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Making Sure Hollywood's Nouveau Riche Stay Riche

By WARREN ST. JOHN

TO the average viewer of HBO's "Entourage," the profligate spending of the suddenly rich young movie star protagonist and his pot-smoking hanger-on pals — \$1,500 cellphone bills, \$2,500 monthly for vitamin supplements, the spontaneous leasing of a \$300,000 Rolls-Royce Phantom — probably seems like so many familiar real-life examples of celebrity excess, which as often as not lead to pathetic, real-life tales of financial ruin, amusing for their inevitability.

But there is one group of viewers incapable of finding humor in the self-induced financial wreckage of free-spending stars. No matter how absurd, they view such tales with grim disapproval. They are the men and women with the thankless task of keeping stars from spending themselves blind — celebrity business managers.

"I would say 'The Entourage' for me is a frustrating watch," Evan Bell, a business manager with young clients including Melissa Joan Hart and Piper Perabo, said in the somber tones common to his profession. "Simply because their lifestyle is inappropriate, bordering on dangerous."

In a culture of constant affirmation — from friends, fans and of course talent agents — business managers stand out as Hollywood's doomsayers. For them, a rainy day is always just around the corner and every role is as likely as not an actor's last. While freshly minted stars may see an entourage of family and friends as a barrier against the intimidating maw of the entertainment industry, the business manager is likely to view them as income-sucking mooches.

"When the agent says, 'No one read that bad review' and that 'it doesn't matter,'" Mr. Bell said, summing up his role, "I say, 'You got a bad review — don't buy that new car.'"

Holding celebrities to their budgets — never easy — has gotten tougher recently for business managers like Mr. Bell because of a glut in the number of stars who have attained wealth quite young, including many whose financial training was limited to sliding the occasional coin into a piggy bank.



Claudette Barius for HBO

BLOCK THAT BLING

In "Entourage," the star's friends urge him to lease a Rolls-Royce.

While young stars have always been scattered among the casts of film and television series, today whole networks targeted at teenagers and tweens — like the WB and Fox — employ almost exclusively young actors, a number of whom have found themselves suddenly wealthy.

"These kids are making serious money," said Scott Feinstein, a Los Angeles business manager who specializes in young clients, including Hilary Duff. "They don't realize the pressure that friends and family will put on them. They don't have the maturity to say no."

The problem of saying no is a recurring theme in "Entourage," HBO's latest hit series, which began July 18 and concerns the life in Los Angeles of an up-and-coming actor named Vince Chase and his childhood pals from Queens. The series was produced by the former rapper turned actor Mark Wahlberg and a Long Island native, Doug Ellin,

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whose father, Marvin Ellin, is an accountant in Manhattan. On the show, when the celebrity protagonist is spurred on by friends to impulsively lease that \$300,000 Rolls-Royce, the fussy budget business manager — named, not so coincidentally, Marvin — goes ballistic, urging his client to get a Prius instead, and using the discussion to kvetch about the \$1,500 phone bill as well.

“You can get an unlimited plan for \$200 a month,” he screams. “Switch ‘em to an unlimited plan!”

“He’s 100 percent my father,” Mr. Ellin said last week. “He was always saying, ‘Save, save, save.’”

Mr. Ellin and business managers who watch his show said its central tension derives from a dilemma faced by many young stars who go from average backgrounds to sudden riches in Hollywood: squaring one’s new lifestyle with one’s old friends.

“When you want to fly off to Paris for the weekend and your friend can’t afford it, you either say, ‘I’m going to pay for you,’ or ‘I’m going to go without you,’” Mr. Ellin said. “Usually you come to the conclusion you’d rather pay for your friend.”

For a typical fee of 5 percent of an actor’s annual income, business managers offer to solve that dilemma by holding and managing a star’s money — handling everything from electric bills to complex tax shelters — and doling out allowances carefully budgeted to keep the stars from going broke. “We become your financial parents,” Mr. Bell said. “We tell them, ‘Your parents knew what they were doing.’”

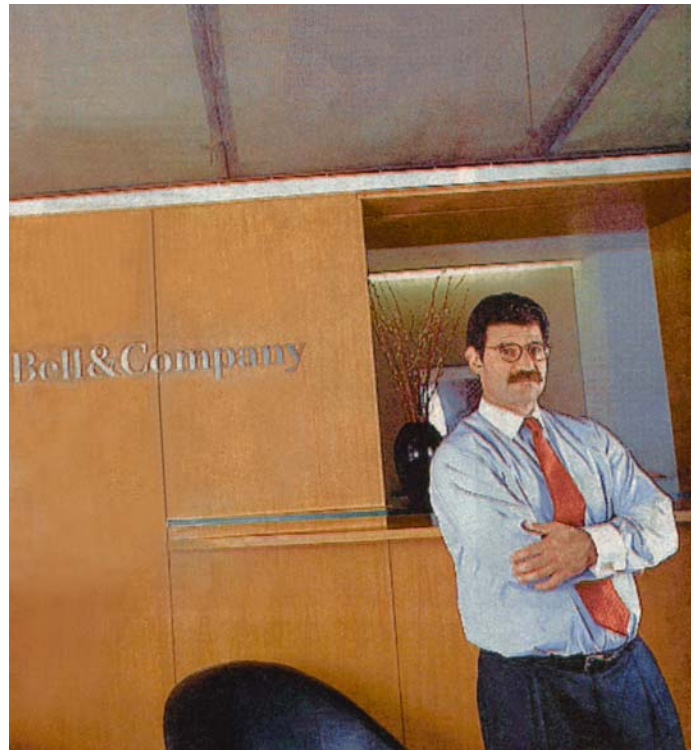
Ms. Hart, the actress who played Sabrina the Teenage Witch, said that actually handing over her assets was a struggle, but that she was motivated to do so by various tales of financially devastated celebrities.

