The Movies

Socially conscious, reality-inspired, low-budget motion pictures swept the 2005 Oscars. Putting aside the standard blockbusters like *King Kong* and *Batman Begins,* the Academy of Motion Pictures honored movies about love between gay cowboys, the evils of pharmaceutical companies in Africa, the ethics of true crime writing, urban racial tensions, and the conflict between civil liberties and the state.

Accepting his award for best supporting actor in the political drama, *Syriana,* George Clooney praised Hollywood for tackling sensitive subjects in the past, such as AIDS, civil rights, and racism. In particular he mentioned Hattie McDaniel's 1939 Oscar for her portrayal of a slave in *Gone with the Wind.* But director Spike Lee was not impressed with Clooney's sense of history. He pointed out that McDaniel's win reinforced the stereotype of black women as "Mammies" and that a black female actor would not win again for another sixty years. Thus, the Academy Awards ceremony dramatized the country's difficulties with race, even as it celebrated the film industry's efforts to tackle racism.

Hollywood films are the United States' most recognizable cultural form, and the Academy Awards is an experience shared by millions of movie lovers every year. Movies appeal to psychic and social needs: to have a fantasy life, to be loved, to be wealthy and beautiful, to create possible identities, to understand one's role in the world. Films both create culture and reflect upon culture. Hollywood is not only a dream

KEY CONCEPTS

- Vaudeville Show as Early Movie Theater
- Star System
- Domination of the Domestic Film Market
- Response to Television
- Social Realism
- Code of Film Content
- Stereotypes of Women and Minorities
- Labeling for Audience Demographics
- Product Placement
- Home-Viewing Revolution
- Competition in the International Market

factory but a stage on which social harmonies and differences are played out.

Hollywood is associated with the wealth, glamour and power of the United States, but most of its films have international dimensions in their financing, production, and distribution. The 2005 winner of best picture, *Crash,* was an independent production distributed by a Canadian company, Lions Gate Films, which acquired the film at the Toronto International Film Festival. *King Kong,* which won Oscars for sound and visual effects, was directed by a New Zealander, made in New Zealand, and distributed worldwide by the U.S.-based Universal Studios, which is partly owned by the French company, Vivendi. Even the gorilla was an international construction. The English actor behind the beast, Andy Serkis, learned gorilla mannerisms during a visit to a primatology research center in Africa.

Dominating the world market for motion pictures, Hollywood is many things: a specific place, a state of mind, a creative synergy of artists, and a global network of investors, production companies, and distributors. The industry is facing significant changes because of digital technologies, which makes it much cheaper and easier to make and distribute movies. Some movie makers see the digital revolution as opening up greater possibilities for people worldwide to create their own cinema. Spike Lee explains, "I think that what this technology is going to do is make this whole media thing more democratic. That anybody could buy a digital camera now, buy some tape, and make a film." Others, like Hollywood director Steven Spielberg, still use traditional film, resisting technological change. Spielberg says, "Audiences will not be drawn to the technology; they'll be drawn to the story."[1]

As you read this chapter, consider the following issues facing filmmakers and those who are interested in the impact of moviemaking and moviegoing:

- What are the economic and cultural impacts of film viewing? Are films significant in shaping the culture of our future?

- Economic interests are an important component of filmmaking. How do you think corporate interests and the studio system have contributed to (or limited) the subject matter and impact of film?

- Increasingly, film production houses are internationally owned. How will this increased international economic concentration affect film as a "culture machine"?

- How do you think new technologies will affect the production and delivery of film and its convergence with other media?

- Film viewers can choose different settings in which to see films in a variety of technological formats. "Movies in Your Life" outlines some of the choices available and points out that different types of viewing may serve different functions.

FILM IN AMERICAN LIFE

Film historians Louis Giannetti and Scott Eyman write that moving pictures are, for some, "art, science and schooling all in one."[2] They also are—and have been since 1920—big business. The emergence of moving pictures was part of the experimentation with entertainment in the United States during the 1880s and 1890s that included concert saloons, peep shows, and vaudeville variety acts.

The Movies
in Your Life

How Do You Watch Movies?

College students are major consumers of movies. How important are they in your life? As you read this chapter, think about the different ways in which you view movies. Do you think your viewing habits and those of your friends influence the movie industry? What do your friends think?

Take a moment to think about how the form, type, and function of movies you view are intertwined. Do you view movies on DVD for relaxation and in a theater for social reasons? Do your goals differ when you view movies in different places? Are the results different? For example, do large-screen films viewed in a theater have a greater impact on you than a film viewed on a television does? Is form—or the convergence of technology—affecting the impact, the content, or the use of film? As you read this chapter, you will see that the movie industry is concerned about some of the very same considerations that influenced you in responding to these issues.

Form of Viewing	Type of Film	Time/Day	Purpose of Viewing
Movie theater			
Broadcast TV			
Cable TV or direct broadcast satellite			
VHS/DVD (rental)			
VHS/DVD (own film)			
Computer			
Other (please specify)			

Technological and Economic Development

The fascination with pictures in motion goes back to ancient Greek and Arab civilizations, but not until the mid-1800s did technology make such pictures available to broad audiences. Motion pictures evolved from two sets of developing technologies: experimentation with photographic processes and the development of moving picture devices. Photographic processes that evolved in the mid-nineteenth century paved the way for moving pictures. By the late nineteenth century, a French scientist had developed a camera that produced twelve pictures on a single plate. The development of gelatin emulsions and the production of celluloid during the 1880s furthered photographic technology. In 1878, Eadweard Muybridge achieved a sense of motion by positioning cameras at different intervals along a race track and arranging for the shutters to click in sequence. In the early 1890s, several scientists were experimenting with viewing devices in the United States, Thomas Edison's labs produced the **kinetoscope,** a device that allowed for viewing a film by moving loops of film over a series of spools.

A contemporary observer wrote,

> The ends of the film are joined, forming an endless band passing over two guide drums near the top of the case. One of these drums is driven by a motor and feeds the film along by means of sprocket teeth which engage with perforations along the edges of the film. Just above the

kinetoscope

A boxlike mechanism used to view short films during the late 1800s. The viewer looked into an opening and watched film move past a lightbulb.

Film in American Life ■ 103

Short action films were among the first popular films to appear in theaters of the early 1900s. One of these, Edwin Porter's *The Great Train Robbery*, helped launch the popularity of the cowboy movie.

film is a shutter wheel having five spokes and a very small rectangular opening in the rim directly over the film. An incandescent lamp . . . is placed below the film between the two guide drums, and the light passes up through the film, shutter opening, and magnifying lens . . . to the eye of the observer placed at the opening in the top of the case.[3]

The new motion picture technology set the stage for the peep show, which featured short films that could be viewed by looking through a viewfinder on a machine about the size of an upright piano. Kinetoscopes became popular in hotel lobbies and other public places, but they never produced the great profits Edison had anticipated.

Vaudeville provided the entertainment milieu in which technical projection developed as a form of theater. Vaudeville acts were popular from the beginning of the nineteenth century, though their form and acceptance varied with specific historical periods. Until the 1880s, vaudeville was considered legitimate theater and appealed to all classes. During industrialization in the late 1800s, audiences developed a greater sense of class consciousness, and upper-class theatergoers began to object to the "lower class" that cheered and booed from the galleries. The upper class then excluded the working class from theater, and variety acts became more important as entertainment in working-class neighborhoods, often in saloons. However, entertainment entrepreneurs, not content to appeal only to a drinking crowd, sought to establish the ***vaudeville show in a theater*** environment that would attract working-class and middle-class audiences. Once variety moved back to the stage—this time as its own genre rather than as an extension of theater—it was established as vaudeville with high appeal to the middle class. In this environment, entrepreneurs marketing new technologies made inroads.

In the late nineteenth century, agents who booked acts for vaudeville, looking for new acts for their demanding audiences, often sought visual presentations to enhance their shows. "Magic lantern" slide shows had been popular during the 1880s, but the invention of projection machines posed interesting possibilities for new types of entertainment. Several competing machines entered the market at about the same time. Auguste and Louis Lumière introduced the Cinématrographe, Francis Jenkins and Thomas Armat the Vitascope, and Edison the kinetoscope.

Initially, films were short exhibitions of moving images. They were popular in Asia, Europe, and the United States. Between 1896 and 1903, travelogues, local features, comedy, and news often were the subjects of short films. Depictions of movement also were used to create a physiological thrill. In 1902 and 1903, Edwin Porter produced several American films, including *Life of an American Fireman* and *The Great Train Robbery.* These 12-minute productions pioneered storytelling techniques in film and led the way to the development of feature films.

Films were shown in the vaudeville theaters and by traveling showmen, who projected them at tent shows or fairs. By 1906, storefronts known as **nickelodeons** exhibited films that attracted working-class audiences. To broaden their audience, nickelodeon operators began moving their operations into theaters and adding one or two vaudeville acts to the attraction. This small-time vaudeville relied more heavily on motion picture entertainment and less on live acts than did the traditional variety show. By 1910, nickelodeons attracted an audience of 26 million each week, a little less than 20 percent of the national population. By 1914, the weekly audience had increased to 49 million.[4] The moving picture was now considered respectable middle-class entertainment, and theaters began popping up in middle-class neighborhoods and small towns.

In 1908 a variety of companies were competing in the movie industry. Industry leaders were spending so much energy defending their patents and jockeying for position that, in an effort to increase profits and to standardize the industry, they decided to form a monopoly. Led by the Edison Manufacturing Company and the American Mutoscope and Biograph Company, they formed a trust called the Motion Picture

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Key Concept

Vaudeville show as early movie theater In the early 1900s, popular comedy, dramatic skits, or song-and-dance entertainment was presented in local vaudeville theaters. Early silent films, usually with piano accompaniment, also were shown in these theaters.

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nickelodeon

Small storefront functioning as a theater; popular about 1910. These preceded the grand movie palaces.

Patents Company (MPPC). Creating trusts was a common business strategy in the late nineteenth century to acquire and pool patents. For a short time, the MPPC controlled production of raw film, manufacture of motion picture and projection equipment, distribution, and exhibition. All members were required to purchase film from the Eastman Kodak Company, and the company refused to sell to outsiders.

