

The cover features a vibrant illustration. On the left is a green alien with a large head and a patterned collar. In the center is a young boy with glasses and a green t-shirt with a speech bubble containing an eye. On the right is a man in a yellow and black plaid shirt and blue jeans with a large gold belt buckle. The background is a dark blue gradient.

SF

WEEKLY

Wild Brain
coming through!
The kings of
San Francisco animation
are pushing their way
to the front.

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NIMBYs versus
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THAT COULD

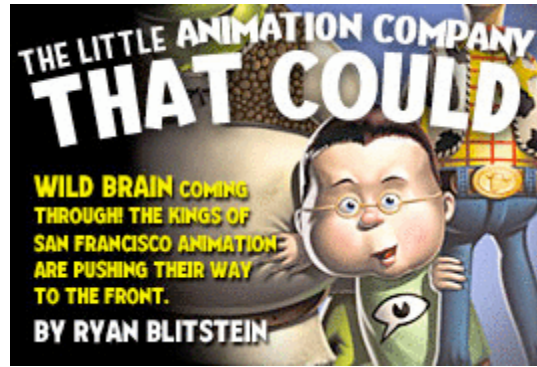
By **RYAN BLITSTEIN**

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The Little Animation Company That Could

After struggling uphill in the difficult yet potentially profitable world of computer animation films, Wild Brain is on the cusp of success

By Ryan Blitstein

Wednesday, October 12, 2005

One at a time, the technical directors trudged up the stairs to the top floor of a converted condo loft in the Mission and into Nina Rappaport's office.

"Nina," they said, "we're on schedule to finish by July."

July was unacceptable. Unacceptable! Rappaport couldn't just let the production drag on an extra three months. That would be like *burning* money.

Wild Brain, the animation company headquartered just around the block, had rented this space for Rappaport and the rest of the crew. She received simple instructions from her bosses: Take 20 employees, work like dogs for just over a year, and produce an award-worthy computer-animated film. On time.

July would be far, far too late. That would mean blowing the deadline for submission to all the big film festivals. To get into Annecy, the world-renowned animation festival in the French Alps, the movie had to be finished by March.

"March?!" the technical directors responded in frantic disbelief. "We can never get it done by March!"

Rappaport knew they were wrong. She *knew* they could do it.

She sat in her chair, between a high-powered desk fan and a 3-foot-tall replica of a dinosaur skeleton, listening to them gripe. She had to -- she was the producer. Phil Robinson, the director, was fantastic when he was around, but he was a co-founder of Wild Brain and sometimes had to spend time in the main building heading up contract projects to pay the bills.

As deadlines loomed, pressure mounted. There wasn't much breathing room for the technical directors, animators, and producers, squeezed into the 1,500-square-foot live-work space. The film editor and his Avid machine were stuck in a laundry closet. There were so many workstations and so much power used in the building that during the previous summer's rolling brownouts the temperature inside often reached 100 degrees. By the end of production, most animators were pulling 12-hour shifts. Some worked all night long. One was practically addicted to Red Bull.

Rappaport, a straight-talking New York transplant, became a harsh voice of reason for her more mellow Californian employees. "Guys, go back downstairs and try it again," she said, referring to their target date. "Then get up here with some real numbers. We need to figure out why you're coming up with July, and then we need to fix it."

That spring of 2001, through hard work and perseverance, Rappaport and Robinson's team finished on time (March) and on budget (under \$3 million). The result was a 17-minute short film called *Hubert's Brain* -- a twisted tale of a science geek who befriends a talking brain-in-a-jar. It won a heap of international animation awards and landed among the 10 films on the Oscar shortlist.

"What we did was almost impossible," says Rappaport, who left Wild Brain this spring to pursue independent projects. "It was a room and it was like, 'OK, let's make a movie.' It was crazy. It was awesome."

At long last, after seven years, millions of dollars, thousands of hairs lost and even more gone gray, Wild Brain finally got its big break. The only question was whether a Hollywood studio would finance a full-length version of *Hubert*, or fund production of another Wild Brain feature film.

Robinson flew down to Los Angeles to screen *Hubert* before Harvey Weinstein, one of the most intimidating moguls in the business. The Miramax co-chairman was so impressed, he set contract discussions in motion immediately. Weinstein called his financial team into the room and said, "Get together with these guys and start talking."

