EXECUTIVE SUMMARY

OBSTACLES AND OPPORTUNITIES FOR WOMEN ENTREPRENEURS IN THE SCREEN INDUSTRIES

Women In Film Los Angeles
Alicia Jessop, Esq.*

Over the past decade a variety of research studies, including those jointly funded by WIF and Sundance Institute, have called attention to the underrepresentation of women creatives and executives across the screen industries. These studies have illuminated a critical path to equity, but the path illuminated does not depict the full story. Hollywood is a creative industry driven by financial capital; to achieve gender equity both the creative and economic sides of the equation must be addressed.

A 2018 conversation between WIF Board members revealed startling similarities faced by women business owners. Despite their vast successes, lengthy industry track records, experience developing and executing business plans and premier educational backgrounds, each could not secure outside funding for her screen industry entrepreneurial endeavor. The Board members set out to better understand this issue by commissioning a study. **This study is the first of its kind, revealing:**

1. The stark reality that a minority of screen industry businesses are owned by women;
2. The barriers that have led to these low numbers; and
3. The needed strategies to promote entrepreneurship and drive more funding to women-owned screen industry companies

* Alicia Jessop, Esq. is an Associate Professor at Pepperdine University and an attorney licensed to practice in California and Colorado. Alicia's research focuses on women's leadership and career development and promotion. Since 2011, Alicia has covered the business of sport and media as a journalist. She currently is a contributor to *The Washington Post* and *The Athletic* and has previously contributed to *Forbes*, *The Huffington Post*, CNBC and SI.com. She can be reached at **Alicia.Jessop@pepperdine.edu**.

Only 18.6% of studio subsidized film deals and 35.7% of studio subsidized television deals were with women-owned companies in 2018. Only 18% of production companies with non-studio funding were women-owned.

The study relies on data from two groups of people: one, those who have raised money for their screen industry businesses, referred to as "Entrepreneurs" or production company owners, and two, those who fund screen industry businesses, referred to as "Decision-Makers." Data was obtained from 114 quantitative surveys and 66 in-depth qualitative interviews of a sample including men and women, ranging in age from 25 to 74 years old, from a variety of races and whose companies are based in the United States. Detailed demographics appear on pages 1 and 11.

An analysis of the gender breakdown of U.S. based production companies found that women-owned production companies are in the minority when it comes to receiving studio subsidized deals and/or independent financing from private investors, banks and venture capital firms. Women-owned production companies received 18.6% of studio subsidized film deals and 35.7% of studio subsidized television deals, as of 2018. Only 18.0% of independent production companies financed by non-studio funding from private investors, banks, venture capital firms or personal funds, are women-owned.

The dismal awarding of funding to women-owned production companies showcases a major hurdle women face in pursuing screen industry entrepreneurship. This hurdle is exacerbated by promotion practices in the industry that typically hold women out of top decision-making roles at studios. One of the most glaring causes of the disparity is that women are not offered the same opportunities to start their own businesses as men after their tenure in studio or network jobs. Men reported receiving studio deals or independent financing to start businesses after their studio or network tenures, whereas women did not report the same. Industry hiring, promotion and salary practices, coupled with dismal funding opportunities for women-owned screen industry businesses, create a dynamic where men typically pursue screen industry entrepreneurship because they want to, while women pursue screen industry entrepreneurship because they have to. 50% of the men interviewed pursued screen industry entrepreneurship primarily for the perceived business opportunity, compared to 11.1% of women interviewed. In contrast, 38.9% of women interviewed pursued screen industry entrepreneurship primarily out of career necessity after losing a job, not obtaining a position they were qualified for or not being compensated adequately.

The 11.8% of men interviewed who pursued screen industry entrepreneurship primarily out of necessity did so when, mid-career and working in C-level executive roles at studios, they were not given the opportunity to fully pursue their creative interests. Unlike the majority of women interviewed for this study, these men were awarded significant financing to build companies. While women reported recognizing and being motivated by the business opportunities entrepreneurship presents, the data above points to a critical finding of this research: women's pursuit of screen industry entrepreneurship is thwarted because they do not receive the same funding—whether from studios or independent investors—that men obtain.

The current situation leads to a troubling and vicious cycle, in which women who pursue screen industry entrepreneurship encounter more significant barriers than their male counterparts and receive less support. Not only do women not have as strong of networks as men to back them if they fail, there are few financiers or studio-based funders willing to float their independent or studio-based companies after their for-hire roles end. This stands in stark contrast to men, who largely because of the benefits of their personal and professional networks, consistently shift from jobs-for-hire to owning their own ventures backed by capital.