

Produced By
Alvin Roy Sutanto

SKIN

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Film Investment Risks

Any investment in film production involves a high degree of risk. This investment should not be made by anyone who cannot afford the loss of his or her entire investment. Before investments are made, the following risks must be carefully considered:

- a) The success of any medium, whether film or TV, depends on the public's tastes and opinions at any given time. The likes and dislikes of the public vary greatly from day to day and can never be confirmed. As a result, it is impossible to determine the success of this, or any, film.
- b) The release of a similar film may affect the popularity of this film.
- c) As a result of the above factors, and others not listed here, only one of every five films made recoup their cost.

For the interest of the Limited Liability Company, the investors realize they may not dispose of their investment at any time and that they bear the financial risk of their investment for an indefinite period.

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<p>Logline</p> <p>Beauty is only SKIN deep, is your heart that matters.</p> <p>Similar Movies</p> <p><i>The Ring 2002, Insidious 2010, The Conjuring 2013</i></p>	<p>Medium Scenario Financial Projections</p> <table border="1"> <tr> <td>Total Revenue</td> <td>\$100M</td> </tr> <tr> <td>Investment Preferred Return (\$3.5M + 100%)</td> <td>\$7M</td> </tr> <tr> <td>Net Film Profit</td> <td>\$91.5M</td> </tr> <tr> <td>Investor Participation (70%)</td> <td>\$3.5M</td> </tr> <tr> <td>Investor ROI</td> <td>100%</td> </tr> </table>	Total Revenue	\$100M	Investment Preferred Return (\$3.5M + 100%)	\$7M	Net Film Profit	\$91.5M	Investor Participation (70%)	\$3.5M	Investor ROI	100%
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<p>Investment Summary</p> <ul style="list-style-type: none"> • Conservative estimates project gross revenue of approximately \$100M with an Investor ROI of 100%. • \$15M in domestic box office leads to <i>My Independent Movie</i> breaking even on our budget of \$5M 	<p>Our Audience</p> <ul style="list-style-type: none"> • I believe our R-rated Horror film will target an adult audience, ages 18-49 • According to the MPA, the 25–39 year age group (10.7 million) has the most frequent moviegoers, followed by the 40-49 year age group (6.3 million). 										

The producer

Alvin Roy Sutanto, is a first time film producer with a passion in Horror with a goal of producing the Horror film *SKIN*.

The Project

Skin is a motion picture budgeted to be produced at \$5 million, intended for both theatrical exhibition and digital distribution. The film genre is Supernatural Horror. The producer desires to hire name talent for roles in the picture, thereby adding to the film's commercial value and audience appeal.

Overview

Horror films, I believe that it is a genre that appeals to almost everyone of every age and it is also a genre that can evolve over the years. From film such as *The Night of the Living Dead* to *The Ring* and *Insidious*, each era has its own signature horror films and I believe that now, more than ever, there is a strong market of audiences thirsty for a new modernize horror film that not only has a good story but creative methods and making the audience feel on edge throughout the film. *The Ring* and *Insidious* are good comparable to use for *Skin* as not only is it within the same genre but James Wan is also the director of *Insidious*. *The Ring* was considered a horror breakthrough in the early 2000s as it was adapted from a successful Japanese film. The film utilizes simple make up for its ghost instead of the typical over-the-top effects. But *The Ring* was able to scare anyone that watched it by invading the comfort zone of the audience and using the ambience as a scare. *Insidious* was able to evolve this concept and take it to another level in the following decade. *Insidious* uses simple make up and enhances the ambience by using distorted music to create a scary mood.

Marketing Plan

Publicity: Posters, interactive adverts.



Advertising: Get an exclusive with Entertainment Weekly, if possible, Billboards advertising Teaser poster with logline to create curiosity without revealing too much.

Promotions: Transmedia campaign such as make deals with the cosmetic brand to create an ad with the featured actress.



A Themed escape room to create an immersive entertainment.

