

**EPISODE 741**

[INTRODUCTION]

[0:00:35.5]

**FT:** Our guest today started making films in the 11<sup>th</sup> grade. Fast-forward, he's a director on hit shows like Blackish, Grownish and even Grey's Anatomy. Welcome to So money everyone. I'm your host, Farnoosh Torabi.

When we think of the film industry, we think big Blockbusters, dazzling movie premieres. Who actually pays to create these movies and how does a young up-and-coming film maker with no money actually break into the industry?

We're conversation with Pete Chatmon on So Money today. Pete started making films in high school and through a lot of hustle and persistence, he raised half \$1 million for his first film, hit a thousand dollars of his own money in the bank at the time. Since then he's gone on to direct well-known shows, including Blackish.

Pete and I talked about how he got his start in the film industry, how he keeps his integrity in an industry that is full of compromise, the grit required to make it in the industry and the financial realities of launching films.

Here is Pete Chatmon.

[INTERVIEW]

**FT:** Pete Chatmon, welcome to So Money. It's great to have you on the show.

[0:01:46.2]

**PC:** Thank you for having me on the show, Farnoosh. It's a pleasure to be here.

[0:01:49.6]

**FT:** You hav a very smooth and bold voice. I'm not the first to tell you this.

[0:01:54.9]

**PC:** Maybe the second.

[0:01:56.2]

**FT:** The second. You have a voice for radio, but your work is highly in film, and like so many people who are passionate and successful in what they do, your craft, your love for your craft started when you were young, and in the 11th grade was when you produced your first sort of mini film. When you look back on your journey, what was it about film that drew you to this medium? I mean, you could have pursued a lot of things, I imagine, but you really – You kept with fom, and that was kind of a first love it seemed.

[0:02:29.7]

**PC:** Yeah, it's interesting. Because i don't know if you can identify it early on when what attracts you to something. But what i knew was when I took the filmmaking class and made my super [inaudible 0:02:43.5] films, that the language of filmmaking was intuitive to me and I was doing things that my instructor told me were like indicative of knowing how to make a film, even though there was a lot to learn, they'd always be one or two little things where it was like, "Wow! That's a really good choice that you made there. So that kind of support compelled me and propelled me forward to think that I could accomplish it coupled with familial support and my own personal drive.

But I think that what I was attracted to was the opportunity to put forth images that would, I guess, kind of make my own experience real in a way on a larger platform, because they say whatever you see becomes your reality. You know what I mean? So if I could have a hand in getting the perspectives of different characters and what we typically would see on film or TV

out there for people to consider, then I felt that I'd be doing my job and adding something to the conversation.

[0:03:56.3]

**FT:** Yeah, and it sounds like you had a lot of encouragement, which goes a very long way when you're young and vulnerable and experimenting. You had people who were identifying your talents. I want to ask about the financing of filming and business of movies, because I'm so curious about – I mean, at this point I've had a few directors and actors on the show and I always want to know what the inspiration is for the types of narratives that they pursue, and you've done documentaries, you've done episodic work, you have film. I'm sure you have a million ideas that are running through your head all the time, but when you get the idea for your next project, what in you says this is a film first and foremost and I need to do it.

[0:04:42.8]

**PC:** Great question. What I noticed because often times like when I first started making the pilgrimages to Hollywood to have meanings, there was great confusion a decade ago about what I did. It's like do you write? Do you produce? Do you direct? Which one? You can't possibly do all three, and you can't possibly do documentaries and narrative and music videos and all these things, and that's kind of changed. But what I worked to reverse engineer in looking at the things that I was attracted to, I found that it was always about the pursuit of the American dream and who you are as a person or a character in a project affects that pursuit.

For instance, like my first feature that I did that I raised half a million dollars called Premium, that was about this struggling black actor trying to find his way and build a career while maintaining his integrity on the path what he hoped would be success in Hollywood. And at the same time, it was about the most important person that you don't end up and how you have this relationship that you kind of you run up to the 99 – You run 99 yards, you get up to the one yard line and then you kind of both recognize that you're not the one for each other. It's not necessarily sad. It's kind of hopefully, because without that experience you wouldn't be prepared for whomever you end up with.

