

Hollywood's New Algorithm: How AI is Impacting Production (& Even Wrote this Headline)

By Editorial • 30 Apr 2024

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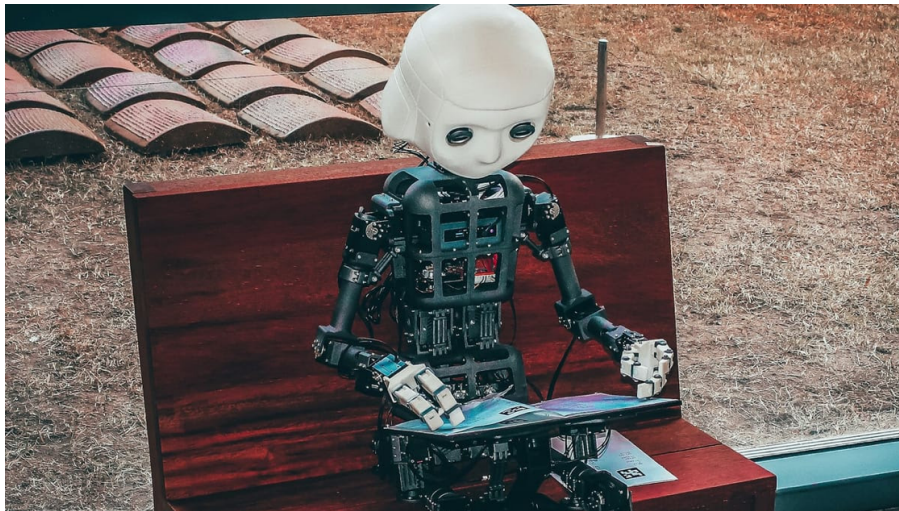


Photo by [Andrea De Santis / Unsplash](#)

Welcome back to Production.Ink's newsletter (Issue #3). We're to provide you with useful and relevant news and resources on the business of production.

Today, we're focusing on AI. But it's not more "big think" on the topic. You can find that elsewhere. This is a look at the implication of artificial intelligence and machine learning for actual production—what it means for us now, what we should do about it, and what it means for us longer term for our jobs and our mediums.

Consider [this Animations Guild](#) survey of 300+ production execs. It estimates 204,000 production jobs will be adversely affected in the next three years. 77% of respondents in that report already use generative AI to speed up rotoscoping, upload images to virtual production screens, etc.

Evan Halleck used RunwayML in "[Everything Everywhere All at Once](#)." Warner Bros and some others are using [Cinelytic](#) to help make greenlighting decisions. Netflix is posting [\\$900,000 AI project manager](#) jobs while cutting other staff.

If you're not already using AI tools for scripting, storyboarding, budgeting, scheduling, on-set management and design, and/or VFX editing, you will be soon. We've compiled a list of our favorite AI tools for you [here](#).

If about 70-75% of a budget for a significant project is below-the-line staff and production/post-production costs, and production teams are using these tools more and more effectively, we're looking at much lower budgets, faster productions, and smaller staffs. Expect that to speed up even more in the next two years.

Optimists will say that AI is going to free us up from days' worth of admin and allow us to focus on the creative, strategic work that most of us got into the business for. AI will be a collaborator and amplifier for us. Unions and policy makers will create safeguards to keep craftspeople in work.

It's possible. WGA and SAG-AFTRA both carved out some protections in their labor deals last year. The IATSE's deal with the AMPTP will soon expire and AI protections will be one of the key issues in negotiations.

Pessimists will say that collaboration and upside will be temporary and

lead to permanent job replacement. They'll point to the same survey: by 2026, a third of respondents predicted over 20% of all entertainment industry jobs, or roughly 118,500 positions, will be cut.

Both can be true over time.

But it feels like AI is hastening a sea change beyond labor and workflows. It's democratizing production. Microbudget films and independent content creators now have access to the tools that big productions had the monopoly on for years. Quality of production outside of the big studios has been improving; it's going to take off exponentially as AI and machine learning tools become more commonly used. That's exciting.

Workloads have been falling off since COVID. So who is filling the content void? It's those generalists, independents, small budgeteers that now have access. AI has met new media, and now the playing field is more level.

What happens next?

Maybe another "old" media form that's faced disruption in recent years gives us an example.

