pay the monthly bills."



**JOSHUA KLEIN**  
TKG BUSINESS MANAGEMENT

In January, after more than a decade the business, Klein launched a full-service firm, where he reps clients across music, sports and the digital space (Normani and Prince Amukamara, among them). He's not a "yes guy," but instead of just saying no, he'll explain the "pros and cons of each situation and empower them to make educated decisions."



**KRISTIN LEE**  
KLBM

After starting out at industry stalwarts, Lee in 2014 opened her own shop. She works with award-winning artists and producers as well as Hollywood types and isn't afraid of tough love. "I love working with clients that have lofty goals," she says. "There's an art to keeping them focused and grounded if they want to achieve those dreams."



**PAUL TA**  
LEVEL FOUR BUSINESS MANAGEMENT

Ta works with A-list clients across TV, film, music and digital at a firm known for its stellar roster (see: Will Ferrell and Quentin Tarantino). He says he's calm but with a "get it done" attitude and emphasizes to clients the "need for diversification, budgeting, understanding their cash flow and setting realistic short- and long-term goals."