



## Entertainment *Services*



### Strategic and Operational Finance Experience for the *Entertainment Industry*

Every industry has its own set of strategic finance challenges and nuances, but the field of entertainment can be particularly difficult to navigate. Money and reputations are on the line, and a single poor strategic decision can devastate a studio, production house, or other enterprise. Industry experience can make all the difference.

# We are *Hyper Local*

We know entertainment industry finance, and our entertainment practice is based in and focused on Los Angeles. Our firm includes 55+ Professionals with deep entertainment and media experience in planning, analysis, reporting, industry-specific financial software applications, transaction support and a range of other practice areas.

## Our *Experience*

8020 Consulting provides specialized finance and accounting entertainment services across a broad spectrum of Entertainment Businesses and Segments including the following:

### PRODUCTION

- TV
- Cable
- Theatrical
- Music
- Special Effects

### DISTRIBUTION

- EST and DTO-Electronic Sell Through and Download to Own
  - EHV/VOD
    - Premium Video On-Demand*
    - Transactional Video On-Demand*
    - Subscription Video On-Demand*
    - Fee/Advertising Video On-Demand*
    - Pay per View*
- THV-Traditional Home Video and Physical Sell Through
- Basic and Premium Cable TV
- Broadcast Network TV
- Multi-Channel Networks
- Licensing
- Stores/Retail

### PARKS AND RECREATION

#### CONTENT

- Franchise Reporting

### ENTERTAINMENT CONTROLLERSHIP

- Corporate Consolidations

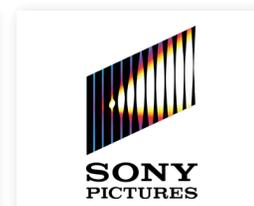
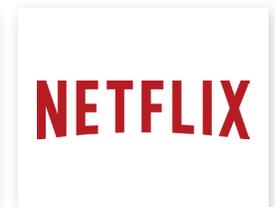
#### LIVE EVENTS

- Event Management
- Live Performance

#### GAMING

- Video Games
- Entertainment Apps

Our team has performed work in the following companies and more:



## Featured Members of our *Consulting Team*:



**Scott**

Scott Longacre is an Ernst & Young CPA with 20 years of finance and accounting experience in a variety of companies including STX Entertainment, MGO, DreamWorks Animation, Awesomeness, Paramount Pictures, Technicolor, DMX Music, Cinetech Inc., and Walt Disney Pictures and Television. During this time, Scott has project managed multiple systems implementations, performed strategic analysis of film and television products, overseen the post-merger accounting integration efforts of several companies, re-engineered short- and long-term forecasts and driven efficiency in process in multiple work streams and functions.



**John**

John Woolard is an Arthur Andersen CPA with over 25 years of experience in both Project Consulting and Executive Management positions in companies including, Walt Disney Studio, Warner Bros., New Regency Productions, Post-Logic Studios, DreamWorks, Virgin Entertainment, MGA Entertainment, Lantern Entertainment, WIIP and Mob Scene. John has served as CFO and Corporate Controller and on a project-basis has implemented a variety of initiatives at all stages of a company lifecycle, including early stage forecasting, controls and financial reporting to preparing a company for sale. John has additionally implemented offshoring and new offices in international territories and has supported the turnaround efforts of several companies.



**Devon**

Devon Coleman is an MBA from the University of Wisconsin at Madison and has 20 years of Financial Planning and Analysis and Data Management experience in companies including, Walt Disney Feature Animation, Warner Bros., MarVista Entertainment and GoDigital Media Group. Devon has extensive experience in the strategy development and implementation of Entertainment acquisitions, Asset valuations, Specialized Financial Planning and Analysis, Model building, system implementations and system integrations of RightsLine with Anaplan and other Enterprise Performance Management tools.



