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**Mission Improbable: Tom Cruise as Mogul**

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ARRAYED in a glass case in the lobby of Metro-Goldwyn-Mayer’s headquarters in Century City are contracts from the creation of the United Artists studio in 1919. The documents bear the signatures of the
Tinseltown legends Charlie Chaplin, Mary Pickford, Douglas Fairbanks Sr. and D. W. Griffith. Also ensconced in the case is one of United Artists’ first income statements: sales of $21 million in today’s dollars, a fair sum for the early 20th century but barely enough to finance even a single low-budget film now.

Some things never change. Asked how United Artists’ early revenues compare with what it takes in today, Harry E. Sloan, chief executive of the studio’s parent company, MGM, replies: “We don’t have any yet. It’s all cost.”

If Mr. Sloan has his way, however, that will soon change. Last November, he signed the latest set of United Artists contracts with yet another Hollywood heavyweight determined to chart his own financial and creative course: Tom Cruise. Mr. Cruise and his business partner, the veteran film producer Paula Wagner, have signed on to run United Artists with what insiders describe as a relatively free hand for a term of at least five years. In exchange, MGM has granted the pair about a one-third stake in the dormant studio without asking them to invest a penny in it.

Ms. Wagner is the chief executive of UA — as the studio is commonly known — while Mr. Cruise bears no official title except, perhaps, the world’s most famous movie star. Unlike Ms. Wagner, Mr. Cruise does not draw a salary from UA, according to a person with direct knowledge of the arrangement. The idea is that his ownership stake alone will align the interests of Tom Cruise the actor with Tom Cruise the studio grandee.

“I can’t put a number on it yet,” says Bert Fields, the Hollywood rainmaker and lawyer who represents Mr. Cruise and Ms. Wagner. “I will tell you this: If their pictures succeed, it will be worth a very large amount.”

Still, in a town awash in news releases written in magic ink on fairy parchment, Hollywood does not know exactly what to make of the idea of Cruise-as-mogul — or, for that matter, how exactly the fast-moving Mr. Sloan plans to deploy UA and the deep pockets of private equity investors to yank MGM back from the brink of obscurity.

Moreover, Mr. Cruise stands at the end of a long line of creative potentates in Hollywood, including Burt Lancaster, Paul Newman,
Barbra Streisand, Sidney Poitier, Steve McQueen and Steven Spielberg, who have tried to follow the original Chaplin-Fairbanks-Pickford blueprint by overseeing their own mini-studios. All of them experienced mixed results as they ran up against the brutal economics of a hit-and-miss industry in which independents often lack the size needed to overcome the financial vagaries of filmmaking.

Though the relationship between studios and stars has grown ever more tangled in modern Hollywood, one thing has stayed the same: what many stars most covet — along with fame and fortune — is creative autonomy from their corporate overlords. For actors like Brad Pitt, Reese Witherspoon, Tom Hanks and Leonardo DiCaprio, that has meant deals as independent producers that give them a stronger hand in developing their pet projects and bestow production fees and credits on them.

Until last year, the gold standard of such deals was an arrangement between Cruise/Wagner Productions and Paramount, the studio where Mr. Cruise, 44, had starred in many of his biggest pictures. But that relationship vaporized in a mushroom cloud last August, after what many critics called Mr. Cruise’s erratic behavior during his promotional tour for the spy thriller “Mission: Impossible III.”

Sumner M. Redstone, the chairman of Viacom, Paramount’s owner, contended that he had fired Mr. Cruise for “inappropriate” behavior that had hurt his studio’s bottom line. Mr. Cruise’s defenders accused Mr. Redstone of grandstanding and said that, actually, both sides had already been planning to part amicably.

Regardless, the media firestorm and scrutiny of Mr. Cruise’s career and conduct only intensified when, two months later, Mr. Cruise and Ms. Wagner landed at United Artists, which through different owners has hewed in varying degrees to its founding ideals of artistic hegemony.