So that character's pursuit of the American dream is being an actor had a unique path because he was black. Then there's the documentary I did about black tankers in World War II, which could seem tangential and very different from anything I've done before, but when I thought about it later, I recognized that these gentlemen went to war fighting for rights that they didn't even have in America with the hope, assumption and believe that they would have those rights when they would get back home and they've no longer be second-class citizens. I feel like even a lot of the TV shows that I'm tending to get hired for now kind of share the same pursuit of the American dream anchor. I mean, I just binged watched Shameless in preparation for an interview coming up, and it's the same thing. They're not black. It's a family, the Gallagher family in Chicago with the patriarch who's an alcoholic an everybody's trying to best to make it happen with what little they have, and it's the same deal. I guess it's a bit of the underdog and it's a bit of like putting a lens on that pursuit.

[0:07:31.6]

**FT:** You mentioned Hollywood, and we all have our thoughts about what it must be like to be inside Hollywood and can feel sometimes that it's not the most accepting place, and I recently interviewed a female director, Kari Skogland, who works on Handmaid's Tale, and she's done amazing work. She said that her way of, to your point, keeping your integrity. One thing that's helped her navigate her career is to, and I quote her, "Work with elegant people."

So I want to ask you, what's been your way of consciously trying to – I'm sure it's a conscious effort sometimes to like make sure that you're staying true to your craft, your keeping your integrity.

[0:08:14.7]

**PC:** Right. Yeah, it's funny how – And I beat this horse to death, because I just gave a talk at UCLA this week and there's all these questions about like, "How do you do it?" "What should I do?" "What's the path?" It sounds like BS, but a few years back, I made a conscious effort to try and get back to what it was that excited me when I first picked up that camera in 11<sup>th</sup> grade and trying to reframe at least my own projects through that prism.

So when I made the short that I've done this feature that we've shot in 2005, it got distribution, limit the actual distribution and premiered on Show Time for cable. It was on Walmart on DVD, then on Netflix, then I kind of spend all these time trying to write things that I thought would sell. None of which did. So I kind of got to this place where I was like, "You know what? I got my production company. We're doing branding content. We're doing okay. Why don't I just go and make something for me that is a representation of my skillset today telling stories that are of interest to me. If nothing else, I'll have a YouTube link that I can watch late at night and say, "Yeah, that's pretty good."

The irony is that, that short film propelled my career forward more than anything I've done. And it was the most kind of selfish projects that I had ever made. So I think that it's about finding ways to either make projects of that nature for yourself or support people, like Kari said, work with people who are elegant, support people who've been making projects in that design, in that spirit, because then you're going to be working with folks who care about what they're doing and are looking for you to help elevate it, and it's all being done in the interest of something that's not Hollywood.

[0:10:43.8]

**FT:** Well, and you can't really get behind it so much so that, to your point, this short film that you worked on, that you were so in love with, that you probably went out there and talked endlessly about with such vigor and passion. It got to the next level, because you were just that much more behind it.

[0:11:01.8]

**PC:** Right.

[0:11:01.8]

**FT:** The movie, Premium, was your first feature film and you raised half a million dollars for it, and this is, I read, when you had less than a thousand dollars in savings. So what did you do to convince people to give you money?

[0:11:15.3]

**PC:** Well, it was literally just about – It was about selling. I'm always trying to figure out how to best distill what could be a long answer, but I think that with anything, and maybe this might best apply to your audience. I think with anything, unless you're selling something that sells itself, then you are really selling people on you. So what I've found was that the product was Pete Chatmon, so to speak, and the project was Premium.

So what I needed to do was to show folks that I had the ability to complete this project, the passion and also the support. That was kind of like step one. Then it's like – This isn't like a totem pole. I think these things exists on the same plane, then it's like taking the same care and making the script as good as it can be and mastering the craft, surrounding yourself with people who can help you elevate the project.

[0:12:27.2]

**FT:** From your life as a producer and a director and a film maker, I'm sure there's lot of budgeting that goes on with that. Have you been able to make parallels in how you budget for films and how you budget in your personal life?

[0:12:42.8]

**PC:** Oh, most definitely. I mean, the running joke within the family is how I live off of a spreadsheet, because there were a lot of lean years in the interim of raising money for films, and even after the film. I did not get rich off of my film. For the six years spent raising money for it and producing it and then completing it, I paid myself \$15,000. So divide that by six, it's like ridiculous, right?

So you need to, as an artist in my mind – This is a universal thing. You need to live within your means if you want to be able to make decisions that are not guided by financial desperation, right? Then you end up making – Like that's how you end up making films and doing TV shows that you relate, in my case. So I would have a spreadsheet – I actually literally just updated this

spreadsheet this week since my life's changed a little bit with all the TV shows I've been booking.