The trust was dissolved in 1915 because of the government's success in *United States v. Motion Picture Patents Co.,* an antitrust case against the MPPC. The MPPC certainly had increased its own profits and was known for its strong-arm tactics, which included raiding independent studios and smashing equipment. However, it also had ended squabbles among different segments of the U.S. film industry and had improved film quality. Through competition and standardized distribution and exhibition practices, the MPPC helped create an internationally competitive motion picture industry.[5]

Although members of the MPPC had tried to eliminate independent movie production, its standardization of production and distribution became too rigid. The MPPC clung to the concept of short films and at first rejected the multiple-reel feature films that became successful during the teens. Independents saw big feature films as a way to gain a market niche and sought financing on Wall Street. By 1915 the MPPC was gone and independents were producing feature films. Film exhibition moved from the storefront nickelodeon and the small vaudeville houses to theaters that were designed exclusively for the showing of movies. The movies had become big business.

The Audience and New Expectations

When D. W. Griffith's long, controversial, and popular feature film *The Birth of a Nation* opened in New York's Liberty Theater on March 3, 1915, it established the importance of feature films. The three-hour film was based on a popular novel published in 1905 that had become a successful play. This story of the aftermath of the Civil War roused enormous controversy because of its underlying racist message. The film depicted a northern family and a southern family adapting to the postwar period, but the point of view was decidedly southern. African Americans who were not loyal to their southern masters were depicted as subhuman. The last half of the film was dominated by Ku Klux Klan activity that would never be condoned today. Nevertheless, the film opened to a packed audience. Each audience member paid two dollars for a reserved seat, an orchestra accompanied the performance, and costumed ushers handed out souvenir programs. The exhibition format resembled that of an upper-class theater. The film played for forty-four consecutive weeks at the Liberty and showed in leading theaters across the United States, breaking records and generating controversy because of its racist tones. The production yielded $5 million on an investment of less than $100,000.

Griffith's follow-up picture, *Intolerance,* ran 3½ hours, and although the film is regarded as an artistic classic, it failed miserably to reward its financial backers. Griffith, who personally stood behind the losses, never recovered financially.

Why did *Intolerance* fail? Critics debate the issue. Griffith's message of love, tolerance, and the uselessness of war might have been popular before 1916, when Americans were resisting involvement in what many considered a European war. However, by 1916, when the film was released, the message alienated many viewers as the United States prepared to go to war.

Pioneer filmmaker D. W. Griffith perfected the art of cinematic continuity and storytelling necessary for the modern feature film. His film *The Birth of a Nation*, a controversial story dependent on racial stereotypes, was a box-office hit, but his subsequent film *Intolerance*, loaded with pacifist scenes, failed to gain an audience on the eve of World War I.

Griffith made other successful films, but he was a poor businessman and always struggled with finances. By 1920, his films were no longer regarded as groundbreaking. Nevertheless, Griffith's innovative film techniques redefined the expectations of film audiences. He created grand epics with spectacular scenery and introduced lighting and **editing** techniques that established film as a medium for exploring social and cultural themes.

Sound and Money

Companies that experimented early with adding sound to motion pictures were the first to realize vast profits from introducing the technology, but this introduction changed the industry economically. Once big money was needed for big technology, few companies could make the switch without help from bankers. The adoption of sound also signaled a solidifying of big business interests.

As audience reaction to feature films and the appearance of stars ensured that movies would indeed continue to be an important entertainment medium, companies such as Western Electric, Warner Bros., and Fox experimented to develop technology for sound, hoping that it would accelerate profits. Although some critics thought such investments were a waste of money, sound soon became accepted through an economic process of invention, innovation, and diffusion.[8] In 1926, Warner formed the Vitaphone Corporation in association with Western Electric, a subsidiary of American Telephone & Telegraph Co., to make sound pictures and to market sound production equipment. Although Warner lost $1 million in 1926, the loss was anticipated and was necessary to finance the expansion. Vitaphone initiated a sales campaign to encourage exhibitors to introduce sound equipment. Such planning paved the way for the success of *The Jazz Singer,* which premiered in October 1927. Because Warner was first to market sound, it earned extraordinary profits. During the last half of the 1920s, Warner was able to solidify its position by acquiring other companies with production and exhibition facilities.

After the success of *The Jazz Singer,* most of the major companies rushed to switch to sound. RCA developed a competing sound system called Photophone. The company became a massive firm by merging with a motion picture giant, the Radio-Keith-Orpheum Corporation, and with the Keith-Albee-Orpheum circuit of vaudeville houses. Major companies had signed long-term, exclusive contracts with AT&T, but RCA challenged the giant with unlawful restraint of trade and reached an out-of-court settlement in 1935. By 1943, RCA supplied about 60 percent of all sound equipment. Production costs rose as a result of the new technology. The major companies and studios were able to make the capital investment needed to switch to sound, but smaller independent companies did not have enough financial backing or capital to make the transition. Many of the independents simply closed their doors or sold out to the bigger companies. By 1930 the industry was an **oligopoly.**

The Studio System

By the 1920s, the movie industry had moved to California, where the studios could use nearby locations to depict desert, mountain, or ocean scenes and the weather permitted year-round filming. However, many decisions affecting the industry were made in New York offices by film company executives. The corporate chief executives (such as Harry Warner, Nicholas Schenck of Loew's/MGM, and Joseph M. Schenck of Fox) made the most important decisions, such as the titles and number of films to be produced in any given season, total production budgets, and the number of **A and B pictures.** Once the New York executives had prepared a release schedule, the head of the studio took control. But the chief executives who controlled the business aspects of the industry made the most important creative and business decisions. Because they valued stability, they used popular stars in familiar roles. In this way, economic structures affected film style and content.

editing

The technique of joining pieces of film or of digitally manipulating images in a creative process.

oligopoly

A business situation in which a few dominant companies control enough of the business that each one's actions will have a significant impact on the actions of the others.

A and B pictures

A films are usually high-budget films that studios expect to be box-office hits. *B* films are low-budget films designed to make money.

Unlike the chief executive officers (CEOs), the heads of the studios were familiar to the public: Louis B. Mayer at MGM, Darryl Zanuck at Twentieth Century Fox, and Jack Warner at Warner Bros. The heads promoted and negotiated contracts with the stars, ensured that production schedules were met, and assigned material to producers.

The glamourous stars were encased in a ***star system*** created by studio heads and had little control over their own lives; the studios controlled many of their personal and private actions. Their contracts usually ran for seven years, and the studios could drop or renew the contracts yearly. A star who rebelled could be loaned out to work for other studios on pictures that had little chance of succeeding. Furthermore, stars were cast repetitively in similar roles. Once the studio discovered someone with star potential and groomed the actor, it tried to stay with the winning formula. Such formulaic casting made it difficult for stars to get more demanding roles. Publicity departments at the big studios promoted the stars and worked hard to ensure the public would view each star in a particular wholesome but glamorous light. Moviegoers contributed to the development of the star system as they began to select movies on the basis of particular stars who were cast in them. Thus the studio heads, combined with audience responses, contributed to the star system.

The star system could punish or reward actors. It made a superstar of Clark Gable, shown here with David O. Selznick and Louis B. Mayer of MGM signing for the part of Rhett Butler in the 1939 film *Gone with the Wind*.

Domination by the Big Five

By 1930, five companies dominated United States movie screens: Warner Bros.; Loew's, Inc., the theater chain that owned Metro-Goldwyn-Mayer; Paramount; RKO; and Twentieth Century Fox. Each company was vertically integrated; each produced motion pictures, operated worldwide distribution outlets, and had a theater chain. Three other companies—Universal, Columbia, and United Artists—had significant holdings but no chain of theaters. Universal and Columbia supplied pictures to the majors, and United Artists was a distribution company for a small group of independents. Theaters owned by the big five companies formed an oligopoly and took in more than 75 percent of the nation's box-office receipts. Through the 1930s and 1940s, these eight companies defined Hollywood.

The depression of the 1930s caused movie revenues to plummet. The major studio companies had difficulty meeting their financial obligations. They had overextended themselves in a market that was declining rather than expanding.

When President Franklin D. Roosevelt introduced the National Recovery Act (NRA), with provisions for cutting competition among industries, the federal government allowed the big five to continue practices they had already established to limit competition. These included **block booking** (requiring all theaters to buy a season's package of films rather than individual productions) and **blind booking** (forcing a theater owner to buy a season's package of films sight unseen). The NRA also allowed the companies to continue the **vertical integration** they had established, which brought them great profits. In return, the studios were supposed to make certain concessions. Although the studios had vociferously opposed unionization, now they readily recognized trade unions of production personnel, which formed some of the least expensive parts of the business, as a way of complying with the act. However, they continued to fight to keep stars outside the collective bargaining system.

> **Key Concept**
>
> **Star system** By the 1930s, the New York–financed Hollywood studios had developed a system for ensuring financial stability based on movies featuring popular stars in familiar roles. Ironclad contracts forced actors to accept scripts that enhanced the particular image the studio wanted the star to project. Stars also were required to behave as their fans expected them to, both inside and outside the studio.

block booking

The practice of forcing a theater to book movies as a package, rather than individually. Declared illegal in the 1940s.

blind booking

Marketing strategy common in the 1930s and 1940s that required theaters to book movies before they were produced.

vertical integration

A system in which a single corporation controls production (including obtaining the raw materials), distribution, and exhibition of movies. Declared illegal in the 1940s.

Dateline

The Movies in Our Lives

1878. Eadweard Muybridge uses stop-action photography.

1892. Thomas Edison's lab develops the kinetoscope.

1895. Vaudeville theaters begin to show magic-lantern shows.

1903. *The Great Train Robbery,* the forerunner of feature films, is shown.

1900s. Nickelodeons become popular.

1915. *The Birth of a Nation* marks the start of the modern movie industry.

1927. *The Jazz Singer* popularizes sound in feature-length films.

1930. Five large movie companies dominate the industry.

1934. Studios establish decency code for films.

1939–1945. Movie industry helps government promote war effort.

1400–1700	1800	1860	1880	1900	1920	1930

1620. Pilgrims land at Plymouth Rock.

1690. *Publick Occurrences* is published in Boston.

1741. First magazine is published in America.

1776–1783. American Revolution

1830s. The penny press becomes the first truly mass medium in the United States.

1861–1865. American Civil War

1892. Thomas Edison's lab develops the kinetoscope.

1914–1918. World War I

1915. *The Birth of a Nation* marks the start of the modern movie industry.

