# History of the Movies

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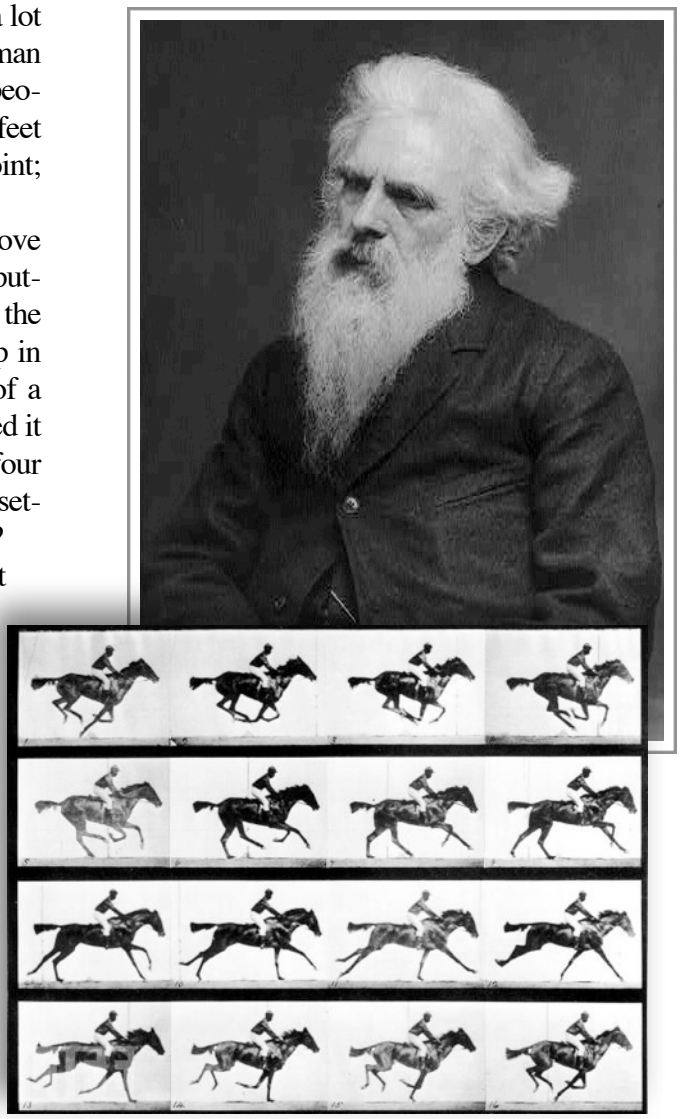
It started with a $25,000 bet. In 1877, that was a lot of money. Edward Muybridge, an Englishman tuned American, needed to settle a bet. Some people argued that a galloping horse had all four feet off of the ground at the same time at some point; others said this would be impossible.

The problem was that galloping hooves move too fast for the eye to see. To settle the bet indisputable proof was needed. So in an effort to settle the issue once and for all an experiment was set up in which a rapid sequence of photos was taken of a running horse. When the pictures were developed it was found that the horse did indeed have all four feet off the ground during brief moments, thus, settling the bet. Why is mentioning this significant?



*Edward Muybridge and his famous experiment*

In doing this experiment they found out something else—the illusion that lies at the base of both motion pictures and television. This phenomenon (called the phi phenomenon) explains why, when your view a series of slightly different still photos or images in rapid succession, an illusion of movement is created in the transition between the images. Persistence of vision explains why the intervals between the successive images merge into a single image as our eyes hold one image long enough for the next one to take its place.

In actual fact, there is nothing moving in motion pictures. It's all an illusion based on these two phenomena. Motion picture projectors present images at 24-frames per-second, with each of those frames flashed on the screen twice. This high speed makes the transition between images virtually invisible.

So, as a result of a $25,000 bet, the foundation for motion pictures and television was inadvertently established. Although the foundation may have been laid, watching a series of drawings or still photos flip by is very different than sitting back and watching a movie.

The only way to capture real-life images in those days was to make metal plates light-sensitive by painting them with a liquid solution while you were in a darkroom. Then you would need to run out and exposing them one at a time in a camera before they dried. And then you had to had run back into the darkroom and develop them. Not a simple process.

A man named Hannibal Goodwin greatly simplified this in 1889, when he developed a transparent, pliable film base called celluloid. The next step was to create long strips of film where a series of still pictures could be captured in rapid succession. Cameras and projectors were developed that could do this at a rate of 16 frames per-second. (The rate was later moved up to 18, and eventually to 24 per-second.) A few years later the concept was adopted by George Eastman of Eastman Kodak fame. He added some of his own innovations and eventually standardized the film for cameras and projectors.

## Thomas Edison's Contribution

Once the principle of creating the illusion of motion from a series of still images was realized, devices were invented that would fascinate anyone who wanted (for a price) to watch "moving images." Unfortunately, all of these devices had the disadvantage of only allowing "an audience of one." Generally, a single peephole was provided behind which a series of drawings or photos were presented in rapid sequence.

