

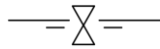


MOVIE BUSINESS TEACHING RESOURCE

Students will be able to grasp the enormity of film production and the business principles required in the industrial art form of filmmaking.

LEARNING OBJECTIVES:

- To appreciate the relationship between business principles and the film industry
- To discover some of the costs involved in making a feature film



LESSON FOCUSES

PRE-VISIT:

Students will be introduced to business in the context of the film industry by researching a global film company.

VISIT WORKSHOP:

Students will be shown the planning process that took place on the *Harry Potter* films to minimise costs whilst creating a believable world on screen. They will examine recent trends in the industry including production spend in the UK and profit margins for different genres.

POST-VISIT:

Students will create a business plan for their own small media business. In what kind of films will they specialise? What will their start-up costs be? How much profit do they expect to make? Where could they find finance? How will they brand their business?



MOVIE BUSINESS PRE-VISIT LESSON

Students should make a note of any merchandise they have seen or own from films, music, television, games, etc. How many kinds of merchandise can they think of? (T shirts, lunch boxes, pens, models, etc) Why does merchandise exist? Students should begin to research the approach of Warner Bros. to the *Harry Potter* film series and the Wizarding World. How do different elements of the business interact and support each other to cross-promote and maximise the impact of their product?

In groups, students should choose a different global media company to research and create a presentation of the different businesses within the global media organisation. What sort of output does the company produce, and how? How do different parts of the company work together to maximise profits?

The business of filmmaking is multi-faceted. There are many different ways that films are funded and these can be complex and diverse. However, filmmaking is a business and always follows sound business principles. Film companies can be large global enterprises, such as Warner Bros. or small production companies consisting of two people. Whether large or small they all require business plans, financial management and careful asset control.

SUPPORTING DOCUMENTS:

- Warner Bros. company overview



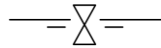
MOVIE BUSINESS POST-VISIT LESSON

Ask students to imagine they are developing a small media business. They can choose what the focus of their business should be, how many people they would like to employ and so on. They can use the Media Business Planning Document to flesh out their ideas for their business.

Using the Creating an Outline Business Plan worksheet, students should produce a business plan to be given to a bank making sure to consider who their customers would be, start-up costs, target audience and unique selling point. They could also create social media pages and a website for their business.

Further explain to students that the film industry must diversify in order to survive. Film companies will develop different strategies to maximise profit, by developing films that cost different amounts, as well as selling rights across the world for films that they are making.

Creativity must be accompanied by stringent accounting, cash flow control and business management. Encourage students to consider the identity and branding of their media organisation. What kind of genre, budgets and product will they sell?



SUPPORTING DOCUMENTS:

- Media business planning document
- Creating an outline business plan

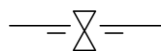


MOVIE BUSINESS WARNER BROS. COMPANY OVERVIEW



Warner Bros. Entertainment Inc. is a fully integrated, broad-based entertainment company and a global leader in the creation, production, distribution, licensing and marketing of all forms of entertainment and their related businesses. A WarnerMedia company, the fully integrated, broad-based Studio is home to one of the most successful collections of brands in the world and stands at the forefront of every aspect of the entertainment industry from feature film, television and home entertainment production and worldwide distribution to DVD and Blu-ray, digital distribution, animation, comic books, video games, product and brand licensing, and broadcasting. The company's vast library, one of the most prestigious and valuable in the world, consists of more than 100,000 hours of programming, including nearly 8,300 feature films and 5,000 television programs comprised of tens of thousands of individual episodes. Warner Bros. Entertainment's employee population ranges from 5,000 to 10,000 on any given day in North America (depending on the level of television and movie production) and some 2,000 employees overseas.