Yeah, I mean, I calculate what are all the monthly things, but then also what do I forecast in saving? And I remember reading, I think it was *Rich Dad, Poor Dad* and he talked about pay yourself first. So don't do all your bills and then be like, "I have \$12 left. That's for me." Every month say, "I'm going to –" and if I rewind back a decade or so more, it's like, "I'm going to save \$125 out of every check. That is not getting touched, and then I'll pay my bills." You know what I mean? And changing your perspective around it while at the same time using said spreadsheet to really track everything, because you'd begin to see how much money can slip through the cracks on things that you don't even recognize you bought.

I mean, the classic thing is you'd go to Starbucks every day for a month and you're a couple of hundred dollars lighter in your pocket.

[0:15:08.2]

**FT:** What's your biggest sort of splurged – What's one thing that you have to consciously curb to avoid getting into that hole?

[0:15:16.3]

**PC:** That's interesting. I mean, I've come to the place where I would rather spend more money on something quality than something that's inexpensive, but I'll be replacing it for my entire life. So I've got a watch that was not cheap at all. But I've had that watch for 13 years.

[0:15:43.1]

**FT:** I think you should call it a time piece.

[0:15:45.8]

**PC:** Yes, a time piece.

[0:15:48.6]

**FT:** That you're going to pass on to the next generation. It's an investment. Oh my God! That's money. So now you're working also with big networks, and I'm curious what it's like to negotiate now your sense of self-worth and your worth to these networks, because before, you're raising your own money, you're paying yourself, but now you're asking for a salary. So how does that work?

[0:16:12.7]

**PC:** Tell me if I'm getting too inside baseball here.

[0:16:17.1]

**FT:** No, please. The more inside baseball, the better. We like it here.

[0:16:20.1]

**PC:** Okay. It differs a bit between film and TV. Now, with TV being a writer's medium, it's the writer/creator of a show is two years typically at a minimum before you ever see an episode of that show. So by the time it's aired and they've made the pilot and they're looking for episodic directors, it's not about you as a director. You're just kind of there, and I'm not minimizing it, although it sounds like it, but you're there because they're making 24 episodes of this and they couldn't possibly do it all themselves. While one episode is prepping, the other one is shooting and it's just this kind of assembly line of production.

Because of that, because it's not like you don't have to hire Pete Chatmon to get a quality episode of *Blackish*, right? The writing is there. The actors know their lines. So I make sure that episode might be better than someone else, but the show will go on. So the way it works is there are set rates for directors in television. It's not a negotiable thing.

So you just know like for an hour-long or a half-hour long show, you get X-amount and the amount differs based off of, if it's basic cable, it's obviously going to be a little bit lower than broadcast. Broadcast is going to be higher, because they have more commercials and advertising revenue to dictate what those rates are. A show like – I don't know, like a Blackish, may spend 4 to 5 million an episode, I'm assuming. Then a show on cable might spend under 2.

So then when you get to cable, premium cable, like HBO, it's going to be dictated not by broadcast or basic cable, but by the pay cable scale is going to differ based off what the budget is. So if the budget's over X-amount, you get this much as a director. But you're not negotiating that.

So you'll see a lot of times that the promise land for director is to do pilots, because when you do a pilot, which is basically the first episode of a show that it gets produced and shot and presented to the network for them to decide whether or not they want to move forward with the show, the pay is a lot higher on that for director, almost three times higher, and you also will participate in the residuals of the show over the life of the show, because you had a hand in the design of the visuals of the show, versus when you just come later down the line and you're executing on a visual bible, so to speak, that's already been cemented.

[0:19:30.4]

**FT:** That is a lot of info and detail. We like that. I mean, I didn't know that. I know pilots would necessarily earn you more than a show that's already in series and airing. Interesting. I guess that's good, because it's a lot of risk. You do all these work and it may not even air. So you may as well make a nice paycheck.

[0:19:51.6]

**PC:** Yeah, exactly, and you're really making – Certain shows, every show is different. Some shows are shoot handheld. Some shoot on certain lenses. Some have different kind of pacing. But when I show up, for instance, I'm already been booked for two episodes of Blackish. I'll be doing the second episode of season five. I'll get the script, set to there. I know what it looks like

and I'm doing a lot as a director, yes, but I'm working within the kind of creative confines – Not confines, but the creative structure, landscape of the show.