Robinson remembers: "I came back on the plane thinking: 'Hey, we're on the fast track here.' Then it all kind of went into lawyer land."

That was almost four years ago.

The two companies didn't even strike a production deal until last year. *Opus*, the first project they were to collaborate on, is on hold indefinitely.

It's just one in a long line of almost-there sagas for Wild Brain, the company that has been touted as animation's next big thing for more than a decade. Robinson and his partners have spent years dancing with Paramount, Disney, Fox -- practically every significant studio in Hollywood -- in the hopes of making their first original feature film. Not one has entered production.

Yet Wild Brain has as much potential to break out now as ever. The company has a lucrative television-commercial arm and a highly rated show on the Disney Channel, and has scored \$40 million in venture capital over the past several months to help finance its own films. Two weeks ago, Charles Rivkin, the man who rescued the Jim Henson Co. from near-bankruptcy after its namesake passed away, became Wild Brain's CEO. Although he's its fourth chief executive in three years, Rivkin is the first who brings a reputation of generating millions in profits without sacrificing respect among his creative employees. If there's anyone who can capitalize on Wild Brain's burgeoning success and erase its past failures, it's Rivkin.

Wild Brain is among a host of companies in the city that fit into a much-hyped, amorphous industry known as digital media, which comprises computer animation, special effects, and even video games. Because digital media could bring jobs, tax revenues, and a just-plain-cool industry to San Francisco, everyone from art students to Mayor Gavin Newsom is promoting it.

This isn't the first time Wild Brain has been poised to take off, nor is it the first time San Francisco has been anointed the Hollywood North of the future. The company has already weathered two similar boom-bust cycles that also spawned myriad flash-in-the-pan companies in the city: multimedia software and Internet animation dot-coms. This time, Wild Brain is leading the charge in an industry whose future remains promising yet hazy. If the outfit is to make its long-anticipated first film, Rivkin must do two things at once: rekindle relationships with the Hollywood studios that hold financing and distribution power, and prevent those same corporations from crushing Wild Brain's creative spirit. Only one independent company -- Emeryville's Pixar -- has successfully balanced those two priorities, but if Wild Brain and its cohorts follow a similar path, the payoff will be immense.

It's easy to pass by Wild Brain's nondescript, pale green Mission warehouse without taking much notice. Across the street, a 12-foot-high barbed-wire fence protects the Mission Village Market parking lot, soon to become a housing development. The autumn sun beats down on a dusty crane, and plastic bags line the dirty sidewalk. Wild anise grows along the streets, so the neighborhood smells like a licorice factory.

Inside, the small concrete lobby has a receptionist-less desk, a trio of wooden, foot-tall human models standing on platters of fuchsia sand, and framed stills on the walls from Wild Brain shows and commercials. On the fourth floor, the elevator doors part, revealing a living, breathing, multicolored cartoon of an office, two stories tall. Nearly every desk, every door, every cubicle wall is bathed in drawings, character studies, animation stills, posters, photos, action figures, and 1970s lunch boxes. One wall has an oversize, circus-style poster advertising "San Francisco's Historic Wild Brain," with a giant mouse and crocodile riding horses in full cowboy regalia. A few feet away, a set of drawings shows Jay and Jasper, a donkey-and-dragon pair, in a series of poses: "happy

smile," "pleading," "doubtful/apprehensive." It's only pencil on white paper, but the faces look real enough to touch. Underneath the art, even some of the cubes themselves are painted green and red. While the sights are visually arresting, though, the office is almost deathly quiet, save the clicking of keyboards and the hum of desktop computers. Most employees listen to music as they work diligently -- it's late afternoon, and supervisors will be around soon to check on their progress.

Near the corner of the office, a young animator with huge headphones covering much of his sandy blond hair leans forward, facing down his computer monitor. An almond shape, brown and peach, hogs most of the display. The animator makes a few clicks, slightly changes the curved line across the almond, then pulls a tab down from the corner. A small spreadsheet, full of numbers, takes up much of the screen. He clicks and drags again. A young girl, about 2 inches tall, appears on the monitor. Her hair is blue and black, and she wears a red-and-yellow superhero jumpsuit with an "L" on her chest. The almond, shrunk down to its actual size, is the girl's eyelid.

