Hollywood's big online rival: the little guy

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The latest brouhaha over alleged copyright infringement on the Internet has pitted some of the biggest names in corporate America against each other: Viacom Inc. Chairman Sumner Redstone versus Google Inc. Chief Executive Eric Schmidt.

But you'd be wise to keep your eyes on two other guys who, in a small way, are helping to transform the media landscape: Christopher Allen Smith and Ryan Neisz.

They're the creators and co-stars of an online comedy series called "Snowmen Hunters," which was nominated this week by Google's YouTube website for one of its inaugural video awards, which seek to honor user-generated content.

It's tempting to dismiss these awards as promotional fluff. And their announcement obviously pales in importance to last week's news that Viacom was suing Google for $1 billion, contending that YouTube hadn't tried hard enough to stop people from posting unauthorized clips of TV shows and movies owned by the Hollywood giant, including "SpongeBob SquarePants" and "Mean Girls."

Yet if I were running Viacom, I'd be nearly as concerned about shows such as "Snowmen Hunters" as I'd be about ensuring that my own stuff wasn't misappropriated.

In the long term — which in Web time means, like, five years — these sorts of amateur offerings could wind up playing their own significant role in squeezing profits of the leading TV and film studios. "I don't think there's any doubt," says Mike McGuire, an analyst at technology research firm Gartner Inc., that such material "is shaking things up."

This is not to suggest that the top entertainment companies are suddenly going to disappear. What's more, these conglomerates are all feverishly pursuing their own Web strategies — in some cases by partnering with YouTube, in others by challenging it.

On Thursday, News Corp. and NBC Universal, with the help of some of Google's main rivals, said they were launching an online video site stocked with TV shows and movies, plus clips that users can modify and share with friends. They're confident that a slick, professionally produced collection will win out over "Snowmen Hunters" and other shows like it.

But I don't buy that it's going to be so easy to roll over this form of competition.

Already, McGuire notes, there's a generation of online watchers who are inclined to spend the evening in front of the computer, clicking on one two-minute video after another — part of a wider phenomenon that Wired magazine recently dubbed "snack-o- tainment."

"Ultimately, it's a matter of time share," McGuire says. In other words, the more that somebody is glued to a skit on the merits of folding toilet paper instead of crumpling it, the less their eyeballs are fixed to CBS or MTV.

For Big Media, the real threat will emerge as more and more advertisers, attracted by the millions of viewers who genuinely enjoy this homespun programming, gravitate
toward the sites hosting these productions and, in turn, more and more money starts finding its way to the talent behind them.

Already, a handful of companies are venturing down this path, including Revver Inc., a Los Angeles-based enterprise that will attach a targeted advertisement to your video and then split the revenue with you, 50-50. Its slogan: "What if creativity could pay the rent?"

Of course, most folks who fancy themselves the next Steven Spielberg or J.J. Abrams are looking for more than a way to make rent. They want a mansion in Bel-Air, with a pool out back and a Jag in the driveway. And it's this impulse, some believe, that will keep the very best of the lot coming Hollywood's way.

"Many of these people are just auditioning to be pros," says Jupiter Research analyst David Card. YouTube counts at least nine acts that have gone on to mainstream success thanks to their exposure on the website, including comedian Lisa Donovan (a.k.a. Lisa Nova) and musician Terra Naomi.

But others, such as Smith and Neisz, insist that they're not so eager to make the leap.

The two were arranging plans this week to meet with agents in L.A., and they certainly wouldn't spurn an offer from one of the major networks. What gets them most excited, though, is the notion that they might be able to earn a decent living from "Snowmen Hunters" or some other program they've put together all on their own, operating completely outside the traditional Hollywood system.

"We're not doing this just to make a bank shot into a studio writing job," Smith says. "We'd love to have YouTube figure out an alternative model" that pays well.

Smith grew up in Concord, Calif., and Neisz in Merced. The cousins would spend their school vacations making videos — "silly, little films," Neisz says, involving Lego building blocks, GI Joes and setting things on fire.

Eventually, they landed in Los Angeles, where they tried to break in as screenwriters, but that didn't pan out. Today, each runs a modest video production business — the 35-year-old Smith in Chico, the 31-year-old Neisz in Burbank — that cranks out 30-second spots for local colleges and other banal fare.

They reserve their real passion for "Snowmen Hunters." The show, which I watched for the first time this week and found amusing in a sick and twisted sort of way, features the exploits of a psychotic beer guzzler named Sherman Rance (Neisz) and his moronic sidekick Everett Van der Sloot (Smith) as they gun down, machete, strangle and otherwise assassin any snowman they can find.

The show debuted last September, and so far they've produced 24 episodes, ranging from 2 1/2 minutes to nearly 10 minutes in length. The production values are pretty decent — better than a lot of what you see on YouTube — because they're able to use the equipment from their day jobs. That also helps keep costs to a bare minimum.

Smith says "Snowmen Hunters" has been viewed about 1.7 million times — not an astronomical number, but enough to qualify as a cult hit. And "our audience grows every week," Neisz notes.

Only a year ago, most producers of homemade entertainment "had a goal to cross over" into a regular Hollywood gig, says Jamie Byrne, YouTube's head of product marketing. But increasingly, "their vision is to stay on YouTube" and to continue to develop short-form programs right there.

YouTube has said that it expects to introduce a payment formula sometime this year to compensate its content creators. Just how it will work — and how much of the advertising pie will actually be shared — is unclear. YouTube also needs to be careful: Depending on how future ads are integrated into the site, it could turn off its loyal fans.

Smith, for one, is cautiously optimistic. "We're betting that videos like 'Snowmen Hunters' will still be on the Net when the real money comes calling," he says. Wednesday's introduction of Apple Inc.'s online-video-to-TV device, he adds, should only help.

No doubt. Things are moving so fast, he and Neisz may very well be blowing away Frosty and his friends today and taking on Comedy Central tomorrow.

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