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DAVE CUTLER For The Times

PIRACY VESSEL?

TickBox TV facilitates illegal viewing of online content, lawsuit alleges

BY RYAN FAUGHNDER

Jeffrey and Carra Goldstein seem to have all the makings of a power couple from a reality TV show.

They host events for local religious groups at their tony mansion outside Atlanta, complete with a bowling alley and a mural of themselves posing with celebrities. A local news publication once referred to them as their children's "Brad and Angelina," and their twin children were reportedly featured on the TV show "Teen Cribs."

But the pair's ostentatious lifestyle has another side: A lawsuit accuses their company, TickBox TV, of being one of the most prominent and fastest-

growing facilitators of online piracy. TickBox TV sells set-top boxes that promise free streaming of movies and television shows.

Piracy has long been a scourge of Hollywood, but the emerging technology sold by the Goldsteins has heightened anxieties about the industry's vulnerability to copyright theft.

TickBox represents a new and growing type of copyright theft that uses streaming devices and apps to make piracy as easy and normal-seeming as watching movies through Apple TV or Roku. The devices, which are listed at about \$150, come with instructions to load software "add-ons" created by third-party developers that allow users to stream vi-

deo from the web for free.

Jonathan Yunger, co-president of the film production company Millennium Media, bristles at the thought of TickBox and similar businesses profiting from the illegal use of his movies. Several of Millennium's films, including "The Expendables 3" and "The Hitman's Bodyguard," have lost millions from online piracy.

"They're profiting from stealing," Yunger said. "The fact that people in this country can steal, and advertise it and profit from it, is disheartening."

The couple and their start-up have drawn the attention of major Hollywood studios and, in a twist, their streaming rivals. [See Piracy, C8]

Quality issues may loom for Model 3 buyers, Tesla

MICHAEL HILTZIK

Tesla is on the verge of ramping up production of its mass-market Model 3 sedan, but the company has been giving hands-on demonstrations to selected journalists and financial analysts in recent months. With the first reviews trickling into print, we can judge the general reaction:



People love this car. We can also spot one cloud on the horizon: Concerns about quality.

The latest comments on that issue come from Toni Sacconaghi, automotive industry analyst at AllianceBernstein, who examined and drove a new Model 3 at a Tesla demonstration in Brooklyn on Nov. 9. "Overall," he told clients the next day, "we found the Model 3 to be a compelling offering, and believe it is likely to further galvanize the overall Electric Vehicle

category." But he also noted that "fit and finish on the two demo cars we saw — perhaps not surprisingly — was relatively poor."

Among the shortcomings, two pieces of the glass roof on one of the cars seemed misaligned, with a gap that might allow water to leak into the cabin; body panels didn't fit together; rubber trim wasn't snug and seams in the ceiling were misaligned. Sacconaghi allowed that such shortcomings might not even be noticed by most prospective

buyers, but he was struck by the idea that these were demo cars likely to be examined by experts.

"We can't help noting that Tesla likely chose to share with us its highest quality/best assembled units, so issues on other cars may be even more pronounced," he wrote. If quality issues with the Model 3 turn out to be widespread, he observed, that could have important ramifications for Tesla's brand. Tesla declined to comment.

The ramp-up itself poses

a major problem for Tesla and raises questions about whether Tesla is focusing enough on the issue. Tesla and its founder-CEO, Elon Musk, often seem to be suffering from a sort of corporate attention deficit disorder.

While the company is still struggling with what Musk has called "production hell" related to the Model 3 and its Gigafactory battery factory in Nevada, Musk took time out on Thursday night to unveil an electric semi truck and Roadster

sports car — the first one aimed at production in 2019 and the second in 2020. "It's just stupid," Musk said at the gala, multimedia event.

He was using bro-speak to refer to the performance specs of the \$200,000 Roadster, which he said will zip from zero to 60 mph in 1.9 seconds, with a top speed of 250 mph. But he might as well have been describing the act of distracting oneself from production at a crucial moment. Tesla is also talking about manufacturing an

[See Hiltzik, C7]

WORK LIFE

HOW I MADE IT: ALTON BUTLER II

Cashing in on Hollywood dreams

He started in acting but found success supplying items behind the scenes.