Distribution Strategy

Distribution Platform: Theatrical, Streaming, DVDs & BluRays, Airlines

Launch: August (Screamfest Horror Film Festival) & September (Toronto Film Festival)

The idea of releasing the film at the Screamfest Horror Film Festival will help to promote the film worldwide and establish recognition and hopefully gain more pre-sales from worldwide distributors.

The secondary release will be during September at the Toronto Film Festival right before the theatrical release in October.

Release: Mid-end of October (Halloween)

A worldwide release during the middle or end of October would be suitable for a Horror film such as this to take advantage of the Halloween festival during this period. Halloween is a popular festival that is currently celebrated worldwide.

Ancillary: VOD (immediately after Theatrical release ended). DVDs & Blu Rays (with extra features) & airlines release (December before the holidays)

The idea of releasing the film digitally is to take advantage of the period between Halloween and Christmas. During thanksgiving where people are spending most of their time at home with their families would be a good advantage to release the film digitally where people could stream from the comfort of their own homes.

During the month of December, people would be shopping around for presents and releasing the film in the physical format such as Blu Ray and DVDs would take advantage of the Christmas holidays. During the month of December people might be traveling so to release it at airlines would be a great time (I grew up getting to know plenty of movies through traveling and watching them during flights).

Investment Opportunity

The Producer will raise 30% of our budget through tax credit. Therefore, we seek \$3.5 million capital to fund the remainder of our budget for *SKIN*. The producer proposes to secure this money from Crowdfunding, pre-sales and other equity investors. Using a conservative, selective revenue projection, and an assumption of general industry distribution agreements, the Company projects gross revenue of approximately \$100 million with a net producer/investor income of \$1,500,000 for *SKIN*.

SKIN

Beauty is only SKIN deep, is your Heart that matters.

A Horror story that deals with infidelity, the story centers on a young American executive Jacob 40s, who is married to a beautiful wife Sylvie, travels to Shanghai on a business trip. As he arrives in China and on the way to the meeting, he saw a billboard of a young beautiful Chinese model advertising a cosmetic skin care product.

After a busy day, Jacob was asked to a club by his colleagues and there he saw the same beautiful model who he saw earlier on the billboard alone by herself at the bar. Jacob approaches her and strikes up a conversation. Soon Jacob finds himself in an adulterous affair with the model.

The mysterious model Mei Ling tells Jacob that she wishes to move to the US with him as she has no one here in China. No friends and no family. Jacob, enticed by the idea of continuing his affair with Mei Ling back home, decides to set her up in the States with a new apartment since he could afford it with his current high paying job.

Back in America, Jacob finds and leases an apartment for Mei Ling. As he is helping her move in, the neighbor next door, an old Chinese man roughly in his 80s happens to return home. He exchanges glances with Michelle as they both give each other a cold stare before being interrupted by Jacob who was in the process of moving furniture into the new apartment unit.

Being friendly, Jacob approaches the neighbor and introduces himself to him. The Neighbor, Alex warns Jacob that his girlfriend is not what she seems to be. Jacob abruptly dismisses him and returns to his apartment.

The next day, Alex was alone in his house as he heard “tearing” sounds from next door. As Alex got closer to the wall, the sound became louder. He noticed that one of his electric sockets was loose and decided to inspect while the tearing sound was still going on. As Alex peeps through the socket, we hear an eerie female laughter followed by a surprise expression of Alex.

Alex’s lifeless body hollowed out of his heart is laid in a body bag as authorities crowd the apartment unit for investigation. Jacob, who happens to arrive at the apartment floor to visit Mei Ling, passed by the crime scene. Jacob managed to catch a glimpse of Alex’s corpse. Jacob became curious as he enters Mei Ling’s apartment and asks her about the neighbor’s death. Mei Ling was suspiciously dismissive of the question and began to flirt with Jacob as if to divert the attention away from the mysterious death of Alex.

Jacob after leaving the apartment bumps into a middle-aged Asian man who turns out to be Alex’s son Andrew 50s. Andrew tells Jacob that his father’s death was ruled as murder based on the preliminary report. However, it seems strange as the circumstances surrounding his father’s death seem to be eerily like a folklore/urban legend that he has heard his father telling him ever since he was a child. Jacob glances over to the window of Mei Ling’s apartment with a frightened suspicious look.

