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The Curse of the Blair Witch

Two years ago *The Blair Witch Project* made Artisan Entertainment the most successful start-up film studio in history. Then came the inevitable hubris, paranoia, and greed. Only one man lived to tell the tale.

BY TIMOTHY L. O'BRIEN PHOTO BY MARK HEITOFF

IT WAS THE MOST ANTICIPATED INDEPENDENT FILM RELEASE NEW YORK HAD EVER SEEN. Opening-night tickets had been sold out for days. Gossip and speculation about its plot had been zipping around Internet chat rooms for months. And on July 13, 1999, a steamy summer morning, a long, haphazard line began to grow outside Manhattan's Angelika Film Center, running down Houston Street for blocks. Bedraggled kids, blasé film buffs, and rakish skateboarders all waited together patiently—some for as long as 14 hours in the sun—in order to attend the premiere of what would soon be the most successful art house movie in history: *The Blair Witch Project*. • The previous evening a very different group had assembled uptown—a collection of about 300 actors, film producers, writers, and agents at the Central



LAST MAN STANDING "I don't think our company dealt with success very well." Amir Malin in Artisan's Tribeca office, November 2001.

Park boathouse to toast the film. Artisan Entertainment, a fledgling independent film company barely two years old, was *Blair Witch*'s proud parent, and the company's top three executives were the envy of everyone there. Bill Block, copresident and head of Artisan's film unit, had discovered *Blair Witch* six months earlier at the Sundance Film Festival. A former agent, Block mingled easily among the assembled glitterati, who quaffed drinks and exchanged gossip amid flickering blue lights and clusters of bushes and trees meant to evoke the film's eerie forest setting. Mark Curcio, the company's CEO, who had toiled away for years as a financial analyst before joining Artisan, was now basking in the full, heady glow of moguldom. And Amir Malin, Artisan's other copresident and distribution chief, played the gracious host, meeting and greeting various well-wishers. A shy, pudgy man who frequently aired his dislike of networking and celebrity, Malin was obviously enjoying the thrill of being one of the most sought after men in the room.

The three men had reason to preen. *Blair Witch* had not only put them on the map, it had made them seem visionary. Produced for about \$60,000, bought for a little more than \$1 million, and launched with a clever but miniscule marketing budget of \$1.6 million, the film would go on to gross close to \$340 million worldwide. On a per-screen basis it initially outpaced George Lucas's *Star Wars* blockbuster, *The Phantom Menace*, which had been released two months earlier and became that year's biggest moneymaker. "You can stop waiting for the future of movies. It's already here," *Entertainment Weekly* wrote of *Blair Witch*. "Someday 1999 will be etched on a microchip as the first real year of 21st-century filmmaking. The year when all the old, boring rules about cinema started to crumble." In a fickle, notoriously risky industry littered with the wreckage of independent film studios, Artisan, it seemed, was destined for success.

But even on that July evening, as Block, Curcio, and Malin shook the hands of eager young directors; even as Artisan became the envy of every other indie in the world; even as *Time* prepared to feature the film on its cover, the success of *Blair Witch* was already becoming Artisan's curse.

As Malin chatted at the boathouse with Tom Strickler, a partner at Endeavor, an A-

TWO LITTLE INDIES
Former Artisan execs Mark Curcio, at the *Blair Witch Project* premiere, and Bill Block, at the premiere of *Made*.



"Artisan began as 'Let's put on a show.' It ended with everyone at each other's throats," says a former executive.

list talent agency, he arranged an introduction. "I want you to meet the person responsible for *Blair Witch*," Malin said. But instead of steering him toward Block, Malin introduced Strickler to a young female Artisan staffer. Bemused partygoers were soon gossiping about the incident, joking about Malin's inability to acknowledge Block's role, especially since Block and Strickler were former colleagues. (Malin, adopting a very un-Hollywood pose of magnanimity, recently said that he was only trying to recognize the efforts of a younger employee because "senior executives in this business are always taking too much credit for creative decisions.")