BY RONALD D. WHITE

Alton Butler II, 48, is chief executive of Line 204, a busy support company for the entertainment industry. The 120-employee Hollywood operation can supply just about anything — equipment, furniture, props, soundstages — needed to shoot a commercial, television show or promotional video or to stage an event. The company's name refers to the line in a standard business contract dealing with production supplies.

Be indispensable: Never satisfied to consolidate his grip on parts of the industry, Butler had a consistent theme for his business plan: become a one-stop shop.

"First was production supplies," Butler said, "and that's just your tables, coolers, other things you have behind the camera. Then we added communications; guys on the set always need a walkie-talkie right? Any time I saw a customer have to go somewhere else for something, I tried to fill that piece of the pie in." Line 204 has five stages and a rooftop shooting space.

Meandering path: Butler grew up in a poor household with two sisters in the small town of Anniston, Ala. Butler's get-out-of-town ticket was football, but a career-ending injury sent him from pro prospect to nightclub dancer. "I moved to Florida, licked my wounds, lived on the beach, danced," Butler said, when his two-year degree in psychology proved unproductive.

Motivated: Butler and the other male dancers scraped up enough money to buy a course from motivational guru Tony Robbins. Butler said he learned that it wasn't enough to have an end goal in mind. "You ask 10 high school seniors what they want and seven of them



MARIA ALEJANDRA CARDONA Los Angeles Times

IN ADDITION to supplying such items as equipment and props, Alton Butler II's firm has five stages and a rooftop shooting space.

will say they want to be wealthy," Butler said, "but one of them will have a plan. That's the key. You've got to be able to have that kind of vision.

"At 23, it was like, 'Man, I have to do something else.' So I moved to California, where I got a theater degree."

A few roles in low-budget productions weren't financially rewarding. "Then I started to get behind the camera, just trying to make ends meet."

Insatiable: Butler became a student of how commercials, music videos, TV shows and films were made. "I'm a copycat," Butler said, describing how he walked up to people and asked them for descriptions of what they were doing and how they did it. "Just going

to production offices, seeing how it all worked, just trying to understand the entire dynamic about it."

Butler started working out of his house but soon had to find a spot for the growing business when his fiancée demanded he clear the props and equipment out if he ever wanted a wedding.

In control: Butler bought his partner out early after the 1997 start. "I'm one of those guys where it's hard to be my partner because I feel I'm doing an inch more work than you are, you are going to hear about it," he said with a laugh.

No insignificant job: "It's never about the job, it's always about pleasing the client," Butler said. "That's the meal ticket. If I can focus

on that customer and befriend them, make them happy, really create a bond, that customer will never go to someone else."

Hard knocks: A lawsuit filed by neighbors to stop Line 204's plan to build a 240,000-square-foot studio in Sun Valley has already cost Butler more than \$1 million, he said. The push to increase the minimum wage has hit the company hard because 60% of his workers fall into that category. "We're not rocket scientists," he said. "We're loading trucks." A recent computer hack has so far cost more than \$600,000 in security upgrades. "It's all part of doing business," Butler said, "and you have to spend when you need to."

Biggest lesson: "The smart-

est thing I've ever done was buy the real estate at our locations," Butler said. "When I needed something to fall back on, to lean on, I had the value of that real estate. Businesses go under. Your real estate isn't going to go under."

Stay loyal: Butler is moving forward with the planned Sun Valley expansion, which is projected to add 300 jobs to his current workforce of 120 and nine soundstages. Butler said he hasn't been swayed by pitches from three Southern states to build there instead, without roadblocks.

"They offer big tax credits, but those tax credits run out," Butler said. "It's not easy doing business here, but this place, Los Angeles, helped make me. It helped me turn my life around. You

don't ignore things like that. I still remember my first success in this business. What was fun for me is starting from nothing and getting that first order."