One night, in the middle of the night when the streets were empty, Jacob came to the apartment unit. He enters Alex’s sealed apartment by cutting through the police tape. As

Jacob looked around, he noticed the electric socket that was partially loose and dismantled on the wall. Jacob squats and looks through the socket but it's too dark to see anything. He uses his phone's flashlight and shines through the hole.

An eye was staring back at Jacob from the other side and Jacob screamed in fright and fell backwards. As Jacob composes himself and wants to run away, Mei Ling's pale figure was standing at the door of Alex's apartment. Jacob was shocked as Mei Ling slowly grins and peels off her skin to reveal a wrinkled demonic face. Jacob lets out a scream of horror.

Jacob's widow Sylvie enters the police station and cries as she's briefed on the death of her husband by the police. In a separate room through the glass window, Andrew saw Sylvie crying and decides to approach her. He introduced himself to her and tells her that there is a way to revive her husband. He gave her his name card and left. Returning home, Sylvie looks at Andrew's name card and decides to call him. As she listens to her phone, she hears footsteps behind her. Sylvie turns around and in a shocked expression, the scene turns dark.

In the morning, Sylvie looking different with makeup and dressed differently, alluding to the fact that she is Mei Ling dressed in Sylvie's skin walks through a crowded street with a smile on her face.

Development Highlights

As of 2024, the following individuals are being pursued to play lead roles:



Jamie Dornan (*Fifty Shades of Grey*)

Jamie Dornan as the male lead, a young married man who is an international Businessman. Young and ambitious, he strikes up an affair with a young mysterious model he met on a business trip to Shanghai.

Jamie Dornan was cast as Christian Gray in *Fifty Shades of Grey*. His character background is not too dissimilar to the role he would play in this movie. The slight difference is that Jamie's character in this film would be less dominant but carrying the same egotistical characteristic of his character in *Fifty Shades of Grey*.



Liu Yi fei (*Mulan*)

Liu Yi Fei as the Antagonist, a young pretty model who has a mysterious background and a shy demeanor. She eventually moves to the United States with the male lead as they began an affair. Beneath her beautiful look hides a dark secret that would slowly unravel.

Liu Yi Fei's portrayal as *Mulan* strikes an innocent exterior to her character that would play well in this film. Her character in *Mulan* is heroic but, in this film, it would be a contrast as she plays the antagonist.

As of 2024, the following individuals are being pursued to Direct:

James Wan (Director)



James Wan is no stranger to horror. From the Saw series to the Conjuring and Insidious Series, James Wan is an expert at crafting successful horror franchises. Fresh from directing Aquaman and the lost kingdom, and failing to score a box office win, I think it would be a huge chance James would want to return to the horror genre.

Locations

The first part of the film will be shot in Shanghai, however, to save cost we could shoot the film locally in New York and just have a second unit to do wide shot for Shanghai.

The second location would be New York, which we will take advantage of the 30-37% Transferable Tax Credit.

Finance Plan: \$5,000,000. 100%
Equity: \$1,750,000. 35% Crowdfunding, Product Placement (Cosmetic product being use in the film)
Pre-Sales: \$1,750,000. 35%

Comparables:

UK ~ 30%	Fr ~ 12%	Aus ~ 7%	Ger~8%	Itly~11%	Latam~32%
The Ring-					
\$14,764,956	\$5,283,562	\$4,120,663	\$6,328,538	\$10,121,525	\$13,797,608
Insidious-					
\$11,545,946	\$4,171,121	\$1,416,579	\$1,840,098	\$2,837,985	\$5,894,177
Conjuring-					
\$16,208,592	\$9,877,497	\$7,135,417	\$4,620,218	\$4,714,172	\$43,823,343

Production Incentive: \$5,000,000. (New Jersey NJ) 30% - 37% Transferable Tax Credit

*(If necessary) Debt/Loan: Bank (Line of Credit): \$1,000,000(10% Interest Rate) GAP: \$450,000(15%-20% Interest Rate)

- If Applicable and necessary, Line of Credit Financing would be a viable option of acquiring funding to produce the film. As this is a preapproved financing that would only require the past financial performance of the production studio.
- However, if only 80% of the financing is acquired from all the previous options, then GAP is the next viable solution for the film project to acquire fundings. As the Interest Rate is 15% -20%, this will be the last option of financing that will be considered.

