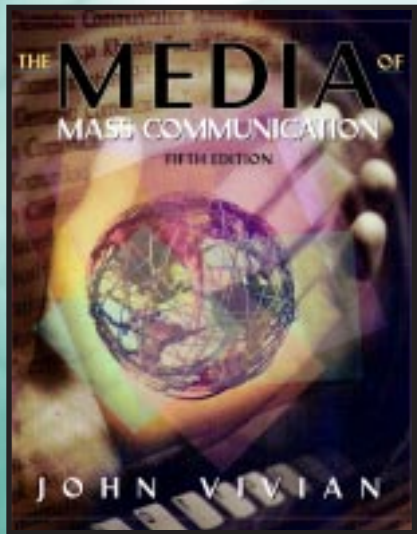


ALLYN AND BACON INTERACTIVE

Web Edition

DEMONSTRATION VERSION
FOR






*The Media of Mass
Communication*



John Vivian

NEXT 

Choose a Destination

-  **What is the Web Edition?**
-  **Accessing the Web Links**
-  **Go to Sample Chapter**
-  **Web Link Index**
-  **Help Using the Web Edition**

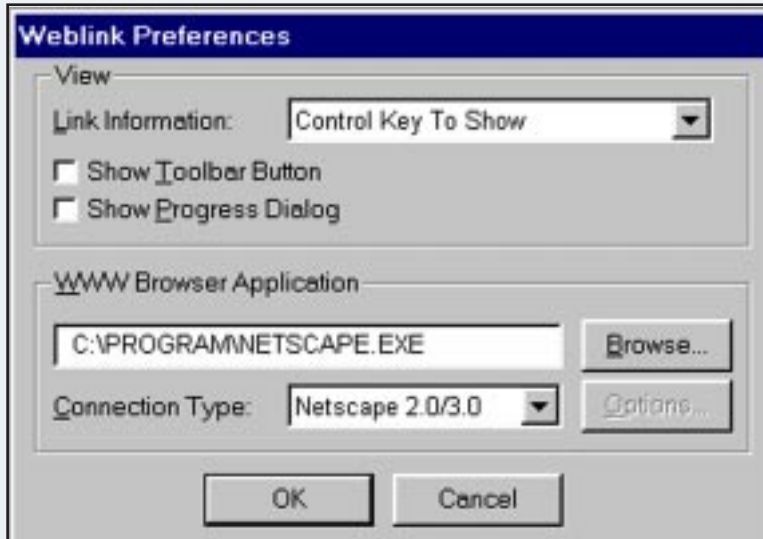
What Is the Web Edition?



The Allyn & Bacon Web Edition represents an exciting innovation that combines a textbook with links to the World Wide Web. An interactive CD-ROM, the Web Edition contains the full text of the book as well as hundreds of contextually placed links.

These links take students to Web sites directly related to concepts in the text. The links expand chapter content letting students go beyond the covers of the printed text. The Allyn & Bacon Web Edition offers a convenient way to integrate the power of the World Wide Web into your course.

Accessing the Web Links



To use the Web links feature, you must first locate and select a Web browser. (Note: you **MUST** have a Web browser application installed on your computer to open Web links and you **MUST** be connected to the Internet). In Acrobat Reader, select **File>Preferences>Weblink**. In the Weblink Preferences dialog box, click **Browse** (**Select** on Macintosh). Locate and select a Web browser application and click **Open**. Web links clicked thereafter will automatically open your browser application.

Help Using the Web Edition

- ▶ **Installing the Web Edition**
- ▶ **Using the Web Links**
- ▶ **Accessing the Web Links**
- ▶ **Using the Web Index**
- ▶ **Getting Around the Web Edition**
- ▶ **Contacting Allyn and Bacon**
- ▶ **Using Acrobat Reader**

Installing the Web Edition

Before installing the Web Edition, you should check the system requirements to be sure your computer is compatible. To view the Web Edition, you must have Adobe Acrobat Reader version 3.01 installed on your computer.

- ▶ Check system requirements.
- ▶ Installing Adobe Acrobat Reader version 3.01.



BACK



**MAIN
MENU**

System Requirements

IBM-Compatible System Requirements (Minimal)

486-based personal computer with a 640x480 VGA color monitor or better that displays at least 256 colors running Microsoft Windows 3.1, Microsoft Windows95, or Microsoft WindowsNT 3.5.1, 4 MB RAM, 12 MB hard disk space, CD-ROM drive (2x speed), Adobe Acrobat Reader v.3.01, Netscape 3.0 or Internet Explorer, modem or other Internet connection.

IBM-Compatible System Requirements (Optimal)

486 Pentium or Pentium Pro, 17 inch color monitor or better that displays at least 256 colors, Microsoft Windows 3.1, Microsoft Windows95, Microsoft WindowsNT 3.5.1 or 4.0, 16 MB RAM, 12 MB hard disk space, CD-ROM drive (4x speed), Adobe Acrobat Reader v.3.0.1, Netscape 4.0 or Internet Explorer, modem or other high speed Internet connection.

Macintosh (Minimal)

Quadra, 256 color capable, 8MB Ram, 6MB available hard disk space, CD-ROM drive (2x speed), System 7.0 or higher, Adobe Acrobat Reader v.3.01, Netscape 3.0 or Internet Explorer, modem or other Internet connection.

Macintosh (Optimal)

PowerPC, 24-bit color capable, 16MB Ram, 6MB available hard disk space, CD-ROM drive (4x speed), System 7.0 or higher, Adobe Acrobat Reader v.3.01, Netscape 4.0 or Internet Explorer, high-speed modem or other Internet connection.



BACK



**MAIN
MENU**

Installing Adobe Acrobat Reader Version 3.01

You must have the Acrobat Reader version 3.01 installed on your computer to view the Interactive Edition. The Interactive Edition will not work correctly with older versions of the Acrobat Reader. If you do not have version 3.01, follow the installation instructions below:

Windows95/NT

1. Choose **Run** from the Start menu.
2. Type **D:\ABSETUP.EXE** then click **OK**. (If your CD-ROM drive is not on the D drive, substitute the appropriate drive letter)
3. Click **(1) Install Adobe Acrobat Reader** then follow the on-screen instructions.

Windows 3.1

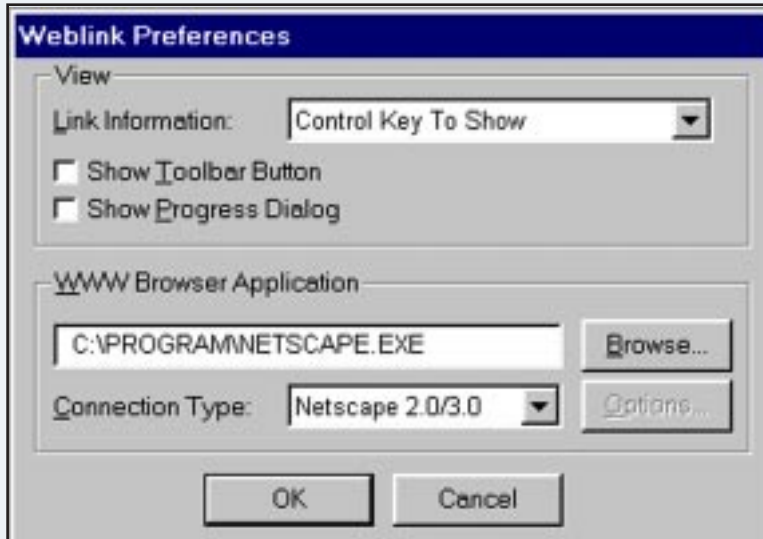
1. From the Program Manager Choose **Run** from the File menu.
2. Type **D:\ABSETUP.EXE** then click **OK**. (If your CD-ROM drive is not on the D drive, substitute the appropriate drive letter)
3. Click **(1) Install Adobe Acrobat Reader** then follow the on-screen instructions.

Macintosh

1. From the Finder, open the CD-ROM by double clicking on the CD-ROM icon.
2. Double-click **(1) Install Acrobat Reader**
3. Follow the on-screen instructions.



Accessing the Web Links



To use the Web links feature, you must first locate and select a Web browser. (Note: you **MUST** have a Web browser application installed on your computer to open Web links and you **MUST** be connected to the Internet). In Acrobat Reader, select **File>Preferences>Weblink**. In the Weblink Preferences dialog box, click **Browse** (**Select** on Macintosh). Locate and select a Web browser application and click **Open**. Web links clicked thereafter will automatically open your browser application.

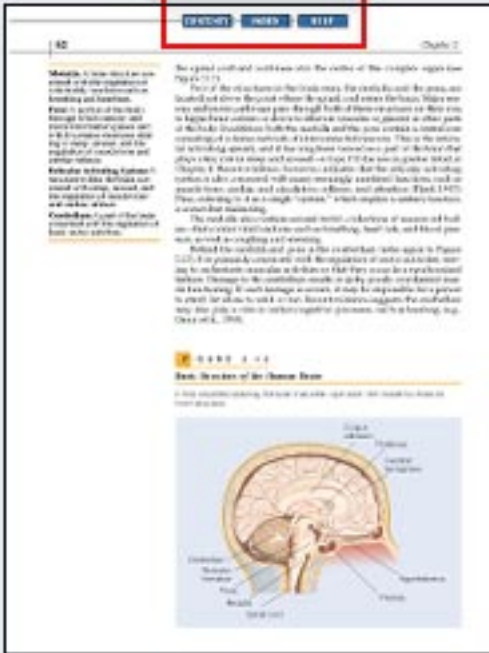


Getting Around the Web Edition

CONTENTS

INDEX

HELP



You will see several buttons located at the top of every page.

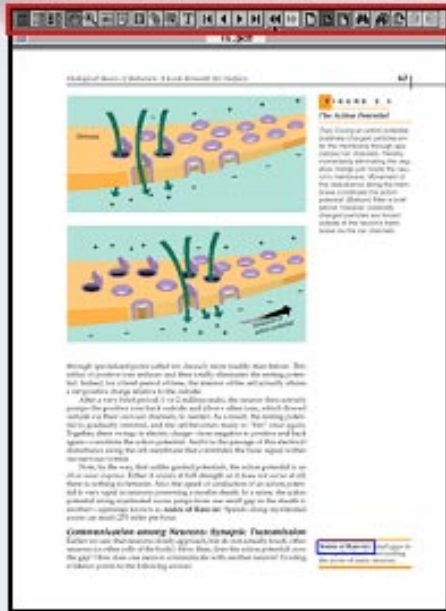
Contents opens a list of chapters. Click on a chapter to open it. In this sample, the **Contents** button will bring you back to the main menu.

Index opens the Web Index.

Help opens this guide.



Using Acrobat Reader



You will be using the Acrobat Reader application to view the chapters of the Web Edition. The Acrobat Reader controls are intuitive and easy to use. The toolbar buttons allow you to move forward and backward through the pages, and to change the size of the pages at any time.

