

Ultra-Low Budget Moviemaking – the 2002 all digital model

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1992 was a watershed year for the American independent feature movement. Funding for million dollar first features had dried up. The financing model independents had followed for the previous twelve years was no longer working. Aspiring filmmakers were feeling frustrated and desperate.

Suddenly three microbudget features broke through and the ultra-low budget model was born. Determined and resourceful filmmakers responded immediately by making extremely low budget features. This new model steadily gained momentum and within a few years became the norm for emerging filmmakers. Today more filmmakers are working in this alternative realm and making more movies than in Hollywood and Indiewood combined.

During the first stage of the independent feature movement from 1979 through 1991 – most filmmakers believed they needed \$500,000 to \$1 million to adequately finance a feature. There were a number of companies willing to provide this level of financing, particularly in mid '80s during the home video boom which funded sex, lies, and videotape, One False Move, and Gas, Food, Lodging, and many other debut features.

A number of singular filmmakers defied this received budgetary wisdom and launched their careers by making features on microbudgets. They included John Sayles (Return of the Secacus Seven), Wayne Wang (Chan is Missing), David Lynch

(Eraserhead), Jim Jarmusch (Stranger Than Paradise), and Spike Lee (She's Gotta Have It). Even though each of these films succeeded, they were seen as aberrations. Since each film was so unique, most filmmakers believed they couldn't emulate them; and because financing at higher budget levels was available, few even wanted to try.

The Ultra-low Budget Model

Two things happened in the early '90s to change the thinking of many independents. First, home video financing virtually disappeared. Then in 1992, three ultra-low budget features succeeded at festivals, received critical acclaim, and found theatrical distribution. They were Nick Gomez's Laws of Gravity (\$38,000), Gregg Araki's The Living End (\$22,769), and Robert Rodriguez's El Marachi (\$7,225). Unlike in the previous 15 years when a notable ultra-low budget features appeared once every year or two, here were three in a single year.

Excited by how much these directors had achieved with so little, I wrote an article entitled The ABC's of No-Budget Filmmaking (Filmmaker, Winter '92) that included production histories and detailed budgets. A year later, I wrote a follow-up piece, Learning From Low Budgets (Filmmaker, Winter '93/94) that focused on Kevin Smith's Clerks, Richard Glatzer's Grief, and Lodge Kerrigan's Clean, Shaven.

These filmmakers embodied a radically different approach to filmmaking. They were committed to the principle of making a movie using available resources. They rejected the old model which required finding financing from third parties. This had long been the paradigm given the high cost of moviemaking. It gave companies and other financiers the power to decide who would be permitted to make features. Filmmakers devoted substantial time and energy to the pursuit of financing, which in most cases was

never found. When it was secured, filmmakers usually had to trade creative control (fine cut; scripting and casting autonomy) for the money.

The seminal ultra-low budget class of '92 ignored the old model and fashioned a new one. They assessed their resources first, and then wrote scripts which utilized them (a schoolbus and a dog in El Mariachi; a convenience store in Clerks). Their projects didn't require money from strangers. This allowed them to devote their time and energy to writing, rehearsing, and making their movies rather than chasing financing. If they stayed within the framework of their resources, they didn't need permission or approvals from third party financiers.

The ultra-low budget model appealed to filmmakers who believed they had no viable alternatives. The overview of this model and the nuts-and-bolts information presented in the Filmmaker articles, helped catalyze the first wave of ultra-low budget production. This wave swept through the 1994 Sundance Film Festival, where for the first time microbudget features won half the slots in Dramatic Competition.

By the mid '90s this model had become the norm for filmmakers making first features, and the ultra-low budget feature movement had begun to spread overseas. Knowing that many of these projects were running out of money in postproduction, I set out to establish a revolving finishing fund, which was launched in 1997 by the Independent Film Channel as Next Wave Films. The first two films to receive finishing funds were ultra-low budget features, Joe Carnahan's Blood Guts Bullets and Octane (\$7,300), and Chris Nolan's Following (\$12,000).

The Model Is Digitized

Between 1992 and 1998 the basic ultra-low budget model remained pretty much unchanged as a steadily growing percentage of independents made very low budget features. Then in May 1998, the Cannes Film Festival showed Thomas Vinterberg's The Celebration and Lars Von Trier's The Idiots, launching the Digital Revolution. Excited by the potential of these powerful new tools, Next Wave Films put together a presentation on digital moviemaking and showed it to filmmakers at Toronto, Sundance, Cannes, and many other festivals. We also wrote a series of articles about digital production, (eg. "A Beginners Guide to Digital Feature Production," Filmmaker, Spring 1999).