## Examples of *Entertainment Projects* our professionals have performed:

### ACCOUNTING AND FINANCIAL REPORTING

- Provided due diligence and purchase accounting support to the CFO of Worldwide media company both prior to and after the transaction.
- Created and managed the accounting function of a newly created Digital Talent Management business.
- Provided guidance, oversight and support to production cost accounting staff across various content verticals.
- Built Accounting infrastructure for a newly formed \$25M entertainment industry focused joint venture. Included establishing accounting procedures, creating first-year financial statements, reviewing contracts to determine proper accounting treatment and working with operations to establish flow of information.
- Created and maintained revenue recognition models for branded entertainment and licensing revenue streams.
- Researched and advised GAAP accounting treatment on a diversity of transactions including studio acquisitions (e.g., VIE analysis), litigation settlements and ASC 606 Revenue Recognition considerations (private company implementation) for interactive gaming company.
- Researched accounting pronouncements and other applicable authoritative literature to determine the proper recording, reporting, and disclosure of complex business transactions and accounting issues, including acquisitions and business combinations (ASC 805), stock compensation (ASC 718), and the Company's recapitalization, in accordance with US GAAP.
- Prepared monthly analysis and journal entries for certain complex areas and non-recurring transactions including accounts receivable reserves, capitalized production costs, non-standard revenue recognition, etc.
- Recorded and reconciled film ultimate revenues and related production costs, residuals and participations.
- Conducted Post-Acquisition evaluation and assessment of newly acquired Film Company's finance and accounting team and key processes and procedures.
- Integrated newly acquired \$675M Studio into Interactive Media Group, including financial account consolidation, realignment of multiple revenue streams, balance sheet cleanup, JV re-evaluation, earn-out calculation and strategic planning and analysis.
- Built Accounting infrastructure for a newly formed \$25M entertainment industry focused joint venture. Included establishing accounting procedures, creating first year financial statements, reviewing contracts to determined proper accounting treatment and working with Operations to establish flow of information.
- Partnered with the Vice President / Controller of Brand Development Accounting to convert revenue recognition practices from cash basis to accrual basis and continually reviewed and maintained ledgers to support the new recognition method.
- Implemented new reporting processes and chart of accounts for amortization of film rights for producer of live television programing. Developed accompanying reports for staff use while performing the monthly close process, as well as developed reporting for management and executive review.
- Re-constructed Equity Structure for producer and distributor of film and television content from inception (dealing with internal and external Attorney's) and worked with Auditors to ensure understanding and answer all questions.