Now, on feature films, that's a different thing. There are minimums there, but then you are able to obviously ask for more based off of the success of your prior work. So if you'd take like M. Night Shyamalan, like he had made three films prior to the Sixth Sense, and after – Yeah, nobody really knew that. But when that film – After that film got made and was a huge success, his next film, he got five million for the script and five million to direct. So you'd get a bit of retroactive pay, but you're not going to work as often. People end up on certain career paths. I still work to do everything, from film, to TV, to documentary, to branded and commercials. But with every endeavor you're having to – People are thinking you only do one thing.

[0:21:42.4]

**FT:** Right. Yeah, they try to pigeonhole you. We haven't even really touched on your upbringings. We always talk to guests. I love talking to guests about their upbringing and kind of the financial fabric of your childhood, and our sponsor is Chase Slate, and they did a really incredible study about parents and family and money and they discovered that over half of parents have had a conversation about money with their children, or at least they say they do. So what was your experience learning about money as a kid? Who taught you the most and what was the biggest lesson?

[0:22:19.8]

**PC:** That is a great question. I feel like – Well, let's see. I've always been like a pretty – I don't know, inquisitive person. I remember, I had an allowance and I would have to – If I ever wanted a raise in the allowance, I would have to submit – My mom made me submit it into writing as to why and how much. I appreciated that because it was getting a sense of things are actually negotiable, right? You don't have to just take what's given to you. I think a very important lesson, I had like a very small nominal fee that my sister and I would be paid for grades. It was like \$10 for an A, \$5 for a B. You know what I mean? Then nothing else. To me, I was like, "Well, I'm going to get all those \$10 payments that I can," and that was like an interesting incentivization.

You could argue, “Oh! You should be getting good grades anyway,” but if you’re going to supporting your kids, given the money would go to movies anyway. You might as well –

[0:23:31.7]

**FT:** Tie it to something.

[0:23:33.2]

**PC:** Add some ramification to it. That triggered me more than it might have my sister. The people responded differently to that. That’s something that you learn too, right? Not everything is – One person’s incentive is another person’s. Yeah, whatever. I guess those were drivers. I mean, both my folks were – My parents were entrepreneurs. Went [inaudible 0:23:54.1] and I think that is why I was able to have the support I did as an artist, because it’s not like we could look to Uncle Spielberg and know that this was a fair pass.

It kind of harkens back to what I was talking about earlier, like people seeing the passion, people seeing the dedication, because I was making films every weekend when I only had to make two a quarter. I was reading all the books that the instructor had – I mean, I bought a VCR with the money I saved up so I could go to Blockbuster video and watch good films, right? I remember Entertainment Weekly had the 50 greatest directors and their 100 best films, and there would be one film that was like widely known and one that was more obscure. I was like, “Well, I’m going to watch every single one of those,” and I bought a VCR to do that.

I think it was –

[0:24:55.1]

**FT:** You kept Blockbuster afloat there for a while.

[0:24:57.3]

**PC:** I kept them afloat for a good summer. I couldn’t prolong or forecast their demise, but –

[0:25:06.6]

**FT:** No. Yeah. Before we let you go, let's do some So Money fill in the blanks.

[0:25:12.7]

**PC:** Okay.

[0:25:12.6]

**FT:** All right. This is when I start a sentence and then you just finish the sentence with whatever comes to your mind. Okay. If I won the lottery tomorrow, \$100,000, \$500,000 a billion dollars, the first thing I would do it \_\_\_.

[0:25:26.8]

**PC:** Payoff all my family's bills.

[0:25:29.7]

**FT:** Oh, that's very nice. Payoff your mortgage, the mortgage, all that stuff.

[0:25:34.4]

**PC:** Yeah, definitely.

[0:25:36.2]

**FT:** The one thing I spend on that makes my life easier or better – It used to be that VCR, but now it's?

[0:25:45.7]

**PC:** Wow! This is going to sound crazy and whatever. I'm totally not doing what you're asking me also. But it's new and I just got this Range Rover and I love it.

[0:26:00.8]

**FT:** Ooh! Good, you're treating yourself.

[0:26:03.1]

**PC:** Yeah, I had to.

[0:26:03.9]

**FT:** Nice work. I mean, in LA too, you're in Hollywood. So your car is — [inaudible 0:26:10.0] all the time.

[0:26:11.1]

**PC:** You just drive around and it's great. It's like the phone — It's like a mobile computer.

[0:26:17.4]

**FT:** Whoa! My goodness. All right. When I splurge, like when you have something that you just drop a lot of money on that you do more than once a year, because it's just kind of a personal thing of yours, it is — What is it?

