

TV Agents Smackdown: Four Top Sharks on “Destructive” Network Execs, Clients They’d Poach and What a Hit Showrunner Can Earn

In a candid conversation, CAA's Adam Berkowitz, ICM Partners' Ted Chervin, WME's Ari Greenburg and UTA's Matt Rice discuss what they'd change about the development process, why they don't care how many people are watching shows on Netflix or Amazon, and how clients perceive broadcast vs. cable: "You're not going to make \$100 million from a cable show, though you can make \$50 million"

BY [MATTHEW BELLONI AND LACEY ROSE](#)

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“Everyone wants to do television now,” observed [Adam Berkowitz](#), co-head of [CAA’s television](#) department, of the current boom in scripted programming. As the fall TV season began, Berkowitz, 53, had accepted [THR](#)’s invitation to join three of his biggest agency rivals — [Ted Chervin](#), 51, founding partner and board member at [ICM](#) Partners; [Ari Greenburg](#), 42, a WME partner who co-runs its TV department; and [Matt Rice](#), 43, a UTA board member and head of television — for a candid discussion about the state of TV and their unique perspectives on the so-called new “golden age.” Together they represent the creators of [House of Cards](#), [Parks and Recreation](#), [Cougar Town](#), [Once Upon a Time](#) and dozens of other top shows, packaging series and negotiating rich backend deals.

As Greenburg noted, there are now about 300 scripted series that are active, and more than 50 buyers of high-quality programming all are competing for the next [Breaking Bad](#) or [Big Bang Theory](#), leading to unprecedented opportunity. But the boom also has brought growing pains, especially for talent. Digital upstarts such as Netflix and Amazon are challenging accepted deal structures, and writers work longer hours on ambitious cable shows that don’t pay as well as 22-episode network programs. At the same time, the networks say they can’t find qualified showrunners to whom they can entrust their priciest projects. “There are about 60 people who are capable, or approved and capable, of running a show,” Greenburg noted. “It’s why you have a number of people who are running three shows. If you think about the math, [with] a CBS drama, that’s \$100 million you’re handing someone.”

[What’s your biggest frustration with the television business?](#)

[ARI GREENBURG](#) The biggest frustration is the biggest opportunity: a ton of buyers, so there are a lot of people to keep track of. There are 300 projects being produced.

[TED CHERVIN](#) So many of the business models are being reinvented. Certain studios don’t have a template for a certain cable channel. There’s an issue when writers are working on shows and

doing many fewer episodes, getting paid per episode but having extended weeks of work. You do 10 episodes in 40 weeks.

ADAM BERKOWITZ And [it's] weeks until the show's picked up. A lot of traditional studios haven't kept up in the deals they make because they are going based on precedent.

GREENBURG And everybody seems to have just enough great success in the old model to hold onto those precedents. It's hard to tell the people at Warner Bros. to change when they have a show on the air, [*The Big Bang Theory*], that's worth \$2.5 billion.

BERKOWITZ Well, we tell them but they don't listen.

With so many outlets now, how do you determine the hierarchy of whom you prefer to sell to? Is it just money?

BERKOWITZ No, it depends on the idea. A certain idea is more suited to the niche players.

MATT RICE I like to see how they market a show. You can often see the way they're marketing on your drive to work even: the billboards and the buses and the bus stops.

GREENBURG ABC used to buy billboards specifically along [former ABC Entertainment president] Steve McPherson's path to work. (Laughs.) He's like, "Wow, *Pushing Daisies* seems to be everywhere!" It was really only six strategically placed billboards.

CHERVIN The first time I really saw the strength of that in cable was when a client created the [2003 ESPN] show *Playmakers*. I remember going to Staples Center and seeing this massive billboard, and I remember thinking, "Wow, ESPN has so much muscle and they have such a different way of thinking about how they want to market." And that show had a huge cable audience even though the NFL forced ESPN to cancel it.

Do clients now say, "I want to have the first hit at this new outlet," or are they still looking to do broadcast?

GREENBURG I would say 90 percent of the people I work with all want that big cable hit.

BERKOWITZ Five years ago, you wouldn't have said that.

GREENBURG The big surprise is that if you have a big cable hit, you can actually make a fortune as well.

BERKOWITZ It's not the same, though.

GREENBURG Yeah, well, you're not going to make \$100 million, per se, from a cable show, though you can make \$50 million.

Besides Matthew Weiner, who has made \$50 million from a cable show?

RICE David Chase.

GREENBURG There are more than you realize. You can surprise somebody with a backend. I don't think when Fox TV Studios sold *Burn Notice*, they expected that it would have a strip sale north of half a million bucks [per episode]. I don't think Warner Bros. thought they were going to have an off-net hit with *The Closer*. There are certain shows that break through, and there are surprises. Matt and I both have shows on FX on the comedy side, and they're really lucrative. By design, they're produced super cheap, and nobody knew 11 years ago that those shows were going to have a run on Comedy Central or Netflix.

