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## THE POWER OF PERRY

Hollywood's improbable  
mogul plots his next act

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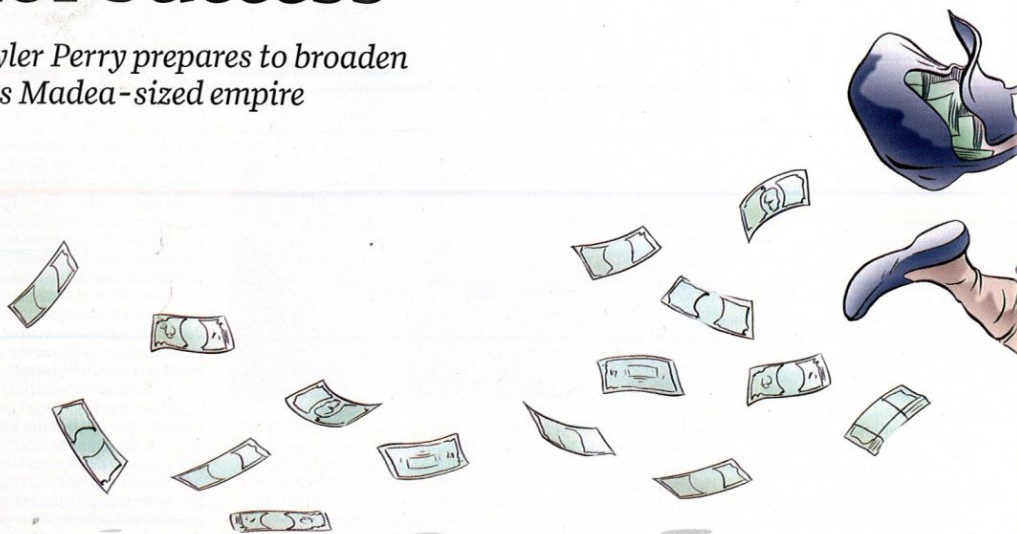
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# Cross-dressed for success

*Tyler Perry prepares to broaden  
his Madea-sized empire*



By Jay A. Fernandez

**Tyler Perry** is on one heck of a run.

His five movies have grossed \$250 million, and he's sold 25 million DVDs. He's got a top-rated TV show, another about to be announced and 11 boxoffice-busting stage plays. He's landed a book on the best-seller lists and in October will cut the ribbon on his own studio complex.

Perry, who Forbes says pocketed \$125 million last year, also has achieved something that even Steven Spielberg can't boast: ownership of his work.

Now one of the most elusive moguls in the business is tempting the Hollywood fates by trying to broaden his empire. With the momentum of a new studio deal, the 38-year-old New Orleans native is setting the stage for a lucrative but potentially risky brand extension beyond the millions of black fans who are loyal to his faith- and family oeuvre — and the sass-spouting, pistol-packing, sixtiesomething alter ego Madea that Perry often plays in the movies and onstage.

The first steps in Perry's latest push: "The Family That Preys," out Sept. 12, features both

black and white lead characters — a first for the filmmaker. He recently shot a cameo in J.J. Abrams' "Star Trek" reboot, which should raise his profile globally. His TBS show, "Tyler Perry's House of Payne," goes into national syndication next month, and he's readying a new series that, like "Payne," might have managed another unprecedented 100-episode commitment from TBS.

Despite naysayers around town who point out just how hard it is to sustain a streak of nonstop hits — and just how vulnerable an "independent" can become if failures multiply — Perry and his associates are unperturbed.

"This is definitely the beginning of Tyler's next phase in the entertainment business," says Mike Paseornek, president of motion picture production at Lionsgate, which has released all of Perry's films and recently closed a new three-year, first-look deal with him. "Tyler is going to start working more with the Hollywood community, and that will bring a diversity of projects to him that he can then put his creative stamp on."

ILLUSTRATION: CHRIS MORRIS



The Lionsgate arrangement — which kicks in after February's release of "Madea Goes to Jail," Perry's adaptation of his most popular play — contains some healthy deal points: Depending on whether he plays a lead or secondary role in a movie, Perry is now paid as much as \$15 million for his writing, acting, producing and directing services, plus 15% of first-dollar gross and unspecified boxoffice bonuses. He has final cut and, more importantly, owns the copyrights. He keeps international distribution rights (which admittedly have been measly so far given foreign markets' reluctance to embrace black-themed content). He also pulls in an unheard-of 50% of all ancillary revenue.