“When I got ‘Sabrina’ I was making more money in a season than 99 percent of the people make in a one year,” she said. “I heard those horror stories — M.C. Hammer and the ‘Diff’rent Strokes’ girl. They had all that money, and they lost it. I had come from a place where I didn’t have anything, and I didn’t want to go back.”

Ms. Hart said her main extravaganzas are travel and her art collection, which includes works by Renoir and Picasso.

“When I get a little crazy, he lets me know,” she said of Mr. Bell.

For business managers with young clients, those parental duties often entail what might be called entourage-busting. When Ms. Hart told Mr. Bell that her sister and brother-in-



Paxton for The New York Times

ENTOURAGE BUSTER

Evan Bell oversees the finances of several successful young actors.

law were going to move in for a while, he insisted that she charge rent. “So they didn’t stay forever,” she recalled.

Mr. Bell said he recently had a 21-year-old client with 14 people living in her house. When she walked into her kitchen one morning and found strangers having breakfast there, she called him in a panic. His advice: kick everyone out.

“They feel very guilty about what they have, and they want to give it away,” Mr. Bell said of some of his younger clients. “We tell them it’s not their responsibility to take care of other people. They like to hear it because no one ever tells them that.”

As often as not, business managers are saving clients not just from moochers, but from themselves. Many young stars, they say, feel pressure to keep up with the spending habits of more established celebrities. The rhythms of the profession, too, create ample opportunities for indulgence. “They have three, four, five months of the year off,” Mr. Feinstein said. “What do they do? They’re bored; they spend money.”

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Last week Mr. Feinstein received a call from a client in his mid-20's who wanted to buy a \$35,000 watch.

"I said 'What time does it say?' and he said, 'Ten minutes after 3,'" Mr. Feinstein recalled. "I told him, 'Mine says 10 after 3 too, and it cost me 60 bucks. Put the watch down.'"

"He told me I really know how to ruin a good time," Mr. Feinstein added.

As many young stars learn the hard way, Hollywood money isn't always as big as it seems. Agents, publicists, lawyers and entertainment and business managers combine to take as much as 30 percent off the top of any earnings. The Internal Revenue Service takes another chunk. And of course the work is erratic, and the money geyser can stop as quickly as it began, especially for young actors who fail the transition from teenage to adult stars.

"When you make money in this town it's very fast, and it feels like it's never going to end," said Mr. Ellin, a former comedian who directed the film "Phat Beach." "I've done it myself. I've been the idiot who was spending money and then thought, 'Wow, I haven't had a job in two years.'"

Mr. Feinstein said that often, the most difficult issue for young stars is protecting their assets from their parents and family members, who have no legal right to the money, but who may feel entitled to a share because of sacrifices they have made in the name of the young star's career. His usual advice is to form a corporation and to pay the parents a salary determined by the child, usually a few thousand dollars a month. When the parents want more, he said, "I say put them through to me."

Mr. Feinstein said he was recently approached by the parents of a young star hoping to convince their child to put up a \$150,000 down payment for a family house.

"I said, 'I'll be candid with you,'" Mr. Feinstein recalled. "'I'm going to try to convince him not to.'"

Some young stars manage to strike a balance between Hollywood extravagance and financial well-being by instituting strict spending rules.

Elena Casey, the mother of David Gallagher, a 19-year-old actor who plays Simon on the WB's successful show "7th Heaven," said her son has nine cars, among them a Dodge Viper, a Cadillac Escalade and a 2003 Hummer equipped with a Sony PlayStation, but they are all paid off.

"I tell him, if he can't afford to buy it outright, he can't get it," she said.

For business managers, the nightmare client is one who



UNDER CONTROL
Melissa Joan Hart
has a Renoir.

Giulio Marcocchi/Getty Images

refuses to adhere to a budget. Managers cannot prevent clients from opening credit card accounts, and often they learn of spending sprees after the fact. In cases where a client routinely flouts budgets, business managers are forced to go on the record with their objections to avoid liability.

"You can't make them do anything they don't want to do," said Andrew Blackmun, a business manager in Manhattan with several actors as clients. "They say, 'I went into this field in order to make money and spend frivolously!' and you say it over and over again: if you didn't want this advice, why did you hire me?"

"If you think they're making a bad decision, you have to put your reasoning in writing," he said, "When they're down and out, some lawyer's going to come knocking at your door to try to recoup their lost fortune."

Marvin Ellin, the conservative accountant who inspired the portrayal of a tightfisted business manager on "Entourage," said that for all his worrying not all of his free-spending clients went broke. Some, he said, simply made enough money to keep spending. Even so, he said, he's not changing his outlook.

"I don't call it pessimism — I call it realism," he said. "That's our training: to look at the downside."