1920. KDKA in Pittsburgh gets the first commercial radio license.

1930s. The Great Depression

1939. TV is demonstrated at the New York World's Fair.

1939–1945. World War II

Cultural Milestones

Key Concept

Domination of the domestic film market By 1930, five giant Hollywood studios dominated world filmmaking. World War II cut Hollywood off from film markets abroad, but demand for movies intensified in the domestic market.

Growth in the Domestic Market

When World War II began, the film industry lost most of its worldwide business that had been established during the late 1930s. But the ***domestic market*** improved dramatically because U.S. citizens were earning relatively high

1948. Supreme Court breaks up the industry's vertical integration.

1950s. Television begins to affect movie attendance.

1952. Supreme Court extends First Amendment rights to film.

1960s. Networks begin showing movies during prime time.

1968. Film industry begins using a ratings system.

Late 1960s. Graphic violence and sex become prominent in independent films.

1972. HBO starts satellite distribution to cable systems.

1980s. Video recorder technology is sold to consumers.

Late 1980s. Cable channels increase their financing of feature films.

1990s. Movies are promoted on the World Wide Web.

1990s. Cable systems experiment with movies on demand.

1999. *Star Wars: Episode I-Phantom Menace* Shot with digital system.

2000s. DVD replaces VHS for viewing movies at home.

2006. Warner Bros. offers films online through BitTorrent.
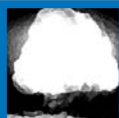
1940	1950	1960	1970	1980	1990	2000

1949. First commercial electronic computer is produced.

Early 1950s. Rock 'n' roll begins.

1969. First person lands on the moon.

1970s. VCR is developed.

1989–1991. Cold War ends and the USSR is dissolved.

Late 1980s. National Science Foundation creates the basis of the Internet.

1996. Telecommunications Act

2000. Presidential election nearly tied.

2001. Terrorist attacks on New York and Washington, D.C.

2003. War with Iraq.

wages and had few commodities on which to spend them. Movies were affordable and available. Domestic **studio film rentals** for the top eight studios increased from $193 million in 1939 to $332 million in 1946. In this peak year, an average of 90 million Americans, or 75 percent of the U.S. population, went to the movies each week.

studio film rental

Movie produced by studios to rent to distributors and/or theaters.

Post–World War II Decline

The movie business declined at the end of the war—even before the rise of television. Returning soldiers bought houses in the suburbs, went back to college on the GI bill, and started families. The decline in movie attendance paralleled a restructuring of the industry after the Supreme Court in 1948, in *United States v. Paramount Pictures, Inc., et al.,* forced the companies to divest themselves of their theater chains and thus limited the vertical integration that had been the norm for thirty years. The Supreme Court's *Paramount* decision ended block booking, fixing of admission prices, and other discriminatory practices, which were declared to be in restraint of trade.

With the *Paramount* decision came increased freedom for producers and stars. Although the major companies continued to dominate the industry, the number of independent producers more than doubled from 1946 to 1956. In response, the major studios competed to provide space and facilities for such producers. Foreign films had more access to the U.S. market, and small **art theaters** sprang up, particularly in university towns and large urban areas. Stars were more reluctant to sign long-term, exclusive contracts, so their talent became more widely available.

Nevertheless, the big companies continued to dominate the production business, both at home and abroad. Because access to movies made in the United States had been limited during the war and many European production facilities were shut down, studios made huge profits from European rentals. Foreign operations, both rentals and production, continued to gain importance; by the 1960s, more than half the revenue of the major studios came from operations overseas.

Response to Television

By the early 1950s, the movies had a major contender for audiences' time: television. For young families with children, television was simpler and less expensive than going to the movies. For older people, television did not require as much effort. The motion picture industry formulated its ***response to television,*** using the natural advantages of the theater format. Studios began to produce more films in color, to experiment with screen size, and to introduce **Cinerama** and **3-D.** The most lasting innovation was

art theater

Outlet for films designed for their artistic quality rather than for their blockbuster audience appeal that usually are produced by independent companies rather than by the big studios.

Cinerama

Trade name for process that produces wide-screen images.

3-D

Film technique designed to create a sense of depth. Viewers wore special glasses for viewing.

Key Concept

Response to television In the 1950s, the movie industry, desperate to recapture audiences lost to television, competed by offering technical novelties, including 3-D Panavision. Soon Hollywood also collaborated with television, providing studio facilities for making innovative TV series.

The post–World War II decline in major movies opened the market for independent producers such as Ingmar Bergman, who experimented with new film techniques. Bergman's *The Seventh Seal* is still shown regularly at university film series.

Panavision, which was introduced by Fox in 1962 and gave the illusion of depth without seeming contrived.

Before long the film industry began to collaborate with television. In 1949, Columbia converted a subsidiary into a television department that produced programs for *Ford Theater* and the comedy series *Father Knows Best.* In 1953, when television made the transition from live to filmed production, Hollywood became the center for television production.

By 1955, Hollywood was also releasing many of its older pictures for television broadcasting. For example, RKO sold its film library to a television programming syndicate for $15 million. During the 1960s, however, the studios realized that they had undervalued their old films. ABC paid Columbia $2 million for the 1957 film *The Bridge on the River Kwai,* and when the film was shown on television on September 12, 1966, sixty million people watched it. Television became a regular market for films, and competitive bidding continued to rise.

In the late 1960s, studios began producing made-for-television movies. In television movies, production costs were kept low, and these movies soon glutted the market, diminishing the demand for older movies. Between television movies and acquired film libraries, the networks discovered that they had enough films stocked for several years and stopped bidding for studio productions. The studios retrenched, but by 1972 they were again selling to the networks. ABC, the youngest network, increased its ratings and forced CBS and NBC to be more competitive. The three networks bid the prices of movies such as *Alien* as high as $15 million in the early '80s. When cable television became widespread in the 1980s, movies became an even hotter commodity. Film ultimately benefited from *converging technologies.* The coming of television and cable increased film viewing.

The development of cable television and direct satellite broadcasting has altered the use of movies on television. Home Box Office (HBO), a cable television channel that began operation in 1972, allowed its subscribers to see movies after their theatrical release, but before the major broadcast networks could acquire them. HBO's success led to the establishment of other premium channels such as Showtime and Cinemax.

In the 1990s, the expansion of channels made possible by fiber-optic cable allowed cable companies to offer pay-per-view movies. These differ from premium channels in that the viewer pays for each viewing rather than a flat monthly fee. Pay-per-view makes films available to the cable and broadcast satellite subscriber at the same time that the movie appears in video stores, before it appears on a channel such as HBO. Some hotels even offer pay-per-view showings of movies that are currently in first-run movie theaters.

Increasingly, movies, whether made for theaters or directly for television, have become a basic building block of television content. The strong film libraries held by Disney, Turner Broadcasting System, and Time Warner were important factors in the mergers between Disney and Capitol Cities/ABC and between Turner Broadcasting System and Time Warner. Television and theaters are no longer competitors. Instead, they are different distribution systems for reaching viewers.

CULTURAL AND POLITICAL DEVELOPMENTS

Before 1952, when the Supreme Court handed down a decision that granted First Amendment protection to film, movies were considered a simple amusement, like a circus. The courts had previously ruled that movies were not a "significant medium for the communication of ideas."

Movies as Art and Social Commentary

The studio, the star system, and a system of repeating popular **film genres,** such as Westerns and science fiction movies, enabled the Hollywood studios to maximize profits. They also guaranteed that a certain type of movie would emanate from Hollywood. U.S. filmmakers left intellectual movies to foreign producers. During the

Panavision

System of lenses used in filming that enabled a film shot in one wide-screen version (Cinemascope, for example) to be shown in theaters without the lenses for that type of projection.

film genre

A kind or style of movie.

silent era, slapstick comedies, Westerns, and melodramas were the most popular genres. However, D. W. Griffith and his contemporaries in the teens and early twenties introduced more sophisticated narratives dominated by characters who were not only goal oriented but also in a hurry to succeed. These narrative structures were linear and came almost directly from the stage. Griffith's *The Birth of a Nation,* for example, was a stage play before he adapted it to film.

Popular culture films such as gangster pictures, musicals, and screwball comedies became popular during the talkie era, and the studio and star systems propelled Hollywood to produce big-budget spectaculars. Yet despite the emphasis on popular culture films and the box office, Hollywood managed to produce, sometimes by accident, lasting classics. Certain artistic directors earned international recognition. For example, Orson Welles wrote, directed, and starred in *Citizen Kane* in 1941, when he was twenty-six years old, and became known throughout the world for his contribution to cinematic technique. *Citizen Kane* was based loosely on the life of newspaper tycoon William Randolph Hearst. Welles included unusual camera angles, backlighting, and condensed time sequences and introduced other film techniques that continue to influence moviemakers today. Many film critics consider *Citizen Kane* to be the greatest American film ever made. However, it was a box-office failure when it was released because Hearst used his immense power in the newspaper and entertainment industries to encourage negative reviews and to force theater owners to boycott the film.

From the 1940s to the early 1960s, films used a narrative structure that featured wholesome heroes and heroines. Although there were attempts at **social realism**, such as Tennessee Williams's *A Streetcar Named Desire,* positive tones and outcomes dominated the big screens. In *Streetcar,* Marlon Brando played Stanley Kowalski, a brooding, unkempt antihero who brutalizes both his wife and her sister. In the 1960s, film content and character changed in dramatic ways. Some critics date the shift to the 1967 production of *Bonnie and Clyde,* a movie about two 1930s gangsters, which critic Pauline Kael described as a film of violence that "puts the sting back into death."[7] The strident films of the 1960s reflected the nation's conflicts over the Vietnam War, youthful rebellion, the civil rights movement, and militant black power efforts. Social conflict and social statement films dominated the decade and the early 1970s.

Since the 1960s, some filmmakers, especially independent **auteurs**, have moved away from highly structured, linear plots to more episodic narratives with finely drawn characters. Their films seek to expose social problems and contradictions. Films include Robert Altman's *Nashville* and *Gosford Park,* John Sayles' *Matewan* and *Lone Star,* and Paul Haggis's *Crash.* In 1994, director Quentin Tarantino ushered in a new kind of **postmodern film** with *Pulp Fiction.* An independent film with a fragmented storyline and dialogue full of popular culture references, *Pulp Fiction* drew from many forms and genres, such as comic books, gangster and Blaxploitation films, and 1950s nostalgia. The film's unexpected financial success ushered in independent film as a significant force in the box office.