The producer Jerry Bruckheimer, who worked with Mr. Cruise early in his career on the film “Top Gun,” said that the news of the move “kind of shocked Hollywood.”

Mr. Bruckheimer added: “You have a star and his producing partner actually running a studio. That hasn’t happened in I don’t know how many years.”
BEFORE it became part of MGM in 1981, United Artists spawned the “James Bond,” “Pink Panther” and “Rocky” franchises and, during one prolific run in the 1970s, won three consecutive best-picture Oscars for “One Flew Over the Cuckoo’s Nest,” “Rocky” and “Annie Hall.”

A promotional reel that Mr. Sloan shows investors in MGM’s penthouse screening room makes plain that many of the best-known titles in the current MGM film library — from “The Apartment” to “West Side Story” — were United Artists releases.

The lore is not lost on Mr. Cruise. At a recent party, Peter Bart, the editor in chief of Variety, greeted Mr. Cruise and mentioned that for a two-year period in the 1980s he, too, had been a senior executive at United Artists. “I know,” Mr. Cruise replied instantly, and proceeded to list all the movies made under Mr. Bart’s tenure, Mr. Bart recalled in an interview.

Discussing their fledgling plans to revive one of the more storied names in filmdom — and considering the maelstrom in which the whole idea was hatched — United Artists’ new chieftains acknowledge in interviews that they have stitched together their business plan on the fly because, they say, they are in a hurry and have a lot to prove.

As a result, UA in its new incarnation is a basket of contradictions and question marks: it’s a filmmaking enterprise ultimately owned by a studio, MGM, that had only recently vowed to get out of that line of work to focus on the less risky and more predictable — albeit far less sexy — business of marketing and distribution. Moreover, it’s a small studio co-managed by one of the world’s ultimate “big movie” movie stars.

“UA is in the shadows here,” Ms. Wagner insists. At the new studio, she adds, “It’s the film that’s the star.”

Everyone involved cautions that it is still early and that the studio’s course is not fully set; its first production, a political thriller called “Lions for Lambs,” directed by Robert Redford and starring Mr. Redford, Mr. Cruise and Meryl Streep, is being shot now and is scheduled for a November release. If all goes as planned, United Artists will announce as soon as this week a debt financing of $400 million to $500 million to finance its first slate of pictures, backing that includes $100 million from MGM itself.
Beyond saying that the plan is to live up to the United Artists legacy of making talent feel like partners rather than employees, and a goal of releasing four to six films a year distributed by MGM, Ms. Wagner says that little else is set in stone.

“There are no absolutes,” she says over brunch at the Polo Lounge in the Beverly Hills Hotel. “Under no circumstances am I making any proclamations or declarations — we’re new; we’re 100 days here.”

Ms. Wagner carries herself with the poise of someone who once worked as a theater actress and a talent agent before becoming Mr. Cruise’s collaborator and the public face of his entrepreneurial and filmmaking ambitions. Mr. Cruise declined to be interviewed for this article, because, Ms. Wagner says, he prefers that she speak publicly about their mutual business interests.

As far as those first 100 days go, Ms. Wagner says their new company is on track: it is hiring new employees, has “Lions for Lambs” under way, has just optioned a hot book, “The Birthday Party” by Stanley N. Alpert, and is taking meetings and pitches all over town. The plan is to make films of varying budgets and genres. But anything that is projected to cost more than about $60 million needs a green light from MGM.

Mr. Cruise is not obligated to appear in any UA films, though the incentive of owning a large chunk of the print, as well as the bragging rights and perquisites that entails, is meant to be a strong motivator for him to ply his “day job — or night job,” as Ms. Wagner puts it, at UA.

In the case of “Lions for Lambs,” MGM is providing the film’s $35 million budget. Mr. Cruise, Mr. Redford and Ms. Streep have all deferred their usual upfront fees or percentages of gross revenue in exchange for cumulatively splitting half of the film’s profit with UA.