The industry

I believe that this is a viable package based on two points. Firstly, the film budget is still lower than most horror films such as *The Ring* which costs around \$48,000,000 and *Conjuring* which costs around \$20,000,000. If you were to look at the comparables which will have a very similar tone, ambience and supernatural horror (ghost). Secondly, they all performed incredibly well not only in the North American market but in the entire world as well. Each of these horror films grossed more than 5 times their initial budget.



Films	Budget	Gross (US & Canada)	Gross (World)
The Ring	\$48,000,000	\$129,128,133	\$249,348,933
Insidious	\$1,500,000	\$54,009,150	\$100,106,454
Conjuring	\$20,000,000	\$137,446,368	\$320,406,242

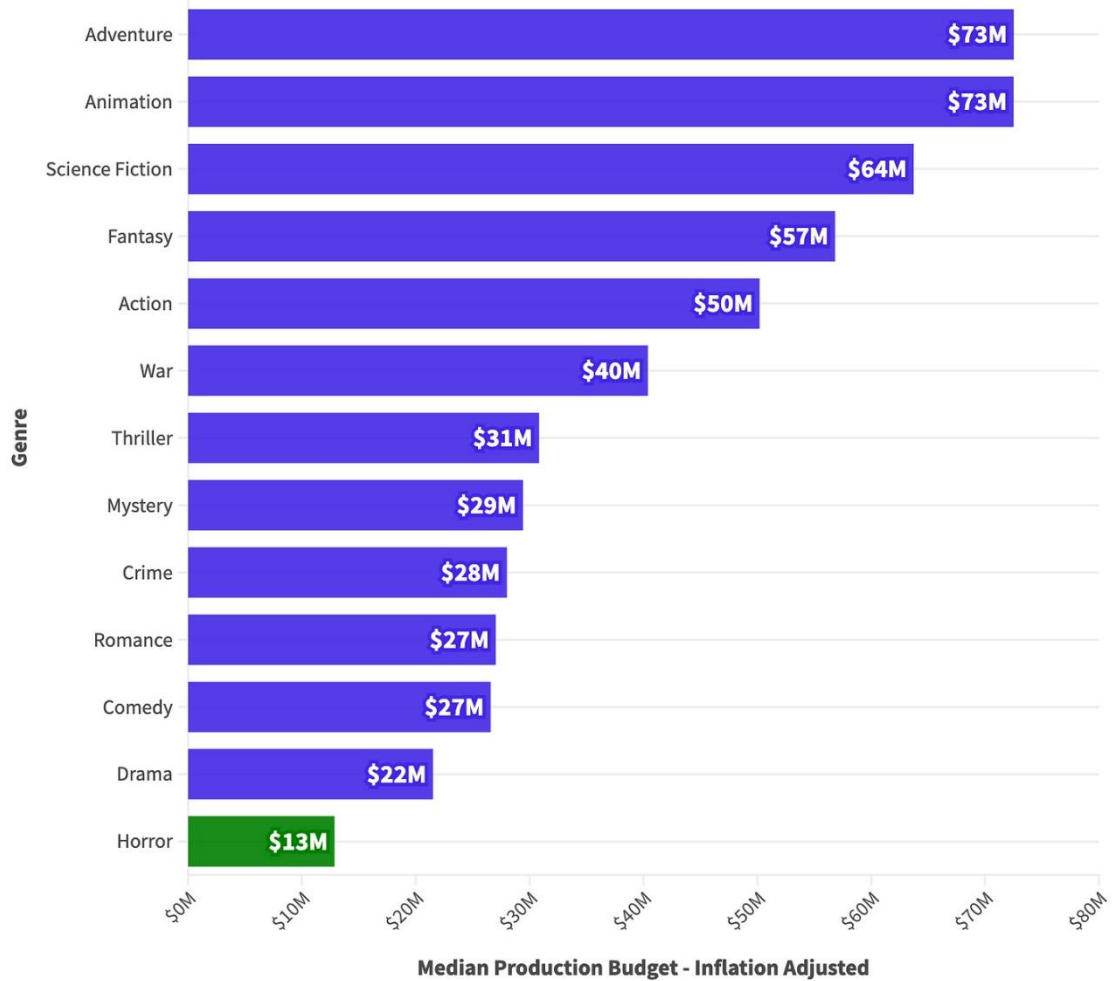
Why Horror Films Are Hollywood's Greatest Investment