Note: Acrobat Reader comes with a detailed online guide. To access this, click on the Help pull-down menu at any time and select **Reader Online Guide**.

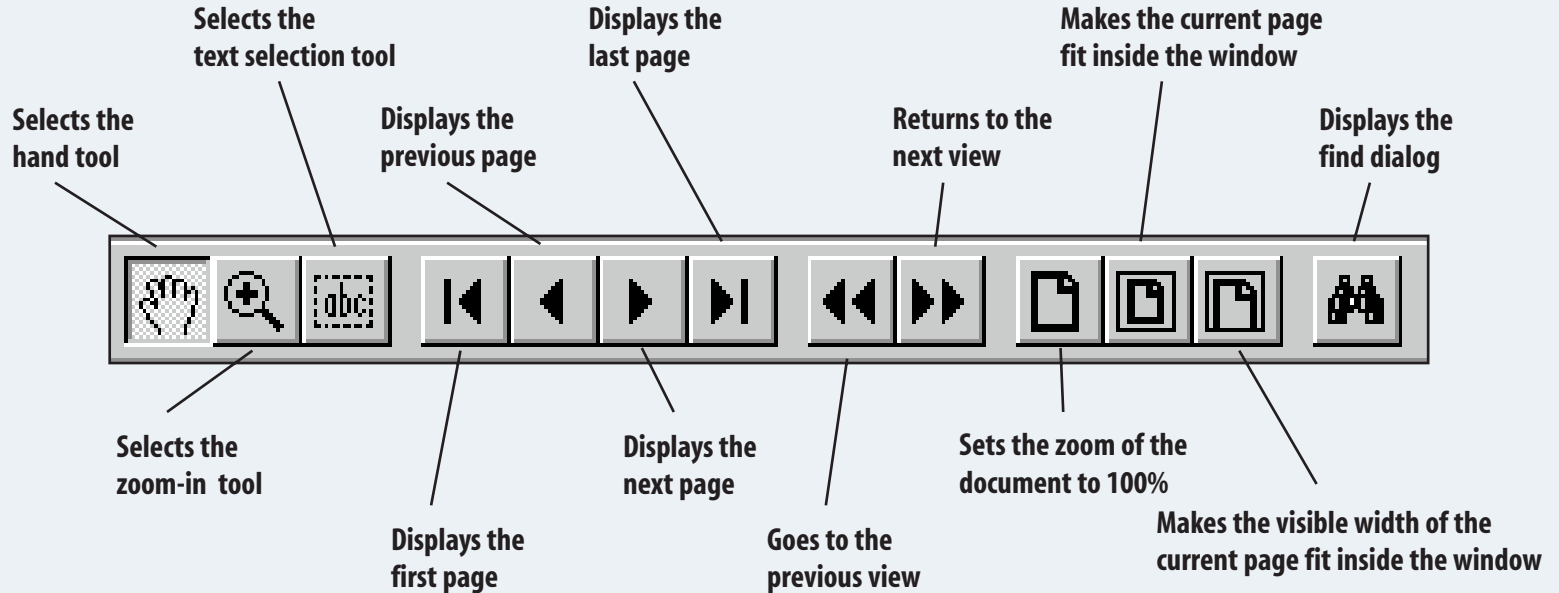


See a description of the Acrobat Reader Toolbar



The Acrobat Reader Toolbar

The Acrobat Reader controls are intuitive and easy to use. Here are the control buttons and a brief description of their functions:



Using the Web Links



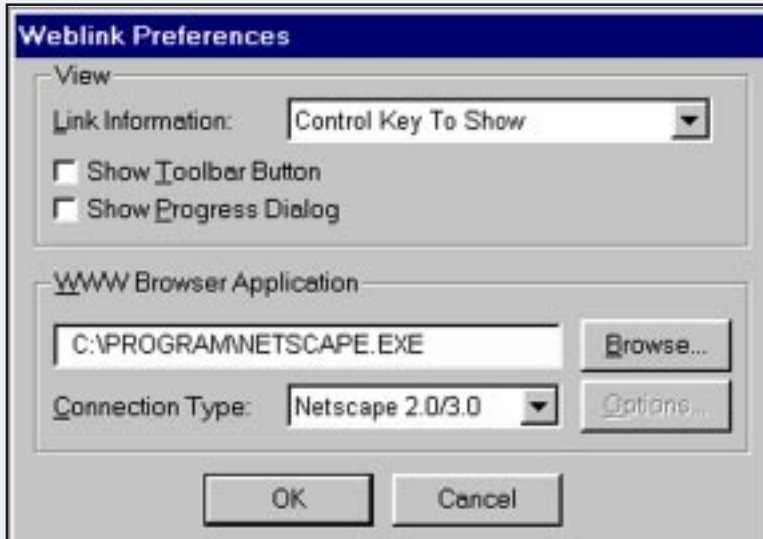
WEBLINK

Click on a Web link icon to go to a World Wide Web location. (Note: you **MUST** have a Web browser application installed on your computer to open Web links and you **MUST** be connected to the Internet). All Web links are first routed to the Allyn & Bacon Web server, where they will be periodically updated as some Web sites become obsolete and new ones become available. When a Web link icon is clicked for the first time, you may need to locate and select a Web browser.

▶ Show me how to locate and select a Web Browser.



Locating and Selecting a Web browser



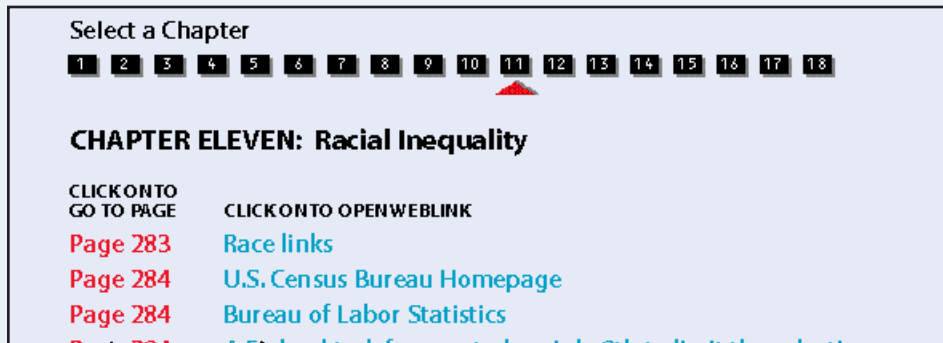
In Acrobat Reader, select **File>Preferences>Weblink**. In the Weblink Preferences dialog box, click **Browse** (**Select** on Macintosh). Locate and select a Web browser application and click **Open**. Web links clicked hereafter will automatically open your browser application.



Using the Web Index

The Web Index is a convenient way to access all of the web links available in the Web Edition. When the Web Index is open you will see a list of links and the page number on which they appear.

To open a link, click on the item highlighted in blue. To go to the place in the book where this link occurs, click the page number in red.



Select a Chapter

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18

CHAPTER ELEVEN: Racial Inequality

CLICK ON TO GO TO PAGE	CLICK ON TO OPEN WEBLINK
Page 283	Race links
Page 284	U.S. Census Bureau Homepage
Page 284	Bureau of Labor Statistics

Clicking on
goes to page

Clicking on
opens link



Contacting Allyn and Bacon

If you come across a Web link that appears to have moved or become obsolete, let us know and we can fix it. We also welcome any feedback you have on the Web Edition!

Contact us by ...

Mail: Allyn & Bacon Interactive
160 Gould Street
Needham Heights, MA 02194-2315

Phone: (888) 306-7267

Fax: (781) 455-1353

E-mail: ABInteract@AOL.com



BACK



**MAIN
MENU**

6

movies

Steven Spielberg was infected young with a love for movies—not just seeing them but making them. When he was 12, he put two Lionel toy trains on a collision course, turned up the juice to both engines and made a home movie of the crash. By that time, he already had shot dozens of short movies. For one of them, he coaxed his mother into donning a pith helmet and Army surplus uniform, and then he rolled the film as she bounced the family Jeep through backhill potholes near Phoenix.

That was his family war movie.

Imagine Steven Spielberg's excitement, at age 17, when a family visit to Los Angeles included a tour of the Universal studios. Imagine his disappointment when the tour bus bypassed the sound stages. At the next break, he gave the tour group the slip and headed straight back to the sound stages, somehow managed to get in, and ended up chatting for an hour with editorial head Chuck Silvers. The next day, with a pass signed by Silvers, Spielberg was back

in this chapter you will learn:

- Movies have powerful impact.
- The technological basis of movies is photography chemistry.
- Movies had their heyday as a mass medium in the 1940s.
- Anti-Communism, the courts and television threatened Hollywood, beginning in the late 1940s.
- Hollywood responded to external threats in the 1950s with technical and content innovations.
- Hollywood today is a major producer of television programming.
- The movie exhibition business faces challenges from home video.
- Moviemakers are in an expensive, high-risk business.
- Hollywood always opts for self-policing to quell censorship threats.

to show him four of his 8-millimeter home movies. Silvers liked what he saw but told the young Spielberg that he could not issue another pass for the next day. Undaunted, Spielberg put on a suit and tie the next day and, carrying his father's briefcase, walked through the Universal gates, faking a familiar wave to the guard. It worked. Spielberg spent the whole summer in and out of Universal, hanging around as movies were being made.

Today, Spielberg is one of the world's best-known movie-makers. The gross return from his 1993 movie, *Jurassic Park*, topped \$900 million in less than a year and was heading toward \$1 billion with home video and other after-market releases. That surpassed 1982's *E.T.: The Extra-Terrestrial*, another Spielberg film, which had been the top Hollywood moneymaker. Spielberg's *Indiana Jones and the Last Crusade* is fifth and *Jaws* eighth. His *Raiders of the Lost Ark*, *Indiana Jones and the Temple of Doom* and *Close Encounters of the Third Kind* all are in the top 20. In all, his 15 movies have grossed more than \$4 billion.

Steven Spielberg's work embodies a whole range of qualities that tell us a lot about Hollywood and the role of movies in our culture. He is a wonderful, audience-oriented story-

teller: "I want people to love my movies, and I'll be a whore to get them into theaters," he once said.

Spielberg's films also represent the glitz and glamour of Hollywood. Most are spectacularly filmed with dazzling special effects. And their box-office success has helped fuel the extravagances that are part of the image Hollywood cultivates for itself.

But Spielberg is deeper than that. He entwines observations from his personal life into film commentary on fundamental human issues. The fantasy *E.T.* centers on a boy growing up alienated in a broken home, who identifies with the alien E.T. Movie analysts see the boy as a metaphorical stand-in for Spielberg, who was taunted as a Jew when he transferred into a new high school and found himself alienated for something over which he had no control.