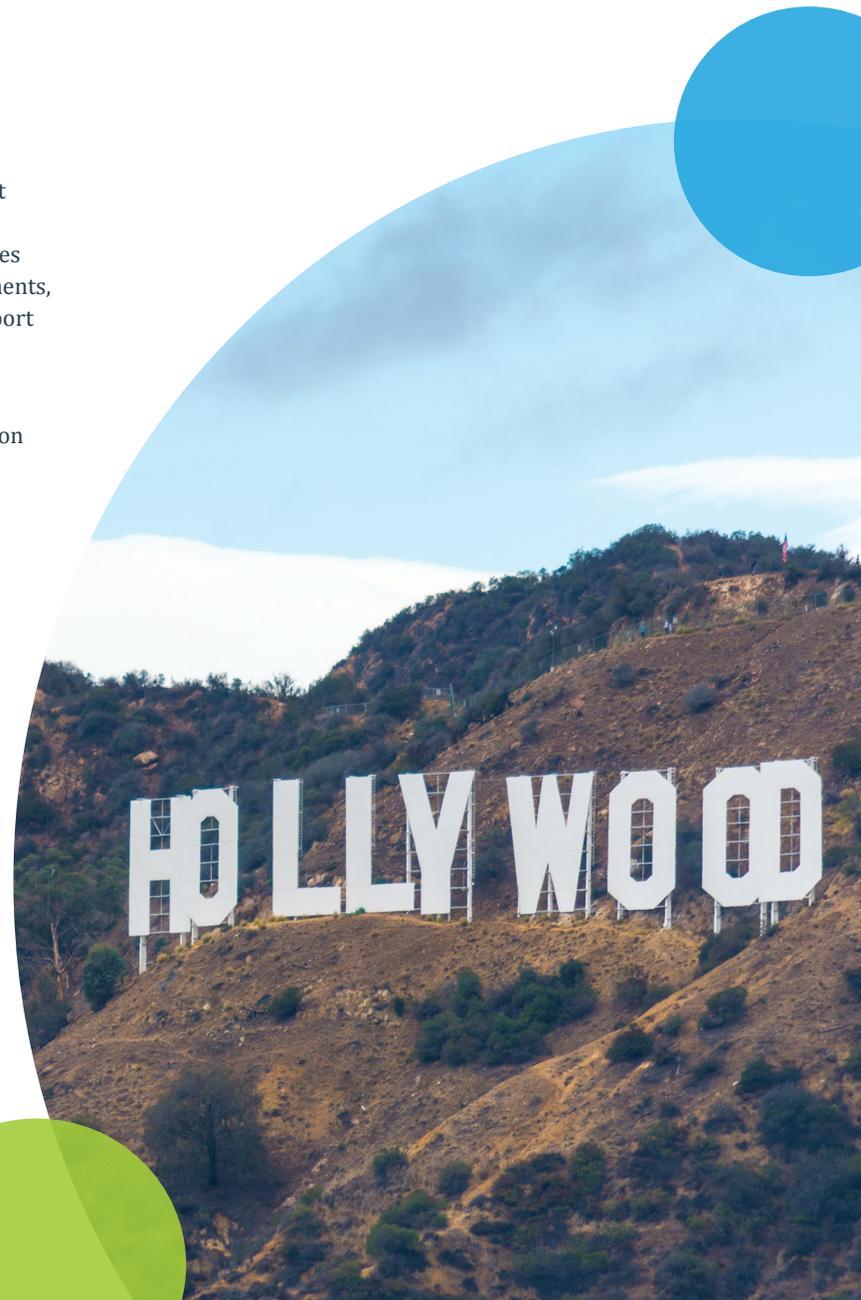
## FINANCIAL PLANNING & ANALYSIS

- Managed the design and implementation of the new character equity and discretionary bonus to talent process for entertainment book and film publisher; this involved senior executives, talent contracts and changes in responsibilities and calculations.
- Evaluated series performance and recommended optimal participations payout to achieve 2 goals: reward talent for past performance and align talents' creative goals with management's profitability goals for future projects.
- Put early stage cash forecasting tools in place, internal controls and financial reporting capabilities for startup TV production company. Worked with investors and private equity group on funding of the business and early stage financing.
- Created production, overhead and development spend budget model and accompanying budget presentation for company investors for early stage production company.
- Led consultant due diligence team that served as financial advisor to a management team on the potential purchase of a media company that had recently filed for chapter 11 bankruptcy.
- Oversaw the compilation of due diligence materials, including revenue ultimates by title and genre, cash flow by title and genre, and revenue by geographic region for a potential equity capital investment. Prepared projected revenue by title through 2027 for all titles in the company's film library for use in determining the value of the film library.
- Prepared valuation model for the potential acquisition of a film library of over 300 titles and an AVOD platform as well as a model to analyze U.S. free TV rights for a library of 53 films for use by the films' owners to determine potential strategic options.
- Created and maintained 5-year cash flow projection model which contained detailed cash flows by show.
- Designed and created annual Budget for Worldwide Post Production consisting of Theatrical, Episodic, Marketing, Mastering and Sound P&Ls (Revenue to OCF) across four international business units.
- Developed and maintained complex analysis and models in Excel to provide key business insights and recommendations partnering with Network, Production and Sales execs to evaluate title profitability for Greenlights.
- Developed detail budget and forecasts for a multi-channel network with multiple revenue streams (YouTube distribution, syndication distribution, brand integration, original IP, and merchandising).
- Leveraged Excel's advanced Power Pivot & Power Query functionality to build custom, easily maintainable "middleware" translating the output of legacy ultimates models into new, driver-based model inputs for upload into a new ultimates solution.
- Heavily-involved with CFO in all Due Diligence Requirements (working with Jefferies and PwC) surrounding the acquisition of the Company by Major Hollywood Studio.
- Provided due diligence and financial modeling support for a joint venture transaction (\$100M combined revenues) involving the Digital Services business.



## FINANCIAL SYSTEMS IMPLEMENTATION:

- Project Manager for Rightsline system implementation, including mapping and documenting workflows for every department through interviewing 50+ employees. Developed scope of work and identified new opportunities for automation and streamlining of processes.
- Served as Interim VP of Finance for a Cable TV Network while simultaneously assuming responsibility of vacated VP of Programming & Production and SVP Finance positions.
- Created a variety of Anaplan modules and or EMP automated processes for growing Entertainment IP management company. Examples: Built Cross-Collateralize contracts module supporting the Contract Balance Administration process. Developed integration processes composed of modules, actions, exports to move data from a Contract Operations model to a Cash Flow model. Created Expense Forecasting Model and Cash Flow Model in Anaplan.
- Designed and implemented backend SAP infrastructure to provide granular flexibility in reporting and research.
- Project Manager for the system selection and implementation of Oracle Fusion (Cloud), including system configuration and segmentation for Entertainment Gaming company. Additionally, implementation Oracle's FP&A tool, ePBCS including Smart View Reporting.
- Created title management process in EPM tool to support system integration of title specific data from Rights Management (Rightsline) and Accounting system (INTACCT) and led Excel-based Residual Obligations Chart migration to Rightsline.
- Developed and tested a Home Video Gross Distributor Tracking database in MS Access that would create journal entries based on sold/returned inventory transactions.
- Designed and implemented new Agreement creation process in Rightsline, facilitating a more accurate way of creating different types of contracts (License Agreements, Amendments, etc.) to more appropriately manage and report on contracts.
- Created Revenue Allocation Application in EPM tool for Residuals Processes. Application uses Gross Domestic Product information to allocate revenue between domestic and international regions. Then the application further segments revenue between media types by analysis of contract media rights. A pivot table process is then used to create by Payroll House Excel tabs of a titles per region and media type revenue.



# Bring in the Entertainment Finance and Accounting *Experts*

8020 Consulting applies the intellectual capital, technical expertise and energy of our team to address a range of financial projects for clients ranging from Fortune 50 companies to middle market and venture backed firms.

We believe even one highly skilled and focused individual can make a huge difference. Our financial and operational experience, backed by effective methodology created by our team of nearly 100 professionals, supports value realization and certainty of closure. Please contact us directly for more details.



For more information, *contact:*

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## “Operational Finance in Entertainment” *ebook*

For more on Entertainment Finance, download our “Operational Finance in Entertainment” ebook, offering best practices for competitive mid-level entertainment studios.