Unlike big-budget action franchises, horror films are produced on meager budgets in hopes of achieving modest returns. These low costs are a product of the horror format as much as they are a savvy financial strategy. Scary movies often eschew expensive special effects, A-list actors, grand sets, or expansive locations, instead maximizing the potential of limited settings, practical effects, and innovative camera techniques. The genre prioritizes concept and atmosphere ahead of fanciful visuals or well-known players.

Compared to other genres, horror movies have significantly smaller budgets, with adventure and animation films typically allotted ~5.5 times the funding of scary movies.

Average Production Budget by Film Genre - Since 1971

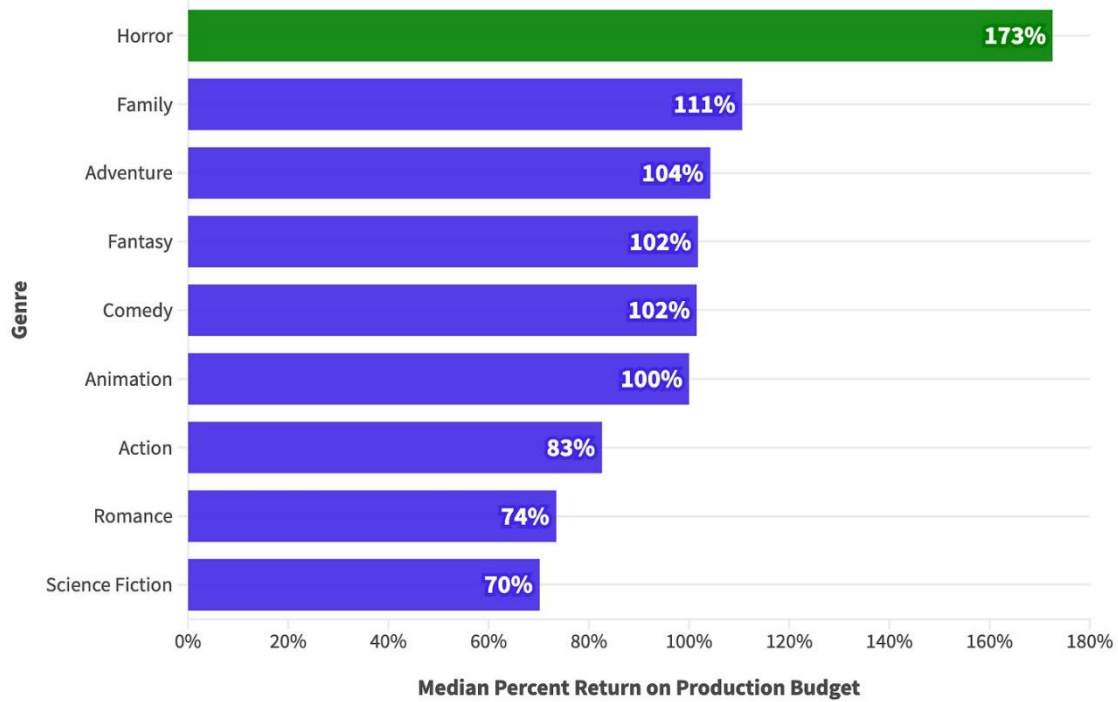
Datasource: Kaggle's "The Movies Dataset"



As such, horror films don't have to achieve blockbuster grosses to turn a profit. When examining average ROI by genre, horror films stand out as a significant outlier, averaging a 173% return (i.e. profit) on production costs.