She begins to move, bouncing a tiny basketball, then running across the white background. She jump-kicks, then does a flip while running, spins in place, and, finally, curtsies toward the animator. Again, he zooms into her eye, opening and closing the lid, making a few changes, and then runs the sequence in motion.

The whole process takes about 20 minutes. Yet it's just one fix on one eye of one character over a few seconds of action in one half-minute television commercial. There's an immeasurable difference in costs and complexity between a commercial like this and a short film like *Hubert*, much less a 90-minute film detailed enough to fit on a movie screen. Wild Brain has been waiting a decade to rise to the challenge of an animated feature, and like every studio, it's had to start small, slowly working toward that ultimate ambition.

The roots of the modern movie industry in San Francisco go back to 1969, when the young filmmakers Francis Ford Coppola and George Lucas opened American Zoetrope in a warehouse on Folsom Street. They hoped the new studio would liberate filmmakers from what they thought was an oppressive Hollywood system.

It didn't work.

Though film production in the Bay Area has ebbed and flowed, other than Coppola and Lucas, few directors have chosen to produce movies in San Francisco. The city is known industrywide for its high production costs and abundance of red tape, which almost every mayor since the 1980s has tried and largely failed to reduce. By last winter, both Zoetrope and Berkeley's celebrated Saul Zaentz Film Center had all but shut their doors for good.

Over the years, though, a shadow industry developed in the Bay Area, carrying the rebellious torch of Lucas and Coppola: digital media. The companies drew their talent

base and infrastructure from two sources -- Silicon Valley, which matured from a niche business in the 1970s to a major center of commerce by century's end, and the imaginative cartoon and animation studios that have existed here for decades. Through his Industrial Light + Magic (ILM) special effects shop and LucasArts video game division, now housed in the Presidio, Lucas fostered both.

Emeryville-based Pixar, the king of computer-generated (CG) feature films, used talent and technology cast off by Lucas to make movies that grossed billions at the box office. Although Pixar makes the process seem easy, it's a gargantuan challenge to produce these films, and even harder to remain independent while doing so. Redwood City's PDI helped create *Shrek*, one of the most successful animated movies of all time, but couldn't survive on its own. The company was bought by DreamWorks, then was spun off last year as part of DreamWorks Animation.

No digital filmmakers or production houses in San Francisco have even come close to Pixar's achievements, but Wild Brain is one of many in pursuit. In the Presidio, another crop of Lucas expats called the Orphanage is using money earned doing effects for films such as *Sin City* to help bankroll original productions. South of Market, Giant Killer Robots, which worked on *Fantastic Four*, has hired several animators, and rumors abound that it'll soon take a stab at a film.

For a city still recovering from the dot-com crash and the decline of its manufacturing sector, the growth of a new, clean, high-profile local industry is enticing to civic leaders. This summer, Mayor Newsom and Jesse Blout, the city's director of economic and workforce development, established a Digital Media Advisory Council to promote the industry, with Wild Brain co-founder and Executive Producer Jeff Fino as its chair. Their goal is to grow San Francisco's existing businesses and talent into a holistic, fully functioning microeconomy, from vocational training facilities to world-class digital media companies. It may sound like empty rhetoric, but Blout and project manager Jennifer Matz are modeling it on their Biotech Advisory Council, which has already attracted several biotechnology companies and the state's \$3 billion stem cell institute to Mission Bay this year. If the new council succeeds, local digital media companies will mature from service providers for Hollywood giants into major studios in their own right.

"We've toiled away for years," Fino says. "Even if it's been our idea, we've been forced to sell that idea and work for someone else. Nobody wants to be that guy standing outside the display of toys, drinking out of a paper bag, being like, 'I created that, man.'"

Because of heavy production costs -- \$35 million absolute minimum, more than \$100 million for the average Pixar film -- and a multiyear production schedule, it's damn near impossible for a company like Wild Brain to persuade a major studio to greenlight a computer-animated project. Once that happens, though, the money starts rolling in. Of the 100 top-grossing films of all time, PDI/DreamWorks produced three, and Pixar produced five. All made at least \$190 million, and more than doubled that figure overseas -- not to mention hundreds of millions in DVD sales. Even Disney's critically panned *Brother*

Bear pulled in \$250 million at the box office globally, more than covering its production, distribution, and marketing costs.