In book publishing, it's now easier to access the design and production programs used by big publishers. Combined with a more accessible printing and supply chain (Amazon), and straight-to-consumer outlets (also Amazon), this has chipped away at the big publisher's monopoly. The big authors and the big promotional budgets are still the territory of the traditional publishers; they still make the most money and produce the biggest hits. But self- and independently-published books can now be comparable in quality, have a real market share, and occasionally hit it big (think *50 Shades of Grey* or Colleen Hoover).

Small publishing teams and small presses are filling the publishing gap, leveraging their experience and the production technology to publish with quality and make hits for rising talent. They're most relevant to us reading this newsletter. They're often teams of generalists, and can take more chances, experiment, and be entrepreneurial because of their scale. They have more autonomy and move faster and reach audiences in new ways. And publishing is more democratic because of them.

For those of us who aren't consistently working on "Hollywood"

productions, maybe that's what our AI-enabled, near-future production environment looks like. And that's exciting (and scary!).



IATSE Local 705, the costumers, [reached an agreement](#) with AMPTP on their guild issues, and [so did](#) Locals 44 (propmakers and set decorators) and 884 (studios' teachers union). That means all locals have reached agreement on their specific issues. The momentum could be [an encouraging sign](#) as the IATSE, Teamsters, and Hollywood Basic Crafts alliance headed into Basic Agreement negotiations last week.

More labor momentum: Sesame Street's writers (members of the WGA) [reached agreement](#) with the show. No cookie shortage for us. And [SAG-AFTRA reached an agreement](#) with the major music labels. Why it's relevant for the below-the-line labor negotiations: Included in the music agreement are AI provisions that the terms "artist," "singer," and "royalty artist" can only apply to humans.

[Diversifying post production](#): Producers Jennifer Sofio Hall and Bedonna Smith launched Industry Standard, a talent accelerator for early- and mid-career professionals from historically excluded background in post-production. It's an extension of their work at MakeMake Residencies, and will create nine-month residencies in post at participating companies to help residents build their skills, resumes, and networks. It's supported by the Netflix Fund for Creative Equity.

East coast bias? [LA production was down](#) almost 10% in Q1. Where is it going? The Dirty Jerz is part of the answer. New studio facilities have popped up or are in progress in [West Orange](#), Jersey City, [Newark](#), and of course Monmouth's new upcoming Netflix compound.

And on the theme of AI in production: A24 is in hot water for using AI generated images in its *Civil War* posters—and [they look great](#). Meanwhile, the Netflix documentary *What Jennifer Did* is in hotter water for [AI generated content](#) in the piece. These feel like just the beginning of many similar headlines—or maybe we all just come to accept this as the

new normal?

Have a hot tip? Send it our way at info@production.ink.



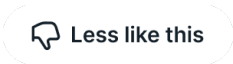
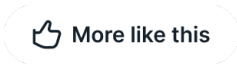
IAG added two agents to its Physical Production Group: **Allison Irvin** (brought over from Zero Gravity Management) and **Natalia González** (internal promotion)... **Elysa Koplovitz Dutton** is now is EVP of Theatrical Film Production at Alloy Entertainment.... Caravan named Head of Production **Michelle Wheeler** an Executive Producer as well.... Miramax's Motion Picture Group named **Becky Sloviter** its new President. She'll work with new CEO **Jonathan Glickman**, who took over earlier this month after **Bill Block** left.... Mattel TV Studios has brought over **Cory Bennett Lewis** from Bad Robot to be its new Head of Production.... **Gary Goodr** continue as EVP of Worldwide Production of Lj Studios as President of Pr joined Hammerstone Studios as President of Pr nt.... **Igal Svet** is the new Head of Documentari Noah Hawley's Austin-based production cc es: **Michael Garcia** as President and **Maddy Bilder** as Project Director.

Humble brag about your moves by sending us info (and/or a press release) to info@production.ink and we'll do our best to post newsworthy *below the line* job changes.

We'll be back in a couple weeks. Thanks for joining us.

- The Production.Ink team

Physical Address: [367 St. Marks Avenue, Suite 765, Brooklyn, NY 11238](#)



KEEP READING

Hollywood's New Algorithm: How AI is Impacting Production (& Even Wrote this Headlin...

How AI will change production—and our jobs.



Budgeting for New Producers: A Step-by-Step Guide to Effective Budgets

A Nine-Step Playbook



What's the Strikelihood?: Backpedaling Towards Another Labor Stoppage

We wrote our last issue about the impending labor fight and...