Moviegoers entranced by Spielberg's adventure stories sometimes forget his serious works. His 1985 *The Color Purple*, adapted from Alice Walker's Pulitzer Prize-winning book, was a painful, insightful account of a southern African-American family during the first half of the century. *Schindler's List*, his acclaimed 1993 account of the Holocaust, flows from his own heritage. These movies, some say Spiel-



Box Office and Critical Success. Perhaps no other moviemaker can project stories so compellingly across such a diverse range as Steven Spielberg. His 1993 *Jurassic Park*, which raised questions about DNA preservation of extinct life forms, became the most profitable movie in history, until being eclipsed by James Cameron's *Titanic* later in the decade. Spielberg's 1985 *Color Purple* was an insightful, painful inquiry into the southern black families during the first half of the century. Among his other accomplishments: *Amistad*, on an early American slave revolt; *Schindler's List*, on the Nazi Holocaust; *E.T.: The Extra-Terrestrial*; and *Jaws*.

berg's best, represent the potential of the medium to help us individually and collectively sort through the dilemmas of the human condition.

Schindler's List swept the Oscars in 1993, casting Spielberg in a whole new light as a director. Until then, Spielberg's critical success seemed to count against him at Oscar time, and even critics who liked his work for its seamless craft and visceral punch dismissed him as a serious director. Though he had tackled serious themes before, he always seemed uncomfortable with the material, as if he were trying too hard to make a

point. All that changed with *Schindler's List*. The film, from the novel by Thomas Keneally, has been universally praised as one of the great films of the decade, and with it Spielberg has assured himself a place in film history not only as the highest-grossing director of all time, but as one of the great U.S. directors of the post-war period.

In this chapter, you will learn how the movie industry is structured, including the historical influences that have reshaped the industry. You also will learn about issues that will shape Hollywood in the years ahead.

importance of movies

STUDY PREVIEW The experience of watching a movie, uninterrupted in a darkened auditorium, has entranced people since the medium's earliest days. It is an all-encompassing experience, which has given movies a special power in shaping cultural values.

overwhelming experience

Movies have a hold on people, at least while they are watching one, that is more intense than any other medium. It is not unusual for a movie reviewer to recommend taking a handkerchief, but never will you hear such advice from a record reviewer and seldom from a book reviewer. Why do movies have such powerful effects? It is not movies themselves. With rare exception, these evocative efforts occur only when movies are shown in a theater. The viewer sits in a darkened auditorium in front of a giant screen, with nothing to interrupt the experience. The rest of the world is excluded. Movies, of course, can be shown outdoors at drive-in theaters and on television, but the experience is strongest in the darkened cocoon of a movie house.

People have been fascinated with movies almost from the invention of the technology that made it possible, even when the pictures were nothing more than wobbly, fuzzy images on a whitewashed wall. The medium seemed to possess magical powers. With the introduction of sound in the late 1920s, and then color and a host of later technical enhancements, movies have kept people in awe. Going to the movies remains a thrill—an experience unmatched by other media.

hollywood's cultural influence

When Clark Gable took off his shirt in the 1934 movie *It Happened One Night* and revealed that he was not wearing anything underneath, American men, in great numbers, decided that they too would go without undershirts. Nationwide, undershirt sales plummeted. Whether men prefer wearing underwear is trivial compared with some concerns about how Hollywood portrays American life and its influence:

- Sociologist Norman Denzin says the treatment of drinking in American movies has contributed to a misleading bittersweet romanticism about alcoholism in the public consciousness.
- Scholars using content analysis have found exponential increases in movie violence that far outpace violence in real life and contribute to perceptions that violence is a growing social problem in modern life.
- Utility company executives were none too pleased with the widespread public concern about nuclear power created by James Bridges' 1979 movie, *The China Syndrome*.
- Political leaders express concern from time to time that movies corrupt the morals of young people and glamorize deviant behavior.
- Congressman Parnell Thomas once raised questions that Hollywood was advocating the violent overthrow of the government.

media

online



Academy of Motion Picture Arts and Sciences: Oscar's no-grouch. www.oscars.org

Film and Broadcast Page: Large assembly of links. www.io.org/~proeser

Film.Com: Insider chat about the industry. www.film.com/film

Film Zone: Deep focus view of the art with "Movie Geek Commentary." www.filmzone.com

Filmmusic.com: Like what you hear, you'll find it here. www.filmmusic.com

Flicker: Links to alternative cinema artists and images. www.sirius.com/~sstark

Steven Spielberg

Leading director whose work includes *Jurassic Park*, *Schindler's List*, *E.T.*

Movies are part of our everyday lives in more ways than we realize. Even the way we talk is loaded with movie metaphors. The *New Yorker* magazine noted this introducing an issue on Hollywood: “Our personal scenarios unspool in a sequence of flashbacks, voice-overs and cameos. We zoom in, cut to the chase, fade to black.”

Because of the perceived influence of movies, some real, some not, it is important to know about the industry that creates them. This is especially true now that television entertainment programming has been largely subsumed by Hollywood and that the book, magazine and sound recording industries are closely tied into it.

technical heritage of movies

STUDY PREVIEW

Motion picture technology is based on the same chemical process as photography. The medium developed in the 1880s and 1890s. By the 1930s movie houses everywhere were showing “talkies.”

adaptation from photography

The technical heritage of motion pictures is photography. The 1727 discovery that light causes silver nitrate to darken was basic to the development of motion picture technology. So was a human phenomenon called **persistence of vision**. The human eye retains an image for a fraction of a second. If a series of photographs capture something in motion and if those photographs are flipped quickly, the human eye will perceive continuous motion.

The persistence of vision phenomenon was demonstrated photographically in 1877 by **Eadweard Muybridge** in California. Former Governor Leland Stanford found himself in a wager on whether horses ever had all their legs off the ground when galloping. It was something the human eye could not perceive. All anyone could make

persistence of vision

Fast-changing still photos create illusion of motion.

Eadweard Muybridge

Demonstrated persistence of vision with galloping horses.

Robert Flaherty

First documentary-maker.

Nanook of the North

First documentary.



media timeline

... movie technology

1877 Eadweard Muybridge used sequential photographs to create illusion of motion.

1888 William Dickson devised motion picture camera.

1891 George Eastman devised flexible celluloid for motion pictures.

1922 Fox used sound in newsreels.

1927 Warner Brothers distributed first talkie, *The Jazz Singer*.

1932 Disney issued first full-color movie, *Flowers and Trees*.

1937 Disney issued first animated feature, *Snow White*.


media people

 ... **robert flaherty**

Explorer **Robert Flaherty** took a camera to the Arctic in 1921 to record the life of an Eskimo family. The result was a new kind of movie: the documentary. While other movies of the time were theatrical productions with scripts, sets and actors, Flaherty tried something different—recording reality.

His 57-minute *Nanook of the North* was compelling on its own merits when it started on the movie house circuit in

1922, but the film received an unexpected macabre boost a few days later when Nanook, the father of the Eskimo family, died of hunger on the ice. News stories of Nanook's death stirred public interest—and also attendance at the movie, which helped establish the documentary as an important new film genre.

Flaherty's innovative approach took a new twist in the 1930s, when propagandists saw reality-based movies as a tool to pro-

mote their causes. In Germany the Nazi government produced propaganda films, and other countries followed. Frank Capra directed the vigorous five-film series *Why We Fight* for the U.S. War Office in 1942.

After World War II, there was a revival of documentaries in Flaherty's style—a neutral recording of natural history. Walt Disney produced a variety of such documentaries, including the popular *Living Desert* in the 1950s.

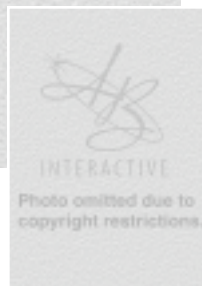
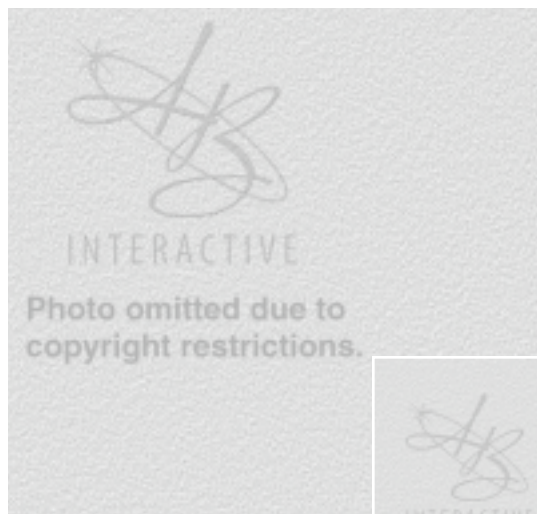
Today, documentaries are unusual in American movie houses, with occasional exceptions like *Mother Teresa* in 1986 and movies built on rock concerts.

The CBS television network gained a reputation in the 1950s and 1960s for picking up on the documentary tradition with *Harvest of Shame*, on migrant workers, and *Hunger in America*. In the same period, the National Geographic Society established a documentary unit, and French explorer Jacques Cousteau went into the television documentary business.

Such full-length documentaries mostly are relegated to the Public Broadcasting Service and cable networks today. The major networks, meanwhile, shifted most documentaries away from full-length treatments. Typical was CBS's "60 Minutes," a weekly one-hour program of three minidocumentaries. These new network projects, which included ABC's "20/20," combined reality programming and entertainment in slick packages that attracted larger audiences than traditional documentaries.

Nanook of the North.

The documentary became a film genre with explorer Robert Flaherty's *Nanook of the North* in 1922. This film was an attempt to record reality—no actors, no props. The film was especially potent not only because it was a new approach and on a fascinating subject but also because, coincidentally, Nanook died of starvation on the ice about the time that it was released.



Robert Flaherty



out of the legs of a galloping horse was a blur. Stanford asked Muybridge if photography could settle the question. Muybridge stationed 24 cameras along a track with trip strings to open the shutters. The galloping horse hit the strings, and Muybridge had 24 sequential photographs that showed that galloping horses take all four legs off the ground at the same time. Stanford won his \$25,000 bet.

More significant to us was that the illusion of a horse in motion was possible by flipping Muybridge's photographs quickly. The sequential photographic images, when run rapidly by the human eye, made it appear that the horse was moving. All that was needed was the right kind of camera and film to capture about 16 images per second. Those appeared in 1888. **William Dickson** of Thomas Edison's laboratory developed a workable motion picture camera. Dickson and Edison used celluloid film perfected by **George Eastman**, who had just introduced his Kodak camera. By 1891 Edison began producing movies.

Edison movies were viewed by looking into a box. In France, brothers **Auguste** and **Louis Lumière** brought projection to motion pictures. By running the film in front of a specially aimed powerful lightbulb, the Lumières projected movie images on a wall. In 1895 they opened an exhibition hall in Paris—the first movie house. Edison recognized the commercial advantage of projection, and himself patented the Vitascope projector, which he put on the market in 1896.

Edison's Kinetoscope.