*An Edison Kinetoscope*

Thomas Edison of electric light bulb and phonograph fame liked the fact that only one person at a time could see the images. Edison's company had devised the peephole kinetoscope and he was making a bit of money selling these devices. Edison thought that if he came up with a system to show motion pictures to a large audience, then everyone would be able to see them at the same time and he wouldn't sell nearly as many kinetoscopes. This, of course, turned out to be a major marketing miscalculation—just one of the many that would become a part of film, radio and TV history.

Meanwhile, around the world, scores of inventors had introduced their own "movie machines." In fact, so many motion picture devices appeared at about the same time that no one person can truly be credited with the invention. People in England, France, Germany, and the United States all came up with motion picture devices at about the same time.

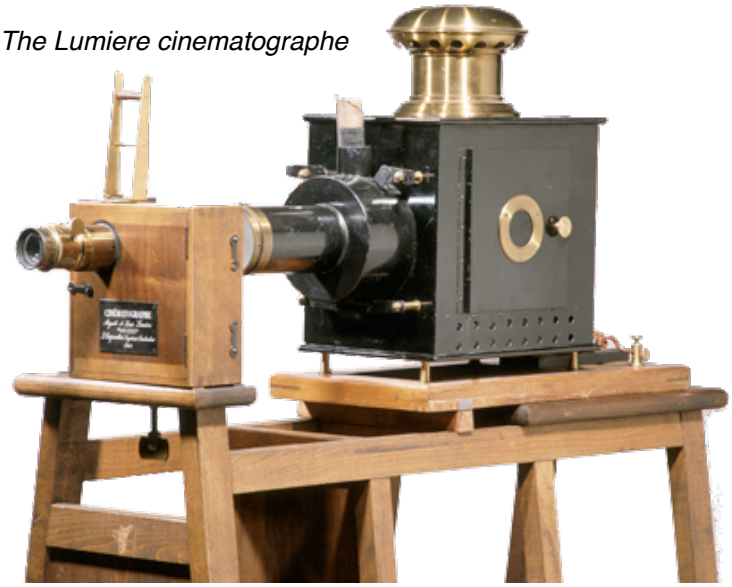
*The Lumiere brothers*

According to popular history, it was the Lumière brothers in France who first did what Edison initially didn't want to do—devise a projector that could show motion pictures on a screen for an audience. They called their invention cinematographe. In 1895, they started producing a series of short films—30 to 60 seconds with very simple subjects: a man falling off a horse and a child trying to catch a fish in a fishbowl. They started showing them in a Paris cafe and charging a one-franc admission.

Meanwhile, back in the United States, Edison eventually saw the light and devised his own projector—the Vitascope. He then came up with the concept of a battery operated motion picture camera. Interestingly, he didn't seem to have much confidence in the long-range possibilities of either the camera or his kinetoscope. When he applied for patents, he didn't pay the extra $150 required to secure an international copyright. That oversight would cost him millions in profits in the coming years.

After George Eastman bought the rights to make celluloid (film), he standardized the film gage (size) so that it could be readily used in different types of production equipment. The film was 35mm wide and had sprocket holes on each side. Gear teeth fit into the holes on the edges of the film, making it possible to pull the film through cameras and projectors at a steady rate. The images on the film were each 1 X 3/4-inch (2.5 x 2 cm) in

*The Lumiere cinematographe*




size. Later, a sound track would be added on one side of the film next to the sprocket holes.

The celluloid film was wound on reels. Since the reels only held about 12 minutes of film, they regularly had to be changed during filming. During viewing, if the production was longer than what could fit on one reel, the projector had to be stopped and the audience given an intermission while one reel was taken down and another loaded. Later, two projectors would be used so that the film reels could be alternated between projectors, making an instant switchover possible. Once a basic film gauge was adopted, cameras and projectors could be manufactured without fear of major incompatibilities in the marketplace. At this point the foundation for motion pictures was in place.

## Vaudeville and Nickelodeons

During this time, vaudeville (small theaters that featured short dramatic skits, comedy routines, and song and dance numbers) was quite popular. In order get one-up on the competition and fill in time between acts, vaudeville theaters started featuring short films.

As the 1900s dawned, vaudeville expanded into nickelodeons, which were small storefront-type theaters that featured films (accompanied by piano music and sound effects) along with one or two vaudeville acts. As the name suggests, admission was one nickel, a price that appealed to working class citizens.

As the films got more popular and longer, the vaudeville acts disappeared from the nickelodeons and the motion picture theater was born.


