

ICM Fires 4 Top Agents Who Planned to Form Rival Agency : Hollywood: Firm cites removal of client files from office. Group's lawyer disputes claim that act was trespassing.

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In a bizarre episode underscoring the cutthroat warring among Hollywood's talent agencies, four key agents were fired Wednesday from the powerful International Creative Management after their plan to form a competing firm was discovered.

The firings came after ICM discovered late Tuesday night that client files had been taken by the agents from their offices. In an e-mail memo circulated to ICM employees Wednesday morning, the company labeled the taking of the documents "an act of trespass and in furtherance of a concerted and illegal plan."

Departing ICM are television and film literary agents David Greenblatt, Tom Strickler, Ariel Emanuel and Richard Rosen.

The four plan to form a new agency, Endeavor Agency Inc., using their own funds.

All four agents refused to comment. But their lawyer, Marty Singer, said they committed no wrongdoing, and he disputed ICM's claim that they did anything illegal.

"The idea that our clients trespassed when they were working for the company is a defamatory, false statement," Singer said. He added that the four are considering taking their own legal action against ICM.

A highly respected agent, Greenblatt was head of ICM's motion picture literary department, where he made news last summer by selling screenwriter Shane Black's

script “The Long Kiss Goodnight” to New Line Cinema for a record \$4 million. Emanuel is a well connected, though less senior, agent whose brother, Rahm, is a top White House official.

ICM did not elaborate on the electronic memo, the text of which was disclosed to The Times. Chairman Jeff Berg said, “The matter is presently pending with our attorneys and we will be guided by their recommendations.”

The development marks a further shake-up in the already tumultuous agency business, which has seen a series of shaky consolidations over the past three years. The business is notoriously competitive as Hollywood’s major agencies earn millions of dollars a year representing the industry’s creative artists and wield enormous power over film and television work.

ICM is one of the two top Hollywood agencies representing A-list talents such as Arnold Schwarzenegger, Julia Roberts, Mel Gibson and Michelle Pfeiffer. It employs 100 agents in Los Angeles and 70 others at its New York office.

The defections come at an especially sensitive time for ICM, however. It recently lost as clients actor Hugh Grant, comic Billy Crystal and actress Sharon Stone, as well as directors Adrian Lyne and James Cameron. Hollywood’s most powerful agency, Creative Artists Agency, has been aggressively pursuing a number of important ICM clients.

Greenblatt, Strickler and Emanuel came to ICM in 1992 when their boutique agency InterTalent was purchased by the larger firm. The three agents never adjusted to the big-agency environment, according to several associates. Rosen, a lawyer who headed television packaging at ICM, joined the agency after working as a television executive at Orion.

Sources said Rosen and Greenblatt had contracts that would have expired in May, while Emanuel and Strickler did not have current contracts. Those sources said Rosen and Emanuel were in active negotiations with ICM, with lucrative offers for them to stay on.

Over the last month, Greenblatt had discussed his ambivalence about working at a large agency with ICM President Jim Wiatt. The company had offered to make Greenblatt a better deal to keep him at the agency, a source said. Greenblatt and Wiatt

met as recently as 6:45 p.m. Tuesday, at which time Greenblatt promised to give ICM his decision the next day, sources said.

That all changed Tuesday night, when a fellow employees spotted Greenblatt's assistant carrying boxes out of the agent's office at ICM's Beverly Hills headquarters, sources said. The employee called ICM executives.

When it was discovered that files from all four offices were missing, Wiatt then phoned each of the agents to fire them, sources said. Greenblatt admitted that he and his three colleagues were leaving and was told to return the files immediately to ICM. When he arrived there at 1 a.m., he was met by a security guard as well as by Berg, who had driven in from his home in Pacific Palisades.

"This is like a Watergate operation uncovered," said one senior ICM executive.

ICM insiders said that between 12:30 a.m. and 7 a.m. Wednesday, all four agents returned their files.

In the electronic memo jointly signed by Berg, Wiatt and agency legend Sam Cohn, ICM accused the four of taking "proprietary information," adding that the agency's lawyers found the move "actionable and severely damaging."

The memo named the four agents and went on to say in the sharply worded jab, "This group, which could not remain together as an independent company (InterTalent) or adapt itself to this institution, have engaged in behaviour reminiscent of the avarice and greed of the late 1980s."

The development marks further fallout from the upheaval in the Hollywood agency business that erupted in October, 1992, when InterTalent, formed in 1988 by Bill Block, Greenblatt and his former CAA colleague Judy Hofflund, broke apart. Block has long been rumored to be leaving ICM because of internal conflicts with the agency's top management. He, however, is not expected to join his former InterTalent partners and learned of their plan Wednesday morning while in France to firm up an interactive deal.

Block, Greenblatt and Strickler, along with nine other InterTalent agents, joined ICM, where Block had worked four years earlier, and six of their partners, including

Hofflund, J.J. Harris and David Schiff moved their talent business to the smaller United Talent Agency.

A week later, the venerable William Morris Agency bought Triad Artists, a mid-size agency headed by Arnold Rifkin and his partners, whose clients included Bruce Willis and Daniel Day Lewis and a strong music department with such artists as the Red Hot Chili Peppers.

After a series of firings, the Morris agency has stabilized, but United Talent Agency has been more tumultuous. That agency has had growing pains since it was formed in 1991 by the merger of Bauer-Benedek and Leading Artists.

Earlier this year, in January, things came to a head when UTA partners Hofflund, Harris and hot TV agent Gavin Polone informed the agency that they and a few others planned to leave and open their own shop. But days later, the plan was thwarted and the potential defectors agreed to stay on. UTA hired a corporate therapist to work out internal conflicts, which UTA insiders say have subsided but not evaporated.

News of the defections crackled in Hollywood's creative community and over agency hot lines by early Wednesday morning.

"This is devastating to any agency," said one rival agent, adding, "It takes a long time to recover from something like this."