Among the earliest mechanisms for watching movies was inventor Thomas Edison's kinetoscope. A person would look through a peephole as a strip of film was wound over a lightbulb. The effect was shaky. Later, Edison borrowed a technique from the Lumière brothers of Paris for the Vitascope system of projecting images on a wall.

adding sound to pictures

Dickson, at Edison's lab, came up with a sound system for movies in 1889. In the first successful commercial application, Fox used sound in its 1922 Movietone newsreels. But it was four upstart moviemakers, the brothers **Albert, Harry, Jack** and **Sam Warner**, who revolutionized movies with sound. In 1927 the Warners released *The Jazz Singer* starring Al Jolson. There was sound for only two segments, but it caught the public's fancy. By 1930, 9,000 movie houses around the country were equipped for sound.

three crises that reshaped hollywood

STUDY PREVIEW

In quick succession, Hollywood took three body blows in the late 1940s. Right-wing political leaders sent some directors and screenwriters to jail in 1947 and intimidated moviemakers into creative cowardice. In 1948 the U.S. Supreme Court broke up the economic structure of the movie industry. Then television stole people from the box office.

the hollywood 10

Hollywood had a creative crisis in 1947 when Congressman Parnell Thomas, chair of the House Un-American Activities Subcommittee, began hearings on Communists in Hollywood. Thomas summoned 47 screenwriters, directors and actors and demanded answers to accusations about leftist influences in Hollywood and the Screen Writers Guild. Ten witnesses who refused to answer insulting accusations went to jail

William Dickson

Developed first movie camera.

George Eastman

Devised celluloid film.

Lumière brothers

Opened first movie exhibition hall.

Warner brothers

Introduced sound.

The Jazz Singer

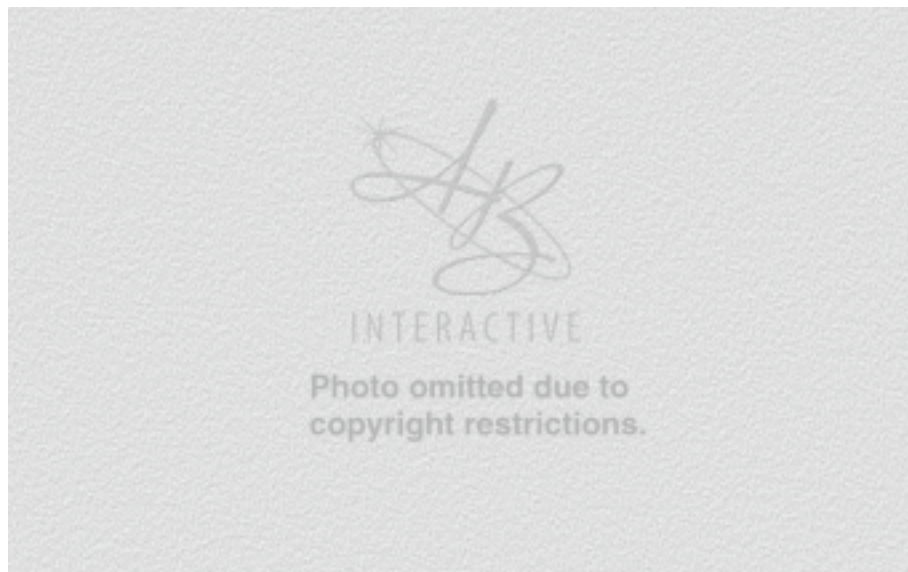
First feature sound movie.



media

online

National Film Board of Canada:
Charged with defining what
makes Canada the country it is.
www.nfb.ca



Divided Hollywood. When some members of Congress set out in 1947 to unearth Communist infiltration in Hollywood, they heard what they wanted to hear from actor Robert Taylor. He testified that he had seen plenty of things “on the pink side” in Hollywood. Other Hollywood people saw through the congressional probe as a witch hunt, and refused even to testify. Ten of them went to jail.

for contempt of Congress. It was one of the most highly visible manifestations of McCarthyism, a post-World War II overreaction to Soviet Communism as a national threat.

The Thomas hearings had longer deleterious effects. Movie producers, afraid the smear would extend to them, declined to hire the **Hollywood 10**. Other careers were also ruined. One expert identified 11 directors, 36 actors, 106 writers and 61 others who suddenly were unwelcome in their old circles and could not find work.

Among the Hollywood 10 was screenwriter **Dalton Trumbo**. His powerful pacifist novel *Johnny Got His Gun* made Trumbo an obvious target for the jingoist Thomas committee. After Trumbo refused to answer committee questions, he was jailed. On his release, Trumbo could not find anybody who would accept his screenplays, so he resorted to writing under the pseudonym Robert Rich. The best he could earn was \$15,000 per script, one-fifth his former rate. When his screenplay for *The Brave One* won an Academy Award in 1957, Robert Rich did not dare show up to accept it.

In a courageous act, **Kirk Douglas** hired Trumbo in 1959 to write *Spartacus*. Then Otto Preminger did the same with *Exodus*. Besides Trumbo, only screenwriter **Ring Lardner, Jr.** rose from the 1947 ashes. In 1970, after two decades on the blacklist, Lardner won an Academy Award for *M*A*S*H*.

The personal tragedies resulting from the Thomas excesses were bad enough, but the broader ramification was a paucity of substantial treatments of major social and political issues. Eventually, movie-makers rallied with sophisticated treatments of controversial subjects that, it can be argued, were more intense than they might otherwise have been. It was an anti-McCarthy backlash, which did not occur until the mid-1950s, when Hollywood began to reestablish movies as a serious medium.

Hollywood 10

Film industry people who were jailed for refusing to testify at congressional anti-Red hearings.

Dalton Trumbo

Blackballed screenwriter.

Kirk Douglas

Courage to hire Dalton Trumbo despite anti-Red critics.

Ring Lardner, Jr.

Blacklisted screenwriter who reemerged with *M*A*S*H*.



media timeline

...the movie industry

1912 Carle Laemmle founded Universal, first major Hollywood studio.

1916 Investors took role in the art and creativity after financial disaster of D. W. Griffith's *Intolerance*.

1919 Charlie Chaplin, Douglas Fairbanks, D. W.

Griffith and Mary Pickford founded United Artists studio.

1923 Warner brothers founded studio bearing their name.

1923 Walt Disney formed studio.

1924 Metro-Goldwyn-Mayer founded.

1924 Columbia Pictures founded.

1929 RKO founded.

1948 Congressional hearings label leading

Hollywood people as Communist sympathizers.

1952 U.S. Supreme Court rules First Amendment protects movies.

1950s Television eroded movie attendance.

court bans on vertical integration

The government has acted twice to break up the movie industry when it became so consolidated that there was no alternative to preventing abuses. **Adolph Zukor's** Paramount became a major success as a producer and distributor of feature films in the 1920s, but Zukor wanted more. He began buying movie houses, and eventually owned 1,400 of them. It was a classic case of **vertical integration**, a business practice in which a company controls its product all the way from inception to consumption. Paramount not only was producing and distributing movies, but also, through its own movie houses, was exhibiting them. It was profitable, and soon other major Hollywood studios also expanded vertically.

Still not satisfied with his power and profits, Zukor introduced the practice of **blockbooking**, which required non-Paramount movie houses to book Paramount films in batches. Good movies could be rented only along with the clunkers. The practice was good for Zukor because it guaranteed him a market for the failures. Exhibitors, however, felt coerced, which fueled resentment against the big studios.

The U.S. Justice Department began litigation against vertical integration in 1938, using **Paramount** as a test case. Ten years later, in 1948, the U.S. Supreme Court told Paramount and four other major studios to divest. They had a choice of selling off either their production or distribution or exhibition interests. Most sold their theater chains.

The effect shook the whole economic structure on which Hollywood was based. No longer could the major studios guarantee an audience for their movies by booking them into their own theaters, and what had come to be known as the **studio system** began to collapse. There was now risk in producing movies because movie houses decided what to show, and there was also a hitherto missing competition among studios.

Movie scholars say the court-ordered divestiture, coming when it did, had a more damaging effect than the Justice Department and the courts foresaw. It was about this time that Parnell Thomas and his congressional committee were bashing producers,

Adolph Zukor

Movie mogul whose Paramount epitomized vertical integration.

vertical integration

Controlling whole creation-production-exhibition sequence.

blockbooking

Studio requirement that movie houses rent clunkers to get good movies.

Paramount decision

Required studios to loosen control on whole creation-distribution-exhibition sequence.

studio system

The centralized studio-controlled movie industry disassembled by the Paramount decision.

which undermined Hollywood's creative output. Now the whole way in which the industry operated was required to change overnight. Hollywood was coming apart.

challenge from television

Movie attendance in the United States peaked in 1946 at 90 million tickets a week. Every neighborhood had a movie house, and people went as families to see the latest shows, even those that were not very good. Movies, rivaled only by radio, had become the nation's dominant entertainment medium.

Then came television. The early television sets were expensive, and it was a major decision in many families whether to buy one. In many households there were family conferences to decide whether to divert the weekly movie budget to buying a television. By 1950 movie attendance plummeted to 60 million a week and then 46 million by 1955. Today, fewer than 20 million people go to the movies in a typical week.

Not only had the movie industry been pummeled by Congress into creative timidity, and then been broken up by the courts, but also it had lost the bulk of its audience. Doomsayers predicted an end to Hollywood.

hollywood's response to television

STUDY PREVIEW Ironic as it seems, television has been the greatest force shaping the modern movie industry. When television began eroding movie attendance in the 1950s, moviemakers responded with technical innovations such as wrap-around screens. There also were major shifts in movie content, including treatments of social issues that early television would not touch.

technical innovation

When television began squeezing movies in the late 1940s, movie-makers scrambled for special effects to hold their audience. Color movies had been introduced in the 1930s. In the 1950s they came to be the standard—something that early television could not offer. Other technical responses included wrap-around **Cinerama** screens, which put images not only in front of audiences but also in their peripheral vision. Television's small screen could not match it. Cinerama also permitted movie-makers to outdo television with sweeping panoramas that were lost on small television screens. Offsetting its advantages, Cinerama was a costly attempt to increase audience involvement. It required multicamera production, and theaters had to be equipped with special projectors and remodeled for the curved screens. **CinemaScope** gave much the same effect as Cinerama but less expensively, with an image 2½ times wider than it was high, on a flat screen. CinemaScope did not fill peripheral vision, but it seemed more realistic than the earlier squarish screen images. Gimmicky innovations included three-dimensional pictures, which gave viewers not only width and height but also depth. Smell-o-vision was a dubious, short-lived technique. Odors wafted through movie houses to enhance the audience's sensual involvement.

media

online



What self-respecting, publicity-conscious movie star would be without a web site? If a star isn't web-savvy, then the studio or fans create web sites on their behalf. Consider these:

Cindy Crawford: www.iesd.auc.dk/~ole/models/cindy.html

Pee-Wee Herman: <http://www.seanet.com/Users/eazel/peewee.html>

Demi Moore: www.msstate.edu/M/person-exact?Moore%20Demi

John Travolta: www.auburn.edu/~proppka/travolta.htm

Sigourney Weaver: www.pt.hk-r.se/student/di94vno/ripley.html

Cinerama
Wraparound screens
CinemaScope
Horizontal screens.



media abroad

... movies
of india

At 85 cents a seat, people jam Indian movie houses in such numbers that some exhibitors schedule five showings a day starting at 9 a.m. Better seats sell out days in advance in some cities. There is no question that movies are the country's strongest mass medium. Even though per capita income is only \$1,360 a year, Indians find enough rupees to support an industry that cranks out 900 movies a year, three times more than American moviemakers. Most are B-grade formula melodramas and action stories. Screen credits often include a director of fights. Despite their flaws, Indian movies are so popular that it is not unusual for a movie house in a Hindi-speaking area to be packed for a film in another Indian language

that nobody understands. Movies are produced in 16 Indian languages.