In 2017, Warner Bros. Pictures celebrated its best year ever with over \$5.12 billion in worldwide receipts (\$2.03 billion domestic, \$3.09 international), marking the 11th consecutive year the Studio crossed the \$3 billion mark. To date, Warner Bros. remains the only studio to cross the \$1 billion mark both domestically and internationally 17 years in a row—an industry record. Warner Bros. Home Entertainment was also the industry's leader for the 17th consecutive year with an overall 18 percent market share. WBHE was #1 in both digital and physical sell-through and topped the family, TV content and theatrical catalog sales categories. Warner Bros. Television Group's WBTV, Warner Horizon Scripted Television, Warner Horizon Unscripted Television, Shed U.S., Telepictures, Warner Bros. Animation and Blue Ribbon Content continued to produce the most popular and successful series for the broadcast, cable, pay and digital marketplaces, with nearly 70 series for the 2017-18 season, including Young Sheldon, a prequel to television's #1 comedy The Big Bang Theory, and Black Lightning, the new critically lauded series on The CW portraying DC's first African American Super Hero. Working across all platforms and outlets, the Studio continued to be a category leader and trendsetter in the digital realm with VOD (transactional and ad-supported), original content, apps and anti-piracy technology. Warner Bros. Digital Networks, responsible for creating and building the Studio's digital video services and growing Warner Bros.' direct-to-consumer capabilities, features projects highlighting key talent and brands, including Ellen DeGeneres, LeBron James and DC Entertainment.





MOVIE BUSINESS WARNER BROS. COMPANY OVERVIEW



Movies

- Warner Bros. Pictures Group produces and distributes a wide-ranging slate of some 18-22 films each year, employing a business paradigm that mitigates risk while maximizing productivity and capital. Warner Bros. Pictures either fully finances or co-finances the films it produces and maintains worldwide distribution rights. It also monetizes its distribution and marketing operations by distributing films that are totally financed and produced by third parties. Among the films on Warner Bros. Pictures' 2018 slate are Ready Player One, Ocean's 8, Crazy Rich Asians, A Star is Born, Fantastic Beasts: The Crimes of Grindelwald and Aquaman.
- Warner Bros. Pictures is also a global leader in the marketing and distribution of feature films, operating offices in more than 30 countries and releasing films in over 120 international territories, either directly to theaters or in conjunction with partner companies and co-ventures.
- New Line Cinema, part of Warner Bros. Entertainment since 2008, coordinates its development, production, marketing, distribution and business affairs activities with Warner Bros. Pictures to maximize film performance and operating efficiencies. New Line's 2018 release slate, distributed by Warner Bros., includes Game Night, Rampage, Life of the Party, Tag and The Nun.

Television

- The Warner Bros. Television Group oversees and grows the entire portfolio of Warner Bros.' television businesses, including worldwide production, traditional and digital distribution, and broadcasting. In the traditional television arena, WBTVG produces primetime and cable (Warner Bros. Television, Warner Horizon Scripted Television and Warner Horizon Unscripted Television), first-run syndication (Telepictures Productions) and animated (Warner Bros. Animation) programming, which is distributed worldwide by two category-leading distribution arms/operations (Warner Bros. Domestic Television Distribution and Warner Bros. International Television Distribution).
- WBTV's returning programs for 2017-18 are The 100, Arrow, The Big Bang Theory, Blindspot, DC's Legends of Tomorrow, The Flash, Gotham, iZOMBIE, Lethal Weapon, Lucifer, Major Crimes, The Middle, Mom, The Originals, Riverdale, Shameless, Supergirl, Supernatural, Trial & Error and Westworld, among others. New series include Black Lightning, By the Book, Castle Rock, Claws, Deception, Disjointed, Life Sentence, Lovecraft Country, Splitting Up Together, Titans and the hit prequel to The Big Bang Theory, Young Sheldon. WBTV also distributes the upcoming Warner Bros. Animation-produced TV series adaptation of Green Eggs and Ham, coming to Netflix in 2018.

WBTVG is an innovative leader in developing new business models for the evolving television landscape, including ad-supported video-on-demand, broadband and wireless, and has digital distribution agreements in place with all of the broadcast networks. Internationally, the Studio is one of the world's largest distributors of feature films, television programs and animation to the worldwide television marketplace, licensing over 79,000 hours of television programming, including more than 7,400 feature films and over 50 current series, dubbed or subtitled in more than 40 languages, to telecasters and cablecasters in more than 175 countries.



MOVIE BUSINESS WARNER BROS. COMPANY OVERVIEW



WBTVG provides original shortform programming for the broadband and wireless marketplace through its Blue Ribbon Content digital venture, and its digital media sales unit is devoted specifically to multiplatform domestic advertiser sales for both broadband and wireless. WBTVG is rapidly developing new business models for the evolving television landscape, as well as moving aggressively into the global expansion of local production and broadening its operations in the digital space on a number of fronts, including distribution and production.

