

HOW IT ALL BEGAN...

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MOVIEMAKING IS A FAMILY AFFAIR FOR THE PAULS

They do it all – acting, writing and producing

By Jane Birnbaum

Some People tape their children's doodles on their office walls. In the halls of Paul Entertainment Inc. on the Sunset Strip, hang framed articles, clipped from New Yorker magazine, about Steven Paul. This movie production company is a family affair.

In business since 1978, the Pauls have produced two pictures. And the company, which only went public a year ago, has two more pictures slated for June release – the completed "Emanon," and "Never Too Young To Die," now receiving sound effects and music.

A lot of companies say they're going to make a movie – but to say that and get it in the can, there's a big difference," says Joseph Di Lillo, chairman of Drake Capital Securities, which makes a market in the over-the counter stock. "To be a success, it's very important to have a company geared together, and not a lot of egos."

The Pauls do parcel out the duties. Steven, 27, is president. Stuart, 30, vice president for casting. Bonnie, 24, acts.

Like most entrepreneurs, the Pauls wanted to do things their way. They succeeded, thanks to a money-wise father and well connected actor son.

In 1971, the Pauls visited L.A. from New York when child star Steven acted in the movie version of Kurt Vonnegut's "Happy Birthday, Wanda June." The next year, they moved to L.A. to make movies. Hank Paul, who'd sold insurance and mutual funds and worked for a financial planner, convinced a group of doctors to invest in wife Dorothy's casting agency.

Hank Paul claims the lack of a show business track record wasn't an obstacle. "It's very similar (to financial sales) – putting together a presentation, having a product or service, packaging and approaching people," he says.

Meanwhile, Hank Paul kept flying back to New York for jobs to support the family. And he started to write about growing up in New York.

In 1976, Steven wrote a half-hour film based on his father's writings. "Memories Are Not Enough" would be the basis for a feature picture or TV series. Hank and Steven, using money he'd earned acting, put up \$25,000. To keep costs down, Steven talked people he knew into lending them cameras. And actors with Dorothy's agency worked almost for free. Stuart starred and Steven directed and produced.

Steven had worked with actress Susannah York in "Happy Birthday, Wanda June." From the start, she committed herself to starting in a feature version of "Memories Are Not Enough." That helped Steven get in the door when he shopped the property around town, looking for a deal.

When nobody was interested in Steven as an 18-year old director, “we were left with one choice,” Hank Paul says. “Let’s do it ourselves.”

The Pauls decided to beef up their portfolio. Steven Paul knew Vonnegut from “Happy Birthday, Wanda June” and wanted the rights to “Slapstick” when the book came out.

Getting the rights was “quite easy because Vonnegut liked me, and I knew his attorney,” Steven Paul says. By installments, he paid Vonnegut an amount “in the six figures” for an option that converted to a purchase.

Then Steven Paul shopped two projects around town. “Everyone wanted the whole thing for half the money,” he remembers. “We decided to finance it ourselves.”

They started with “Falling In Love Again,” based on the half-hour movie. Hank Paul introduced Steven to a group of doctors who, in a limited partnership, provided about 35 percent of the \$3.2 million budget. Salary deferments financed the rest.

With Susannah York working for union scale wages and deferred payment, the Pauls started shooting. They had some actors lined up for the leading role, but they wanted Elliott Gould, who demanded cash up front.

“We told the doctor (a key investor) and he said, ‘Lets’ go for Gould,’” Hank Paul recalls. “That’s when he started to help us raise the money” from other doctors. Gould got \$200,000.

After completing production, the Pauls sold their movie’s cable and video rights. But the distribution company folded soon after opening it theatrically. By the time the Pauls retrieved the theatrical rights from bankruptcy court, “Falling In Love Again” had already been seen on cable and video.

For “Slapstick,” Steven Paul courted Jerry Lewis for months. “His manager knew me, and once I got in the door, I started my tapdancing.” Finally, Steven signed Lewis with \$100,000 up front.

With Lewis on board, Steven was able to presell “Slapstick” to cable and foreign distributors before production began. “Presell is the crux of how we’ve lasted,” he says. For the \$2 million “Emanon” and \$5.2 million “Never Too Young To Die,” presales covered 75 percent of both budgets before shooting started, Steven Paul claims.

Since going public, the company has reported no revenue. But Steven Paul confidently predicts that “Never Too Young to Die” will clean up at the box office like a “young Rambo.”

In the future, the company plans to reach more often outside the family. Actor Jon Voight has agreed to star in the movie he’s writing with Stuart Paul.

Inscribed on a napkin, the Pauls and Voight have a “spiritual contract” to “love, respect, and protect each other’s psyches,” Voight says. To satisfy the lawyers, they have other contracts.