*A typical vaudeville theater in the early 1900s*

Since nickelodeons only charged a five-cent admission fee, they had to depend on audience turnover to generate profits. This meant that movies had to be changed regularly—sometimes even daily—to keep people coming back. Obviously, early studios had to turn out large numbers of films to meet the demand. The studios of the early 1900s were appropriately called "film factories." At that time they were primarily located in New York and New Jersey. Obviously, this eventually changed.

## The First Narrative Film

It was an employee of Thomas Edison, Edwin Porter, who in 1903, created the first U.S. narrative film, *The Great Train Robbery*. With this film, a real story line involving crosscutting between different narrative sequences and different camera positions and distances were all introduced. Porter's film had 14 scenes and lasted 12 minutes—a real epic by the standards of the day. Before that, films were shot from a single wide-shot camera position while actors paraded in front of the camera—a stage play on film, only you couldn't hear the actors speak, and the whole thing was in black and white.

Before the The *Great Train Robbery* people were starting to get bored with films. The novelty of the short films was wearing off, plus audiences could see things—and hear them—much better in stage plays.

Porter not only introduced the western as a film genre, he also demonstrated that suspense could be introduced into films by alternating shots of "the bad guys" doing their illegal thing and "the good guys" trying to bring them to justice. Actually, Porter had stolen some of his ideas from European films—primarily from a Frenchman named Georges Méliès, a man credited with virtually inventing special effects with his film, *Trip to the Moon*.

*When the outlaw in* The Great Train Robbery *fired directly at the screen, some people in the audience actually panicked and ran out of the theater.*

## The Dawn of Film Censorship

One of the very first films produced in the United States, called *The Kiss*, was based on a scene from the stage play, "The Widow Jones." Groups tried to get the film banned because it showed a man and a woman kissing—something that moralists of the time thought was obscene. Later, kisses were deemed okay, as long as they didn't exceed a few, brief seconds—after which they were seen as immoral and had to be censored. Interestingly, these same censors didn't seem to mind that in The Great Train Robbery several men were shot and one was even thrown off the top of a moving train.

*Silent film star Theda Bara was know for her sultry screen presence and her revealing wardrobe.*

Responding largely to the public and political pressure of the day, the U.S. Supreme Court officially denied motion pictures the same First Amendment freedom that was being given to the press, literature, and the theater. In deciding against the Mutual Film Corporation, they used the argument that films were amusements and not artistic works, a decision that would seem to instantly elevate the theater and the press to art forms. As a result of the Supreme Court decision film censorship boards sprung up in most states to make sure that films shown in their area adhered to their particular view of morality.

Almost 50 years later, the Supreme Court reversed itself, finally allowing films the same First Amendment protection as the other mass media. Even so, for several decades after this decision many state censorship boards hung on to their

power over film content. Many would later redefine their purpose as being "advisory."

## The Accidental Beginnings of Editing

In the early days, film action resembled a, simple, short stage play—continuous and not interrupted. This allowed a new film to be churned out every few days. It is said that the whole idea of instantly cutting from one scene to a different scene resulted from desperation on the part of a director one day when he had to stick to a very tight schedule. A mishap occurred while filming a particular scene and he didn't have time to start the scene all over again from the beginning. To keep from falling behind on the schedule the director just ordered the camera to stop until things were sorted out and then to start the camera and action again. Afterwards, the two scenes were spliced together.

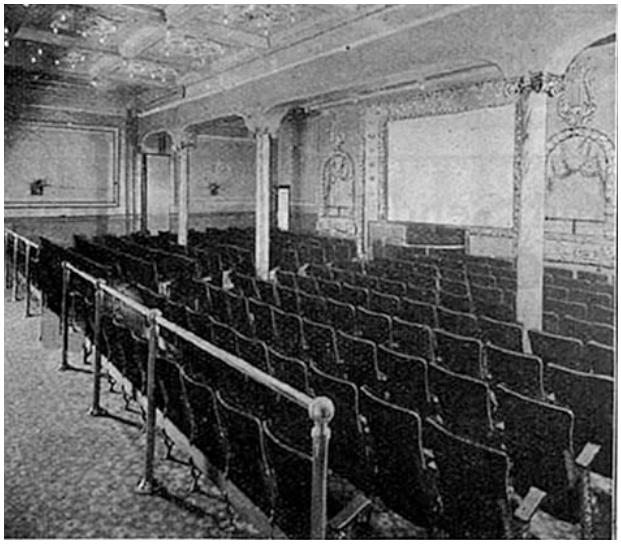
The director apparently hoped that no one would notice, or at least not complain too much. But after viewing "the mistake," it was concluded that the "lost" footage wasn't really necessary and the jump in action actually speeded things along. By the late 1800s, it had become accepted practice to stop and reposition the camera and even to cut directly to a totally different scene in telling a story. (To keep them from being confused, audiences had to be slowly educated to these techniques.)

At this point there still wasn't sound or color. Dialogue initially appeared as full-frame text on the screen after actors spoke their lines. Later, the dialogue was superimposed over the picture.