The movie mania centers on stars. Incredible as it may seem, M. G. Ramachandran, who played folk warriors, and M. R. Radha, who played villains, got into a real-life gun duel one day. Both survived their wounds, but Ramachandran exploited the incident to bid for public office. He campaigned with posters that showed him bound in head bandages and was elected chief minister of his state. While in office, Ramachandran continued to make B-grade movies, always as the hero.

Billboards, fan clubs and scurrilous magazines fuel the obsession with stars. Scholars Erik Bar-nouw and Subrahmanyam Krishna, in their book *Indian Film*, characterize



Indian Fan Mags. Prolific moviemakers in India crank out movies, most of them not very good, in 16 languages to meet a seemingly insatiable public demand. Fans track the off-screen antics of their favorite stars in celebrity magazines like these in English, Gujarati and Hindi.

the portrayals of stars as “mythological demigods who live on a highly physical and erotic plane, indulging in amours.” With some magazines, compromising photos are a specialty.

A few Indian movie-makers have been recognized abroad for innovation and excellence, but they generally have an uphill battle against B-movies in attracting Indian audiences. Many internationally recognized Indian

films, such as those by Satyajit Ray, flop commercially at home.

In the late 1990s, Indian movies developed a cult following in the United States. The major Indian movie export market, however, was in Hindi-speaking parts of the world. In Sri Lanka, for example, whose language Sinhala is closely related to Hindi, the domestic movie industry is overshadowed by imported Indian movies.

spectaculars

Big-budget epic movies.

content innovation

Besides technical innovations, moviemakers attempted to regain their audiences with high-budget movies, with innovative themes and, finally, by abandoning their traditional mass audiences and appealing to subgroups within the mass audiences.

High-budget movies called **spectaculars** became popular in the 1950s. How could anybody, no matter how entranced by television, ignore the epic *Quo Vadis*, with one scene using 5,500 extras? There were limits, however, to luring Americans from their



Titanic. The film sensation *Titanic* was en route to becoming the highest-grossing movie of all time within weeks of its 1997 introduction. For director James Cameron, the movie meant three Academy awards—for best director, best picture and best editing. *Titanic* propelled Cameron into the ranks of Steven Spielberg and the 20th century's other great directors.

James Cameron

television sets with publicity-generating big-budget epics. The lavish *Cleopatra* of 1963 cost \$44 million, much of which 20th Century-Fox lost. It just cost too much to make. Even so, moviemakers continued to risk occasional big-budget spectacles. No television network in the 1960s would have put up \$20 million to produce the profitable *Sound of Music*. Later, the *Star Wars* movies by George Lucas were huge successes of the sort television could not contemplate.

Television's capture of the broad mass audience was a mixed blessing. Television was in a content trap that had confined movies earlier. To avoid offending big sections of the mass audience, television stuck with safe subjects. Movie-makers, seeking to distinguish their products from television, began producing films on serious, disturbing social issues. In 1955 *Blackboard Jungle* tackled disruptive classroom behavior, hardly a sufficiently nonthreatening subject for television. Also in 1955 there was *Rebel Without a Cause*, with James Dean as a teenager seeking identity. Marital intimacy and implied homosexuality were elements in the movie adaptation of Tennessee Williams's *Cat on a Hot Tin Roof*, starring Paul Newman and Elizabeth Taylor.

Television continued to be squeamish about many social issues into the 1960s, but movies continued testing new waters, notably with violence and sex. The slow-motion machine-gun deaths of bank robbers Bonnie and Clyde in Arthur Penn's 1967 classic left audiences awed in sickened silence. Nevertheless, people kept coming back to movies with graphic violence. Sex was taboo on television but not at the movies. It was the theme in *Bob and Carol and Ted and Alice*, *Carnal Knowledge*, and *I Am Curious, Yellow*. Sex went about as far as it could with the hard-core *Deep Throat* of 1973, which was produced for porno houses but achieved crossover commercial success in regular movie houses.

Movies came to be made for a younger crowd. By 1985, regular moviegoers fell into a relatively narrow age group—from teenagers through college age. Fifty-nine

The Oscars. Screenwriters and actors Ben Affleck and Matt Damon taking home the 1998 Oscars for their *Good Will Hunting*. The Oscar is recognized as a mark of accomplishment because it is the film industry itself, the Academy of Motion Picture Arts and Sciences, that selects the winners.



percent of the tickets were purchased by people between the ages of 12 and 24. Even so, the industry did not produce exclusively for a young audience. Moviemakers recognized that the highest profits came from movies with a crossover audience. These were movies that attracted not only the regular box-office crowd but also infrequent movie-goers. Essential, however, was the youth audience. Without it, a movie could not achieve extraordinary success. The immensely profitable *E.T.* was an example. It appealed to the youth audience, to parents who took their small children and to film aficionados who were fascinated with the special effects.

melding of movies and television

STUDY PREVIEW Hollywood's initial response to television was to fight the new medium, an effort that had mixed results. Next, Hollywood adopted the idea that if you can't beat them, join them. Today, most of the entertainment fare on television comes from Hollywood.

reconciliation of competing industries

Despite Hollywood's best attempts to stem the erosion in attendance caused by television, box-office sales continued to dwindle. Today, an average of only 19 million tickets are sold a week, about one-fifth of attendance at the 1946 box-office peak. Considering that the U.S. population has grown steadily during the period, the decline has been an even more severe indication of television's impact on movie attendance.

Despite a near 50-year slide in box-office traffic, Hollywood has hardly lost its war with television. The movie industry today, a \$4-billion-a-year component of the U.S. economy, is so intertwined with television that it is hard to distinguish them. Three-quarters of the movie industry's production today is for television.

media

W

online

Alfred Hitchcock: The master of suspense unmasked.

<http://nextdch.mty.itesm.mx/~plopezg/Kaplan/Hitchcock.html>

Lion's Den: MGM/UA was one of the first major studios to go online. www.mgmua.com

Lucasfilm: The force behind a generation's most influential pictures. www.lucasarts.com

Star Trek: First Contact: Engage yourself in a technical, elaborate site. <http://firstcontact.msn.com/index.html>

Worldcam: The planet's moving picture show. <http://ovd.com>

There remains, however, an uneasy tension between the exhibitors who own movie houses and television. Theater traffic has not recovered, and while movie-makers and distributors are profiting from new distribution channels, especially home videos, these new outlets are hurting theater traffic.

first runs and after-markets

When movie-makers plan films today, they build budgets around anticipated revenues that go beyond first runs in movie houses. Unlike the old days, when movies either made it or didn't at the box office, today moviemakers earn more than 17 percent of their revenue from pay television services like HBO after the movie has played itself out in movie houses. Another 8 percent comes from selling videotapes.

For most movies, foreign release is important. Movies are usually released in the United States and abroad simultaneously. Foreign distribution revenues can be significant. The box-office revenue from U.S. movies abroad, in fact, is significant in balance-of-trade figures with other nations. After-market revenue comes from pay-per-view television channels and the home video market.

movie exhibitors

STUDY PREVIEW Most movie-goers today go to multiscreen theaters that show a wide range of movies. These multiplexes are a far cry from the first commercially successful exhibition vehicles, peep show machines that only one viewer at a time could watch. Intermediate exhibition vehicles ranged from humble neighborhood movie houses to downtown palaces.

early exhibition facilities

In the early days, movie patrons peered into a box as they cranked a 50-foot loop over sprockets. These were called peep shows. When Thomas Edison's powerful incandescent lamp was introduced, peep show parlors added a room for projecting movies on a wall. Business thrived. Typical admission was a nickel. By 1908 just about every town had a nickelodeon, as these early exhibition places were called.

Exhibition parlors multiplied and became grander. In 1913 the elegant Strand Theater, the first of the movie palaces, opened in New York. By the early 1940s there were more than 20,000 movie houses in the United States. Every neighborhood had one.

As television gained prominence in the 1950s, many movie houses fell into disrepair. One by one they were boarded up. Drive-in movies eased the loss. At their peak, there were 4,000 drive-ins, but that did not offset the 7,000 movie houses that had closed. Furthermore, **drive-ins** were hardly 365-day operations, especially in northern climates.

multiscreen theaters

Since a nadir in 1971, when annual attendance dropped to 875 million, the exhibition business has evolved into new patterns. Exhibitors have copied the European practice of **multiscreen theaters**—and they built them mostly in suburbs. The new

drive-ins

Outdoor screens viewable from automobiles.

multiscreen theaters

Several screens with central infrastructure.



media timeline

... movie exhibition

1895 Auguste and Louis Lumière opened movie house in Paris.

1896 Koster and Bial's Music Hall is site of first public motion picture showing in United States.

1946 U.S. box office peaked at 90 million a week.

1970s Multiscreen movie houses became the norm.

multiscreen theaters allow movie-goers to choose among several first-run movies, all nearby in a multiplex theater with as many as 12 screens. A family can split up in the lobby—mom and dad to one screen, teenagers to another, and the little kids to a G-rated flick.

Showing rooms are smaller today, averaging 340 seats compared with 750 in 1950. Most multiplexes have large and small showing rooms. An advantage for exhibitors is that they can shift popular films to their bigger rooms to accommodate large crowds and move other films to smaller rooms.

Multiplex theaters have lower overhead. There might be 12 projectors, but only one projectionist, one ticket taker and one concession stand. The system has been profitable. Today there are more than 23,000 screens in the United States—more than double the number in 1970 and more than the total number of theaters when movies were the only game in town. In the 1990s, ticket sales have fluctuated from year to year, but the trend in attendance has been downward.

nut

Movie-house share of box-office revenue.

exhibitors

Movie-house business.

distributors

Arrange circulation of movies on behalf of studios to exhibitors.