Return on Investment by Movie Genre

Datasource: Kaggle's "The Movies Dataset"

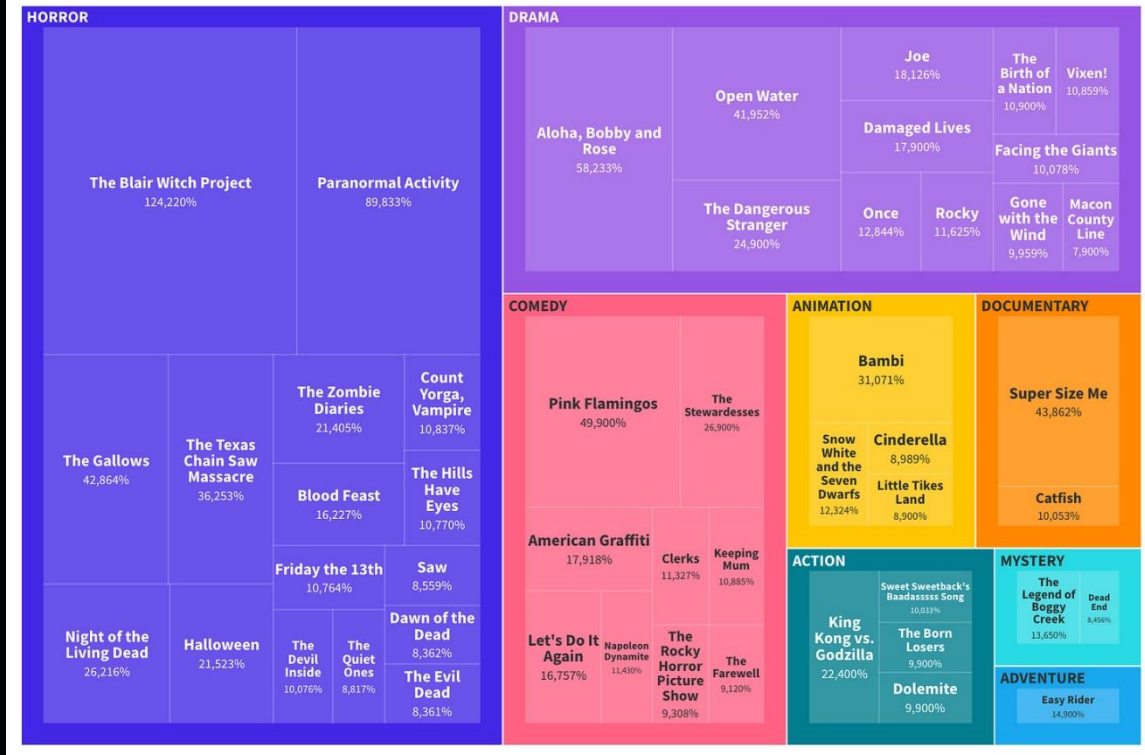


There is a tendency to assume horror films exist in their own distinct silo, catering to niche moviegoing tastes. Such a characterization is accurate, but only to a point. Of the 50 most profitable films in cinematic history, 16 are horror movies—most of any genre. The *Blair Witch Project* and *Paranormal Activity*, both horror classics, boast the highest percentage ROI

of any films in movie history.

Films with the Highest Percent Return on Investment

Datasource: Kaggle's "The Movies Dataset"



A prototypical horror flick is both high-floor and high-ceiling---a rarity within the movie industry. Cheap production costs give the genre a favorable economic profile, yet this thriftiness inevitably begs questions regarding moviegoer demand. Who watches these inexpensive films? The answer lies in the uniqueness of horror fandom. Scary movies benefit from a steadfast and often quality-agnostic fanbase that guarantees enduring patronage---even when the movies are terrible.

[Why Horror Films are Hollywood's Best Investment: A Statistical Analysis \(statsignificant.com\)](http://statsignificant.com)