After the release of the *Star Wars* science fiction epic in 1977, many films turned to escapism. The early 2000s saw the culmination of fantasy and science fiction in film series such as Harry Potter, Spiderman, and Lord of the Rings. Action pictures with cartoon violence and larger than life male heroes have become the staple of summer blockbusters. Disney has continued its imagineering with *The Little Mermaid, Aladdin, The Lion King, Toy Story,* and *Monsters, Inc.* **Historical epics**, such as *Braveheart,* and **melodramas**, such as *Titanic,* remain favorite traditional genres. These blockbusters are often extremely popular worldwide (see Table 5.1), but have been criticized for their generic storylines and often one-dimensional or stereotypical characters.

Movies and the Marketplace of Ideas

Until recently, Hollywood had rarely produced explicitly political films. Despite the cultural and social impact of movies, the motion picture was not considered "speech" until 1952 and therefore was not protected by the First Amendment to the U.S. Con-

auteur

A director with a highly personal cinematic style who maintains creative control over his or her film.

postmodern film

Using various techniques such as a collision of styles and a suspension of historical time, a postmodern film emphasizes artificiality and creates emotional detachment in its audience.

historical epic

Film genre focusing on heroic myths, legends, and historical incidents and requiring an expensive, large-scale production.

melodrama

Film genre characterized by exaggerated emotions, stereotypical characters and overblown storylines having to do with fate.

Table 5.1	All-Time Box Office Outside the United States and Canada	
1.	*Titanic* (1997)	$1,234,600,000
2.	*The Lord of the Rings: The Return of the King* (2003)	$752,200,000
3.	*Harry Potter and the Sorcerer's Stone* (2001)	$651,100,000
4.	*Harry Potter and the Chamber of Secrets* (2002)	$604,400,000
5.	*Harry Potter and the Goblet of Fire* (2005)	$602,200,000
6.	*The Lord of the Rings: The Two Towers* (2002)	$581,200,000
7.	*Jurassic Park* (1993)	$563,000,000
8.	*The Lord of the Rings: The Fellowship of the Ring* (2001)	$546,900,000
9.	*Harry Potter and the Prisoner of Azkaban* (2004)	$540,100,000

Source: Internet Movie Database, www.imdb.com. Used with permission.

stitution. In 1915 in *Mutual Film Corp. v. Industrial Commission of Ohio,* the U.S. Supreme Court declared that exhibiting films was a business pure and simple, a decision that allowed for the control of film content. To avoid including film under the protection of the First Amendment, for nearly forty years courts adhered to the "simple business" standard and did not recognize movies as "a significant medium for the communication of ideas." However, in 1952 in *Burstyn v. Wilson,* the Supreme Court declared that film content entertained and informed and therefore was subject to First Amendment protection.

In 1922, the motion picture industry voluntarily organized the Motion Picture Producers and Distributors of America (MPPDA) and named Will H. Hays as its president. The move was designed to avoid government regulation and to combat negative publicity about stars, divorce, and the prevalence of drugs in the industry. Twelve years later, a group of Catholic bishops organized the National Legion of Decency to develop lists of films that were acceptable and not acceptable for Catholic viewers. Hollywood responded by establishing a production ***code of film content*** that forbade sex, excessive violence, and vulgar language. Violators of the code were to pay a $25,000 fine to the MPPDA, although the fine was never publicly invoked. The code, although often skirted or challenged, remained on the books until 1968, when the industry adopted a ratings system. The ratings system shifted responsibility to the movie viewer by specifying the type of audience the movie had been designed to attract. In 1984 and again in 1992, the industry revised specific ratings, but the principle of alerting the audience rather than controlling content remained as the guide.

Government opinions of the motion picture industry's activity during World War II were mixed. Major producers cooperated to produce war films on what they termed a nonprofit basis. Nevertheless, during 1941 and 1942, the Army Pictorial Division alone spent more than $1 million in Hollywood. Critics claimed the producers filmed for the government during slack times, or when the studios otherwise would have stood idle, and that by cooperating, the industry managed to remain relatively untouched by the war. Therefore, despite Walt Disney's portrayal of Donald Duck's

> **Key Concept**
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> **Code of film content** Various regulations have been in place, particularly at the local level, to control the content of films shown in communities. The film industry, constantly facing pressure to produce exciting films yet avoid moral injury to young audiences, developed a production code to comply with various local government restrictions. In 1968, the industry altered its position from controlling content to developing a system of ratings to identify levels of sexual and violent content and adult language.

willingness to pay taxes with patriotic enthusiasm and Frank Capra's direction of the *Why We Fight* series designed to train new soldiers, the motion picture industry still had a variety of enemies in Congress.

The Motion Picture Bureau, a division of the Office of War Information (OWI), attempted to influence Hollywood producers to support the war effort. One of its tasks was to try to motivate producers to incorporate more realistic pictures of African-American life into films. A 1942 survey conducted by the Office of Facts and Figures revealed that 49 percent of the African Americans in Harlem thought they would be no worse off if Japan won the war. In response to this evidence, OWI wanted Hollywood to tone down its racist images of African Americans to foster a sense of unity in the country.[8]

Although the industry had catered to the Legion of Decency and various economic groups, when OWI attempted to promote more positive images of African Americans, the industry cried censorship. For example, MGM in 1938 had hand carried its script of Robert Sherwood's antifascist play, *Idiot's Delight,* to Italy for approval after drastically altering it to avoid offending Benito Mussolini. Warner Bros.' coal mining saga, *Black Fury,* was altered to blame labor unrest on union radicals rather than on mine operators after the National Coal Association protested.

OWI efforts to promote positive African-American images had little effect. A 1945 Columbia University study found that of one hundred African-American appearances in wartime films, seventy-five perpetuated stereotypes, thirteen were neutral, and only twelve were positive. OWI hesitated to push very far, claiming the war came first.[9]

Congressional frustration with the film industry was not limited to its concern about treatment of minorities in wartime. In the late 1940s and 1950s, conservative members of Congress attacked the industry in hearings before the House Committee on Un-American Activities. This committee and Senator Joseph McCarthy's parallel committee in the Senate pummeled the media industries, taking special delight in attacking the motion picture and broadcast industries. Congressman and committee chairman Thomas Parnell intended to prove that the film industry had been infiltrated by Communists who introduced subversive propaganda into the movies.

At the 1947 hearings, ten screenwriters, later dubbed the Hollywood Ten, refused to say whether they had been members of the Communist Party, invoking the First Amendment guarantee of freedom of the press and freedom of association. The Hollywood Ten all went to jail for contempt of Congress. Although recent research shows that these writers had in no way tried to formally propagandize or commit any type of subversion, Hollywood did not stand behind them. Rather, it panicked. Many Hollywood liberals such as Humphrey Bogart and John Huston supported the writers initially, but most support disappeared when the heads of the large studios threatened the supporters' careers. The Hollywood Ten were suspended from work, and executives invited Hollywood's talent guilds to help them eliminate any subversives from their ranks.

From 1951 to 1954, a second round of hearings investigated Hollywood further. Director Elia Kazan, who would later win an Academy Award for *On the Waterfront,* eagerly testified and lost many friends. The result of the hearings was an informal blacklist of actors, directors, writers, and producers whom the major studios would not hire. A few found work with independent production companies, often using false names. Once the national scare ended and Senator McCarthy was exposed as an irrational manipulator of fear, the film industry enjoyed relative freedom from government interference and regulation. In 2005, George Clooney's *Good Night, and Good Luck* explored the history of McCarthyism while giving a timely warning against governmental control over the press.

An anticommunist witch-hunt fueled attacks on Hollywood stars during the late 1940s and early 1950s. Ten film writers were jailed for refusal to answer trumped-up charges of communist affiliation. A chill effect followed, with panicky Hollywood executives refusing to employ many actors and producers.

The story of Edward R. Murrow's work to expose Senator Mc-Carthy's tactics was depicted in the 2005 movie *Good Night and Good Luck.*

After the 9/11 attacks, political documentaries gained an unprecedented international popularity and financial viability. For example, Michael Moore's *Fahrenheit 9/11* won an Oscar for best documentary in 2003. Other films of social criticism followed, including *Super Size Me,* which exposed the medical impacts of fast food; *The Corporation,* which described multinational corporations as psychotic; and *Uncovered: The War on Iraq,* which critiqued the government's reasons for going to war. Former Vice President Al Gore's *An Inconvenient Truth,* on global warming, received two standing ovations at the Cannes Film Festival. Critics have put forward various reasons for the success of such films, including the urge to rebel against what some see as conservative mainstream media, a taste for realism and fact-based film after 9/11, and a new personable style in such films which often feature an ordinary person trying to make sense of a social problem.

The Role of Women in Movie History   Since the beginning of feature films, most women in the movie business played second billing to men, just as minorities played minor roles. **Stereotypes of women and minorities** abounded. A female actor could not open a movie, which means "attract a large audience," by herself. Even acclaimed actresses such as Katharine Hepburn and Bette Davis were defined in most films as much by their leading men as by their own star power. Few women were movie executives, and even fewer directed films.

Today, women have a greater impact in the movie business. Actors such as Sandra Bullock and Julia Roberts open films and attract large audiences. Women sit on executive boards of major studios, and female directors produce quality, money-making movies. Penny Marshall directed *Big* and was executive producer of *A League of Their Own.* Oprah Winfrey also won kudos for her production of Toni Morrison's best-selling novel-turned-screenplay, *Beloved.* In 2004, director Sofia Coppola was nominated for an Academy Award for *Lost in Translation.*

> **Key Concept**
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> **Stereotypes of women and minorities**   Despite a steady evolution toward more positive roles and the elimination of the most insulting stereotypes of gender or ethnic behavior on screen, most movies continue to show only relatively narrow ranges of behavior and few substantial roles for minority and female actors. Rarely are African Americans, Hispanic Americans, Asian Americans, or Native Americans portrayed in films outside a small set of social settings, and seldom are women shown in strong or dominant roles.

Despite their advances, women still face problems in Hollywood. Young actors often feel typecast in roles that depend on looks more than talent, and these roles often stereotype women. In 2002, Halle Berry won the Oscar for best actress in *Monster's Ball* after Angela Bassett, who was nominated for best actress in the 1993 movie

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Halle Berry, seen here with her costar Billy Bob Thornton, won the 2002 Best Actress Academy Award for her performance in *Monster's Ball.* Berry was the first African American to win the best actress award.