D. W. Griffith

Early producer known for innovations in *The Birth of a Nation*, loose-spending in *Intolerance*.

major studios

Include Warner Brothers, Paramount, Disney, MGM.

independent producer

Makes movies outside major studios but sometimes with major studio's cooperation.

box-office income

Movie houses usually split box-office receipts with a movie's distributor. The movie-house percentage is called the **nut**. Deals vary, but a 50-50 split is common the first week. **Exhibitors**, as the movie houses are called, take a higher percentage the longer the run. A frequent formula is 60 percent the second week and 70 percent the third, and sometimes more after that. Besides the nut, the concession stand is an important revenue source for exhibitors. Concessions are so profitable that exhibitors sometimes agree to give up their nut entirely for a blockbuster and rely on popcorn and Milk Duds to make money. Movie-house markups on confections are typically 60 percent, even more on popcorn.

The **distributors** that market and promote movies claim a share of movie revenue, taking part of the nut from exhibitors and charging booking fees plus expenses to the movie-makers. Distribution expenses can be significant. Advertising and marketing average \$6 million per movie. Making multiple prints, 1,200 copies at \$1,200 apiece, and shipping them around the country is expensive too. Distributors also take care of after-markets, including foreign exhibition, videocassette distributors and television—for a fee plus expenses.

With some movies not enough box-office income is generated for the producers to recoup their production expenses. These expenses can be staggering, about \$43 million on average. However, when production budgets are kept low and the movie succeeds at the box office, the return to the producers can be phenomenal.

movie finances

STUDY PREVIEW The financing of movies is based more on hardball assessments of their prospects for commercial success than on artistic merit. The money to produce movies comes from major movie studios, banks and investment groups. Studios sometimes draw on the resources of their corporate parents.

the lesson of intolerance

The great cinematic innovator **D. W. Griffith** was riding high after the success of his 1915 Civil War epic, *The Birth of a Nation*. Griffith poured the profits into a new venture, *Intolerance*. It was a complex movie that examined social injustice in ancient Babylon, Renaissance France, early 20th-century America and the Holy Land at the time of Christ. It was a critical success, a masterpiece, but film audiences had not developed the sophistication to follow a theme through disparate historical periods. At the box office it failed.

Intolerance cost \$2 million to make, unbelievable by 1916 standards. Griffith had used huge sets and hundreds of extras. He ended up broke. To make more movies, Griffith had to seek outside financing. The result, say movie historians, was a dilution in creativity. Financiers were unwilling to bankroll projects with dubious prospects at the box office. Whether creativity is sacrificed by the realities of capitalism remains a debated issue, but there is no doubt that moviemaking is big business.

financing sources

Just as in D. W. Griffith's time, movies are expensive to make—about \$43 million on average. Then there are the big-budget movies. Depending on how the expenses are tallied, the 1997 movie *Titanic* cost somewhere between \$200 million to \$240 million to make. Where does the money come from?

Major Studios. Major studios finance many movies with profits from their earlier movies. Most movies, however, do not originate with major studios but with **independent producers**. While these producers are autonomous in many respects, most of them rely on major studios for financing. The studios hedge their risks by requiring that they distribute the movies, a profitable enterprise involving rentals to movie houses and television, home video sales and merchandise licensing.

The studios, as well as other financial backers, do more than write checks. To protect their investments, some involve themselves directly in film projects. They

media



online

Sex and Movies: At this site, sponsored by the Delphi online service, you will find a history of sex in the movies. Created as an adjunct to the 1995 movie *Showgirls*, the site includes links to pro and con comments on the movie.

www.delphi.com/entment/motnpict/showgirl/hubba.htm

40 Acres and a Mule: Kick it in Spike Lee's virtual joint.

www.40acres.com

Columbia/Tri-Star: At home at Sony. www.spe.sony.com/Pictures/SonyMovies/index.html

Disney: Walt's World.

www.disney.com

Paramount: The site is an entree to Paramount movies now playing, as well as to home video releases. A link to Paramount's television production arm takes you to sites for more than 40 hours of network and syndicated programming the studio pumps out every week, including "Frasier," "Wings" and two "Star Trek" series.

www.paramount.com

Universal: Digital-age movie posters for current Universal films plaster this web site. You also can hit links to projects still in production, as well as some surprises. When the high-concept movie "12 Monkeys" was running, for example, screenwriters David and Janet Peoples had a site responding to frequently asked questions about the movie. www.mca.com/universal_pictures

Paramount Pictures: All that's Paramount is here.

www.paramount.com

Warner Bros.: More than just what's up, Doc.

www.warnerbros.com



media people

... spike lee

Spike Lee, a bright, clever young film director, was in deep trouble in 1992. He had persuaded Warner Brothers, the big Hollywood studio, to put up \$20 million for a film biography of controversial black leader Malcolm X, one of his heroes. Lee insisted on expensive foreign shooting in Cairo and Soweto, and now, not only was the \$20 million from Warner gone but so was \$8 million from other investors. To finish the movie, Lee put up his own \$3 million up-front salary to pay, he hoped, all the production bills.

The crisis was not the first for Lee, whose experience as a movie-maker illustrates several realities about the American movie industry, not all of them flattering:

- Hollywood is the heart of the American movie industry, and it is difficult, if not impossible, for feature filmmakers to succeed outside of the Hollywood establishment.
- Hollywood, with rare exception, favors movies that follow themes that already have proven successful rather than taking risks

on innovative, controversial themes.

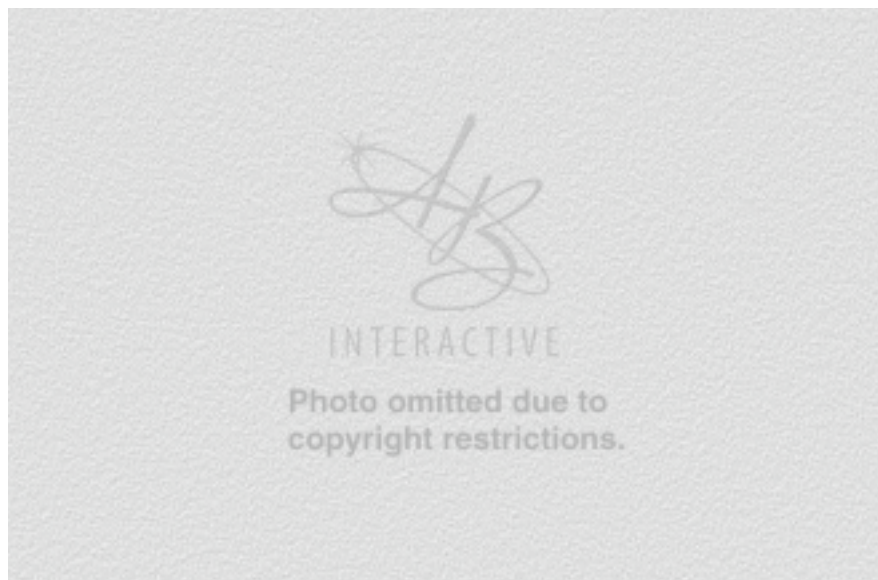
- Fortunes come and go in Hollywood, even studio fortunes. Although Warner is a major studio and often flush with money, it was on an austerity binge when Spike Lee came back for more money in 1992.
- The American movie industry has been taken over by conglomerates,

which, as in the case of Warner Brothers, a subsidiary of Time Warner, was being pressured in 1992 to maximize profits to see the parent company through a difficult economic period.

To hear Spike Lee tell it, his problem also was symptomatic of racism in the movie industry. Addressing the Los Angeles Advertising Club during the *Malcolm X* crisis,

Lee, who is black, was blunt: “I think there’s a ceiling on how much money Hollywood’s going to spend on black films or films with a black theme.”

Although studio executives would deny Lee’s charge, his perceptions were born of experience in making five movies, all critically acclaimed and all profitable but all filmed on shoestring budgets and with little or no studio promotion.



Public Enemy. Between movie projects, Spike Lee produces television commercials and videos, including the popular *Public Enemy*. There have been many slow periods between movies for Lee, who finds Hollywood money hard to come by for his work, even though he is acclaimed as one of his generation’s great moviemakers. Lee blames racism among those who control Hollywood purse strings.


media databank
...top-earning movies

These are the top-earning movies of all time, listed by domestic gross revenue. By some measures, *Jurassic Park* leads the list with global grosses exceeding \$900 million.

Movie	Director	Domestic Gross	Year
<i>Titanic</i>	James Cameron	\$471 million	1997
<i>E.T.: The Extra-Terrestrial</i>	Steven Spielberg	\$407 million	1982
<i>Jurassic Park</i>	Steven Spielberg	\$357 million	1993
<i>Forrest Gump</i>	Robert Zemeckis	\$327 million	1994
<i>Star Wars</i>	George Lucas	\$323 million	1977
<i>The Lion King</i>	Roger Allers and Rob Minkoff	\$313 million	1994
<i>Home Alone</i>	Chris Columbus	\$285 million	1990
<i>Return of the Jedi</i>	George Lucas	\$264 million	1983
<i>Jaws</i>	Steven Spielberg	\$260 million	1975
<i>Batman</i>	Leslie Martinson	\$251 million	1989
<i>Indiana Jones: Raiders of the Lost Ark</i>	Steven Spielberg	\$242 million	1981

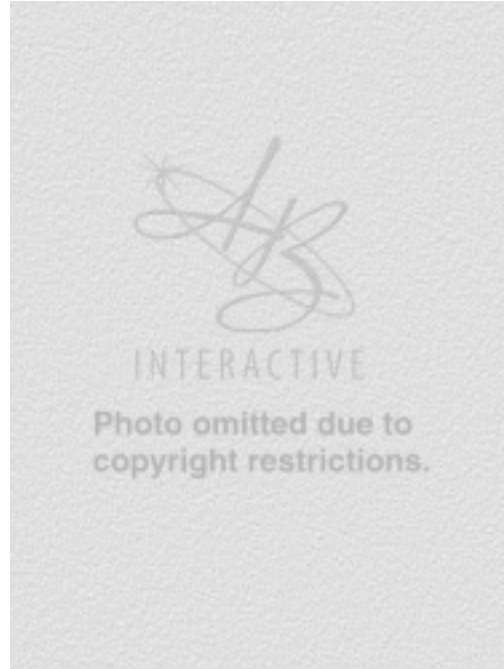
examine budgets and production schedules in considering a loan request. It's common for them to send representatives to shooting sites to guard against budget overruns.

Major studios that are part of conglomerates can draw on the resources of their corporate parents. In 1952 giant MCA acquired the ailing Universal studio and plowed its recording business profits into the studio. Universal turned profitable and MCA became even stronger by having another profitable subsidiary. The Gulf and Western conglomerate later did the same with Paramount. Coca-Cola acquired Columbia in 1982 with a promise to help Columbia through the rough times that had beset the movie company.

In the 1980s several studios acquired new corporate parents, which made it easier to finance movies. The Japanese electronics giant Sony bought Columbia in 1989. At \$3.4 billion, it was the biggest Japanese takeover of an American corporation in history. The size of the deal was a sign of the new resources Columbia could tap to make movies. By the early 1990s three of the largest U.S. studios were owned by giant foreign companies with the ability to generate cash from other enterprises to strengthen their new U.S. movie subsidiaries.