Ms. Wagner would not discuss the numbers, joking that she “never discusses her budgets or her age.” But she said that the structure was typical of how she envisions UA: as a trusted partner rather than as a big studio with arcane accounting that prompts agents to insist that their most bankable clients are paid up front.

Of course, Ms. Wagner is now something of an expert in the perks and pitfalls of life at a big studio. All she needs to do is flash back to last fall, to the Cruise/Wagner Productions offices on the Paramount lot.
Cruise/Wagner was initially fueled by the adrenalin of Mr. Cruise’s star power in the early 1990s, when he anchored hits like “A Few Good Men,” “The Firm” and “Days of Thunder.”

Over nearly 15 years, Cruise/Wagner produced 13 films, aided in the latter years by a plush overhead deal from Paramount in which Paramount provided office space and underwrote their projects in exchange for a first crack at bringing them to the screen. The result of that collaboration was films approaching a gross of $3 billion at the box office, with Cruise/Wagner having particular success in shepherding the lucrative “Mission: Impossible” franchise to the big screen for Paramount.

But last year Viacom was in transition, and the studio’s new overseers, the Paramount chief executive, Brad Grey and the Viacom chief, Tom Freston — like other Hollywood chieftains — believed that they were spending too much money on too many co-producers. Where Cruise/Wagner was concerned, they reasoned that the studio could just as easily work out a deal with Mr. Cruise to shoot another “Mission: Impossible” installment by hiring him and Ms. Wagner as producers, without subsidizing their company.

What’s more, Cruise/Wagner’s track record was strong with films starring Mr. Cruise, but those that did not feature the actor — pictures like “The Others,” “Elizabethtown,” “Shattered Glass” and “Narc” — had “mixed” commercial success, according to an executive with knowledge of the discussions.

“When any producer who makes more than one or two films in their lifetime — with the exception perhaps of Tom Cruise — has a ‘mixed’ thing,” Ms. Wagner says when asked if that was a fair assessment of her partnership with Mr. Cruise. Viacom declined to comment.

As the mood in Hollywood changed and Paramount offered a greatly reduced production deal, Ms. Wagner says that she and Mr. Cruise decided that it was time for a change. Following the lead of other successful producers like Ivan Reitman and Joel Silver, they wanted to tap into the new Wall Street and hedge fund money flowing into Hollywood.

Under these new business arrangements, big-name producers can control nearly every aspect of filmmaking — even the most exalted perk,
the ability to greenlight a picture. Big studios remain crucial to a film’s success under this new model, but largely as marketers and distributors.

ONE Wednesday morning last August, Mr. Redstone, in an interview that appeared on the front page of The Wall Street Journal, announced that he had fired Mr. Cruise.

Mr. Cruise’s antics, Mr. Redstone contended, had cost him money.

Indeed, while “Mission: Impossible III” grossed close to $134 million at the box office domestically, it fell $81 million shy of the previous installment. And the roughly $70 million that Mr. Cruise took home as his share of the film’s worldwide receipts meant that he probably earned more than Paramount did on the picture, said an executive with direct knowledge of the film’s financial results. Ms. Wagner and Viacom would not confirm that calculation.

Mr. Redstone’s comments came in the wake of Mr. Cruise’s statements about his faith in Scientology, his public declarations of love for his girlfriend — and now wife — Katie Holmes, and his crusade against prescription antidepressants. Ms. Wagner bristles when she recalls the episode. “Tom Cruise, in 10 months, for Paramount Pictures, generated just under $1 billion,” she says, referring to the box office take of his last two films, “Mission: Impossible III” and “War of the Worlds.”

Mr. Cruise’s so-called firing was extraordinary in Hollywood — and nothing personal, Mr. Redstone has said in subsequent interviews. Mr. Cruise’s camp says that his contract had merely expired and that he was already planning to move on. That issue aside, the incident raised a salient question in filmdom: had the pay for talent grown out of kilter with the financial realities of the marketplace?