Emerging filmmakers were the first to see how digital tools could expand their resources and enhance their creative freedom. The Digital Revolution transformed ultra-low budget feature production, altering it in five fundamental ways:

- For the first time filmmakers could afford to own the means of production. By purchasing a digital camera (or two), they could avoid the cost and logistics of rentals. More importantly it enabled them to shoot whenever they needed to, or were inspired to.
- Filmmakers could also for the first time shoot as much as they wanted since they didn't have to pay for expensive film stock and processing. This gave them the opportunity to achieve better performances and freed them to take risks. It also facilitated multiple camera shoots, which many filmmakers used to real creative advantage.

- Filmmakers could now also own the means of postproduction -- a computer and editing software. In addition to avoiding costly Avid rentals, this allowed them full access to editing for as much time as needed. Digital tools provided filmmakers with “affordable time,” something they rarely had before. Previously, given the cost of renting equipment, few filmmakers had as much time as they needed for production, post, or additional shooting.
- Digital tools fostered a newly integrated approach to production and postproduction. When a filmmaker is limited to a single period of production, the focus is usually on executing the script. Digital production makes it possible to shoot and edit, and then continue to shoot and edit. A movie can evolve over time, allowing the director to lose what isn’t working (e.g. scenes, characters, the ending) and build on what is.
- Digital projection enabled filmmakers to take a feature to festivals, without having to spend the time and money on a blow-up. The feedback from audiences and critics could then be utilized to refine the film.

It is easy to understand why ultra-low budget filmmakers have adopted them so quickly since digital tools have significantly expanded their creative opportunities. In 1998, 12% of the features submitted to Next Wave Films were shot on video. In 2000 over 50% of submissions originated on video, and the percentage has climbed substantially since then. In many cases, these tools have enabled filmmakers to significantly reduce their budgets. In other cases, these tools have allowed them to get much more for the same amount of money.

The Revised Rules of Ultra-low Budget

Although significantly enhanced by digital tools, much of the original ultra-low budget framework remains unchanged. In my 1993 article “Learning from Low Budgets,” I listed nine rules-of-thumb for microbudget production. Let’s examine how these rules have evolved from the early days of the model when every low budget feature was being shot on film until today when the vast majority of ultra-low budget features are made digitally.

- Hell or High Water Commitment - A committed core group, determined to make a movie come hell or high water, is still essential.
- No Nonsense Resource Assessment – Filmmakers start by assessing the resources they have and those they are certain they can find. It is essential to accurately determine the money, equipment, locations, crew, and post facilities that will definitely be available to the production.

For any digital production (especially one designed to be transferred to film), it is important to carefully research a series of technical issues (e.g. the best format, NTSC vs. PAL, audio recording to camera or DAT) to determine how the necessary image and sound quality can be achieved.

- Realistic Scripting - The script is often written after the resource assessment. But whenever it is written or modified, it must be possible to make the scripted movie with the resources available. Shooting digitally rather than on film usually reduces the budget thus reducing the risk of running out of money during production.

- Imaginative Financing - Every conceivable method is used to minimize and postpone expenditures. Digital makes both easier. It reduces the cost of production by eliminating the cost of film stock and processing, and camera rental. Digital also postpones, and in some cases eliminates, the cost of making film prints if filmmakers use digital projection at festivals. They often decide not to make a film print if theatrical distribution isn't an option.
- Recruiting Cast and Crew - It is essential to find capable cast and crew who will work for little or no compensation while enduring the rigors of ultra-low budget production. Shooting digitally may make it easier to attract actors who want the opportunity to give their best performances. For digital productions it is important to find a talented DP, who is either experienced in digital cinematography or committed to learning the fundamentals.
- Pragmatic Planning - "Budgeting, scheduling, and other planning must be done carefully to maximize the use of limited resources and minimize problems." This is especially true for digital production. As part of the extra technical research required, tests should be done prior to production. After a lab is chosen, footage should be shot using the designated camera under anticipated lighting conditions. Then the lab should transfer this footage to 35mm, and project it for the director and the DP. This makes it possible to optimize the camera settings in advance, and enables the director and DP to know exactly how their digital images will ultimately look on film. When shooting digitally it is also necessary to have a realistic plan about the audio postproduction path (especially if using PAL).

- Guerrilla Production – Ultra-low budget production on film is usually short and intense since only a small shooting ratio (eg. 5:1) is affordable. When shooting digitally, the camera (or cameras) can be on most of the time leading to 20:1 and 30:1 shooting ratios. Using small digital cameras and a small crew enables inconspicuous production in real world locations, making it possible to capture reality rather than faking it. Owning a digital camera allows greater scheduling flexibility. When I asked Gary Winick when he was going to finish shooting his first digital feature, Sam the Man, he replied, “Tonight if it rains.” Digital production can also be much longer, with more shooting days spread over an extended schedule.
- Extended Postproduction – Postproduction on film can require significant amounts of cash for equipment rental, lab work, negative cutting, etc. This money is often raised in bits and pieces dragging out postproduction. Digital post is less resource intensive since more steps can be done on a desktop computer. The length of digital post is usually determined by creative rather than financial needs. Digital allows relatively quick and inexpensive recuts and can raise the question – when is the movie ever done?
- Boundless Opportunism – Ultra-low budget filmmakers have to be able to create and take advantage of opportunities. Digital production allows more opportunities for creative choices throughout the process.