Investor Groups. Special investment groups sometimes are put together to fund movies for major studios. Among them is Silver Screen Partners, which provided millions of dollars in financing for Disney projects at a critical point in Disney's revival in the 1980s.

Disney Animation Animator Walt Disney catapulted his success with Mickey Mouse (nee Steamboat Willie) movie cartoons, introduced in 1928, into full-length features with *Snow White and the Seven Dwarfs* nine years later. *Snow White* was a high-risk endeavor, costing \$1.5 million to put together, a lot at the time, with nobody knowing how much market there would be. The public loved it, leading to new animated Disney features, including such enduring favorites as *Pinocchio* and *Bambi*. Although Walt Disney died in 1966, the company's tradition in animation has lived on. The Christmas 1995 animated feature, *Toy Story*, was one of the season's blockbusters. That followed the unprecedented success of *Pocahontas*, which five months after its release was still showing in more than 200 screens. The company also has also expanded into a broad range of entertainment, including movies with mature themes from its Miramax subsidiary. In 1995, Disney turned a long relationship with ABC television into a full-fledged \$19 billion merger that combined Cap Cities/ABC and Disney.



Less proven producers, or those whose track records are marred by budget overruns and loose production schedules, often seek financing from **risk investors**, who include venture capitalists, tax-shelter organizers and foreign distributors. Risk investors often take a bigger share of revenue in exchange for their bigger risk. It sometimes is a surprise who puts up the money. For *Willie Wonka and the Chocolate Factory*, it was Quaker Oats.

Banks. To meet front-end production expenses, studios go to banks for loans against their assets, which include their production facilities and warehouses of vintage films awaiting rerelease. By bankrolling movies early in Hollywood's history, California-based **Bank of America** grew into one of the nation's biggest banks.

artistic versus budget issues

Movie-makers are expanding their supplemental incomes by charging other companies to use movie characters, themes and music for other purposes. This has raised questions about whether commercial imperatives have more priority than artistic considerations.

Merchandise Tie-Ins. Fortunes can be made by licensing other companies to use characters and signature items from a movie. In one of the most successful **merchandise tie-ins**, 20th Century-Fox and George Lucas licensed Ewok dolls, R2D2 posters and even *Star Wars* bed sheets and pillowcases. By 1985, seven years after the movie's release, tie-ins had racked up sales of \$2 billion. The licensing fee typically is 10 percent of the retail price of the merchandise. *Batman* tie-ins rang up \$500 mil-

risk investors

Put money into projects at interest rates commensurate with risk.

Bank of America

Became giant institution by loaning money for movies.

merchandise tie-ins

Studio deals to profit from merchandise carrying movie names and logos.


media people

 ... **michael eisner**

When he was a kid, Michael Eisner wanted to be a doctor. It didn't work out. Today, as chief executive of the Walt Disney Company, Eisner is credited with the vision that put together a 1995 merger of Disney and CapCities/ABC into one of the world's largest media companies. It is a corporate marriage that financial observers agree makes sense. Disney's strength, producing media content, is being merged with ABC's strength, its delivery system.

An early upshot of the merger was Disney taking over Saturday morning programming on the ABC television network. Even that was more than it seemed. The newly merged company began using "Disney" as a brand to sell advertisers integrated marketing packages. Advertisers not only bought time on children's programming

on Saturday mornings but also could get first dibs on Disney product promotions and licensing.

Where is Disney/ABC going? Speculation includes staging ABC-televised sports events at new arenas at Disney theme parks. Additional possibilities lie in the fact that the ESPN sports cable channel is part of the combined company.

Meanwhile, a string of successful Disney movies fuels the corporate coffers for new initiatives. *Pocahontas* and *Toy Story* were 1995 blockbusters. Even

cutting-edge and niche 1995 movies from Disney subsidiaries, including *Dangerous Minds*, *Powder* and *While You Were Sleeping*, pulled in more than expected. The *Dangerous Minds* soundtrack, targeted at black Americans, swelled corporate coffers.

On another front, the financially uneven Disney theme parks have seen recent turnarounds.

The key to Disney's success under Eisner has been building the Disney brand name; cross-promoting Disney initiatives, like inscribing

Disney's name on ABC television programming; extending product lines in additional directions; recycling Disney products, like reissuing classic animated Disney movies, such as *Cinderella*, on a schedule; repackaging existing products for new markets; and licensing the use of Disney logos to other companies for promotions, like the hamburger chains.

Michael Eisner. Media observers call Michael Eisner the most powerful person in Hollywood. Eisner, chief executive of Walt Disney Company, has presided over a string of successful but diverse movies, ranging in recent years from *The Lion King* to *Crimson Tide* and *Dead Presidents*. Even more significant, he engineered the 1995 Disney merger with Cap Cities/ABC, which gives Disney a new outlet for its creative output.



lion in sales in 1989, within six months of the movie's release, and Warner Brothers was earning 20 percent of the retail revenue on some products.

Toys. For the 1995 film *Batman Forever*, Warner Brothers let the Hasbro toy company dress the Riddler. Hasbro wanted tight pants, not the baggy ones in the script, so the Riddler action toy would look better. The result? The Riddler wore tight

pants on screen. A recurrent report from *Pocahontas* animators is that their bosses ordered them to have the raccoon Meeko braid the Indian maiden's hair so Mattel could market Braided Beauty Pocahontas dolls.

Some movie-makers deny that the cart is ahead of the horse. Disney officials, for example, say Mattel had no hand in the script for *Pocahontas*: The script comes first, the toys second. Even so, movie-makers have huge financial incentives to do whatever it takes to assure success. Toy makers pay licensing fees, typically 10 percent of a toy's retail price. Disney earned \$16 million, the record, for the 1994 movie *The Lion King*. In 1995 *Batman Forever* paraphernalia generated \$13 million, *Pocahontas* \$10 million. Power Ranger gear, tied into both the movie and the television series, has totaled \$300 million, of which an estimated \$30 million went back to Fox—a significant revenue source requiring hardly any studio expense.

Is this kind of commercialism undermining the artistic autonomy that normally is associated with creative enterprises like movie-making? This is the same elitist-populist issue that's at the heart of the ongoing debate about media content. At one extreme is the pristine elitist preference for creative forces to drive content oblivious to commercial considerations. At the other extreme is the laissez-faire populist belief that nothing's wrong with marketplace forces. Populists say that if a movie's box office suffers because toy-makers have had too much sway on script decisions, moviemakers will make future adjustments—and an appropriate balance will result eventually. Some elitists accept that argument but worry nonetheless about the commercial contamination that occurs in the meantime.

Music. Tie-ins are not new. Music, for example, was a revenue source for moviemakers even before talkies. Just about every early movie house had a piano player who kept one eye on the screen and hammered out supportive mood music, and sheet-music publishers bought the rights to print and sell the music to musicians who wanted to perform it on their own. This was no small enterprise. D. W. Griffith's *The Birth of a Nation* of 1915 had an accompanying score for a 70-piece symphony.

Today, music has assumed importance besides supporting the screen drama. It has become a movie-making profit center. *Saturday Night Fever* was the vehicle for a host of hit songs. *Urban Cowboy* was as much a film endeavor as a recording industry enterprise.

Product Placement. Moviemakers also have begun building commercial products into story lines in a subtle form of advertising. It was no coincidence that Tom Cruise downed Pepsi in *Top Gun*. Some movie producers work brand names into their movies for a fee. When the alien E.T. was coaxed out of hiding with a handful of candy, it was with Reese's Pieces. The Hershey company, which makes Reese's, paid to have its candy used. Sales soared in the next few months. Producers first offered the Mars company a chance for the candy to be M&Ms, but Mars executives were squeamish about their candy being associated with anything as ugly as E.T. They did not realize that movie-goers would fall in love with the little alien.

After *E.T.*, the product placement business boomed. Miller beer paid to have 21 references in *Bull Durham*. The same movie also included seven references for Budweiser, four for Pepsi, three for Jim Beam, and two for Oscar Meyer. A simple shot of a product in the foreground typically goes for \$25,000 to \$50,000. Some advertisers have paid \$350,000 for multiple on-screen plugs.

Critics claim that **product placements** are sneaky. Some want them banned. Others say the word “advertisement” should be flashed on the screen when the products appear. Movie people, on the other hand, argue that using real products adds credibility. In the old days, directors assiduously avoided implicit endorsements. In a bar scene, the players would drink from cans marked “beer”—no brand name. Today, says Marvin Cohen, whose agency matches advertisers and movies, “A can that says ‘Beer’ isn’t going to make it anymore.” The unanswered question is how much product-placement deals affect artistic decisions.

movie censorship

STUDY PREVIEW The movie industry has devised a five-step rating system that alerts people to movies they might find objectionable. Despite problems inherent in any rating scheme, the NC-17, R, PG-13, P and G system has been more successful than earlier self-regulation attempts to quiet critics.

morality as an issue

It was no wonder in Victorian 1896 that a movie called *Dolorita in the Passion Dance* caused an uproar. There were demands that it be banned—the first but hardly last such call against a movie. In 1907 Chicago passed a law restricting objectionable motion pictures. State legislators across the land were insisting that something be done. Worried moviemakers created the **Motion Picture Producers and Distributors of America** in 1922 to clean up movies. **Will Hays**, a prominent Republican who was an elder in his Presbyterian church, was put in charge. Despite his efforts, movies with titillating titles continued to be produced. A lot of people shuddered at titles such as *Sinners in Silk* and *Red Hot Romance*, and Hollywood scandals were no help. Actor William Reid died from drugs. Fatty Arbuckle was tried for the drunken slaying of a young actress. When the Depression struck, many people linked the nation’s economic failure with “moral bankruptcy.” Movies were a target.

Under pressure, the movie industry adopted the **Motion Picture Production Code** in 1930, which codified the kind of thing that Will Hays had been doing. There was to be no naughty language, nothing sexually suggestive, and no bad guys going unpunished.

Church people led intensified efforts to clean up movies. The 1930 code was largely the product of Father **Daniel Lord**, a Roman Catholic priest, and **Martin Quigley**, a Catholic layperson. In 1934, after an apostolic delegate from the Vatican berated movies in an address to a New York church convention, United States bishops organized the **Legion of Decency**, which worked closely with the movie industry’s code administrators.

The legion, which was endorsed by religious leaders of many faiths, moved on several fronts. Chapters sprouted in major cities. Some chapters boycotted theaters for six weeks if they showed condemned films. Members slapped stickers marked “We Demand Clean Movies” on car bumpers. Many theater owners responded,

product placement

When manufacturer pays for products to be used as props.

Motion Picture Producers and Distributors of America (MPPDA)

1922 Hollywood attempt to establish moral code for movies.

Will Hays

Led MPPDA.

Motion Picture Production Code

1930 Hollywood attempt to quiet critical moralists.

Daniel Lord

Priest who led morality crusade against Hollywood.

Martin Quigley

Partner of Father Daniel Lord.