Personal: Butler and his wife, Sira, have been married for 18 years. They have two children, Alton III, 13, and Savanna, 12. When Butler isn't playing golf in his off hours, he's home binge-watching his favorite shows on Netflix and other programming, although he finds the experience strangely similar to cramming for an exam: it doesn't stay with you. "When do you stop? It's like one o'clock in the morning and it's like 'I have to go back and watch that episode again.' I'm a terrible binge watcher."

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Will ban on asking about pay history work?

Employers doubt barring question will have desired effect.

BY JENNA MCGREGOR

California recently became one of eight states, cities or localities to pass legislation banning all employers from asking one particularly awkward question of prospective workers: How much did you make in your last job?

Yet companies apparently aren't convinced the laws will work as intended.

The aim of many of the measures is to help close the gender pay gap. The idea is that if employers do not set new wages on the basis of past compensation, one low salary or poorly negotiated job offer early on in her career won't set a woman back for years to come.

But some two-thirds of the 108 companies surveyed by executive search and consulting firm Korn Ferry recently said they thought the measures would not, or would only to a small extent, improve any pay differentials that exist.

The likely reason, said Tom McMullen, a senior client partner for Korn Ferry, is that either employers already feel they have the rigorous pay systems in place to monitor for pay equality, or the actual gap between male and female employees' pay at the company — accounting for position, experience, job level and the like — is only in the single digits.

"For those that already have decent processes in place, it probably is a non-event," McMullen said, not-



DAVID GOLDMAN Associated Press

THE AIM of many states' measures banning the interview question is to help close the gender pay gap.

ing that the survey skewed to larger companies. "The biggest difference it'll make is in those organizations that have a 'let's make a deal culture' and do not rely as much on market data to set workers' pay or have less rigorous ways of analyzing whether they are paying workers fairly.

The survey also showed that many employers do not seem prepared for the new laws, many of which take effect next year, although some have a grace period before penalties for noncompliance kick in. Almost a third said they are not prepared for the legislation, while 44% said they had

made "some preparations." Just 5% said it was already their practice not to ask about a candidate's pay history.

The survey did not ask what impact the new laws could have on payroll budgets or salary size overall.

While the salary-question bans, which are often part of "pay equity" or "pay transparency" bills, may have generated attention for their potential role in closing the gender gap, other employees could benefit, too.

More market-based approaches to wage setting — in which employers compensate workers on the basis of

the needs of and competition for the job, rather than the history of the person — could help any prospective employee who worries that he or she has been paid too little in the past. (Discussions about salary expectations, rather than history, are expected to still pass muster.)

Jonathan Segal, an employment lawyer based in Philadelphia, said the bans could be particularly relevant for older workers. Someone who has been working for more years and may be looking to scale back to a less demanding job — or workers eager to get back into the workforce after be-

ing out of a job and willing to work for less — could be subject to implicit bias when asked about their past pay, he said.

"Eliminating the question may help not only eliminate the pay gap for women," he said, "but may help older employees who are being excluded because employers think they won't be happy working for less."

He also sees employers adopting the ban even in areas where it is not required.

"I see a significant number of employers that are voluntarily omitting this from their application," Segal said, "even in absence of

legal mandate."

Forty-six percent of the companies surveyed by Korn Ferry said they would comply with the legal requirements in the most stringent location where they operate. That means workers well outside Massachusetts, California or Oregon might no longer be asked about their salary history during job negotiations even if their local jurisdictions do not pass similar laws.

Only 32% said they would comply as each region requires, while 11% said their operations were not affected and another 11% said they were unsure. (The National Women's Law Center reports that a few more states are expected to pass similar prohibitions this year. Other jurisdictions have passed measures only for public employees, and a version was introduced in Congress last year. Philadelphia's measure has faced a legal challenge.)

Korn Ferry's McMullen said that while some firms are being advised to maintain separate policies, "that gets messy really quick."

Workplace-related laws that start in local jurisdictions often spread to others, he said, because multistate or national companies decide that having a single policy rather than a patchwork of practices is simpler.

"There will be a tipping point, if it's not there already, where this will become the de facto way of handling this in this country," McMullen said. For many companies, having a blanket policy "is easier administratively."

McGregor writes for the Washington Post.