At the same time, the cost of animation software and computer systems has plunged during the past decade. The only limit on the number of CG movies released is the number of people with great ideas and the skills to realize them. Among the hundreds of films Hollywood released last year, only a handful were animated. It isn't hard to see why some investors are rushing toward companies like Wild Brain, dollar signs on their eyeballs.

Wild Brain rose from the ashes of Colossal Pictures, the famed San Francisco animation studio that thrived for 23 years before succumbing to financial pressures and folding in 1999.

When Colossal was founded, there were four- and five-man animation shops all over the city, working on commercial projects for local companies such as Levi's. Colossal was the first to do work that drew much notice outside the Bay Area. It developed station IDs for MTV that established the network's early look, and won a 1993 Grammy for a Peter Gabriel music video. It contributed special effects and opening sequences to Oscar winners such as *The Right Stuff*. Many future Pixar animators cut their teeth on Colossal's animated series *Back to the Future*, directed by Wild Brain co-founders John Hays and Phil Robinson.

Like Lucas, Colossal inherited the ethos of late-'60s San Francisco. "There was an idealism born out of growing up not within the system in L.A., of being outsiders," says co-founder Drew Takahashi. "We had this wonderful eclectic collection of artists. We got used to the idea of making it up as we went along."

Unfortunately, that sentiment ran at odds with sound business decisions. Colossal failed to produce a big, moneymaking feature or to keep enough cash in reserve. When the Rock and Roll Hall of Fame reneged on a multimillion-dollar project in 1996, it drove Colossal into a bankruptcy from which it never recovered. It's a cautionary tale for a group like Wild Brain, which has been accused of making great art at the expense of sensible financial management.

Hays and Jeff Fino escaped Colossal before the carnage hit, founding Wild Brain in 1994 with Robinson, who had moved from Colossal to ILM a few years before. They pooled \$15,000 among them, with the dream of building a studio to rival Colossal -- and succeed in producing a viable feature. Wild Brain was among more than a dozen Colossal spawn, including companies with names like EyeHeart Art, MessyOptics, and Complete Pandemonium. Most are now defunct.

From the Wild Brain founders' first search for office space, their personalities meshed well. Hays is the creative director, but he's also the company's president, and is a

notorious schmoozer. His salt-and-pepper hair is darker on his head, eyebrows, and mustache than on his chin, lending him a visage something like that of a Siberian husky.

Hays happened to have a friend from Cal Arts looking to rent out space in an old Victorian in the Castro, so the trio moved in.

Fino has always been the public face of Wild Brain's creative team to investors, clients, and the press. Gregarious and self-effacing, he has a shaved head and thin-rimmed eyeglasses, along with the mischievous smile of a kid in the back of the classroom, cooking up a prank to play on the substitute teacher. When the company quickly outgrew the Victorian, Fino and Hays charmed their way into a cheap lease on a massive Mission warehouse that was once the Challenge Butter building.

Robinson, meanwhile, was busy leading the team of animators they'd hired. "I can't be bothered with people, so I just do the art," Robinson says, in the Welsh brogue he's retained through two decades of living in the Bay Area. "I said [early on], 'Look, I can't deal with this shit and draw pictures.' So I've put a distance between myself and the business."

At the time, the area around South Park was a haven for companies working on multimedia CD-ROM computer games. The local press dubbed it "Multimedia Gulch." For Wild Brain, a feature film was still a pipe dream. It needed to pay the rent. So it took contract jobs creating animation for software produced by LucasArts, Broderbund, and others. "My pals at Colossal scoffed at that kind of work," Hays remembers. The Wild Brain team trudged on, often pulling all-nighters to complete a job. Eventually, the company parlayed multimedia success into deals animating commercials for the likes of Coca-Cola and work on television shows such as *Felix the Cat*. Among its claims to fame was the resurrection of the Col. Sanders character for a KFC campaign.

Then, in 1998, the boom hit.

The story of the dot-com bubble is a familiar one, but it transformed the animation industry like few others. According to one estimate, more than half a *billion* dollars was invested in Internet cartoon sites alone.

The CD-ROM was out. Television was out. Film was definitely out. The World Wide Web was in.

Jeff Ulin, who joined Wild Brain as CEO in 1998, tried to keep the company from concentrating too much on a single form of animation. Yet the investors -- from whom he raised \$26.5 million over two years -- pushed the Internet above all else.