But Malin's slight was just a hint of much more brutal conflict to come—infighting that eventually capsized film production at the studio. Today, a little more than two years after *Blair Witch* burst on the scene, Artisan is facing financial hurdles, has no new films in production, and is getting by almost entirely on revenues from an aging video library. Lauded by iconoclastic director Jim Jarmusch because it kicked "the machinery of corporate Hollywood...in the butt," Artisan, America's last independent movie studio and once a potential supernova, is now dismissed by many filmmakers as nothing more than a creative black hole.

Almost all those responsible for Artisan's ingenious early successes are gone, leaving behind a company fractured by backstabbing, paranoia, and rampant greed. Of the three senior executives present at Artisan's founding, only Amir Malin remains.

Seated in a corner office of a large Tribeca loft building, with the rubble of the World Trade Center visible through a window behind him, the 47-year-old Malin seems eager to discuss the film industry and his distaste for the financial excesses and lavish expenditures of Hollywood. He also expresses deep appreciation for quality art house filmmaking. When it comes to Artisan, however, he's interested more in commerce than in art.

"Let me tell you why I got involved with this company," Malin offers before launching into a discussion about the value of Artisan's video library, the company's cash flow, and other financial matters. "We saw theatrical as a way of creating new product for the [video] library."

He dismisses the widespread belief that he orchestrated the demise of potential

rivals at Artisan. "I know that there's this theory out there that I did this Machiavellian thing.... But it's the God's honest truth that I didn't do that," he says. "Our problem is how we dealt with success, and I don't think our company dealt with success very well."

Or, as another former Artisan executive puts it, "Artisan began as Judy Garland and Mickey Rooney and 'Hey, let's put on a show.' And it ended like *The Treasure of the Sierra Madre*, with everyone at each other's throats."

INDIE STUDIOS CRASH ALL THE TIME. COMPANIES such as Orion, Cannon, New World, Savoy, and others were all undone by the unforgiving mathematics of filmmaking. While hit films can be enormously profitable, most films lose money. To survive, a studio needs to have the financial padding to absorb repeated—and often disastrous—failures. Artisan began as a bet by a group of Boston venture capitalists that they could beat Hollywood's odds.

When Bain Capital decided to bankroll Artisan in 1997, the stock market of the go-go '90s was at full throttle, and big-idea investment dollars had gone from a trickle to a flood. Bain was dominated by a Mormon board of directors, but the company decided it was time to branch out into something sexier than mattress and telecommunications companies—something, they decided, in the entertainment industry. So Mark Curcio, an analyst who headed up Bain's Los Angeles office, and another Bain banker began investigating possible investment opportunities, eventually considering both Hugh Hefner's Playboy Enterprises empire and Frederick's of Hollywood, the sexy lingerie chain. Both ideas were rejected—not because the conservative Mormons at Bain couldn't stomach such racy investments, but because they found a more promising and readily available target in a shabby, poorly run video distributor in Van Nuys, California, called Live Entertainment.

While Bain was busy deciding how to spend its money, Bill Block was searching for a way out of his job as Jeff Berg's lieutenant at ICM, one of Hollywood's largest talent agencies. Curcio and others at Bain had worked with Block in the past and recruited him to help evaluate Live, which had been headed by José Menendez until his two sons, Lyle and Erik, murdered him as he watched TV in his Beverly Hills mansion. As downtrodden as its business was, Live's video library threw off a nice predictable geyser of cash. Curcio, Block, and their Bain backers understood that they could build an even larger video library and then use that business—and the financial cushion it provided—as the foundation for an independent film studio.

In early 1997 Curcio and Block headed to Boston and made their pitch to Bain's board. Curcio deluged Bain's senior partners with exhaustive supporting data, while Block showed off his inside knowledge of Hollywood. Six hours later, after a grueling Q&A session, Bain agreed to buy Live. Curcio would manage the money and oversee the business, while Block would be a president, in charge