There was one major advantage of this "silent" approach: it was easy to change the superimposed dialogue into any language, which meant that the films could readily be exported to other countries. However, this issue represented a major stumbling block when sound was introduced.

## The Early Days of Film

By 1910, Nickelodeon theaters were attracting 26-million viewers each week. Five years later that number had more than doubled. The popularity of films soon attracted the attention of those seeing the potential for big profits. And what better way to insure big profits than to try to create a monopoly in an attempt to control everything.



*Interior of the first nickelodeon in the United States*

Led by Thomas Edison, several companies formed a trust called the Motion Picture Patents Company (MPPC). The plan was to use their combined patents to control things such as the production of raw film stock, projection equipment, and film distribution and exhibition; in other words, almost everything in the motion picture industry. Independent (nonaffiliated) film companies tried to compete—but at considerable risk. MPPC people

*A typical silent film shoot with a cameraman and director, who could give directions out loud during the production because there was no sound being recorded.*

raided the independent studios that attempted to make films. Equipment was smashed and employees were threatened. Their strong-arm tactics aside, the MPPC did establish film standards and create an internationally competitive motion picture industry.

Among the other things that the MPPC did to try to hold on to control (and profits) was to forbid the use of actor's names in film credits. It was assumed that if audiences became familiar with leading characters that the actors would achieve a star status and demand more than the minimal wages they were earning. This turned out to be pretty shortsighted.

As was noted, films were originally shot on the East coast of the United States where the film business originated. This soon changed, primarily for two reasons.

First, many films were shot outside—a lot of light was needed to accommodate the slow speed of the film in those days—and the weather on the East Coast often didn't cooperate. But, out in California there was sunshine and wide open spaces available for making films—not to mention a very big ocean and lots of picturesque mountains.

Independent film companies fighting the stranglehold of the East Coast MPPA trust, moved to the West Coast—primarily Southern California. On the West Coast they were much farther away from MPPA control.

Once the independent film companies were established in California, they started turning out films that were as good as, and often better than, the ones being produced by MPAA companies. But even more bad news for the MPPC trust was on the horizon. In 1915, the U.S. government finally acted to break up the trust under antimonopoly laws.

## How Hollywood came into being.

Hollywood (which eventually became known as "the film capital of the world") is geographically a part of Los Angeles. Interestingly, the name "Hollywood" rests on an illusion, just as "motion" pictures do.

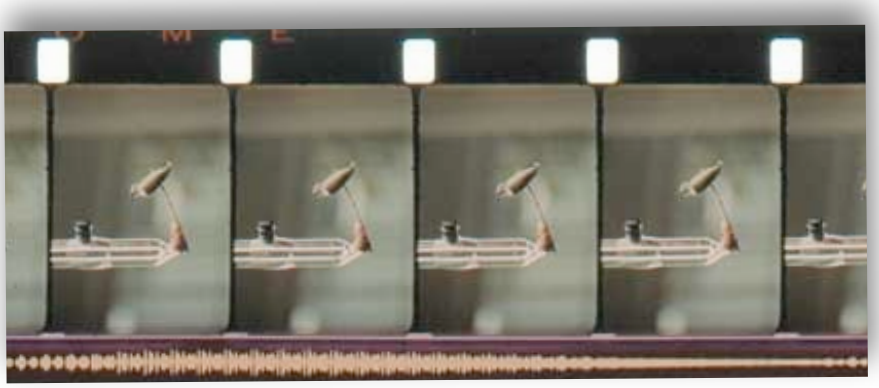
A real estate agent who had moved to the Los Angeles area from the East Coast had brought with him a lot of holly trees. Not being troubled with such things as botany and geographic differences, he optimistically planted them, thinking that he would introduce a new species of trees to the area. They all died. Not to be deterred, he still named the area "Hollywoodland" and put up a large sign on the side of a mountain to advertise the area. Later the name was shortened to "Hollywood." Holly trees or no holly trees, the area ended up being an ideal site for early motion picture studios.


## The Star System Is Born

Remember, the Motion Picture Patents Company (MPPC) didn't want to list the names of actors in their films because they feared that the actors would become well known and would subsequently want more money. The independent studios that had set up shop on the West Coast saw things differently. They immediately recognized an advantage in developing popular stars that audiences would pay to see time and time again. The fact that this approach would draw audiences away from rival MPPC films didn't escape their notice either.