Over the next two years, Wild Brain's staff ballooned from about 100 to about 250. It struck deals with Yahoo! and the Cartoon Network to produce animated shorts for the

Web. It launched WildBrain.com, creating oddball cartoons with names like *The Great Big Cartoon Show* and *SID: Space Is Dum*.

"The dot-com age was great for animation, because there were no rules," says Wild Brain director George Evelyn, another Colossal transplant.

In May 2000, Wild Brain accepted a huge venture capital investment. The press release called it a "mezzanine round" -- often the last infusion of cash before an IPO filing.

"We kept asking: 'How are we going to make money?'" Evelyn remembers. "Now, I'm not a business guy, but never did I hear anyone articulate a coherent business plan. We wanted it to go on forever. Deep down, we knew it couldn't last."

It didn't.

The market crashed, the IPO plans were shelved, and Wild Brain shut down most Internet operations by the end of 2000. The company had won several Web category awards in international film festivals, but the millions invested in its Web animation business had produced little return. Fortunately, Ulin had anticipated just such an outcome. In 1999, he had lured Rappaport away from Blue Sky, where she'd produced the Oscar-winning short *Bunny*. Her task was to get Wild Brain's CG team off the ground and, later, produce a film.

While Rappaport, Robinson, and co-director Gordon Clark were working on *Hubert*, Wild Brain coasted along on the strength of its commercial and television business. Ulin knew the film would be his team's one shot at proving it had the skills to make a 3-D animated feature, just as the Oscar-winning 1986 short *Luxo, Jr.* did for Pixar. These lofty ambitions are evident from the moment *Hubert* opens, as it pans down from a starry night to a helicopter and blaring sirens. The animators packed a bevy of imaginative facial expressions among half a dozen characters and several intricately lit, colorful rooms into a film that lasts 17 minutes. Every element seems the result of hours of planning: the caricatured jutting-out of a detective's chin, the bulky telescope Hubert cobbles together from cardboard tubes and boxes, the conical lamp shedding a harsh light throughout the interrogation room.

The 3-D animation in *Hubert* is considerably richer than the traditional cel animation of classic Disney films, though not quite as complex as that of Pixar's movies at the time. Of course, Pixar films cost more than twice as much money per minute, requiring a team of engineers to produce software that, for example, models and then displays dust kicked up by prairie dog paws. The achievement of *Hubert*, though, is the same as that of every successful Pixar and DreamWorks and Disney film: using the art to tell a great story. The tale of Hubert, a nerdy boy who discovers a brain in need of a body, was ripe for dark humor. The character and scene animation set that tone, as did inventive homages to '50s-era film techniques, like a tableau of black-and-white photographs and multicolored, spiraling interludes.

Hubert screened favorably at festivals throughout 2001, and Fino and Robinson spent that year and the first half of 2002 shuttling back and forth between San Francisco and Hollywood, showing it to studio executives. They'd have one meeting, then a follow-up meeting, then a follow-up to the follow-up. Disney's feature animation heads seriously considered turning *Hubert* into a full-length film, then backed off. Nickelodeon and Paramount eventually optioned it, and a treatment was written, but that died, too.

Back in San Francisco, the company had moved into its current gigantic, 38,000-square-foot warehouse on Alabama Street, but the place was mostly empty. Though layoffs had cut down the staff's size, Fino was confident Wild Brain would grow into its new space once it began work on a feature. In between commercial and television projects, Wild Brain's artists were developing concepts for several animated films. If the studios wouldn't give *Hubert* the green light, Fino thought, maybe they would finance a film based on something new. As with previous projects, there was an open competition among the creative team, with everyone from low-level animators to commercial directors submitting ideas. One of the most promising was a retelling of "Little Red Riding Hood" based on the idea that the Big Bad Wolf was actually framed. Like many of the 10 or so projects Wild Brain pitched to Hollywood, it was optioned but remains "under development."

"At times, it felt like a talent display," says Aaron Sorenson, a former Wild Brain animator who developed one of the pitches. "I was never sure how serious [the studios] were. I felt like I was jumping through hoops. I was never convinced that the companies really wanted our ideas -- they just wanted our facilities to play out their ideas."

Wild Brain has yet to discover the perfect combination of idea, script, talent, financing, and studio to succeed in getting a feature into theaters.

