

Movies and Money

By Johanna Kern

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PUTNAM, the Oscar-winning producer of such modern classics as *Chariots of Fire*, *The Killing Fields*, *Local Hero*, *Midnight Express* and *The Mission*, shares his insights, knowledge and experience in this very well researched, captivating and, at times, humorous volume. He tells the story of cinema and he tells the story about money since, for some, money is what cinema represents. He starts his tale with the description of the first moguls in the early days of cinema, beginning with Edison and the Lumiere brothers, and continues, in chronological order, to thoroughly present the history of the film business on American and European continents to the present day.

Step by step he documents the international success of Hollywood and the struggle of Europeans and their attempts to win their home markets. The *economic war* over the control of the world's film industry seems to have come to an end long ago, and, due to Hollywood's strategies and world-wide popularity, movie making has become virtually an American monopoly.

Putnam says:

For in the end, the impact of Hollywood went far beyond the movies themselves. As President Woodrow Wilson had been among the first to recognize, American movies served to disseminate both American goods and American ideals. In doing so, they dramatically accelerated the Americanization of the world and helped to fulfil Henry Luce's prophecy that this would, after all, be known as the American Century. Through its popular music, popular literature, television, fast food, soft drink, automobiles, even architecture and fashion, but most of all through its movies from the Roaring Twenties on, the United States of America left its imprint on so many aspects of our lives.

While the Americans were winning world film markets, the Europeans focussed not on the commercial power of filmmaking but on its creative force. From the early 1920s on European filmmakers operated with freedom and autonomy because of the ways in which their films have been produced and financed. The nurturing and support of creative talent resulted in productions of intensely personal films and in a significant proportion of post-war Oscars won by many Europeans. However, American movies account for more than eighty percent of the box office in most European countries, in some even over ninety percent? How is it possible that Europeans still ignore the obvious lessons?

Why does nobody want to learn from the successful Hollywood film industry and do nothing to prevent the constant and dramatic decline of admissions for *home made* European films? Most European producers and distributors seem to still believe that the quality of a film would guarantee its success and that the audience would just flock to movie theatres, attracted by *word of mouth* while in America significant amount of the film budget is spent on advertizing. In Europe the purity of the creative process is still protected from the *crude commercialism*, especially that famous commercialism of the Hollywood studios.

The difference between the American and European approach is clearly based in the economic and social values that shaped the film industries on both continents in the early days of filmmaking. While Europe was celebrating the invention of cinema, its phenomena with all the artistic values and possibilities, Hollywood's moguls focussed on its commercial possibilities. Most of the first film magnates and the founders of Hollywood's studios were immigrants, mostly East Europeans, who were trying to achieve a great financial success in their new home, America.

They saw the enormous potential in movie making and turned it into a very lucrative enterprise. They treated films as they would treat any other product, and as soon as they realized that there was a chance of expanding their market world-wide they came up with appropriate strategies: free international trade, stars being the brand name for films, the universality of the stories that could happen anywhere in the world, marketing, distribution, exhibition, previewing of the films and testing the audience. The first moguls of film business and their successors have created a sophisticated industry in which success greatly depends

on the talents and skills of a large team of people including script executives, market researchers, market executives and many others, a system which permits the studios to scrutinize a potential audience and examines how effective the communication of the writer can be. In Hollywood approximately fifteen percent of the production budget is spent toward developing the script. In Europe the director can often secure subsidies without worrying about having an audience for the finished work. Often the director is the writer, and there is not much of an inclination to consider the opinions of script editors.

The equivalent expense for script development in Europe is some two or sometimes three percent. Still the attendance for *home made* European movies constantly drops. Many European productions never have a chance to get exhibited in movie theatres. Putnam says: "*historically, Hollywood has long sought nourishment from European creative talent. The crisis in European cinema has steadily eroded the opportunity to renew this talent base, and many of the traditional skills associated with the art of cinema are slowly being lost.*"

For now the Americans seem to have won, as Putnam defines it, the "*war ? for the hearts, the minds, and the money of audiences around the world.*" However, the author with his experience of working on both continents, sees beyond the antagonisms to find his great hope that a solid bridge between the Americans and the Europeans (especially the British - in his home country) could be built. He reaches even further into the future for a successful British development of audio-visual technology in the educational systems that might establish a world lead in one of the most, as he puts it, "*valuable growth industries of all*". Putnam believes that

the new hybrid multimedia sectors contain a potential growth that already makes them more important than the traditional feature film industry. One senior Hollywood executive recently told me that in his opinion the best-known names and the highest-earning stars of 2005 and 2010 would not be traditional movie stars at all, but a still-to-emerge generation of teachers and educational presenters who would dominate the TV channels, the CD-ROM market, and the cable systems of the world.

For those who want to learn how Hollywood succeeded in selling films, for those who would like to know the history of *business in film business*, for those who would like to glean strategies for a successful film production, and finally for those in the audio-visual industry who look to the future for inspiration and innovation, this compelling volume is invaluable. Thoroughly researched and wonderfully presented, this book offers a unique insight into one of the most influential and powerful twentieth century phenomena, the movies, not only as an art form but also as one of the world's most important industries.

Author Information

Johanna KERN became an actress, after studying at the Visual Arts College in Kielce (Poland). She performed on screen and stage in Poland and West Germany. She moved to Canada in 1989 and while still acting, she wrote, directed and produced five short films. One of these, *Cherries for Brian*, was shown at the 1997 Raindance Film Festival in London.



Figure 1: **TITLE:** *MOVIES AND MONEY* ¶ **AUTHOR:** David Putnam ¶ **PUBLISHER:** Alfred A. Knopf, New York, 1998. 416pp. ¶ **PRICE:** USD 27.50 ¶ **ISBN:** 0679446648