*Charlie Chaplin was one of the highest paid stars in silent films.*

## Sound Is Introduced



*A section of film showing the soundtrack at the bottom.*

Although by the mid-1920s technology had been developed for adding sound to films, the big studios opposed it for several reasons:

- They weren't sure the public would accept it.
- Some of the top stars were foreign born with noticeable accents (a fact that most Americans didn't know).
- Many stars had weak voices that didn't match their macho or seductive images.
- Many actors who didn't have stage experience had voice and diction problems.
- The studios had spent large sums of money promoting their stable of silent stars and many of them would not be able to make it in "talkies."
- It would mean investing hundreds of thousands of dollars in building sound studios (sound stages).
- Producing sound films would be significantly more expensive than making silent films; for example, a one-million dollar silent film would cost at least one and one-half million dollars with sound.
- Although it was relatively easy to use different languages in text (subtitles) to meet the needs of foreign distribution, you couldn't expect actors to speak different languages.
- In silent film directors typically talked actors through their moves while they were on camera. Sound meant that actors would not only have to know what to do when, but they would also have to memorize dialogue.
- In 1927, there were 15,000 theaters showing silent films, all of which would have to be equipped with the expensive new technology.
- The studios were making plenty of money the way things were and they didn't see a need to change anything.

## Warner Brothers "Bets the Company" on Sound

The big studios stuck together for some time in discouraging the introduction of sound. However, one studio, Warner Brothers, was outside that group. Given the formidable competition from the other studios, they were struggling to survive.

Warner Brothers had nothing to lose by trying something daring. They reportedly didn't feel that sound would be more than a passing novelty; but, for as long as it lasted, they figured it might make them enough money to stay afloat. Sound was already being used in some theaters for Movietone news briefs, so at least these theaters were already equipped for sound.

In 1927, in New York City, Warner Bros. introduced the first feature-length film featuring sound: The Jazz Singer starring Al Jolson. The film consisted mostly of background music and contained only two segments with synchronized dialogue—a total of only 354 spoken words—but that was enough to set off the sound revolution.

Once the film captured public attention, people were lined up around the block from early morning until late at night to get tickets. Now, the major studios were worried.

Recognizing a good thing, Warner Brothers rushed another film with Al Jolson into production. This one, The Singing Fool, was an even a bigger hit. It cost $200,000 to make and brought in $5 million. It must be said that the star, Al Jolson, a vaudeville performer, was perfect choice to launch

sound. He had a natural talent for relating to audiences.

Faced with the inevitable, the major studios reluctantly abandoned their stand against sound and started building their own sound stages. Within a few years almost all films were "talkies."


*The premier of The Jazz Singer at the Warner's Theatre in New York*

*Warner's head sound engineer George Groves recording Fanny Brice in the part-talkie musical 'My Man' (1928)*

## "The Talkies" End Many Careers

But, the move to sound was not without its consequences. Many stars couldn't make the transition and left the business. In an effort to try to save their careers, others quickly signed up for voice and diction lessons. Even so, the studios used the special needs of sound as an excuse to get rid of some actors. Thousands of musicians who had provided the background music for films in local theaters were also thrown out of work. With sound, music needed to be recorded only once.

## Production Techniques Take a Giant Step Backward

Hampered by the early limitations of sound equipment and the influx of sound technicians who were all but dictating how everything should be done, film production techniques took a giant step backward. Many of the early sound films were not only crudely done, they were downright boring.

Early "talkies" used only one microphone and actors would have to surreptitiously move within its range before they could speak their lines. You often saw long scenes of dialogue and very little action.

Another major problem was that the camera had to be housed in a soundproof, telephone booth-like enclosure to keep the noise of the camera from being picked up by the microphone. This meant that the camera was virtually immobile; and since this was before the advent of zoom lenses, shots tended to be static and unimaginative.

But, films had sound! For many people it was worth sacrificing production values to suddenly be able to hear actors speak.

## The Studio System

By this time, the movie industry had clearly established three basic economic divisions: production (the making of the films), distribution (getting the films out to theaters) and exhibition (the actual screening of the films by theaters). After the NPPA guild was dissolved by government antitrust action, the studio heads gradually moved to another type of control—the studio system.

The years between 1930 and 1950 are generally recognized as the studio years. MGM, 20th Century Fox, RKO, Warner Brothers, Paramount, Universal, and Columbia dominated these years. These studios created elaborate sound stages and developed hundreds of acres in Southern California land into back-lot movie sets. During this era the studios developed a well-coordinated and efficient factory system for turning out films.

In the studio system a major studio hired a stable of stars and production people to do as many films as they were assigned. These people were under contract and were not allowed to work for any other studio without permission. During this period Warner Brothers became best known for its gangster films, MGM for its lavish star-studded musicals, and 20th Century Fox for its historical and adventure films.

Although most of the studios were located in the Hollywood-Los Angeles area, they were managed through their New York business offices. New York CEOs—men like Louis B. Mayer and Darryl Zanuck—controlled all of the major business decisions, right down to managing the lives of the actors that were in their films.