"Doing a feature original is so much more complicated than I ever dreamed," says Hays. "It practically takes a planetary alignment. I've seen the planets forming, only to have one of them go in a different direction. It's been a mystical experience how difficult it has been."

CEO Jeff Ulin led Wild Brain to artistic success on the Web and financial gain via television and commercial work, but the feature business failed to live up to his board's expectations. In early 2003, he left the company.

Fino, Hays, and Evelyn sat down in Nancy Kanter's office at Disney. This was big-time. Kanter was, in early 2003, vice president of programming at the Disney Channel. If she put a series into development, it had a good shot at getting on the air. Wild Brain brought her a concept for a show tentatively titled *Naptime*, about a girl who worked through fears and worries in dreams during her naps. Fino, Hays, and Evelyn had practiced the pitch, and brought plenty of concept art and ideas.

Kanter studied the drawings. She discussed the show. Then she calmly told them: "It's a lovely design, but I don't feel it's something we need."

Defeated, they thanked Kanter for her time and headed for the door. Then Hays turned around. "Actually, could we just show you something?"

"Sure," she said.

"We've got these designs and a brief concept. Would you take a look?"

He handed Kanter two printouts. One was a drawing of a cute, egg-shaped character. Like a Russian *matryoshka* doll, the creature was nested into layers, so it could pop open and store items -- including other characters -- inside. In each episode, the egg-shaped kids would travel around Higglytown, solving problems with the help of local heroes like firefighters or mail carriers. Kanter fell in love with the drawings and the concept. She saw infinite story potential in the adventures of these oddball roly-poly creatures.

"I'll buy *this* show," she said. "Let's develop this one."

A year and a half later, *Higglytown Heroes* premiered on the Disney Channel. *Higglytown* now draws an audience of tens of millions of preschoolers and their parents every day, and attracts big-name guest voices such as Sharon Stone, Susan Lucci, and Smokey Robinson. Disney recently picked up another 26 half-hour episodes, bringing the total to 52, and began production on a new pilot with Wild Brain. *Higglytown* is the rare show that entertains and teaches young children, without talking down to them or boring their parents to tears. Wild Brain may not be steeped in traditional kids' television, but that's part of *Higglytown's* charm.

"It doesn't feel tired -- it's not the same old, 'Let's write the birthday party script,'" says Kanter, now a senior VP at the Disney Channel. "[The Wild Brain team members] are really fun, smart, interesting guys who have a definite, slightly offbeat sense of the world and what's funny."

If *Hubert* demonstrated Wild Brain's computer-animation and storytelling chops, *Higglytown* proved that the company's quirky humor could work in a lengthy, family-friendly collaboration with a major studio. In 2004, the post-9/11 lull in television commercial production ended, upping Wild Brain's cash flow. The Miramax deal finally became a reality -- the two companies would finance five animated films over a five-year period. Yet Wild Brain's management knew it didn't have the cash to pay for even half of a film -- all of the company's profits were poured into the development of less ambitious projects. There was only one place to raise tens of millions of dollars in a matter of months: Silicon Valley.

It was a different world from just five years before. "Making features was pretty unlikely when we started raising money in the late '90s," Fino says. "If you didn't have an Internet business, nobody wanted to look at you." Since the time Wild Brain was founded, the economics of animation had changed. With relatively cheap software such as Maya, animation houses no longer faced the tough choice between expensive, hand-drawn art and hiring dozens of engineers to develop tools in-house. Pixar and PDI had succeeded

on an unprecedented level. Compared to the billions wasted on Internet animation, feature films suddenly seemed like a realistic business model.

Fino and his team traveled throughout the Bay Area, to the East Coast, and even to Austin, pitching Wild Brain as an investment to VC firms. About a dozen of them seriously considered committing cash. The company had much to offer now but suffered from some major drawbacks. The Weinsteins were splitting with Disney, putting the Miramax deal into question. Since Ulin's departure, Wild Brain had gone through two CEOs: Former Warner Bros. executive Jim Miller was too Hollywood, sometimes clashing with the creative team -- he lasted less than a year during 2003 and 2004; Scott Hyten, a representative of Wild Brain investor Interfase Capital, filled the role during 2004 as the company searched for a permanent replacement. Investors also had to consider the Bay Area's long history of failed digital media companies.