[0:26:32.9]

**PC:** Vacation.

[0:26:34.3]

**FT:** Yeah?

[0:26:35.1]

**PC:** Yeah.

[0:26:36.2]

**FT:** Is it true, people who work in the film industry – You work a lot of months and then you kind of have a month or a season off. Is that how your schedule is right now?

[0:26:45.5]

**PC:** Yeah. If you have guaranteed – I mean, it's kind of different, because – For actives, it's different. But for me, it's actually as far as episodic directing, it's an all year thing. Because the broadcast stuff will from July to late April, but – I mean, I did *Insecure* over the summer, or it's not even summer yet, is it? I did that this spring. Then there are shows that will be on cable or other basic cable or pay cable that shoot over the summer. You kind of get a sense of like, "Okay. I'm not booked for this window. Let's get out of here."

[0:27:25.7]

**FT:** Let's get out of town. I like it. When I donate, I like to give to \_\_\_\_ because \_\_\_\_.

[0:27:32.9]

**PC:** Hmm. That's an interesting question, and maybe I need to do more charitable contributions, because in all honesty, this has been – I moved out here in May and it's kind of been a bit of an explosion of a career, so to speak, that was unanticipated. So I've yet to get to that place where like now I'm doing that. I'm evolving into the, I guess, income that's [inaudible 0:28:05.7].

[0:28:06.4]

**FT:** Well, this sort of stuff takes like – It takes research, right? It takes time and you want to be thoughtful about your giving. So you have still the rest of the year if you want to make a contribution this year. So thank you for being honest about that. Some people might just ramble off an answer, and just because it sounds good to say that, but it may not be true. I don't think anyone on our show has ever lied. It's not what I'm saying. But you know what I mean.

[0:28:32.6]

**PC:** But I'd think about it. I could tell you, the principles that I'd be looking for, it would be somewhere that has a direct connection and relationship and track record with whomever they are servicing. So not organizations that are deciding what people need, but organizations that are working with folks to determine how to meet the needs they say they have.

My production company, in fact, maybe not that I'm thinking about it. That's kind of some facet of what we've done. We have a lot of nonprofit clients, because my company does videos and branded content and just visible assets for companies large and small, and a lot of times we work with nonprofits and do things at a lower cost, because they don't have the ability to maybe charge additional budget, but we know how important it is for them to have the assets they need to go raise more money.

So this company, Dress for Success, is one where they help women get back into the workforce by initially giving them something to wear on their first interview. But then it transitions into support services that help them prepare for working in corporate America. It would be something like that.

[0:30:04.7]

**FT:** That's great. Yeah, we love Dress for Success here. Last but not least, I'm Pete Chatmon, I'm so money because \_\_\_\_.

[0:30:13.4]

**PC:** I'm Pete Chatmon, I'm so money because I'm dedicated, passionate and will always find a way to reach the goal.

[0:30:20.9]

**FT:** Love it. Congratulations on all the whirlwind success you've experienced, and you're just in the early days and stages of what is a long, long career. I anticipate a lifetime achievement award in your future.

[0:30:35.1]

**PC:** Thank you, and congrats to you. I mean, it's a great podcast and it's information that folks need to be around. I thought this, but I didn't add it. I think when you asked me about what kind of financial step I may have heard or been introduced to growing up, and the thing that I thought about like how important that is to have the access to that information, and there are kids growing up now who it's dinner table conversation. So they don't even realize they're getting an education with something that's so vital. But I often think about like if someone would have sat me down and really just basic, like, "Here's what it means to have a credit card and here is what it means when you swipe it or give them the number and buy that thing," because at the time when I went to college, you went and bought your books from the bookstore at NYU and there were credit card applications in the bag.

So then I got my first credit card and I'm getting Chinese food because I don't want to go to the dining hall, and "Oh, yeah. Let's go do this spring break thing." Eight years after college, you're paying for that trip to Cancun that you did seven years ago.

[0:31:58.1]

**FT:** Oh my gosh!

[0:31:59.2]

**PC:** So I feel like that kind of – Being around that conversation, being able to have unfiltered and honest conversations about finances and money is very important. So what you're doing is a great service and resource for people.

[0:32:16.9]

**FT:** Thank you. We couldn't do it without conversations like yours, so same to you. Pete Chatmon, thank you again and have a great week.

[0:32:25.5]

**PC:** Thank you.

[END]