There is an increasing amount of digital moviemaking at higher budget levels. George Lucas has been a leading proponent of digital production and his Star Wars

Episode II – Attack of the Clones (shot entirely in 24p High Definition) is the highest budget live action digital feature made so far.

Robert Rodriguez has already shot two features digitally, the \$38 million dollar SpyKids II and the \$28 million dollar Once Upon a Time in Mexico, which is in postproduction and is the last film in the El Marachi/Desperado trilogy. Both Lucas and Rodriguez have been so pleased with their digital experience that they may never make a movie on film again. Many other established filmmakers from Lars von Trier and Eric Rohmer to Michael Winterbottom and Mike Figgis have used digital tools to great advantage on budgets of \$1 to 15 million dollars.

Ultra Freedom and Control

At high and medium budget levels, digital production provides significant financial and creative advantages. But it is at the ultra-low budget level that it affords filmmakers an unprecedented combination of creative freedom and creative control.

Whether their films are financed by friends and family or by themselves, ultra-low budget filmmakers have typically had full creative control from scripting and casting through final cut. But ultra-low budget filmmakers shooting on film have usually faced significant limits on their creative freedom due to their limited resources. They can only afford to film at a very low shooting ratio, given the cost of stock and processing. Their access to cameras and other rented production equipment is restricted by their budgets. And what they can do in post and for how long is also circumscribed.

Digital tools have dramatically expanded the creative freedom of ultra-low budget filmmakers. They can shoot as much as they want. They also have the opportunity to shoot with multiple cameras, and to experiment on the set. Digital tools have also

expanded the creative freedom of ultra-low budget filmmakers in post. They can edit whenever they want for as long as they need. They can create a wide spectrum of visual effects on the computer (avoiding the use of expensive film opticals) and have greater control over color timing. They can manipulate audio and even online on the desktop if necessary.

Challenges

During the first 12 years (1979 – 91) of the American independent feature movement, only a few intrepid filmmakers made microbudget films. During the next six years (1992 – 98), the ultra-low budget model became the norm for emerging directors. During the past three years (1992 – 2002), the digital ultra-low budget model has become dominant. Steadily improving digital tools have shifted power from financiers to filmmakers.

In addition to increasing creative control and freedom, ultra-low budget digital moviemaking has further lowered the barriers to aspiring filmmakers. John Pierson noted in 1993 that with the advent of ultra-low budget production, budgets seem to “have dropped a zero.” In the early ‘90s \$50,000 films were replacing \$500,000 features. Today the use of digital tools has allowed some filmmakers to drop another zero, enabling them to make features for \$5,000 and less (see Some Body, and Boxes sidebars).

But while the barriers to production have fallen, the barriers to distribution have risen. The overall state of independent feature distribution is grim. Studio franchise films with theme park ride potential are doing exceptionally well. Recent indie successes such as Memento, Y Tu Mama Tambien, Monsoon Wedding, and My Big Fat Greek Wedding

are atypical. Most indie features never find distribution. Those that secure theatrical distribution struggle to stay in theaters more than a week or two, and then face worsening ancillary markets, from home video to overseas sales.

These days it is much harder for independents to get a movie into the world than to create one. There is nothing ultra-low budget filmmakers can do to guarantee distribution.

The sorry state of distribution affects all independent features, regardless of budget. Plenty of well-funded films with known casts are crashing and burning. But the challenge is much greater for ultra-low budget features without name actors or other pre-sold elements. They need to be well made and distinctive. Festival and critical success is important, as is creating a unique identity (eg. π). The film's appeal to a core audience can also be crucial.

In the longer run, new distribution routes will supplement existing ones. Digital projection in independent theaters and microcinemas, the evolution of video-on-demand, and new uses of the internet will make it easier for exceptional independent features to reach audiences eager to see them.

In the short run, ultra-low budget filmmakers must combine passion and determination with realism. Knowing that they may not find wide distribution, their primary goals should be to make the best movies they can make and to keep making them. Hopefully if they make an outstanding movie – regardless of its distribution – this will help them to attract more resources for the next one. If not, nothing can stop them from making another ultra-low budget movie. Like novelists and painters their creative fate is in their own hands.

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