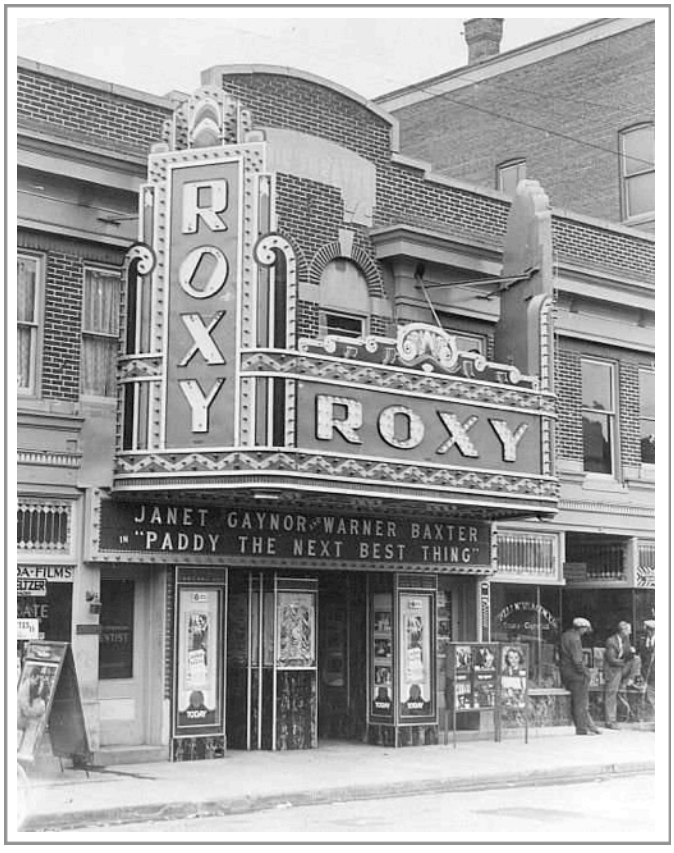
In addition, these men and their companies controlled theater chains and the worldwide distribution of their films. Having shed the control of the MPPC, the film industry now found that it had fallen under the control of a few powerful studios.

By this time, films had moved from the small 20- and 30-seat wooden bench nickelodeon settings to large theaters—often very lavish theaters. During the boom years theaters were opening at the rate of one a week. Everyone, upper class and lower-class alike, regularly "went to the movies." At an average ticket price of 65-cents (35-cents before 6 p.m.), most everyone could afford to. For millions of Americans movies were entertainment, escape, and education all rolled into one.

## The Beginning of the "Golden Age"

This was the beginning of the golden age of Hollywood when the star system peaked. The big studios controlled most of the industry—and profits. Outsiders had little chance of successfully competing.

One technique for maintaining control was block booking, or requiring theaters to take scores of inexpensive, second-rate films with unknown stars in order to be able to show the few really good films. Theaters were sometimes required to sign up for 100 films or more, sight unseen. Early in this era, five major film stars rebelled against the block booking practice and four of them, Charlie Chaplin, Mary Pickford, Douglas Fairbanks and D.W. Griffith, formed their own production company—United Artists. Their company not only eliminated block booking, but also went on to produce many films that are considered classics.



## The Hollywood Scandals

Along with the huge profits during the boom years of Hollywood came many excesses. Tabloid newspapers tried to outdo each other in reporting—and to some degree making up—stories about the extravagant lifestyles and decadent lives of producers, directors, and actors. In the minds of many, Hollywood was "sin city." This image seemed to be confirmed in the 1920s, when Hollywood confronted two major scandals.

One involved a marathon party in San Francisco hosted by comedian "Fatty" Arbuckle. As the party was ending, model Virginia Rappe was rushed to the hospital with stomach pains. She subsequently died and Arbuckle was initially charged with murder. The cause of death was then determined to be peritonitis resulting form a ruptured bladder. The charge against Arbuckle was then reduced to manslaughter. What led up to the death was in dispute, and after three trials—two ending with hung juries—Arbuckle was acquitted.

Then film director William Taylor was found murdered in his home. Mabel Norman, an associate of Arbuckle's, was apparently the last person to see Taylor alive. Although Norman was cleared of the crime, rumors surfaced that he was involved with drugs. The tabloid papers had a field day. The Catholic Legion of Decency announced a boycott of films.

*Virginia Rappe and "Fatty" Arbuckle*

## The Hays Code Takes Effect

Fearing further public backlash against their product and the possibility of some form of government censorship, the movie moguls decided that they should act quickly to adopt some form of self-regulation.

In 1922, William Hays, an ex-postmaster general and former Republican Party Chairman, was appointed to head the newly formed Motion Picture Producers and Distributors Association (MPPA). Hays' conservative views were well known and this was seen as insurance against a conservative backlash. One of the first things Hays did was ban all of Arbuckle's films—notwithstanding the fact that Arbuckle had not been found guilty of any crime.

Hays felt his job included not only determining what was proper film content, but overseeing the private lives of stars. His MPPA Production Code (also called "the Hays Code") of do's and don'ts was issued in 1930. To be acceptable, films had to show the group's Production Code Administration (PCA) seal of approval. The code was so strict that many of today's G-rated movies would have been rejected.