What's Love Got to Do with It, turned down the role because she said the role was a stereotype of black women's sexuality.[10] Interestingly, the controversy involving this stereotypical treatment of women received far less media attention than the treatment of women in the 1991 movie *Thelma and Louise.* This film was labeled as male bashing, mostly by male columnists, because it showed two strong women refusing to be intimidated by men.

People of Color in Film

An analysis of movies and race begins with the history of stereotypical treatment of people of color by white filmmakers. From the early presentation of people of color in film during the 1890s, the images have been inaccurate and limited. During the 1930s, 1940s, and 1950s, movies presented African Americans as lazy and slow thinking. This stereotype has been called the "Step 'n Fetchit" role—a term that came from the stage name of Lincoln Perry, who made a career of playing this type of character. Native Americans have been presented either as the "noble savage" or the "bloodthirsty savage."[11]

The stereotypes associated with Hispanics and Latino movie characters have varied from the Latin lovers of the 1920s to the bandidos of the 1930s and 1940s to the gang members and drug dealers of the 1960s. Early portrayals of Asian Americans often showed them as scheming and untrustworthy. However, more often than not, Asian Americans were just missing from films or had minor roles.[12]

Often ignored in history are the films made by filmmakers of color. The first black film company, for example, was the Lincoln Motion Picture Company, formed in 1915 in Los Angeles to showcase black talent. In 1916 the Frederick Douglass Film Company formed on the East Coast to counteract antiblack images in the movie *The Birth of a Nation.*[13] Hampered by financing and distribution problems, both companies closed during the early 1920s. They were replaced by other African-American film companies. Oscar Micheaux became the best-known black filmmaker of this period, producing dozens of silent and talking films. Many of these films dealt with racial issues and presented African-American life in greater variety than was found in major studio films.

From the late 1930s to the 1950s, a variety of companies produced movies with all-African-American casts for the segregated theaters of the black community. These films tended to imitate films produced by whites and were made cheaply. As film historian Daniel J. Leab said, "The leads remained very Caucasian-looking and spoke good English; the villains and comic figures, who were more Negroid in features and darker skinned, tended to speak in dialect."[14] The failure to present African Americans in a more realistic fashion in these films can be largely attributed to the financial and

distribution control that whites continued to hold over the black film industry. In order to be seen, films about African Americans had to fit white stereotypes.

Movies by Chicano and Hispanic filmmakers in the United States came much later than those by African Americans. Although a few films were produced by Chicano filmmakers during the early and mid-1960s, the early 1970s saw the blossoming of Chicano-made movies. Mostly documentaries, such as *Requiem-29: Racism and Police Repression against Chicanos* by David García, these films dealt with the problems confronting Chicanos and were part of the overall social unrest of the late 1960s and early 1970s.[15] However, fictional films by Chicanos and Hispanics developed even later.

In the 1960s, major studios discovered that African-American actors could make money at the box office. Sidney Poitier became an acclaimed actor and bankable star. The change in Hollywood reflected the changing mood of a nation whose consciousness was being raised by the civil rights movement. The late 1960s and early 1970s saw the arrival of the black action film. *Shaft,* directed by famous black photographer Gordon Parks, came out in 1971 and made $6.1 million.[16] Hollywood liked these profits, and similar films followed, including two *Shaft* sequels. Although these films starred African Americans, they were produced by major film studios, and some critics said they exploited the anger that black audiences felt about the lack of changes in society. In fact, they are now referred to as **"Blaxploitation" films**.

For many years, independent black filmmakers struggled for financing and recognition. Then, in the 1980s and 1990s, the New Black Cinema emerged, led by directors Spike Lee and John Singleton. Lee's *Do the Right Thing* and Singleton's *Boyz N the Hood* receive critical acclaim and made a profit, prompting further investment in African-American cinema. Some critics worried that films like *Boyz N the Hood* and *Menace II Society* were creating new stereotypes of young, criminalized black men in urban ghettoes. Others thought the films revealed a realistic world not normally seen in Hollywood cinema. African Americans still struggle for representation in mainstream cinema, but have been able to direct and star in a variety of films that resist any single definition.

Although the number of titles remains small, Latino and Native American filmmakers began to produce movies during the 1980s. *Zoot Suit* (1981) and *La Bamba* (1987) by Luis Valdez, *Born in East L.A.* (1987) by Cheech Marin, and *American Me* (1992) by Edward James Olmos were early Latino films. More recently, Robert Rodríguez, whose first film *El Mariachi* in 1992 was made with $7,000 and earned more than $1.8 million, has moved into the movie mainstream with the critical and box-office successes *Spy Kids* and *Spy Kids 2.* Independent Latino/Hispanic cinema has had a number of art house successes, including *The Motorcycle Diaries, Maria Full of Grace, Real Women Have Curves,* and *Amores Perros.* But the market for Spanish-language commercial films is not yet successful.

Films made by Native American filmmakers are even more of a rarity. In 1998, *Smoke Signals,* a film advertised as the first feature film written, acted, directed, and produced by Native Americans, was shown to rave reviews at the Sundance Film Festival in Utah. The movie was directed by Chris Eyre from a book by Sherman Alexie titled *The Lone Ranger and Tonto Fistfight in Heaven.* Despite this film's critical success, it continues to stand alone as an example of how Native Americans can find their own voice to speak about themselves. Few movies feature Native American actors or are made for Native American audiences.

Asian-American filmmakers have yet to emerge as a force in Hollywood. This may reflect the strength of the Asian film industries in Japan, China, and Taiwan. For example, *Crouching Tiger, Hidden Dragon,* directed by Ang Lee, was nominated for the Academy Award as best picture in 2001, and Jackie Chan, who was born in Hong Kong, has had several American hits, such as *Rush Hour* and *Rush Hour 2.*

South Asian director Mira Nair has made a number of successful, award-winning films, such as *Monsoon Wedding* and *Mississippi Masala.* N. Night Shyamalan, whose parents are Indian, has been called the next Steven Spielberg. His 1999 film *The Sixth Sense,* with Bruce Willis, grossed almost $300 million in the United States.

Although people of color continue to be stereotyped in films and struggle for roles in Hollywood, events in 2002 raised hopes that improvement is underway. For the first time ever, a woman of color, Halle Berry, won the Oscar for best actress, and

Blaxploitation films

A film genre that arose in the 1970s featuring black actors, urban scenes, and funk and soul music.

Known for her lush, sensitive portrayals of immigrant communities, director Mira Nair has made a number of award-winning movies with a distinctive personal vision. Born in India in 1957 to a civil servant, Nair has also lived in the United States, Uganda, and South Africa, giving her a unique, global perspective on the experience of people moving from place to place.

As a university student, Nair became involved in political theater in New Delhi, and her concern with social activism continues to shape her films. In 1976, she came to the United States to study at Harvard where she learned photography and film. Nair began as a documentary filmmaker, returning to Delhi to record the lives of people on the street.

Nair's first big fiction film was *Salaam Bombay!,* which chronicles the life of Krishna, a street boy navigating the dangers of the city. She recruited twenty-four Bombay street children to act in the film. After the *Salaam Bombay!* world premier at Cannes, the crowd applauded for fifteen minutes, and it won the 1988 Caméra d'Or for best first feature film.

Nair then gained studio backing for *Mississippi Masala,* starring Denzel Washington and Sarita Choudhury. Exploring the complexities of global identities, the interracial love story focuses on Meena, a young woman born in India and raised in Uganda before her family immigrates to the United States. The

Mira Nair

Hindu word "masala," means a spice mixture, and characterizes Nair's cinematic vision. *Mississippi Masala* was an artistic success, winning three awards at the Venice Film Festival. Nair has continued to make feature films about the immigrant experience, including *The Perez Family* about a Cuban family in Miami and *My Own Country* about an East Indian doctor treating AIDS in Tennessee.

Nair's *Monsoon Wedding* was released in 2001 to great popular and critical acclaim and grossed $14 million at the U.S. box office. Shot in thirty-days with a handheld camera, the film is a lavish spectacle set in India and inspired by the traditions of Bollywood, the Indian film industry. Nair's success led to further opportunities to direct an adaptation of *Vanity Fair* and the HBO original film *Hysterical Blindness.*

Nair splits her time between New York and Kampala, Uganda, where she has founded the Maisha film lab to encourage East African and South Asian filmmakers. Nair explains, "Maisha is built on the premise that if we don't tell our stories, no one else will. It was always time for our stories, but now is the time we will make them our way."

Sources: India Abroad, September 2, 2005: A5; John Lahr, "Whirlwind," *New Yorker,* December 9, 2002: 100.

Denzel Washington won the Oscar for best actor. This occurred on the night Sidney Poitier was recognized for his lifetime achievements as an actor and director by the Academy of Motion Picture Arts and Sciences.

TODAY'S MARKET STRUCTURE

The film industry is still dominated by a group of major studios. It has survived repeated challenges, including the breakup of theater networks; the rise of television, cable, and pay-per-view; and the popularity of the videocassette recorder (VCR) and the DVD player. The studios have not only survived, they have adapted, prospered, and grown. For example, Rupert Murdoch, the Australian press lord, merged Twentieth Century Fox with his chain of metropolitan television stations acquired from Metromedia Television. The Fox television stations give the corporate family instant access to wide distribution of a film after it appears in the nation's theaters.[17] In 1985, Ted Turner bought MGM and acquired its film library for his superstation before reselling the movie company. The major studios still control about 80 percent of the business in the United States and much of the market in countries like Australia, Italy, France, Germany, and Mexico. Although the number of independent producers has increased during the past twenty years, all of them contract with the studios to distribute their films.

In 2005, a film about a Memphis pimp, *Hustle and Flow*, was nominated for two Oscars and won for Best Original Song, by Three 6 Mafia. Three 6 Mafia was the first hip-hop group to perform at the Academy Awards, making movie history.

The key to the studios' success continues to be their domination of movie **distribution.** The studios see all the forms of distribution—theaters, DVD/VHS, pay-per-view, television networks, cable channels, satellites, and premium networks—as windows of opportunity for distributing their films. In each of the windows, consumers pay a different price for the same material. Watching a movie in a theater costs more than buying it through pay-per-view on cable or renting a DVD. Renting a DVD costs more than getting a movie as part of HBO, and HBO costs more than watching a movie on the TNT cable network. In each window, consumers pay less, but they have to wait longer after the initial distribution to see the film.[18] Movies hit the video stores and pay-per-view about six months after they leave theaters. After another six months or so, the film will be on HBO. This "windows" process allows studios to reach people who will not pay $7 to $10 to see a film in the theater. It also explains why studios have become part of multimedia corporations. By controlling the windows, the corporations squeeze more profit out of each viewing opportunity. This is why Viacom, for example, owns the CBS Network, Paramount Pictures, Showtime, and Blockbuster video stores.

distributors

The people of the movie industry who arrange to engage movies in theaters, then on television.