The final component of WBTVG is broadcasting: The CW Television Network, launched (in partnership with CBS) in September 2006 with quality, diverse programming, is targeted to the 18–34 audience.

Animation

Warner Bros. Animation is one of the leading producers of animation in the entertainment industry, with an innovative and talent-rich roster boasting some of the most accomplished writers, producers and artists working today. WBA is home to the iconic animated characters from the DC, Hanna-Barbera, MGM and Looney Tunes libraries. The studio is on the cutting edge of animation technology, and has both CG and traditionally animated projects in current production and development. WBA also creates the highly successful series of DC Universe original animated movies for DVD.

Home Entertainment

Warner Bros. Home Entertainment brings together Warner Bros. Entertainment's home video (Warner Home Video) and video games (Warner Bros. Interactive Entertainment) businesses in order to maximize current and next-generation distribution scenarios. WBHE is responsible for the global distribution of content through Blu-ray Disc and DVD, electronic sell-through and transactional VOD and delivery of theatrical content to wireless and online channels. It is also a significant worldwide publisher for both internal and third party video game titles.

Based on the constantly changing ways by which consumers access entertainment product, WBHE focuses on maximizing current and next-generation distribution scenarios to make the Studio's content available to audiences through as many channels, platforms and devices as possible. By grouping like business units and streamlining the process of delivering the Studio's content to consumers in the format of their choice as conveniently as possible, WBHE helps the Studio to maintain an industry-leading and defining role in the rapidly evolving home entertainment marketplace while moving consumers' home entertainment experiences into a new era.

Working across all platforms and outlets, the Studio continues to be a category leader and trendsetter in the digital realm with VOD (transactional and ad-supported), original content, apps, anti-piracy technology.

Digital Networks

Founded in 2016, Warner Bros. Digital Networks is the fast-paced, growing team responsible for building and operating the Studio's digital entertainment offerings, producing digital native content and harnessing the power of social media through Machinima. WBDN's current direct-to-consumer-centric portfolio includes Boomerang (a partnership with Turner),

DramaFever, FilmStruck (a partnership with Turner), Machinima, Stage 13, Uninterrupted (a partnership with LeBron James), Ellen Digital Ventures (a partnership with Ellen DeGeneres) and DC Universe, a DC-branded digital service debuting in 2018. Warner Bros. Digital Networks' premium programming and digital offerings put fans at the center of entertainment, sports, gaming and pop culture, reaching audiences anywhere, across any platform.



MOVIE BUSINESS

WARNER BROS. COMPANY OVERVIEW



Consumer Products

Warner Bros. Consumer Products extends the Studio's powerful portfolio of entertainment brands and franchises into the lives of fans around the world. WBCP partners with best-in-class licensees globally on award-winning ranges of toys, fashion, home décor and publishing inspired by franchises and properties such as DC, J.K. Rowling's Wizarding World, Looney Tunes and Hanna-Barbera. The division's successful global themed entertainment business includes groundbreaking experiences such as The Wizarding World of Harry Potter in Orlando, FL, Osaka, Japan and Hollywood, CA; and the upcoming Warner Bros. World Abu Dhabi (opening 2018). With innovative global licensing and merchandising programs, retail initiatives, promotional partnerships and themed experiences, WBCP is one of the leading licensing and retail merchandising organizations in the world.

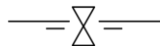
DC Entertainment

DC Entertainment, home to iconic brands DC, Vertigo and MAD, is the creative division charged with strategically integrating its iconic content across Warner Bros. and WarnerMedia. Founded in 2009, DC Entertainment works in concert with many key Warner Bros. divisions to unleash its stories and characters across all media, including but not limited to film, television, consumer products, home entertainment and interactive games. In 2014, DC outlined an ambitious film slate to roll out through 2020, including 2017's hit releases Wonder Woman and Justice League, Aquaman for 2018 and Shazam! for 2019.

DC Entertainment's DC Comics has been in continuous publication for more than 60 years, and is the leading comic book publisher in the industry and the creator of some of the world's most recognized icons. DC's characters continue to headline blockbuster feature films, live-action and animated television series, direct-to-video releases, collectors' books, online entertainment, digital publishing, countless licensing and marketing arrangements and, most recently, graphic novels.