Legion of Decency

Church listing of acceptable movies.



media timeline

... movie censorship

1896 Moralists outraged at *Dolorita in the Passion Dance*.

1907 Chicago ordinance banned objectionable movies.

1915 U.S. Supreme Court dismissed movies as

“circuses” unworthy of First Amendment protection.

1922 Motion Picture Producers and Distributors of America tried to eliminate objectionable content to quiet critics.

1934 Hollywood established mandatory production code to quiet critics.

1934 Roman Catholic leaders created Legion of Decency to deter people from certain movies.

1952 U.S. Supreme Court ruled First Amendment protects movies in *The Miracle* case.

1960 Hollywood created rating system to quiet critics.

media

online

W

International Film Festivals:

Everything you ever wanted to know about film festivals around the world, including Cannes, probably is here. You will find movie reviews too. cannes.zds.softway.worldnet.net

International Film Festivals:

With reviews and awards, this is a Cannes-do site. www.filmfestivals.com

Internet Movie Database:

Says it's the most comprehensive free source of movie information on the Internet. www.us.imdb.com

Movielink:

Not only what's on, but tickets too! www.movielink.com

Movies.Net:

Reviews, studios, clips, the works. www.movies.net

MovieWeb:

Movies on the web. www.movieweb.com/movie/movie.html

Motion Picture Association of America:

They rate the movies we all see. www.mpaa.org

vowing to show only approved movies. Meanwhile, the industry itself added teeth to its own code. Any members of the Motion Picture Producers and Distributors of America who released movies without approval were fined \$25,000.

movies and changing mores

In the late 1940s the influence of the policing agencies began to wane. The 1948 Paramount court decision was one factor. It took major studios out of the exhibition business. As a result, many movie houses could rent films from independent producers, many of whom never subscribed to the code. A second factor was the movie *The Miracle*, which became a First Amendment issue in 1952. The movie was about a simple woman who was sure St. Joseph had seduced her. Her baby, she felt, was Christ. Critics wanted the movie banned as sacrilege, but the Supreme Court sided with exhibitors on grounds of free expression. Film-makers became a bit more venturesome.

At the same time, with mores changing in the wake of World War II, the influence of the Legion of Decency was slipping. In 1953 the legion condemned *The Moon Is Blue*, which had failed to receive code approval for being a bit racy. Despite the legion's condemnation, the movie was a box-office smash. The legion contributed to its own undoing with a series of incomprehensible recommendations. It condemned significant movies such as Ingmar Bergman's *The Silence* and Michelangelo Antonioni's *Blow Up* in the early 1960s while endorsing the likes of *Godzilla vs. the Thing*.

current movie code

Movie-makers sensed the change in public attitudes in the 1950s but realized that audiences still wanted guidance they could trust on movies. Also, there remained some moralist critics. In 1968 several industry organizations established a new rating system. No movies were banned. Fines were out. Instead, a board representing movie

producers, distributors, importers and exhibitors, the **Classification and Rating Administration Board**, placed movies in categories to help parents determine what movies their children should see. The categories, as modified through the years, are:

- **G:** Suitable for general audiences and all ages.
- **PG:** Parental guidance suggested because some content may be considered unsuitable for preteens.
- **PG-13:** Parental guidance especially suggested for children younger than 13 because of partial nudity, swearing or violence.
- **R:** Restricted for anyone younger than 17 unless accompanied by an adult.
- **NC-17:** No children under age 17 should be admitted.

Whether the rating system is widely used by parents is questionable. One survey found two out of three parents couldn't name a movie their teenagers had seen in recent weeks.

chapter wrap-up

... **M**ovies passed their 100th birthday in the 1980s as an entertainment medium with an especially strong following among young adults and teenagers. From the beginning, movies were a glamorous medium, but beneath the glitz were dramatic struggles between competing businesspeople whose success depended on catching the public's fancy.

The most dramatic period for the movie industry came at midcentury. Fanatic anti-Communists in Congress intimidated movie-makers into backing away from cutting-edge explorations of social and political issues, and then a government antitrust action forced the major studios to break up their operations. Meanwhile, television was siphoning people away from the box office. Movie attendance fell from 90 million to 16 million per week.

It took a few years, but the movie industry regrouped. More than ever, political activism and social inquiry have become themes in American movies. Movie-makers met the threat from television by becoming a primary supplier of TV programming. In response to the antitrust orders, the big studios sold their movie houses and concentrated on financing independent productions and then distributing them. In short, the movie industry has proved itself remarkably resilient and adaptive.

The movie industry has three primary components: production, marketing and exhibition. Most movie fans follow production, which involves stars, screenplays and big money. Major studios control most production, either by producing movies themselves or by putting up the money for independent producers to create movies, which the studios then market. Marketing, called "distribution" in the trade, involves promotion and profitable after-markets like television and home video sales. Since the 1948 antitrust action, exhibition has been largely independent of Hollywood, although the corporations that own the major studios have again begun moving into the movie-house business.

Miracle case

U.S. Supreme Court ruled First Amendment protected movies from censorship.

Classification and Rating Administration Board
Rates movies on G, PG, PG-13, R, NC-17 scale.

Throughout their history, movies have been scrutinized by moralists who fear their influence. Today, the critics seem fairly satisfied with the NC-17, R, PG-13, PG and G rating system that alerts parents to movies that they might find unsuitable for their children.

questions for review

1. Why do movies as a mass medium have such a strong impact on people?
2. How does the technological basis of movies differ from the other primary mass media?
3. Why did movies begin fading in popularity in the late 1940s?
4. What was Hollywood's initial response to television?
5. What is the relationship between Hollywood and the television industry today?
6. How has the movie exhibition business changed over the years?
7. How do movie-makers raise cash for their expensive, high-risk projects?
8. How has Hollywood responded to criticism of movie content?

questions for critical thinking

1. How would you describe the success of these innovations—Cinerama, CinemaScope, 3-D and Smell-o-vision—in the movie industry's competition against television?
2. Epic spectacles marked one period of moviemaking, social causes another, sex and violence another. Have these genres had lasting effect?
3. Can you explain why films geared to baby boomers, sometimes called teen films, dominated Hollywood in the 1970s and well into the 1980s? Why are they less important now?
4. How did Eadweard Muybridge demonstrate persistence of vision, and how did that lead to early movie-making? Cite the contributions of William Dickson, George Eastman and the Lumière brothers.
5. Explain how these three developments forced a major change in Hollywood in the 1950s: the 1947 Thomas hearings, the 1948 Paramount court decision, and the advent of television.

6. Once the number of movie exhibitors in the nation was measured in terms of movie houses. Today it is measured by the number of screens. Why?
7. Explain how moviemakers finance their movies. What are the advantages and disadvantages of each method?
8. What has been the role of these institutions in shaping movie content: Motion Picture Producers and Distributors of America, Legion of Decency, and Classification and Rating Administration Board?
9. Describe government censorship of movies in the United States.

for further learning

Thomas W. Bohn and Richard L. Stromgren. *Light and Shadows: A History of Motion Pictures* (Alfred Publishing, 1975). This is a lively, comprehensive examination.

Larry Ceplair and Steven Englund. *The Inquisition in Hollywood: Politics in the Film Community, 1930–1960* (Doubleday, 1980). Ceplair and Englund examine the 1947 congressional smear that depopulated Hollywood of some of its most talented screenwriters and directors.

Norman K. Denzin. *Hollywood Shot by Shot: Alcoholism in American Cinema* (de Gruyter, 1991). Denzin, a sociologist, tracks Hollywood portrayals of alcoholism from 1932 to 1989 for trends to interpret how they came to be and their effects.

Joan Didion. "In Hollywood." *The White Album* (Pocket, 1979). Didion discredits the notion that the major studios are dying with the emergence of independent producers. The studios both bankroll and distribute independent films and, she says, make lots of money in the process.

Douglas Gomery. *The Hollywood Studio System* (St. Martin's, 1986). Gomery examines the movie industry of the 1930s and 1940s, a period when Hollywood moved into mass production, global marketing and a centralized distribution system.

Thomas Guback. "The Evolution of the Motion Picture Theater Business in the 1980s." *Journal of Communication* (Spring 1987), pages 70–77. Why are so many new movie screens being built in the United States even though a smaller percentage of the population goes to movies? Guback lays out an array of economic factors from popcorn prices to new vertical integration schemes.

Garth Jowett and James M. Linton. *Movies as Mass Communication* (Sage, 1980). Jowett and Linton examine the social impact of movies and the economic determinants of the movie industry in this brief, scholarly book.

Lary May. *Screening Out the Past: The Birth of Mass Culture and the Motion Picture Industry* (Oxford University Press, 1980). A thoroughly documented early history.

Victor Navasky. *Naming Names* (Viking, 1980). This is another treatment of the congressional investigation into the film industry.

Murray Schumach. *The Face on the Cutting Room Floor: The Story of Movie and Television Censorship* (Da Capo, 1974).

for keeping up to date

People serious about movies as art will find *American Film* and *Film Comment* valuable sources of information.

Trade journals include *Variety* and *Hollywood Reporter*.

Among consumer magazines with significant movie coverage are *Premiere*, *Entertainment Weekly* and *Rolling Stone*.

The *Wall Street Journal*, *Business Week*, *Forbes* and *Fortune* track the movie industry.

Select a Chapter

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



CHAPTER SIX: Movies

CLICK ON TO
GO TO PAGE

Page 141

Page 141

Page 141

Page 141

Page 141

Page 141

Page 145

Page 147

Page 147

Page 147

Page 147

Page 147

Page 150

CLICK ON TO OPEN WEBLINK

[Academy of Motion Picture Arts and Sciences](#)

[Film and Broadcast Page](#)

[Film.Com](#)

[Film Zone](#)

[Filmmusic.com](#)

[Flicker](#)

[National Film Board of Canada](#)

[Cindy Crawford](#)

[Pee-Wee Herman](#)

[Demi Moore](#)

[John Travolta](#)

[Sigourney Weaver](#)

[Alfred Hitchcock](#)



NEXT 

Select a Chapter

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



- Page 150 [Lion's Den](#)
- Page 150 [Lucasfilm](#)
- Page 150 [Star Trek: First Contact](#)
- Page 150 [Worldcam](#)
- Page 153 [Sex and Movies](#)
- Page 153 [40 Acres and a Mule](#)
- Page 153 [Columbia/Tri-Star](#)
- Page 153 [Disney](#)
- Page 153 [Paramount](#)
- Page 153 [Universal](#)
- Page 153 [Paramount Pictures](#)
- Page 153 [Warner Bros.](#)
- Page 160 [International Film Festivals](#)
- Page 160 [International Film Festivals](#)
- Page 160 [Internet Movie Database](#)

Select a Chapter

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19



Page 160

[Movielink](#)

Page 160

[Movies.Net](#)

Page 160

[MovieWeb](#)

Page 160

[Motion Picture Association of America](#)