The Hollywood movie industry often relies on remakes of previously successful films. Peter Jackson's *King Kong* uses award-winning special effects to create an even more realistic version of the famous ape.

AUDIENCE DEMAND IN MOVIE MARKETS

In 2004, Hollywood's major studies reported a drop of 9 percent in theatrical admissions, to 1.4 billion moviegoers. The next year, the decline continued with a 6 percent drop in box office sales. International receipts also dropped, from 2004's record high of $25.23 billion to $23.24 billion.[19] Industry analysts blamed piracy, competition with DVDs and video games, and a lack of quality films. In 2006, Hollywood studies banked on tried-and-true formulas with sequels of *Pirates of the Caribbean, X-Men,* and *Mission Impossible.* Because religious controversy can bring in box office receipts, *The Da Vinci Code* was expected to be a success, and despite bad reviews, sold $224 million in tickets worldwide, just behind *Star Wars: Episode III, Revenge of the Sith.*

In the early days, movies catered to the family audience. From the era of the nickelodeon to the age of Panavision, mothers, fathers, and children flocked to neighborhood movie houses and to the theater palaces in the cities. After the advent of television, as couples settled down to raise children in the suburbs, the movies became less attractive. For parents, going to a movie meant paying for a babysitter, tickets, and transportation, so many chose to stay home and watch television. Slowly, the audience changed, and from the late 1960s until the late 1980s, the seventeen-year-old was the most reliable moviegoer. Demographics have changed, however, and aging baby boomers now far outnumber teenagers in the United States and present a viable group for studios to target.

The movie viewing audience became older during the 1980s and early 1990s, according to data published by the Motion Picture Association of America. In 1981, 24 percent of moviegoers were between the ages of sixteen and twenty, but by 1992, that percentage dropped to 15 percent. Admissions for people between forty and forty-nine rose from 6 percent to 16 percent during that period. However, since 1992 the age distribution of moviegoers has remained relatively stable.

Younger viewers retain great influence over which films are made. People between ages twelve and twenty-four made up 19 percent of the U.S. population but 28 percent of total theater admissions in 2005 according to the Motion Picture Association. Nearly half of all teenagers go to the movies at least once a month, compared to just one in four adults. Young people rarely wait for recommendations and reviews; they go to movies as soon as they open. They attend movies as part of their social activity with friends, choose movies on impulse, and are heavily influenced by television advertising. By contrast, older adults attend movies selectively, preferring films that represent more sophisticated fare than they can find on television. They choose movies after reading reviews and listening to their friends' recommendations.

Adults accompany young children to family movies and appreciate the music, acting, story lines, and animation. Adults, as well as the children they accompany, are partly responsible for the success of films such as the Harry Potter movies, along with classics such as *Beauty and the Beast, Aladdin,* and *Home Alone.* The movie industry's ratings system has emerged as a **labeling system targeted to specific demographics.** In general, films rated G and PG earn more money than films rated R or NC-17. None of the top ten all-time grossing films has an R rating.

A movie with an R rating can't be advertised on television and isn't allowed in some theaters. A producer wishing to make an R-rated film must negotiate with major studios, which have a policy against releasing NC-17 films. The meaning of an NC-17 rating is frequently under challenge, with some family groups, pediatricians, and educators arguing that the ratings system doesn't adequately protect children.

Increasingly, the U.S. audience in all its various segments is only a portion of the audience to which U.S. movies are directed. Profits can be doubled by showings in the international market. Furthermore, studios are measuring the popularity of particular stars and genres in the international markets before film scripts are even developed.

Key Concept

Labeling for audience demographics Movie ratings systems have been developed to target the various demographics that constitute the filmgoing public. As family audiences gave way first to the teenage audience, then to the baby boomers, the ratings system adapted. The current ratings system is as follows: G: general audiences; PG: parental guidance suggested; PG-13: special guidance for children under thirteen; R: people under seventeen must be accompanied by an adult; NC-17: no one under seventeen admitted.

Cultural Impact

Violence in Film

Speaking at an Amnesty International meeting in 2004, actor Patrick Stewart lambasted the movie industry for its depictions of violence against women. In particular, he took on Quentin Tarantino's *Kill Bill,* calling it "a deeply offensive film." Tarantino has often been criticized for the ultraviolence his movies, such as *Reservoir Dogs* and *Pulp Fiction.*

While pediatricians, social scientists, and politicians have been concerned about the effects of media violence on children, cultural critics have explored film violence as a question of history, meaning, and ethics. Cinematic violence is as old as the medium, with plenty of blood and gore in early shoot-em-up Westerns, war epics, slasher films like *Psycho,* and gangster movies like *The Godfather.*

Cultural critic Henry Giroux has given us three useful categories for thinking about film violence: ritualistic, hyperreal, and symbolic. In action films, the violence is ritualistic: formulaic and repetitious. The very definition of an action film lies in the mounting body count, as in *Die Hard's* 264 killings. The audience is not expected to think about the violence, or about who is being killed, but rather to experience the film as entertainment even thought it might contain racist and sexist messages.

Hyperreal violence is connected to a genre of film that features realistic, ultra-violent scenes combined with gritty dialogue, irony, and humor. Tarantino's films, like *Reservoir Dogs* and *Pulp Fiction,* aim to distance the audience emotionally from hyperreal violence, so that they can watch without feeling guilt at their pleasure in it. The characters in the films, and subsequently the audience, are neither good nor evil, but exist in a moral limbo.

Finally, symbolic violence provokes us to think about human actions and conditions. Clint Eastwood's *Unforgiven* critiqued the

ritualistic violence of the Western and the image of the hero that Eastwood himself had often played. The violence in *Schindler's List* provokes us to think of a society's capacity for terror and genocide. Symbolic violence engages our emotions and asks us to reflect morally on the social conditions that lead to violence.

Giroux suggests that thinking through the kinds of violence connects to questions about the ethical responsibilities of filmmakers and the social causes and cultural effects of violence.

Sources: Henry A. Giroux, "Pulp Fiction and the Culture of Violence," *Harvard Educational Review* 65 (Summer 1995): 299–315; BBC News, March 4, 2004, news.bbc.co.uk/1/hi/entertainment/film/3537707.stm, accessed June 13, 2006.

SUPPLYING THE AUDIENCE'S DEMAND

Movies meet the demands of the audience and make profits not only through traditional showings at theaters but also through release to the international market, pay-per-view television channels, home videos, premium channels, and television networks. Movie theaters usually split box-office receipts with distributors, who also charge booking fees to moviemakers. Exhibitors make a good deal of their money, however, on refreshments, which often are marked up by 60 percent over their wholesale cost.

In the 1990s, U.S. theater operators expanded to accommodate strong movie attendance. They built new, improved theaters with state-of-the-art sound systems and stadium-style seating. A blockbuster film could open on five thousand to six thousand screens and make its cost back in two weeks. But the rush to build backfired during 2000 and 2001. Six of the nation's largest theater chains filed for bankruptcy, and after a spate of consolidations, only a few companies such as AMC and Cinemark had control over domestic moviegoing. The Motion Picture Association reported a net loss of

Media Convergence

Movies and Video Games

The relationship between the movie industry and the video game industry flows both ways. Movies are made into video games, and video games are made into movies. In the domain of media convergence, content such as narratives and characters can ideally be adapted to any platform. Industry resources, such as advertising, creative development, and digital technologies can be shared. However, video games and movies are significantly different. Players spend many hours emotionally involved in the levels of the video game, while moviegoers expect more complex characters and a linear storyline that resolves itself in two hours.

Much of the profit made from a Hollywood movie no longer comes from its box-office release. Instead, money comes from licensing of the content to be used for TV programs, cartoons, official toys, DVDs, Pay-TV, and video games. The latest video game release is greeted by gamers at least as avidly as the latest blockbuster film is greeted by moviegoers. The combination of the two can mean big profits.

Movie producers often begin early to develop a video game tie-in. For example, when director Peter Jackson began filming *King Kong,* he approached famed game designer Michel Ancel of Ubisoft Entertainment, located in France, to make a video game adaptation. A gamer himself, Jackson had a vision for the game, such as providing an alternative ending in which the ape is saved from death and returned safely home to Skull Island. After agreeing to the project, the Ubisoft team met with *King Kong's* writers to make sure the game script followed the tone of the film. The team also worked with Jackson's studio to incorporate visual elements, creatures, and the voices of the film's cast. *King Kong: The Official Game of the Movie* was released a month before the film, sharing its holiday promotional push. The collaboration was successful. The game was widely praised and won Spike TV's award for best game based on a movie.

After dismal failures, such as the 1993 attempt to turn *Super Mario Bros.* into a movie, collaborators on films and video games are learning how to bring the forms together for profitable entertainment for both mass audiences and serious gamers.

Sources: Edward Jay Epstein, "Hollywood, the Remake," *Wall Street Journal,* December 29, 2005: A10; Xavier Poix, "Ubisoft's Peter Jackson's *King Kong,*" *Game Developer,* April 2006: 28–36.

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401 screens from 1999 to 2001.[20] With the growth of DVD, pay-per-view, flat-TV home studios, and the potential of Internet-delivered films, the number of screens will likely decline even more in the coming decades. Distributing movies will take on a new meaning as movie studios search for outlets other than the movie theater.