Hays and his assistant issued more than 28,000 rulings covering what was and was not acceptable in films. Lists of scores of forbidden words were issued. Screen kisses were reduced from a maximum of four seconds to no more than one and one-half seconds. The Hays Commission (PCA Code) even went to far as to ban scenes showing people milking cows. During the 1930s, only films that displayed the PCA Seal of Approval were deemed acceptable for viewing—even for adults.

## The Effect of the Great Depression

During the 1930s, the bottom fell out of financial markets in the United States and movie revenues sunk. Although this was partly due to the stock market crash of 1929, the problem was intensified by the fact that the studios had overextended themselves financially. Even so, during that era, Hollywood was spared the major financial damage that many industries suffered. Among other things, the arrival of sound helped boost the popularity of films.


*A line of unemployed men wait for free coffee and donuts during the Great Depression.*

Plus, moviegoers anxious to escape the gloom of the depression regularly sought refuge in the fantasy life of their favorite stars. To bring in patrons during these times, many theaters started showing double features and even drastically cutting admission prices. Some theaters even featured bingo games. Even so, something more was needed.

To maintain profits and keep the studios afloat during these difficult times, studios started pursuing more risqué story lines. When it came down to a contest between money and morals, money won out, and much of the Hays Code was ignored. Although few like to admit it, without the added revenues that decidedly more risqué content brought in, Hollywood wouldn't have survived the depression years. It would not be an exaggeration to say "sex saved Hollywood."

Also during the difficult era, Walt Disney started the only successful new studio. In 1928, Disney released Steamboat Willie, the first animated sound cartoon. Disney, who was only 26 years old, had to sell his car to finance the sound track.

And, in 1932, color film technology arrived. Although artists had been creating color effects for some time by hand painting individual film frames, a Disney short film, called Flowers and Trees, was the first film to be in "real" color. A few years later, Disney produced Snow White and the Seven Dwarfs, the first feature-length animated film, at a cost of $2.25 million—more than the cost of most extravaganzas of that period. This film not only established the Disney company (now one of the largest media conglomerates in the world), but also introduced the animated film genre.

*Disney's first foray into animation—Mickey Mouse as Steamboat Willie.*

## First Hollywood, Then the World

With the arrival of sound, Hollywood soon became "the film capital of the world." The Hollywood model of moviemaking established during this era consists of four elements that are still used to define films.

- The genre, or the type of film (such as western, comedy, romance, musical, animated, action/adventure, mystery/suspense, science fiction, horror, gangster, and the dark, seedy, and the sometimes bleak film noir.)
- The narrative, or the story that is told.
- The discourse, or how the story is told; and the
- Author/director, the personal perspective and influence of the director who interprets the film in his or her own unique way.

By 1930, 95% of Hollywood films were "talkies" and audiences had all but stopped going to see silent films. Many popular silent stars were forgotten, and many new names were appearing on theater marquees; people like Clark Gable, James Cagney, Gary Cooper, Katharine Hepburn, John Wayne, Bette Davis, Cary Grant, and Humphrey Bogart.

It took a few years, but producers and directors adjusted to the demands of sound (and, just as importantly, sound technology adjusted to their needs) and films regained the level of production sophistication that they had exhibited during the silent era. At this point, a new genre of film was born, the musical, and a genre that was previously popular, slapstick, physical comedy, almost vanished.

Also during the 1930s, romantic comedy and gangster films became popular. In 1938, the boundaries of suspense and

mystery took a major step forward with the work of Alfred Hitchcock, the British director, best known for the original version of the film Psycho. You've probably seen or heard about the famous shower scene where your imagination takes over. His other classics include 39 Steps, The Lady Vanishes, Suspicion, North By Northwest, and Vertigo.

## Gone With the Wind Sets Box Office Records

This brings us to 1939, when one of the biggest hits of all time was produced by David O. Selznick, Gone With the Wind. This civil war epic marked the first time the color process was lavishly and expertly used.

Attesting to the ageless appeal of this classic film is the fact that more than 50 years later CBS would pay $25 million for broadcast rights. Gone With the Wind has an amazing range of success elements expertly packed into one film, and it is the exception to the notion that old films have a hard time holding the interest of modern audiences.

Gone With the Wind is historically significant for many reasons, among them the kiss (recall that only brief kisses had been allowed by Hays Code), and the memorable and controversial (swear words were forbidden in films in those days) line at the end of the film: "Frankly, my dear, I don't give a damn." In 2005, the American Film Institute voted this line the number one movie line of all time.

*Clark Gable and Vivien Leigh violate the Hays Code with their lingering kiss in* Gone With the Wind.