"The dirty little secret is that most investments in these indie production companies are absolute losers. People do them as vanity investments," says Randy Komisar, a former Lucasfilm president and partner at Kleiner Perkins Caulfield & Byers, and one of many potential investors who liked Wild Brain's pitch but ultimately passed. "The Pixars of the world are unusual. What Steve Jobs has done there defies gravity."

Roy Thiel-Sardiña, a former Sun Microsystems executive and co-founder of Valence Capital, was one of those willing to take the risk.

"A lot of VCs looked at Wild Brain and were turned off by its lack of management," Thiel-Sardiña says. "I looked at them and thought: 'Yeah, but these are fundamentally good people. Everything else is fixable.'"

Since last fall, Valence, Syntek Capital, and existing Wild Brain investors have pumped \$40 million into the company, targeted directly at financing feature films. After Hyten left in December, though, the company was without a CEO, and the division heads reported directly to the board of directors. The founders and the board spent months interviewing several candidates, until they found one.

Charles Rivkin opens one of the doors to Wild Brain's boardroom and calmly steps inside.

"Hi," he says, in a chipper voice, reaching out his hand. "I'm Charlie."

This morning, Rivkin is just a visitor, but the next time he walks into the room, he'll be the company's boss.

Like everything else at Wild Brain, the room blends cerebral and silly, business and casual, high and low culture. The shelves are crammed with hundreds of books, from *Gray's Anatomy* and a 20th-century architecture tome to a photo album from Las Vegas

and an oversize how-to-draw-Marvel Comics tutorial. High-design lighting fixtures hang from a ceiling of filthy steel and exposed concrete.

Rivkin sits down at a U-shaped table full of Aeron chairs. A few feet behind him, there's a pool table with a black leather cover. He places his PDA and cell phone on the notepad in front of him, then fiddles with them until they lie symmetrically on either side of a pen. His left wrist rests on the table, barely moving, so during most of the conversation, the "CHR" monogram on his cuff just barely peeks out from his black suit.

Rivkin is a little jumpy, but says he's excited, not nervous. If he were a little anxious, no one would blame him -- it's been more than 17 years since he started a new job. At the time, Rivkin was just 26 years old, fresh out of Harvard Business School when he somehow convinced Jim Henson that the Muppets needed an MBA to manage their finances. Rivkin rose to CEO after Henson's death, guiding the company through a billion-dollar acquisition by a German firm, a management buyout on the cheap, and a lucrative sale of the Muppets to Disney. In the process, he and Henson's son Brian turned an artistically successful, financially-horrid creature shop into a moneymaking machine with its creative integrity intact, earning a boatload of cash for Rivkin and Henson's heirs.

Wild Brain is in far better financial shape than Henson once was, but coming aboard as its CEO is akin to joining Spinal Tap as the drummer. Animation is a volatile industry, especially for an independent studio. If Rivkin makes it to next Christmas, it will be an accomplishment, given that the two men who preceded him both failed to reach their first anniversary and the company has spent a combined 18 months without a chief executive since mid-2002.

Yet there's a palpable excitement around Wild Brain in anticipation of Rivkin coming on board. Head of development Dan Rounds, a veteran of Lucasfilm and Disney, has kick-started the feature department into producing four promising properties -- and he's been on the job barely a month. While the *Opus* collaboration with Miramax is currently dead in the water, discussions about new projects are under way.

All Rivkin has to do, it seems, is set up a successful business -- but one that allows quirky, original ideas to mature from pencil-and-paper concept into movie-theater reality. "I want the financial controls and the business controls to almost be invisible to the creative side, but I *do* want them to exist," he says, his voice cautious, expressing a few words at a time. "The last thing you want to do is squelch creativity by being too aggressive."

It's the kind of talk you don't hear very much down in Hollywood, where studios are run not by independent auteurs like Lucas and Coppola, but by CEOs of multinational corporations with stockholders to please. Rivkin's sentiments are also music to the ears of a creative team that's spent 11 years looking for the right "suit" to lead it to fame and fortune.

"We've never said, 'Oh, we just do art and therefore we have no place in that [financial] world.' I've never felt like that," Fino says. "We do great work. It's artful, but we have to have our eye on what people are watching, what the networks are programming, and what the studios want to do in film. I have no problem at all with that. I think that's part of the challenge of creativity.

"Investors look at the numbers. We're concerned with making a good movie."