Product Placement: Supplying the Advertising Market

For the first one hundred years of the U.S. movie industry, advertising played a small part in the financing of movies. However, that is changing. Movie companies face blockbuster budgets in excess of $100 million, and companies concerned about people's increasingly cynical response to television commercials constantly search for ways to sell their products more effectively. These two needs have seen an increase in an advertising strategy called **product placement**. This involves displaying a clearly identifiable product in a film, such as having a popular star in a film drinking not just any soft drink, but specifically a can of Pepsi. Critics argue that product placement is deceptive because the viewer does not recognize the ad for what it is. Industry spokespeople have another point of view: Director John Badham notes that film budgets have become so large that producers need to look for new types of revenue. "From a producer's or a director's view, product placement is a great way to reduce the budget and keep the studio quiet."[21]

The technique is not new. In 1945, film star Joan Crawford downed Jack Daniels bourbon whiskey in the Warner Bros. production *Mildred Pierce.* However, in 1982

> ### Key Concept
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> **Product placement** Movie production has been financed primarily by admission revenues rather than sponsored ads. However, since the 1980s, significant indirect advertising income has come from the product placement system, whereby a product, such as a Coca-Cola can, is clearly discernible in the movie.

product placement hit the big time when sales of Reese's Pieces soared 66 percent in three months after the candy was showcased in Steven Spielberg's *E. T. the Extra-Terrestrial.* Hollywood-featured releases became an important element of every consumer marketing program.[22] Spielberg struck again in 2002 with the release of *Minority Report.* Product placement of brands such as Burger King, Century 21, and Guinness brought in $25 million to cover almost a quarter of the film's $102 million budget.[23]

Minority Report was not alone in the increasing use of product placement. The Austin Powers franchise has been aggressive in product placement. Who doesn't know that Dr. Evil stocks Starbucks coffee in his lair? In 2002, Coors Brewing Co. signed a deal with Miramax Films to be the official sponsor of theatrical premieres of Miramax films in the United States. However, controversy arose over the Coors product placement in *Scary Movie 3* because the film was directed at a teenage audience and rated PG-13. Since then, Coors products have not appeared in any Miramax movies. With the need to reduce risk for blockbuster movies, studios will continue to sell placement aggressively in their movies. At issue is the influence this may have over viewers.

The Home-Viewing Revolution

Television brought movies into the home, but viewers had no choice but to watch what was available or to turn off the TV set. When Sony introduced the Betamax home videocassette recorder in 1976, people could select what they wanted to watch at home and when they wanted to watch it. With the advent of video rental stores, people no longer had to go to theaters to see the films they wanted to see. However, the high cost kept many people from purchasing VCRs. JVC introduced VHS technology a few months later and provided the competition that drove down the cost and led to the eventual demise of the Beta format.

When the VCR first appeared, it was not a popular piece of equipment among movie moguls. Jack Valenti, president of the Motion Picture Association of America, called the VCR a "parasitical instrument."[24] Valenti was about to witness a **home-viewing revolution**. At first the studios attempted to sell movies on videocassettes directly to the public, but high costs made that impractical. Sensing a business opportunity, some entrepreneurs bought the expensive videocassettes and rented them out at affordable rates. As rental stores began to spring up in neighborhoods, film studios capitalized on the new market by releasing more and more films on video. As more videos became available, more people bought VCRs, and the purchase price of popular videos decreased. Today, popular family movies such as *Harry Potter and the Sorcerer's Stone* first make money at the box office. Then the theater popularity prompts buyers to pay $15 to $20 for a videocassette or DVD that they can watch again and again.

> ### Key Concept
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> **Home-viewing revolution** At the time of its appearance in the mid-1970s, the videocassette recorder (VCR) was perceived as a threat to the traditional film industry. Movie producers feared consumers' ability to record movies from television to watch at their leisure. However, the industry quickly learned to join the revolution, to profit by spinoff sales of tapes of popular films, and to create products directly for the home-viewing market.

The home-viewing revolution took a new twist with the introduction of digital videocassette players in 1997. DVDs have sharper images and carry far more material than do tapes and have moved quickly to supplant the VCR as the technology of choice for home viewing. Movie studios continue to increase the number of their older titles available on DVD, which allows them to sell more copies of older titles.

Many DVDs now provide extra content, such as director interviews and added scenes. When moviegoers leave the theater, about 42 percent of them plan to buy the DVD.[25] More women than men prefer seeing movies at home. Children's films are especially popular, with some, like Disney's *The Return of Jafar* and *Tarzan and Jane,* released directly to DVD and VHS.

Although the home-viewing revolution is more than a quarter-century old, it remains far from over. The delivery of movies over the Internet and video-on-demand over cable broadband will give viewers even more control and choice, which is something viewers enjoy and will pay for. Home theaters with flat screen TVs and rich audio sound combined with digital delivery of movies will make staying at home even more appealing.

SUPPLYING THE INTERNATIONAL MARKET

Film has always been an international medium. In 1895 the first public screening of short films occurred in France, the United States, Germany, and Belgium.[26] Today, despite the dominance of U.S.-made films in most markets, movies remain essentially international. Three trends demonstrate the global nature of films: strong domestic film industries in many countries, growing exportation of films from many countries, and increasing coproduction of films across national boundaries. ***Competition in the international market,*** therefore, takes a variety of forms.

Key Concept

Competition in the international market The international sale of films has been an important source of profit for the U.S. movie industry, which sometimes earns more on violent or sensational U.S. movies abroad than at home. Some countries see U.S. films as a threat to their domestic film industries. However, several nations have vigorous movie traditions of their own, and British, French, and Chinese film styles have influenced U.S. filmmaking.

Film Around the World

European countries have had strong film industries for more than one hundred years. British, French, and Swedish films have had a small market in the United States, although Hollywood would often remake the European films with American actors. The Indian film industry, often called Bollywood, out-produces all other countries with over 800 films per year. However, it makes much less profit than Hollywood, which produces fewer films. In the twenty-first century, Bollywood has begun to compete more strongly against Hollywood in the world market, catering to millions of South Asians who have immigrated to other countries. With a new wave of globally minded directors and higher budgets and technological investments, Bollywood is following Hollywood's lead in its marketing campaigns, tying local products to native and imported films.

Nigeria's film industry, known as Nollywood, has become the third largest in the world. Nollywood produces about 2,000 films a year, usually in English, shot with handheld cameras, and distributed all over Africa on compact discs. Supplanting U.S. imports, Nollywood films feature voodoo horror, epics from African history, and African stories about love and family.

China has had a strong cinematic tradition, beginning in the early twentieth century with films depicting legendary scenes of ancient swordfighters. In the 1940s, Hong Kong became the center of the Chinese film industry, and, in the 1960s, its kung fu films, like Bruce Lee's *Fists of Fury,* attracted ethnic and working class audiences in the United States. Lee is so well known worldwide that a statue was erected to

Film industries outside the United States, such as India's Bollywood, present serious international competition for Hollywood. Bollywood films like *Devdas* (2002) feature a distinctive film-making style with colorful costumes and sets, melodramatic plots, and song and dance numbers.

Global
Impact

Conflicts in Power and Values

The popularity of Hollywood exports has sometimes been met with criticism that U.S. cultural values and economic power are being imposed upon the world's people. When Jackie Chan visited India's film capital, Mumbai, in 2005, he told an audience that young people try too hard to imitate Western film stars and that film industries outside of the United States should fight to preserve their own cultures. While many film scholars dismiss the notion that Hollywood movies threaten local cultures and their filmmaking enterprises, the debate continues on the negative influences of the world's most successful film business.

The influence of Western sexual mores on India's Bollywood film is one example of conflict. Before the 1990s, Bollywood films were family centered and even a kiss on the lips was considered taboo. However, when Bollywood films began to languish at the box office, filmmakers began to produce steamy love stories with provocative scenes. Social critics have attributed the success of these new films as coming from a middle-class Indian audience's exposure to Western media, broadcast on satellite TV. Not everyone has been happy with the change. Some Indian traditionalists would prefer a return to what they see as an uncontaminated culture with strong Hindu family values.

Another problem is that Hollywood films sometimes misrepresent the cultures to which they market. When it was released in Japan, *Memoirs of a Geisha* caused an uproar because of its historical inaccuracies, stereotypical portrayal of an exotic East, and the use of Chinese actors.

Some countries control and censor Hollywood imports to help promote their own domestic films and preserve their cultural distinctiveness. China allows only 20 imported movies per year and blocks them out completely during the summer months. Although *Mission Impossible III* was filmed partially in China with the help of the country's film industry, the government censored it for violence and what it perceived as a negative portrayal of Shanghai. Venezuela's President Hugo Chavez began the Film Villa Foundation to produce Latin American film with its own superheroes for children, offsetting the U.S. media portrayals of Latinos as criminals and drug traffickers. In 2005, members of the United Nation's cultural agency, UNESCO, approved a convention stating that countries should have the sovereign right to promote and protect their distinctive cultural expressions. The United States refused to sign because of fears that the treaty would interfere with free trade.

Hollywood's expansion into world markets has been commercially successful, but it has not been without question, conflict, or resistance.

Sources: Herald Sun, December 13, 2005: 63; *Global Information Network,* October 20, 2005: 1; *Financial Times,* December 13, 2005: 15.

him in Bosnia to stand as a symbol of ethnic harmony. Jackie Chan, from Hong Kong, is also beloved of global audiences for his comic action films that stand up for the little guy. In 2001, the respected Taiwanese director Ang Lee transformed the martial arts film into a high art spectacle with *Crouching Tiger, Hidden Dragon,* a worldwide box office hit that was nominated for a Best Picture Oscar.

In addition to growing domestic markets, several countries have seen growth in the exportation of their films. Australian and New Zealand movie companies have found both financial success and critical acclaim in the United States. The string of successes include Australia's *My Brilliant Career* (1979), the Mad Max movies, and *Crocodile Dundee* (1986). Following the success of these films, several members of the Australian movie industry, including actor Mel Gibson and director Peter Weir, moved to Hollywood. The Australian film industry continues to enjoy its renaissance, however, with successes in the United States in the late 1990s with films such as *Muriel's Wedding* and *Me, Myself, I.* Foreign films have succeeded not only in the marketplace but in U.S. award competitions. In 1993, *The Piano,* a New Zealand film starring a New Zealander and two Americans, was nominated for an Academy Award for best picture. In 2001, the Australian film *Moulin Rouge* achieved both financial and critical success in the United States.