BERKOWITZ *Sex and the City* was the first comedy on cable that had a second run.

CHERVIN But the clients are predominantly artists so they're not making decisions about wanting to be first on a channel or fourth on a channel.

GREENBURG For the clients that have never had a show, the priority is having a show — and having the show they want, no matter where it is. Bravo's going to have its first scripted show shortly. *BBC America* has a big show now, a couple of them. Then, once they've had a show, they want people to see their show and talk about it. You talked about the good marketing story. We've all had the bad one, where a show came and it was over the next day. You remember that when you think about where to go the next time.

BERKOWITZ We were involved with *House of Cards*; we took it all over town. And everyone wanted it. People committed to a pilot; someone committed to a pilot, a writing staff and said they were going to pick it up. And then Netflix committed to 26 episodes. You have to take a chance on something like that, and now going to Netflix isn't scary anymore.

What was that conversation like with the *House of Cards* creative team?

BERKOWITZ There were many conversations. It was a new model. HBO was a new model at one point.

GREENBURG I remember speaking to one of the players on the team, who is not my client.

BERKOWITZ Thanks. (Laughs.)

GREENBURG But I was curious about the whole thing, and his take was, "I hope it works, but I don't have Netflix and my friends don't have Netflix." Now they all have *Netflix*.

But Netflix is the one that's paying huge money. Not every new outlet is, necessarily.

BERKOWITZ *Hulu* just made a huge, huge, huge commitment to *J.J. Abrams* [for a *JFK assassination series*].

GREENBURG Amazon's making full-budget pilots. The pilot they're shooting in Seattle right now, [*The Man in the High Castle*], is one of the highest-budget pilots.

RICE *Yahoo* [acquired *Community* and] is spending more this year than NBC did last year. It comes down to need. Netflix needed *House of Cards*.

Do you care that you don't know how many people are watching on Netflix or Amazon?

BERKOWITZ Not at all.

RICE The only way it's going to affect us is when you get to season four and five of these shows, and they're deemed worthy of lasting. That's the only place where they may have to share some of that information.

GREENBURG It's going to put a lot of power in the hands of the writer versus the producers, the director, the stars, etc. Because even Netflix is going to find that most of these deals for our writer clients are two-year deals, and unless they figure out how to write the shows themselves, they're going to need these writers for season three, four, five. And that's when, if they don't give us the data, we're going to have to make up our own data and that data's going to have a lot of zeros on it, and we're going to get people paid.

BERKOWITZ All of our agencies, our foundations are on backends, and when you sell to a streaming service, and they have a perpetual deal, you don't know where the backend's going to come from because there may never be a second sale. That's a potentially big problem for our clients down the line that we have to address.

GREENBURG The Netflix ratings issue is not dissimilar from what Matt Weiner went through on Mad Men. He was just looking for a way to get the value that the distributor was taking, move some of that into his pocket because he helped define AMC. So if Netflix doesn't want to share the ratings for House of Cards with the people involved in the show, I would start counting the trophies. I would start counting the subscriber base. I mean, it's all public information.

RICE We'll create a new monetary system. We'll hunker down and come up with a system of mathematics, in which the four of us will judge what everything's worth.

Do you feel that the broadcast networks each have a clear identity now?

GREENBURG We all have a pretty good idea of like, "OK, this feels like a CBS show, but we're taking it everywhere to set the market," and then cut to a week later and you're closing a deal at ABC. They're all looking for hits. A lot of what the decision-making is about is: Is this pilot going to get made at that network? Do they like this writer? Who's the studio involved? Does it compete with something else on that network?

BERKOWITZ Do they have a place to launch it?

If you could change one thing about the development process, what would it be?

BERKOWITZ Too many people are involved in making a decision. If you go to a cable network, you will have direct interaction with the president. When at broadcast, because the numbers are so much bigger, you don't have that interaction. You're dealing with the people at the studio, who are telling you what they think the network wants. And by the time it gets to the

person at the highest level, you don't really know what their initial thoughts were, and that creates confusion.

RICE The truth is, it doesn't matter if the senior vice president of drama might love these shows. In the end, it won't get them picked up.

CHERVIN Clients often go in and pitch four networks; there's a bidding war; a network acquires it with a significant penalty; and then all of a sudden in the notes process, they go so far afield from what was originally sold. It's confusing for the client because the client says, "They wanted this badly enough to put this big penalty up against it to get it away from the other networks, but the notes don't seem consistent at all with what they seem to have loved when I went in and pitched it." The leaders are too disconnected from the real nuts-and-bolts creative process, and that anticipatory note-giving, that sort of guessing at what your boss wants, is really destructive.

What is a mistake you made early in your career that you learned from?

CHERVIN I was too nice to my fellow agents. I wasn't aggressive enough.