TITLE	RELEASE DATE	DOMESTIC GROSS
WISHMASTER	Sep. 1997	\$15,719,109
CRITICAL CARE	Oct. 1997	\$169,366
CAUGHT UP	Feb. 1998	\$6,724,217
SUICIDE KINGS	Apr. 1998	\$1,732,931
π	July 1998	\$3,216,970
PERMANENT MIDNIGHT	Sep. 1998	\$1,166,199
THE CRUISE	Oct. 1998	\$220,368
■ BELLY	Nov. 1998	\$9,606,219
THE LAST EMPEROR (Director's Cut)	Nov. 1998	\$108,939
RINGMASTER	Nov. 1998	\$9,247,881
MY NAME IS JOE	Jan. 1999	\$346,696
FOOLISH	Apr. 1999	\$6,026,908
OPEN YOUR EYES (Spain)	Apr. 1999	\$368,234
BLACK MASK (Hong Kong)	May 1999	\$12,491,455
THE BUENA VISTA SOCIAL CLUB	June 1999	\$6,997,620
THE BLAIR WITCH PROJECT	July 1999	\$140,530,114
ILLUMINATA	Aug. 1999	\$836,641
■ STIR OF ECHOES	Sep. 1999	\$21,133,087
■ THE LIMEY	Oct. 1999	\$3,193,102
FELICIA'S JOURNEY	Nov. 1999	\$819,852
■ THE NINTH GATE	Mar. 2000	\$18,653,746
GHOST DOG: THE WAY OF THE SAMURAI	Mar. 2000	\$3,330,230
CHUCK AND BUCK	July 2000	\$1,050,600
CECIL B. DEMENTED	Aug. 2000	\$1,276,984
■ THE WAY OF THE GUN	Sep. 2000	\$6,047,856
■ REQUIEM FOR A DREAM	Oct. 2000	\$3,609,278
DR. T AND THE WOMEN	Oct. 2000	\$13,065,561
■ BOOK OF SHADOWS: BLAIR WITCH 2	Oct. 2000	\$26,421,314
■ CENTER OF THE WORLD	Apr. 2001	\$1,096,037
STARTUP.COM	May 2001	\$1,280,975
■ MADE	July 2001	\$5,308,707
■ SOUL SURVIVORS	Sep. 2001	\$3,100,650
■ NOVOCAINE (as of Dec. 2001)	Nov. 2001	\$945,325
■ FILMS PRODUCED IN-HOUSE		

of producing and acquiring new movies. All they needed was someone to handle film and video distribution.

They found that person in Amir Malin, a former copresident at October Films. Born in Israel and raised on Long Island, Malin had been a staff attorney with a Boston public television station before founding Cinecom, a small film distribution company that eventually filed for bankruptcy protection and was sold. After Cinecom, Malin hopped over to October Films before Universal bought it in 1997.

Curcio, Block, and Malin renamed their company Artisan Entertainment and relocated their headquarters from grungy Van Nuys to sleek and sunny Santa Monica, where they set up shop alongside a row of burgeoning dot-coms and music and film companies. Malin preferred to remain in New York with his wife and two children, keeping in touch with his partners and employees via e-mail and conference calls.

The three made for a curious—and caustic—mixture. Block was undoubtedly the creative force inside the company. Now 47, he had spent decades before Artisan cutting a swath through Hollywood's

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sex and drug scene with his close friend, the late Don Simpson, and was known for his lavish, no-holds-barred Friday night parties. Small, ingratiating, and intense, he was a powerhouse agent known for keeping cloves of raw garlic on hand in the office, which he'd chew on to rev up his testosterone. His restless ambition had motored him through three agencies in less than a decade (Agency for the Perform-

ing Arts, ICM, InterTalent, which he founded, and ICM again), and he'd earned a devoted following among writers and directors who appreciated his authentic devotion to their work.

When Artisan came around, Block had been telling friends that he had grown tired of ICM, though the rumor mill had it that he was being forced out. Jumping to Artisan offered him the chance to prove himself to the creative community. But he

was a big personality for a small studio.

"Bill is a legendary wild man in Hollywood. He has fucked every woman in town, tied up every model in town, and done all sorts of drugs," says a former associate. "Now he has a family and carries around a copy of the New Testament."

With Block domesticated, it fell on Curcio to carry the Artisan torch after hours. A financial whiz but a Hollywood novice, Curcio