Lionsgate also benefits. Perry's production budgets have stayed well under \$20 million, and marketing his films, targeted as they have been so far, has cost in the \$16 million-\$18 million range per movie. Since his films have grossed from \$31 million ("Daddy's Little Girls") to \$63 million ("Madea's Family Reunion") and average another \$35 million on video and DVD, profit margins are bigger than Madea's handbags. (Grosses go up when the trash-talking grandmother makes an appearance.)

Paseornek and Perry's reps say the new deal is explicitly designed to widen Perry's reach by developing other filmmakers' work under a "Tyler Perry Presents..." brand. This move undoubtedly will include a broader range of storytelling and casting choices, and

it will multiply his output given that the prolific filmmaker already writes, directs and produces two movies a year.

"He has a true understanding of his brand, an entrepreneurial spirit and a willingness to bet on himself," says Charles King, Perry's agent at WMA.

That bet also comes with risks.

Even the most successful directors hit career speed bumps, and Perry surely won't be immune to a bomb or two. Targeting a mainstream audience also could alienate his core fans. Imbibing the Hollywood ethos while maintaining an independent voice and pocketbook also will require rare finesse.

But Perry, who is considered an unusually grounded person, has never lacked for confidence. He and his camp have discussed creating or repurposing a cable or Internet channel, more actor-for-hire work is in the offing that will potentially increase his exposure overseas, follow-ups to his best-selling book "Don't Make a Black Woman

Take Off Her Earrings..." are in the cards and he has cut a deal with Exodus Film to create an animated series of direct-to-DVD titles featuring Madea.

Naysayers might snipe that Perry could be spreading himself too thin.

However, Perry's troubled childhood, including a suicide attempt, and scrappy early career have prepared him for overcoming odds of all sorts. In his 20s, he staged several failed theater pieces that led to his sleeping in his Geo Metro. But his persistence and persuasiveness eventually paid off with a string of successes, including the play "Woman Thou Art Loosed!" He then bet \$2.7 million of the profits on his first movie, "Diary of a Mad Black Woman," an adaptation of one of his plays that BET and Lionsgate helped finance. It opened at No. 1 at the boxoffice in 2005 and went on to gross more than \$50 million domestically and sell millions of DVDs. (Perry held on to sequel and remake rights on "Diary.")

On the TV side, Perry's "House of Payne" deal with distributor Debmar-Mercury also raised eyebrows. Ultimately worth in the \$100 million range, the arrangement involved a standard 10-episode test run after which the writer-producer was guaranteed a not-even-close-to-standard 90 episode commitment in first-run syndication. And yes, he also owns the show outright.

TBS, which bought the cable rights, has no complaints. "Payne" debuted to record-breaking ratings in June 2007, becoming ad-supported cable's most-watched original sitcom telecast ever among total viewers (5.8 million) and adults 18-49 (3.1 million). It also ranks as TV's most-watched program among black

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adults 18-49 for the second summer in a row.

The show has been "a game-changer for TBS prime," says Ken Schwab, senior vp programming at TNT and TBS. "The growth it showed in market-to-market was huge."

Schwab won't discuss TBS' profit margin on Perry's show.

"All I can say is this has been a win-win proposition — for Tyler, for Lionsgate, for Debmar, for us," he says. "Everybody has gained on this deal."

Schwab says Perry's audience has shown up for film repeats, which TBS also airs, and that the 18-34 demo has actually increased 15% from last summer. As a result, TBS has ordered another 26 episodes of "Payne."

Perry will shoot those episodes at Tyler Perry Studios, a 28-acre complex outside Atlanta that he fully financed. However, the facilities business is a notoriously precarious one, especially in fraught economic times. And in this case, Perry owns the complex outright.

With five soundstages, a back lot and 200,000 square feet of office space, the studio will officially open in October. The mogul rarely ventures to Los Angeles or New York as he continues to feed the local economy and take advantage of Atlanta's 30% tax break on local shoots.

"He has made a huge impact on Georgia's entertainment industry over the last several years," says Bill Thompson, the state's film commissioner, who estimates Perry's impact is in the range of \$100 million annually. "He employs hundreds of Georgians and brings great promotional value to the state. He is the anchor of our indigenous film industry."

With the new Atlanta headquarters (he already built one downtown), Perry's ability to produce features and TV shows could grow exponentially.

"He's accomplished everything that he set out to do and then some from the first time that I met him," WMA's King says.

Kimberly Nardyke contributed to this report.