GREENBURG [I passed on] **Greg Berlanti**. He tortured me for seven years and I got him back. I left some money on the table, but I'm proud to represent him.

RICE I didn't have a ton of composure early on. But eventually it got a lot easier, and I stopped flop-sweating. I mean, I was a pretty big loser. *(Laughs.)*

What was your first big deal and how did you celebrate it?

CHERVIN **Bill Lawrence**, when he created **Spin City** with **Gary David Goldberg**. It's funny how you give advice and then all of a sudden your advice shifts. I remember telling Bill that he shouldn't develop early. He should stay on a show, develop his producing skills and his writing skills. And then all of a sudden, he calls me from his car and says, "Gary David Goldberg says he wants to bring **Michael J. Fox** back to TV and he'd like for me to write the script." And I immediately went, "Well, forget that advice I gave you!"

BERKOWITZ One of the first shows I was involved in that was successful was **Seinfeld**. I represented **Larry David**. He had not really done TV. He had a feature script, and he knew **Jerry Seinfeld**. I went out for all four tapings because I was based in New York. It was **Seinfeld Chronicles**, and they didn't even pick it up until the next year, only 13 episodes at midseason. No one knew.

RICE I was working at Broder with Ted, and **Will Forte** got hired on **SNL** as a castmember.

CHERVIN Matt knew Will from UCLA, and there was some big fraternity brawl or something, and Matt and Will, who were in rival fraternities, were basically the two guys who weren't beating each other up. And that's how they became friends, and then Matt signed him.

RICE Will's girlfriend at the time was a good friend of mine. I was out of college at this very small agency. And I'd just been promoted. I was 23. She called me and said, "Hey, Will's in the Groundlings writing program. He has some stuff. He's too nervous to call you. Would you read it?" I said, "Yeah, I'd love to read it." "OK, great," she said. "Also, it's not funny." Click.

GREENBURG Most of my early years, I sold reality shows, mainly because I was bored and they wouldn't let me talk to the writers. I was driving in, and *World's Scariest Police Chases* had aired on Fox the night before, and we were anticipating a nine share [rating]. This was the dumbest show ever. I can say that because the producers, including my father, may he rest in peace, are no longer with us. And I was driving in, and I pulled out my cellphone and checked the ratings. We used to call the ratings hotline. And it was: "Fox 18-to-49 rating at 8 p.m.: 18.3 rating, 29 share." (Laughs.) I hit it again, and then I called the CBS hotline, thinking, "That's a glitch." We ended up making 100 episodes of the show.

BERKOWITZ And he became his father's favorite child!

What's the craziest thing you've done to sign a client?

GREENBURG I had a writing team for a long time that was on *Will & Grace*. And Scott Schwartz stole the client from me. Scott's an independent agent and he repped their bosses, and I was so upset. The woman in the writing team, Tracy Poust, was a spin teacher in her spare time. I used to weigh a lot more. I was not in very good shape, and I attended her spin class as a way to woo her back. I lasted about six minutes. I nearly died. I had to lie down on the floor of the Sports Connection on Santa Monica Boulevard. And I think she felt bad for me, so she came back.

Is it harder or easier to court and sign clients today?

GREENBURG It's weirdly happening at a much earlier time in people's careers. All of us have probably sat in a room with unproduced non-guild members.

RICE That's the majority of my business! (Laughs.)

BERKOWITZ The thing is, there are so many places to sell, there are not that many people with really wonderful, original voices. Each agency could use a lot more clients that are talented, because that's why the drama shows were selling so sparsely this year at the networks. There aren't that many people who can develop.

RICE There aren't enough talented people. Let's [give out] the address to CAA. (Laughs.)

GREENBURG It's been a little slow at CAA.

BERKOWITZ Do you disagree?

RICE I'm totally with you. If we had 50 more interesting comedy writers, one of them would probably get a job. So it's just really difficult.

What's a recent deal that you really envy?

CHERVIN The *House of Cards* deal: the elements that were involved, the commitment that was made, the caliber of the show. And it was first.

GREENBURG Adam and I worked on the *True Detective* deal, and it was a pretty remarkable thing for that kind of material to throw off that kind of money, and a lot of the money going to the artists involved in the show and not just the studio layer or something else.

BERKOWITZ That changed the model also.

GREENBURG It worked on top of it. I was impressed with the audience for tuning into something so smart.

Which client would you love to poach?

GREENBURG I'd love to be in the *Game of Thrones* business. I think you can sell better when you're passionate about a show, and I love the show.

CHERVIN I love *Justified*. I think *Graham Yost* is a great writer. I loved *Friday Night Lights*. I think *Jason Katims* is a great writer.

RICE *Mike Judge* is working with another client of mine, [*Alec Berg*], on *Silicon Valley*.

GREENBURG He's had the same agent for 22 years.

RICE I would never call him or anything. I just think —

BERKOWITZ But would you write to him? (*Laughs.*)