## The End of the Studio System

In 1938, The U.S. Supreme Court decided that the major film studios represented a monopoly, and in United States vs. Paramount Pictures, a major antitrust action was initiated. Two years later, after denying any monopolistic practices, the studios agreed to stop buying theaters, eliminate blind booking (requiring theaters to rent films without seeing them first) and limit block booking to five films.

But, that didn't fix things, and four years later the major studios still held major control over the motion picture industry—especially when it came to the first-run exhibition of films in major cities.

Antitrust action was again launched, and this time the five major studios—MGM-Loew's, RKO, Warner Brothers, Paramount, and 20th Century Fox—responded by divesting themselves of all theaters. But, that resulted in another problem. Without the previous level of control and profit guarantees, the big banks were now reluctant to finance films.

So the studios finally decided to leave the production of films (and much of the financial risk) primarily to outside independent producers—independent of the big five studios, not "independent," as the term is used today. The antitrust action spelled the end of the studio system and the beginning of an era in which production companies primarily made films on a project-by-project basis.

This new breed of production company is often assembled for a particular film and then dissolved afterwards. There are no stars or directors under long-term contracts to be automatically used for ongoing productions. Today, people are especially selected for each film.

Although the studio system was effi-

cient at turning out films, many feel that the present system encourages a level of competition essential to maintaining Hollywood's leadership in filmmaking. Today, the major studios—Columbia, Paramount, 20th Century-Fox, MCA/Universal, Time Warner and Walt Disney—typically make fewer than 20 films a year. The rest of the films are made by outside agencies and they simply distribute them.

## The Threat of Television

By the 1950s, television had taken hold in the United States. Facing a financial crisis once again, the studios fought back by trying:

- 3D (three-dimensional images)
- wide screens
- stereophonic sound
- more violent and risqué subject matter

But, even though the U.S. population continued to grow, you can see from the graph above that movie attendance dropped dramatically, until it bottomed out in the 60s and 70s.

Television had become the country's new primary source of family entertainment. In a burst of shortsightedness, many film studios put clauses into actors' contracts forbidding them to appear on TV—even to promote their own films. However, the studios soon found that instead of being an enemy, television represented an important new market for their films—one that would soon be essential to their survival. Once they realized this, they made some major adjustments. For example, they abandoned their expensive star system, their huge promotional budgets, and most of the films aimed at general audiences. Instead, they started making films aimed at distinct audiences: more highly educated and affluent people, and especially people under 30. The latter soon became their largest audience, accounting for 75% of ticket sales.

These new audiences, although much smaller, demanded more in the way of meaningful content and sophisticated production techniques. Simplistic, low-budget, formula plots, common in Hollywood's earlier eras, just didn't make it with younger, more sophisticated audiences.

Films that center on social justice, sexual freedom, and new levels violence are now common—all themes that tend to be less attractive to older audiences.

With the arrival of general audience TV, Hollywood also found a new, seemingly insatiable market for their old films. During the early days of TV they dug out old black and white films and sold them to TV. When color TV arrived, the studios again went into their film vaults and offered supplies of color films.

Today, most Hollywood films don't begin to make a profit until they move to TV, videocassettes, DVD, pay-TV, and foreign distribution. Only about 25% of profits now come from ticket sales.

Today, the major studios are owned by large conglomerates that focus almost entirely on profits. The success or failure of films at the box office tends to be judged by profits from the first week or so of screenings. The majority of U.S. film studios are now foreign owned—a larger percentage than in any of the other mass media. Creative mentalities and stars are desirable when they translate into

*The cliché American family gather around the television in the 1950s.*

profit for the parent insurance, media, oil, bank, and investment companies around the world that control the studios.

This is also one of the reasons that profit-making themes such as gratuitous violence and ever-more-bloody horror films continue to be produced on a wide scale, even in the face of educated public disapproval and studies that show that the effects of viewing violence are harmful to both individuals and society.

Sexual content is also related to box office success. Although it is widely assumed that depictions of non-violent sex are also harmful, the results of some major studies bring this into question. However, as noted in the linked reference, the issue is complex.

On the average, only one in every six films produced results in bottom line profit. However, the major hits take in much more then their production cost and end up paying for films that are less successful.

The average cost of producing a film today is well over $40-million. Most movies are financed only after ancillary rights (income from non-box office sources, such as TV, video rental, and foreign distribution) are projected. American movies, TV programs, and software constitute the largest avenue of export for the United States. One-third of film profits come from foreign distribution.

But even with the limitations imposed by the large film studios, films continue to shape public attitudes in a wide variety of areas—sometimes in positive ways. Commercial excesses aside, in the United States, Canada, and many countries the free choice that people make of films they pay to watch represents a type of democratic vote that, for all its weaknesses, goes a long way toward insuring that films continue to represent a large segment of the public's hopes, fears, and private dreams.


*Source: CyberCollege.com*
*http://www.cybercollege.com/frtv/frtv001.htm*