In the uncertain days that followed, Cruise/Wagner announced a deal to develop films for a company backed by Daniel Snyder, the investor who owns the Washington Redskins, but it was hardly the big move that showed the world that they were unfazed. Friends of Mr. Cruise, meanwhile, advised him to focus less on his production business and more on picking smart follow-ups to “Mission: Impossible III” so he could put the bad publicity behind him.

FOR Harry Sloan, meanwhile, the raging headlines about Mr. Cruise gave him a flash of inspiration. After taking charge of MGM in 2005 at
the behest of its main investors, Providence Equity Partners and Texas Pacific Group, Mr. Sloan set out to revive the company, which also counts Sony and Comcast as investors. The private equity firms had initially backed the Sony Corporation’s $5 billion takeover of MGM from the investor Kirk Kerkorian in 2004, with the strategy that MGM would be largely shuttered and its 4,000-film library fed through the distribution pipeline of Sony Pictures.

But the investors, unhappy with MGM’s performance under the Sony strategy, changed course after a year and installed Mr. Sloan, an MGM director, as the studio’s chief executive. Mr. Sloan, an entertainment lawyer turned entrepreneur, founded SBS Broadcasting in Europe in the early 1990s and sold it three years ago for $2.6 billion. The venture made him a tidy fortune, an undisclosed portion of which he has reinvested in MGM.

In addition to moving the distribution of MGM’s home video business to 20th Century Fox, Mr. Sloan wanted to shore up MGM’s own television channels around the world by cutting deals with various small and independent producers. Mr. Sloan, who once served as chairman of Lion’s Gate Entertainment, also wanted to revive MGM’s movie-making capabilities, but without the expense of layers of creative executives and producers.

In an interview, Mr. Sloan estimated that big studios spent as much as $100 million apiece annually on films that are never released, and he called Hollywood’s film development deals “an enormous welfare project” for writers, agents and producers.

Mr. Sloan considered selling the UA brand name because it was doing nothing more for MGM than gathering dust in a closet. But when he saw Mr. Cruise’s broad smile flashed across the evening news during the Paramount dust-up, he decided to give him and Ms. Wagner the UA shingle to hang.

“You can’t lose,” Mr. Sloan says of the deal with Mr. Cruise and Ms. Wagner. “There are plenty of things I’m doing that have plenty of risk and downside. This is not one of them.”

So while the news media buzzed with speculation about whether Mr. Cruise’s career would be dented or even destroyed, Harry Sloan placed calls to Mr. Fields, the lawyer. He also phoned Mr. Cruise’s longtime
representatives at Creative Artists Agency, whose co-chairman, Rick Nicita, is Ms. Wagner’s husband. (Ms. Wagner herself had been Mr. Cruise’s agent at the firm before becoming his production partner.)

Knowing that Mr. Cruise and Ms. Wagner would need to exit the Paramount lot in a hurry, Mr. Sloan offered them office space on the 11th floor of the MGM tower. Over the next two months, the three conducted a series of private meetings at Mr. Sloan’s office and home that involved contingents of lawyers and agents.

What emerged was what Ms. Wagner describes as a hybrid between a studio and a production company. Rather than the overhead deal they had at Paramount, Mr. Sloan proposed establishing an autonomous studio within a larger studio — a structure akin to the relationship that Mr. Spielberg’s studio, DreamWorks, now has with Paramount, but with real ownership attached.

“We all answer to somebody about something,” Ms. Wagner says. “It’s really the number of people you answer to. In this structure, Tom and I really answer to ourselves.”

According to people involved in the talks, the question of whether Mr. Cruise, whom Mr. Sloan did not know previously, was past his prime or a loose cannon came up, particularly among MGM’s private equity investors.