Studio Locations

Warner Bros. Entertainment is headquartered at the Warner Bros. Studios lot, 142 acres in Burbank, California, which is considered one of the foremost motion picture and television production and post-production facilities in the world and home to 35 soundstages (including one of the world's tallest stages, which has an in-ground tank capable of holding more than two million gallons of water). In addition, Warner Bros. Studio Facilities is responsible for managing the company's studio in the UK—Warner Bros. Studios Leavesden—a 160-acre production facility that has been the production site of many highly acclaimed Warner Bros. movies including the eight Harry Potter films, The Dark Knight and, more recently, Wonder Woman, Justice League, Fantastic Beasts and Where to Find Them and its forthcoming sequel, Fantastic Beasts: The Crimes of Grindelwald. It is also the home of Warner Bros. Studio Tour London—The Making of Harry Potter, which has become one of the UK's most popular tourist attractions since opening in March 2012.





MOVIE BUSINESS BUSINESS PLANNING DOCUMENT

Carry out research and answer the following questions:

BACKGROUND

What does your business do?
What makes your business special (USP)?
Why are you suitable to run a business?

YOUR PRODUCT – TARGET AUDIENCE

What is your product or service and who will buy it? Who are the people that will buy your product or service and why will they buy from you?

SALES AND MARKETING

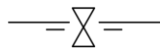
Who are the main competitors in your market and what do they offer?
How much do you intend to charge for the product or service?
How will you make it possible for customers to buy your product or service from you?
How are people going to know about your product or service?

OPERATIONS

Is there anyone else that you intend to employ?
What is the minimum total amount you can pay yourself and any staff you employ each month?
Where will your business be based?
What resources will your business need in order to function?
Which suppliers will you use to source materials/services to support your business?

SUPPORT

Regardless of what you sell, how much in total will it cost you to run your business each month?
What is the average cost of making one sale for your business or service?
Will your business need to seek any funding (overdraft or loan) before it starts?





MOVIE BUSINESS

CREATING AN OUTLINE BUSINESS PLAN

Producing a well thought out business plan can dramatically increase your chances of achieving success. This worksheet is designed to get you thinking about your vision, identify what is important to you, and set realistic goals that will help you achieve success.

Draw an image or a landscape to reflect what long term 'success' looks like to you. Ask yourself how your business looks in five years' time? What have you achieved and what evidence is there of your success? For example:

- What role you are playing within your business and who else is involved?
- What level of recognition or profile have you achieved and with whom?
- What level of financial success have you achieved?

VISION

Your vision sets out what you want to achieve in the long term and is the starting point for any business. It should be ambitious, inspiring and motivational. Your vision should not include what you do in detail, or how you do things, but describe where you want to be in the future.

VALUES

Your values reflect what you are all about, what's important to you and how you do things. They should reflect the personality of your business and help communicate your brand to your customers, staff and other people with whom you conduct business. Your business idea must be in line with your values to ensure that you stay motivated and passionate about what you do.

Make a list of things that are of importance to you in relation to your business – split these into **personal**, **creative** and **financial** rewards. This exercise will help to determine how you do business and who with.

GOAL SETTING

Once you have identified your Vision and Values, it's time to start goal setting so that you can move your business forward. What steps do you need to take to move closer to achieving your vision? In other words, what are your goals?

List five key goals for the coming year(s) below and ensure that they are SMART:

S Specific

M Measurable

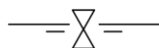
A Achievable

R Realistic

T Timed

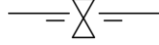
Goals could be linked to the development of your work/business such as the development of your brand.

It is useful to have at least one financial goal e.g. to generate a turnover of £50,000, turn a profit of £30,000 or pay myself £30,000 a year by a certain time. Think about the consequences of your goals. What will their impact be on you and your business?





National Curriculum/Exam Board Links



Business Studies

GCSE

- Apply knowledge and understanding of business concepts and issues to a variety of contexts.

A Level

- Demonstrate knowledge of terms, concepts, theories, methods and models to show an understanding of how individuals and organisations are affected by and respond to business issues.