An important element of the growing exportation of films from a variety of countries is the number of serious filmmakers throughout the world. Beginning in the 1980s, Satyajit Ray of India, Aki Kaurismaki of Finland, Luis Puenzo of Argentina, and

Pedro Almodovar of Spain have represented a new wave of serious directors. These filmmakers and others use film to explore personal problems and social relations in a way that transcends geographic boundaries.[27] Even smaller film industries abroad are beginning to compete successfully with Hollywood. Russia ranks tenth of Hollywood's foreign markets, but is reviving its national film industry. In 2004, its fantasy thriller *Night Watch* beat out *Spider-Man 2* at the domestic box office and made more than *Lord of the Rings: Return of the King.*

Hollywood International

Hollywood studios, as well as other international film industries, now depend on international talent, international audiences, and international financing and distribution to make profitable pictures. A Hollywood blockbuster can be sold to dozens of markets worldwide, especially as countries build U.S.-style multiplexes. Even in its creative ideas, Hollywood often remakes foreign movies, such as *Vanilla Sky,* based on *Abre Los Ojos* from Spain, and *The Ring,* based on *Ringu* from Japan. Actors are selected to appeal to foreign audiences. Liv Tyler was chosen for *Lord of the Rings* because she was popular in Japan, where the series was expected to do well. Foreign backers are tapped for money. *Terminator 3* and *K-19* were made possible by German investors. Film crews in many parts of the world cooperate on a project like *Lord of the Rings.* International trade agreements protect Hollywood's intellectual property against rampant piracy. Through overseas divisions, Hollywood studios have expanded beyond exporting English-language films to coproducing films with foreign film industries and making more movies in other languages, such as Spanish, Chinese, and Japanese.[28] In all dimensions of filmmaking, Hollywood is becoming less tied to its national origins.

TRENDS

As it has in the past, the movie industry will continue to take advantage of new technologies and respond not only to changes in demographics of the U.S. population but also to the demands of international markets.

Technology: Digital Moviemaking

Digital movie cameras and other technologies are significantly altering the way movies are made. The movie crew no longer has to wait overnight for film to be developed. Instead they can shoot a scene, load it onto a computer, and immediately see the results. Digital moviemaking has other benefits: better special effects, crisper images, and less spending on lab costs. A proponent of digital moviemaking, George Lucas shot *Star Wars: Episode 1—The Phantom Menace* in high definition with Sony's 24p CineAlta system, and other directors have followed suit. Lucas argues that digital technologies allow for greater creativity and that epic movies can be made for much less.[29] Many independent filmmakers have turned to digital technologies because they are so much cheaper to produce. Despite fears of piracy, Hollywood studios have also begun to favor digital movies, including a switch from reels to high definition digital projection and satellite distribution.

Technology: Digital Delivery

The move to digital distribution of content affects the movie industry as it does every other medium. The conglomerates that own numerous media companies are experimenting with new digital distribution of movies to homes and to movie theaters. Digital home delivery already includes DVDs, pay-per-view, and movies on demand. The next generation of digital technologies allows downloading feature-length films into TVs, computers, iPods, and cellphones. The success of this distribution method depends on the saturation of broadband connections. In 2005, the number of

broadband connections worldwide rose by 37 percent to 221 million, making for a large potential market for digital downloads.[30] In 2006, Warner Bros. Home Entertainment Group began licensing movies to BitTorrent, which offers file swapping. Movielink and CinemaNow were the first services to offer movie downloads such as *Poseidon* and *V for Vendetta* for sale.

Technology: Piracy

The increasing ease of video downloading has created many new opportunities for piracy. Typically, pirates use digital camcorders to record new releases off the movie screen and then sell them on the street or upload them to the Internet. Along with China, Russia, Mexico, India, and Malaysia, Canada has become one of the most notorious countries for video piracy with camcorders. When *Harry Potter and the Goblet of Fire* was released in Montreal, police frisked moviegoers and showed them an antipiracy video. Many pirated movies also come from workers at film studios or in DVD stamping plants. The Motion Picture Association of America estimated that $6.1 billion was lost to illegal copying in 2005, with half of that figure attributed to digital downloading.[31] To beat the pirates, newly designed DVDs have copy protections that are difficult to crack. But if many movies become available online, protecting them from file sharing and the ingenuity of hackers will be difficult.

Media conglomerates are increasingly interested in releasing content across a variety of platforms at the same time. This strategy is partly intended to reduce piracy. Timing is important. If a movie is released in one place, pirates may acquire it, copy it, and distribute it in another place before the movie is released there. To cut pirates off at the start, studios are releasing blockbusters in major cities worldwide at the same time. At the risk of losing moviegoers, Hollywood studios may release films in theaters, on DVD, and through digital stream on the same day.

Culture: Demographic Issues

Demographics have always been an integral part of the movie business. Film producers and distributors aimed primarily at the family audience during the first sixty years of the industry. This changed when baby boomers became teenagers and dominated the moviegoing market. The aging of the baby boomer generation has seen a growth in moviegoing among those older than fifty. However, the younger market still has an edge on influencing filmmakers.

Family-oriented pictures still dominate the box office. Of 20 blockbusters released in 2005, 17 had a G or PG-13 rating. Nevertheless, film habits have changed, with fewer people going out to movie theaters and many staying home instead to watch cable television or a DVD. In 1948, two-thirds of the U.S. population went out to the movies every week. Now, it is only one-tenth.[32] However, the attention to the movie box office is misleading, since ticket sales account for only 15 percent of the movie industry's revenues.[33] Movie studies make their money on licensing rights to home entertainment and other tie-ins.

While the youth market still has an edge on influencing filmmakers, many young men in their teens and twenties are less interested in traditional media, including films.[34] The loss of this important demographic of moviegoers is leading Hollywood studies to rethink their focus on action films. They also are searching for other niche markets both domestically and abroad. Overseas, largely untapped markets, such as Vietnam, are of increasing interest to studios.

Much studio attention has also turned to Christian audiences and faith-based movies. In the 1950s, Hollywood studios turned out a slew of faith-based films, including *The Robe, The Ten Commandments,* and *Ben-Hur.* In 2005, Hollywood recognized the marketability of films with religious themes when *The Passion of the Christ* and *The Chronicles of Narnia: The Lion, The Witch and the Wardrobe* proved popular. *The Da Vinci Code* sparked a controversy among Christians that added to its publicity. With two-thirds of Americans declaring themselves Christians, the market for faith-based music, film, and books is growing. Ten thousand Christian retail stores supply the niche.[35] At

Discussing Trends

The movie industry has always been a fluid industry. As demand for certain types of movies came and went, the studios reacted to that demand. This reflects the commercial nature of movies and the desire of studios to make a healthy profit. Because the cost of production is directly reflected in profit, the desire for profit affects how films are made and distributed. New technology, audience demographics, and the international market also will affect how movies are made. Some of the questions that need to be answered include:

■ How will increasing digital moviemaking and distribution affect the types of movies you see and the form in which you see them?

■ What might digital technologies mean for the Hollywood film industry?

■ In order to appeal to a wide audience, is it possible to make films that cross age and gender barriers?

■ Will the baby boomer generation become more influential in Hollywood than teenagers?

■ Do common concerns exist across cultures that would lead to similar films based on age or gender rather than on nationality?

■ Why do fantasy films attract audiences so well across national boundaries?

the same time, movies like *Brokeback Mountain,* with its sensitive portrayal of a gay relationship, show that Hollywood may not always please this demographic.

Like other traditional media industries, the film business is undergoing change as it faces the challenges and opportunities of technology, shifting demographics, and social and economic globalization. The creation and experience of film is becoming much less bound to the local theater.

SUMMARY

■ U.S. filmmaking has been dominated by large studios since the early years of the industry.

■ Films first targeted family audiences, then, with the advent of television, switched to the teenage audiences that spent their money indiscriminately on movies.

■ Film represented two lines of development: the perfection of the photographic process and the fascination with moving pictures.

■ Vaudeville influenced the content and style of the first projected shorts.

■ Edwin Porter's 1903 short films *Life of an American Fireman* and *The Great Train Robbery* pioneered storytelling techniques that led toward feature-length films.

■ The Motion Picture Patents Company controlled early film production. Although it edged out independents, it also stabilized a fledgling industry.

■ During the teens and early twenties, film became middle-class entertainment, and studios introduced the star system to attract large audiences.

■ By 1930 five movie companies dominated the U.S. film industry.

■ The peak year of movie attendance in the United States was 1946.

■ After World War II, the domestic audience dwindled because of the population shift to the suburbs, the baby boom, and ultimately more attention to television.

■ However, the foreign audience grew and by 1960 provided nearly half of the U.S. film industry's revenues.

■ Movies constitute art, social commentary, and entertainment.

■ Movies were not given free-speech protection until 1952.

■ Movies usually target a young audience, although aging baby boomers constitute a dynamic secondary market.

■ Product placement is a form of advertising in which identifiable brand-name products are consumed or used by characters in movies.

■ The advent of the VCR created a new challenge for the film industry. The industry responded by supplying videos through rental stores and directly to the consumer, increasing revenues by $15 billion.

■ Merchandising products is a successful profit-making venture of movie studios.

NAVIGATING THE WEB The Movies

Movies and films are at the top of the popular culture list of websites. Sites cover the history, business, and criticism of film. Many are created by interested individuals; others are produced by the large movie corporations. Some experimentation inevitably will be done with showing movies directly on websites, but as yet movies are still more suited to the television set or the big screen for general viewing. The following sites contain research material about movies and their history.

MovieWeb
movieweb.com
MovieWeb has information about current movies and those screening within the past five years. It also contains useful statistical information about movies.

BitTorrent
bittorrent.com
The BitTorrent site provides a software interface that allows users to download digital content, including movie files.

The Academy Awards
oscar.com
The Academy Awards site, maintained by the Academy of Motion Picture Arts and Sciences, lists all Academy Awards and includes a summary of the films that have been screened over the years.

Internet Movie Database
imdb.com
An index and directory of motion pictures.

The following two sites contain information about the entertainment industry. They have current information about the film industry, including upcoming films and box-office receipts.

The Hollywood Reporter
hollywoodreporter.com

Premiere
premieremag.com

QUESTIONS FOR REVIEW

1. What type of technology did magic-lantern shows use?
2. Which studios have retained dominance over time?
3. Why was the First Amendment not applied to film until 1952?
4. What is the star system and why is it important?
5. Why is *Bonnie and Clyde* sometimes considered a turning point in the development of modern film?
6. What is the home-viewing revolution?

ISSUES TO THINK ABOUT

1. Some people argue that movies have been the U.S. dream machine. As more films are made with an international audience in mind and more international films are imported into the United States, how will the dream machine transmit social and cultural heritage?
2. How do new movie technologies affect the content and reaction? Do you react differently if you watch a film on a DVD at home or in a dark theater? With friends or parents?
3. How has the Hollywood system affected the development of U.S. film?
4. What do you think the technology of the future will be? How will it affect the production, distribution, and marketing of movies?
5. What are the implications of product placement?

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