But Mr. Sloan concluded that Mr. Cruise was still a bankable star and filmmaker. Kelvin L. Davis, a partner at Texas Pacific who serves on MGM’s executive committee, said he came away from his initial meeting with Mr. Cruise impressed by his business acumen and his curiosity about the financial goals of his prospective backers.

“One of the things Tom said to me that impressed me early on,” Mr. Davis said, “was that he thought his artistic performance, his acting abilities, were best displayed when he felt a real sense of partnership with those who he was doing business with.”

After weeks of preliminary negotiations, Mr. Cruise met with Mr. Sloan in his office for the first time last October. During a meeting that lasted four hours, Mr. Cruise did not jump off the bronze sofa he was sitting on. Rather, he listened intently as Mr. Sloan proposed giving UA some
of MGM’s franchise films to produce and suggested that its first project be the next “Terminator.”

Mr. Sloan recalls that Mr. Cruise responded, “Let’s not do something derivative” for a first film. “Let’s do something original.”

Since then, a partnership has been struck and Mr. Sloan has been to Mr. Cruise’s gala wedding in Italy. Mr. Sloan says he is convinced that Mr. Cruise has both the movie-making ability and the work ethic to make a success of UA. “He is driven, professional and a total perfectionist,” Mr. Sloan says. “I thought he was me in a lot of ways.”

Mr. Sloan calls his venture with Mr. Cruise an “interesting experiment” that he might extend to other dormant MGM brands like Orion Pictures. He also says that other artists could unite with Mr. Cruise and Ms. Wagner as equity owners of UA.

ONE of the lingering questions about UA is how well Ms. Wagner will fare in putting out four to six films a year, when she and Mr. Cruise previously averaged just one movie a year as producers aligned with Paramount. It is also unclear how Mr. Cruise will manage his loyalties and time among the many professional roles he juggles both inside and outside of UA. Last month, for instance, the Hollywood trades reported that he plans to make a comedy with Ben Stiller as the co-star at 20th Century Fox.

Mr. Cruise isn’t saying. But the answer to questions about his commitment may lie in another meeting he and Ms. Wagner held in Mr. Sloan’s office just a few days before the deal was announced last November.

The centerpiece of the meeting was a four-hour pow-wow with Jonathan M. Nelson, the chief executive of Providence Equity, whose 29 percent stake in MGM makes it the studio’s single largest shareholder. According to two people who would not agree to be named because it was a private meeting, Mr. Nelson was there to scope out Mr. Cruise’s intentions for UA before signing off on the deal.

At the meeting, Mr. Nelson declined an invitation to read the script for “Lions for Lambs,” these people said. But he was reassured by other things he saw. Like Mr. Sloan, Mr. Nelson was impressed by Mr. Cruise’s sense of purpose and the fact that the star had never responded
publicly to Mr. Redstone’s lambasting. Instead, it became clear that Mr. Cruise had chosen a different way to fire back at the Viacom chairman: he was determined to let his results be his revenge.
Mission Improbable. for Half-Life 2: Episode Two. 29th July 2012. Jump to read the 82 comments / Leave a comment or review / Follow the comments RSS feed. A Resistance listening post suddenly goes off-air and you are sent in to find out what happened to the original support crew and get the station back online. Your journey begins as a rowing boat coasts towards the landing point.Â Well this remember me a phrase that states: honor to whom honor is due, and I mean Mangar just build a classic with the fantastic Mission Improbable completed. Is a classic for many reasons, but I think because offer us many WOW moments and is definitely great creating atmospheres and environmental scenarios that really make the mod-gaming experience just memorable and worthy. Cruise and McQuarrie were both aware that they had to top the stunt of Cruise climbing Dubai’s Burj Khalifa in Mission: Impossible - Ghost Protocol (which he also did without a stunt double). When the production designer brought McQuarrie a model of an Airbus plane, the director joked to Cruise, “What if you were on the outside of this thing when it took off?” Cruise replied, “Yeah, I could do that.” YouTube/Paramount Pictures.